

ANNUAL REPORT 2025

# Advancing Regional Scale Through Strategic Assets



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## Cover Rationale

The 2025 Annual Report cover design for Lianson Fleet Group visualises the Group's strategic shift towards regional expansion and repositioning through a clear, integrated operational narrative. A continuous, flowing pathway connects offshore energy, maritime transport, logistics, and port infrastructure, symbolising how LFG's diverse assets operate in cohesion across the Southeast Asia region. Set against a Southeast Asia map backdrop, the illustrations reinforce geographic reach and market presence, while the consistent visual language highlights scale, connectivity, and execution across core business segments.

The vector-based illustration style and calm blue palette convey stability, trust, and operational resilience. Strategic use of white space and structured composition ensures clarity, allowing complex operations to be communicated with confidence and ease. Overall, the cover positions Lianson Fleet Group as a future-ready maritime and offshore services provider, advancing regional scale through strategic assets while maintaining a steady, purposeful course for sustainable growth.

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# CORPORATE INFORMATION



## VISION

Steering the industry towards a sustainable future.



## MISSION

Deliver world-class services driven by a continuous pursuit of excellence and anticipating industry needs. We are committed to delivering reliable, innovative and sustainable solutions that propel the energy industry forward while fostering a sense of ownership among our employees, clients and shareholders.



# CORE VALUES



### COMMUNICATION

We foster clear, purposeful dialogue across all levels, ensuring aligned goals and shared understanding among our teams, clients, and stakeholders.



### APPRECIATION & ACCOUNTABILITY

We acknowledge and appreciate individual and team contributions, and we take ownership of our actions and results. Each team member is responsible for delivering on commitments, learning from outcomes, and contributing positively to shared success.



### RELIABLE

We honour our commitments through consistent delivery, and building lasting trust with our clients and partners while maintaining the highest standards of integrity in all our operations.



### EFFICIENCY & EFFECTIVENESS

We optimise our processes and resources to deliver superior results, embracing smart solutions and best practices to maximise productivity while maintaining quality.

## CORPORATE INFORMATION

### Board of Directors

**Lim Chern Yuan**

Non-Independent Non-Executive Chairman

**Lim Chern Wooi**

Managing Director

**Dato' Mohamed Sabri bin Mohamed Zain**

Non-Independent Non-Executive Director

**Captain Adarash Kumar**

**A/L Chranji Lal Amarnath**

Independent Non-Executive Director

**Farina binti Farikhullah Khan**

Independent Non-Executive Director

**Dato' Syed Naqiz Shahabuddin**

**bin Syed Abdul Jabbar**

Independent Non-Executive Director

**Ginny Yeow Mei Ying**

Independent Non-Executive Director

**Puteri Liza Elli Sukma**

Independent Non-Executive Director

### Audit and Risk Management Committee

**Farina binti Farikhullah Khan**

Chairperson

**Captain Adarash Kumar**

**A/L Chranji Lal Amarnath**

Member

**Puteri Liza Elli Sukma**

Member

### Nomination and Remuneration Committee

**Dato' Syed Naqiz Shahabuddin**

**bin Syed Abdul Jabbar**

Chairman

**Ginny Yeow Mei Ying**

Member

**Dato' Mohamed Sabri bin Mohamed Zain**

Member

### Company Secretaries

**Chua Siew Chuan**

(SSM PC No. 201908002648)

(MAICSA No. 0777689)

**Chin Mun Yee**

(SSM PC No. 201908002785)

(MAICSA No. 7019243)

### Registered Office

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

Tel. No. : +603 2084 9000

Fax No. : +603 2094 9940

### Head/Management Office

Suite 28.01, Level 28, Menara Southpoint,  
Mid Valley City, Lingkaran Syed Putra,  
59200 Kuala Lumpur Malaysia

Tel. No. : +60 19 764 3940

Email : enquiry@lianson.com

### Labuan Office

Lot 49, O&G Sec,  
Lazenda Warehouse (Type B)  
Jalan Ranca-Ranca,  
87000 Labuan F.T.

Tel. No. : +608 7410 387

Fax No. : +608 7410 424

Email : labuan@lianson.com

## CORPORATE INFORMATION

### Auditors

PricewaterhouseCoopers PLT  
(LLP0014401-LCA & AF 1146)  
Level 10, Menara TH 1 Sentral,  
Jalan Rakyat, Kuala Lumpur Sentral,  
P O Box 10192, 50706 Kuala Lumpur,  
Wilayah Persekutuan

Tel. No. : +603 2173 1188  
Fax No. : +603 2173 1288

### Principal Bankers

Malayan Banking Berhad  
Oversea-Chinese Banking Corporation Limited

### Share Registrar

Boardroom Share Registrars Sdn. Bhd.  
Registration No. 199601006647 (378993-D)  
11<sup>th</sup> Floor, Menara Symphony,  
No. 5, Jalan Prof. Khoo Kay Kim,  
Seksyen 13, 46200 Petaling Jaya,  
Selangor Darul Ehsan

Tel. No. : +603 7890 4700  
Fax No. : +603 7890 4670  
Email : BSR.Helpdesk@boardroomlimited.com

### Stock Exchange Listing

Bursa Malaysia Securities Berhad  
Main Market  
Listed since : 25 June 2014  
Sector : Energy  
Stock name : LFG  
Stock code : 5255

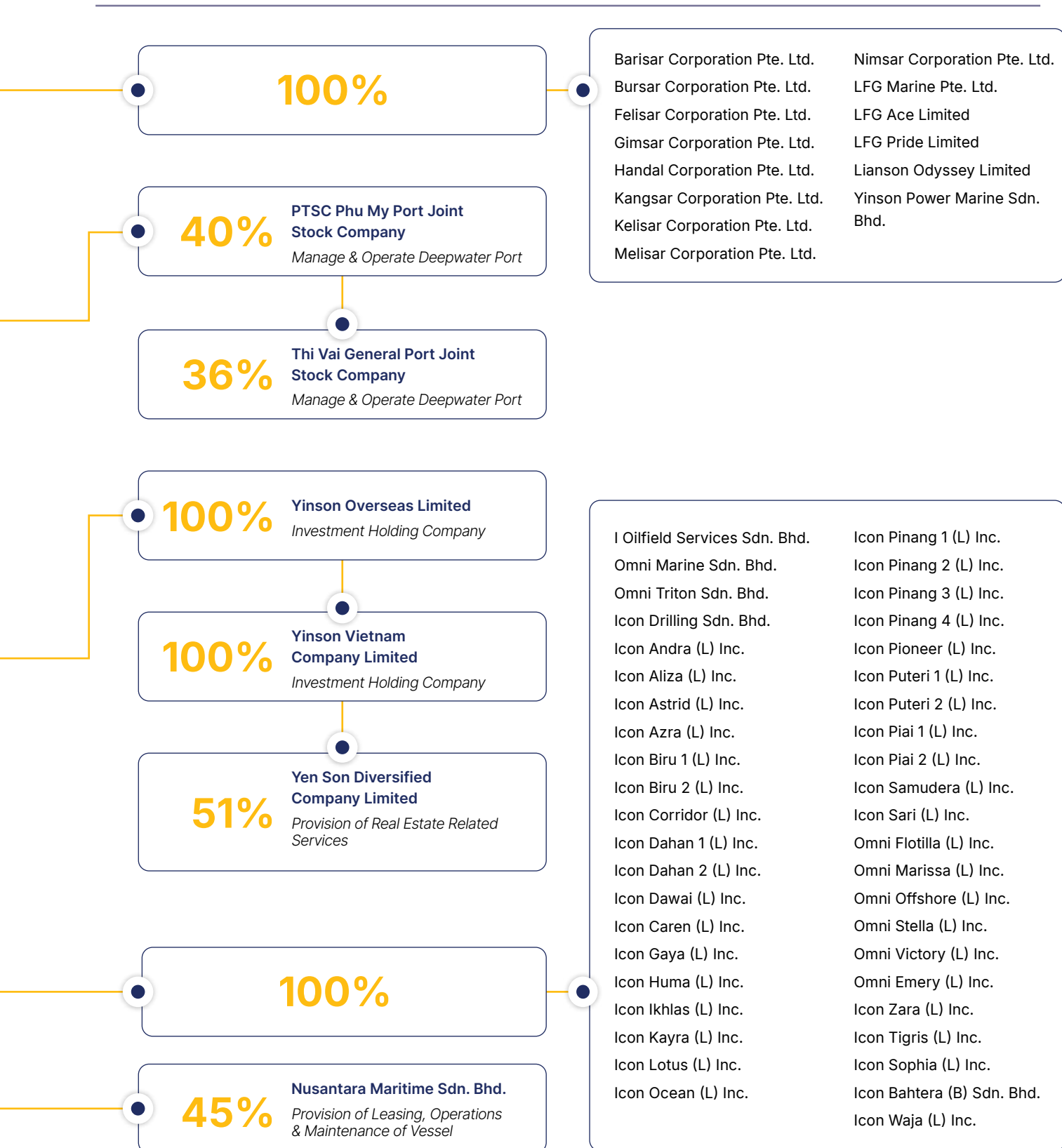




# CORPORATE STRUCTURE (AS AT 30 MARCH 2026)



## CORPORATE STRUCTURE (AS AT 30 MARCH 2026)



# Holder of the Petroleum Nasional Berhad ("PETRONAS") License.

# TYPE OF VESSELS

## Our Fleet Strength

With a strong and diversified fleet of 54 vessels, the Group delivers integrated marine and offshore solutions across regional waters. Our vessels are strategically deployed to support offshore energy activities, marine logistics, and bulk transportation, reinforcing our operational reliability and industry expertise.

Backed by experienced crews and a result driven and efficient asset management, our fleet reflects our commitment to performance, safety and long-term value creation.

Offshore Support Vessel



Our Platform Supply Vessels (PSVs) serve as critical offshore logistics lifelines, purpose-built to transport substantial volumes of cargo to offshore drilling and production sites, while also providing essential logistical support and accommodation for offshore construction activities. Equipped with advanced navigation and dynamic positioning systems (DP2), these vessels ensure operational continuity and safe delivery in demanding offshore environments.



Our Anchor Handling Tug Supply vessels (AHTSs) are built for strength and versatility. Designed for anchor handling, rig towing and offshore support operations, they are capable of performing complex marine tasks with precision, power and reliability, even under challenging sea conditions. They also can be deployed as Straight Supply Vessels with ample deck space and accommodation for offshore construction activities.



Our Accommodation Workboats (AWBs) are equipped with Dynamic Positioning Class 2 (DP2) system and four point mooring capabilities. Designed with expansive deck space and fixed pedestal offshore crane for offshore light construction activities. Additionally, the vessels offer accommodation up to 200 personnel, providing robust support for offshore construction, maintenance, and accommodation needs.

Marine Transportation



Our Tugs and Barges units offer cost-effective and adaptable marine transportation solutions, particularly for coastal and project cargo operations. Combining towing power with substantial cargo capacity, this configuration enhances logistical efficiency and operational flexibility.



Our Dry Bulk Carriers facilitate the efficient transportation of key commodities such as coal, grain, minerals and other bulk cargo. These vessels support regional and international trade flows, ensuring dependable cargo movement across supply chains.

# LIST OF VESSELS (AS AT 30 MARCH 2026)

## Offshore Support Vessel

### PSV

1. Icon Amira
2. PTSC Huong Giang

### AWB

1. Icon Valiant
2. Icon Aliza

### AHTS

1. Icon Sophia
2. Omni Marissa
3. Icon Zara
4. Icon Tigris
5. Omni Stella
6. Icon Ikhlas
7. PTSC Lam Kinh
8. Tanjung Biru 1
9. Tanjung Sari
10. Tanjung Puteri 1
11. Icon Lotus
12. Yinson Perwira



## Marine Transportation

### Dry Bulk Carriers

1. Lianson Hermes
2. Lianson Odyssey
3. LFG Ace
4. LFG Pride

### Tugs & Barges

- |                      |                     |                     |
|----------------------|---------------------|---------------------|
| 1. CERAH & CERIA     | 7. Ikhlas & Sejati  | 13. Utara & Selatan |
| 2. Aman & Damai      | 8. Intan & Baiduri  | 14. Setia & Indah   |
| 3. Angkasa & Raya    | 9. Langit & Bintang | 15. Warna & Warni   |
| 4. Bahagia & Riang   | 10. Mentari & Bumi  | 16. Sehati & Sejiwa |
| 5. Putera & Puteri   | 11. Embun & Pelangi | 17. Ramah & Mesra   |
| 6. Gilang & Gemilang | 12. Timur & Barat   |                     |

# CHAIRMAN'S STATEMENT

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## Dear Shareholders,

One year after our transformation into Lianson Fleet Group Berhad ("LFG" or "the Group"), we are steadily shaping a stronger, more resilient maritime platform — one that is built to perform through cycles and to compound value over time.

Our mandate for the year was clear: protect earnings quality, strengthen operational discipline, and position the Group for sustainable growth. In doing so, we focused on three priorities — improving fleet performance, broadening our participation beyond traditional offshore support, and ensuring our cost base and capital deployment are calibrated for durability.

It is with pleasure that I present the Annual Report of LFG for the financial year ended 31 December 2025.

||  
Our mandate for the year was clear: protect earnings quality, strengthen operational discipline, and position the Group for sustainable growth. ||

**Lim Chern Yuan**  
Non-Independent Non-Executive Chairman  
Lianson Fleet Group Berhad



## CHAIRMAN'S STATEMENT

### NAVIGATING GLOBAL CURRENTS WITH DISCIPLINE

2025 tested global confidence across energy and shipping markets. Oil supply growth outpaced demand, interest rates remained elevated, and operators across the region exercised greater caution in capital spending. In Malaysia, offshore activity moderated as projects were re-phased, affecting OSV demand. Brent crude averaged approximately USD69 per barrel, reflecting a well-supplied market and softer demand growth.

In this environment, discipline matters more than optimism. LFG responded by sharpening execution — lifting utilisation, improving charter performance and maintaining cost control with a practical focus: bringing the business to the right cost level before reinvesting for growth. This is not simply a cost-cutting exercise. It is about ensuring every ringgit spent strengthens readiness, reliability and returns.

At the same time, Southeast Asia's underlying fundamentals remained resilient, supported by intra-regional trade and continued infrastructure investments. We believe these structural drivers continue to support long-term demand for marine logistics, transportation and essential maritime services.



## CHAIRMAN'S STATEMENT

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### EXPANDING HORIZONS — FROM OSV ROOTS TO A BROADER MARITIME PLATFORM

2025 marked a meaningful step in LFG's evolution into a more diversified maritime asset owner. We recorded our first revenue contributions from marine logistics and transportation, while expanding beyond Malaysia and Brunei into growth markets including Singapore, Vietnam, Indonesia, Thailand, Cambodia and Bangladesh.

This expansion was pursued with intent and selectivity. Our strategy is not diversification for its own sake. It is diversification that raises earnings visibility, improves resilience and strengthens long term relevance across the maritime and energy value chain.

During the year, we broadened our footprint through:

- strategic joint ventures in Vietnam, including ventures in port and warehouse operations with established partners;
- partnerships to explore opportunities in LNG carriers, tankers and drilling related assets; and
- fleet optimisation initiatives that balanced earnings visibility with capital discipline — including the acquisition of three bulk carriers and selective disposals within the OSV fleet to streamline operations and reduce cyclicality.

Together, these steps reflect a deliberate approach: simplify where necessary, strengthen where it counts, and expand where returns are sustainable.

### REINFORCING FINANCIAL RESILIENCE

LFG delivered a stronger financial performance in FY2025, supported by improved average charter rates, higher utilisation and continued operating discipline. Revenue increased from RM235.8 million to RM286.5 million, while profit before tax rose from RM32.6 million to RM98.9 million. Profit after tax improved from RM26.2 million to RM90.9 million, reflecting healthier underlying performance.

Stronger cost management and reduced downtime supported margin improvement. Contributions from the marine logistics and transportation segment in the second half of the year further strengthened the earnings profile, while fleet rationalisation — including the disposal of selected OSV assets — generated one off gains that enhanced bottom line performance.

While broader market dynamics influence share price movements, the Board observed improving investor sentiment towards the Group during the year. This reflects growing market confidence in LFG's clearer strategic direction, strengthened governance framework and progress in reshaping our operating profile.

### ANCHORING SUSTAINABLE GROWTH — COST DISCIPLINE BEFORE CAPITAL ACCELERATION

Sustainable growth is built on two foundations: sound governance and the right economics. In FY2025, we strengthened our sustainability and governance practices by refining key policies, improving oversight and aligning standards across our expanding portfolio.

Equally important, we have been deliberate about cost consciousness. The Group is focused on operating at the right cost base - one that preserves service quality, safety and fleet readiness, while enabling stronger cash generation and resilience. Only when the business is structurally "right sized" do we accelerate reinvestment, ensuring new growth is funded responsibly and targeted at segments that deepen earnings durability.

We are encouraged by our continued inclusion in the FTSE4Good Bursa Malaysia Index and the FTSE4Good Bursa Malaysia Shariah Index, reflecting consistent progress in embedding sustainability practices across our operations. Our ambition is not only to meet expectations, but to raise the benchmark over time through disciplined execution.

## CHAIRMAN'S STATEMENT

### POISED FOR THE VOYAGE AHEAD

LFG is entering the next phase of our transformation by leveraging maritime expertise and regional partnerships to reposition as a maritime and energy focused infrastructure player in ASEAN.

Our collaboration with PetroVietnam Drilling (PTSC) provides a strategic platform to participate in upstream and infrastructure related opportunities across Vietnam and the wider region. With a long term perspective, we also continue to evaluate adjacent opportunities in offshore power related solutions, including cable installation, aligned with emerging regional connectivity and energy integration initiatives such as the ASEAN Power Grid. In the year ahead, our priorities remain consistent:

1. Operate at the right cost base and strengthen earnings quality;
2. Optimise and professionalise our asset portfolio to lift utilisation and reliability; and
3. Reinvest selectively where returns are sustainable and where LFG's capabilities create durable advantage.

### APPRECIATION AND ACKNOWLEDGEMENTS

On behalf of the Board, I extend my sincere appreciation to our employees for their dedication, our shareholders for their continued trust, and our partners and bankers for their steadfast support.

I also warmly welcome our Board members appointed during the year and express our gratitude to those who have completed their tenure. Their contributions have been instrumental in guiding the Group through an important period of change. With our course set, our discipline strengthened and our portfolio evolving, we look forward to navigating the journey ahead together.



# MANAGEMENT DISCUSSION AND ANALYSIS

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## EXECUTING FOR RESILIENCE, DIVERSIFICATION AND REGIONAL GROWTH

2025 marked a year of disciplined execution for Lianson Fleet Group Berhad (“**LFG**” or “**the Group**”) as the Group continued to strengthen its operating platform, broaden its earnings base and improve portfolio resilience amid evolving market conditions. While market conditions across parts of the offshore support vessel (“OSV”) segment remained mixed, the Group remained focused on operational discipline, commercial execution and strategic repositioning to improve earnings visibility and reduce exposure to cyclical volatility.

During FY2025, the Group executed its diversification strategy beyond its traditional offshore support vessel (“OSV”) base, delivering its first meaningful revenue contributions from marine transportation while expanding its commercial footprint into selected regional markets. These initiatives strengthened the Group’s operating platform, improved earnings resilience and broadened its participation across the maritime value chain.

In parallel, Management remained focused on financial discipline, operational efficiency and portfolio optimisation. The Group continued to prioritise cost discipline, asset redeployment, fleet utilisation and internal integration initiatives to strengthen operating leverage and improve earnings quality.

**Lim Chern Woi**  
Managing Director  
Lianson Fleet Group Berhad



## MANAGEMENT DISCUSSION AND ANALYSIS

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These efforts translated into stronger financial and operational performance in FY2025. The marine transportation segment began contributing to the Group's earnings following its commencement in July 2025, supporting improved earnings visibility and portfolio resilience, while the Group's order book increased to RM501.0 million from RM253.9 million in 2024, reflecting stronger contract visibility and improved earnings certainty across the fleet.

Despite softer conditions across parts of the OSV market, the Group remained operationally resilient, supported by the continued relevance of its core AHTS fleet, particularly its 60-tonne bollard pull vessels, which remained well-positioned for offshore production and regional charter demand. This was further evidenced by the successful award of a long-term AHTS charter in Vietnam, reinforcing the regional relevance and deployment competitiveness of the Group's assets.

Cost-control initiatives, lower vessel downtime and improved deployment efficiency contributed to stronger operating leverage and margin improvement during the year, supported by firmer commercial execution and tighter operational discipline across the fleet.



## MANAGEMENT DISCUSSION AND ANALYSIS



### FINANCIAL REVIEW

The Group recorded stronger financial results in 2025, reflecting meaningful progress in executing its strategic priorities. Higher charter economics, tighter operational controls and disciplined asset diversification supported improved results amid evolving market conditions.

Revenue increased from RM235.8 million in 2024 to RM286.5 million in 2025, driven by higher average daily charter rates and improved fleet utilisation. This topline growth translated into improved profitability, with profit before tax rising from RM32.6 million to RM98.9 million. Profit after tax similarly strengthened, improving from RM26.2 million to RM90.9 million, supported by enhanced operational efficiency and targeted fleet optimisation undertaken during the year. These gains were further complemented by improved cost discipline, which enhanced overall margin performance.

#### REVENUE

**RM 286.5** Million  
+22% over FY2024



#### EBITDA

**RM 164.5** Million  
+61% over FY2024



#### PROFIT AFTER TAX

**RM 90.9** Million  
+247% over FY2024



## MANAGEMENT DISCUSSION AND ANALYSIS

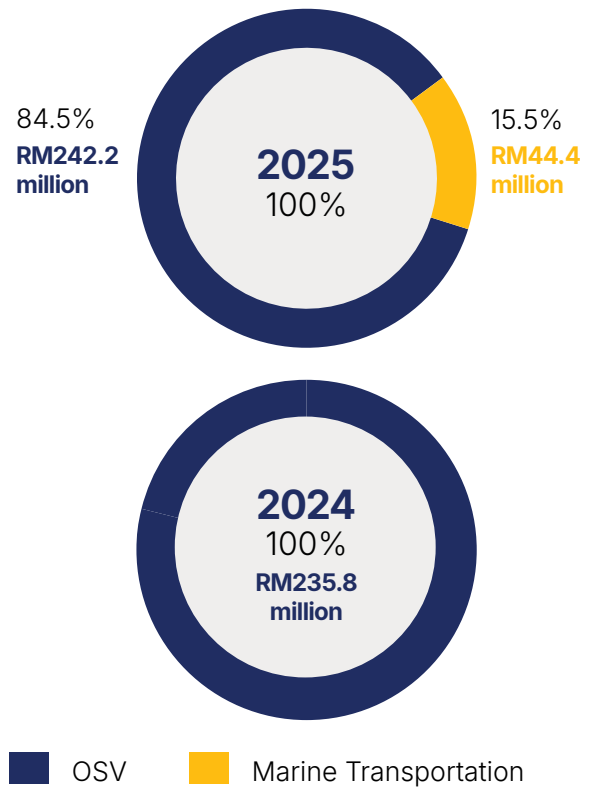
### Segment Review

FY2025 marked the maiden earnings contribution from the Group’s marine transportation segment, with revenue recognition commencing in the second half of the financial year. This represents an important milestone in the Group’s diversification strategy, supporting early market penetration, incremental income contribution and improved earnings visibility.

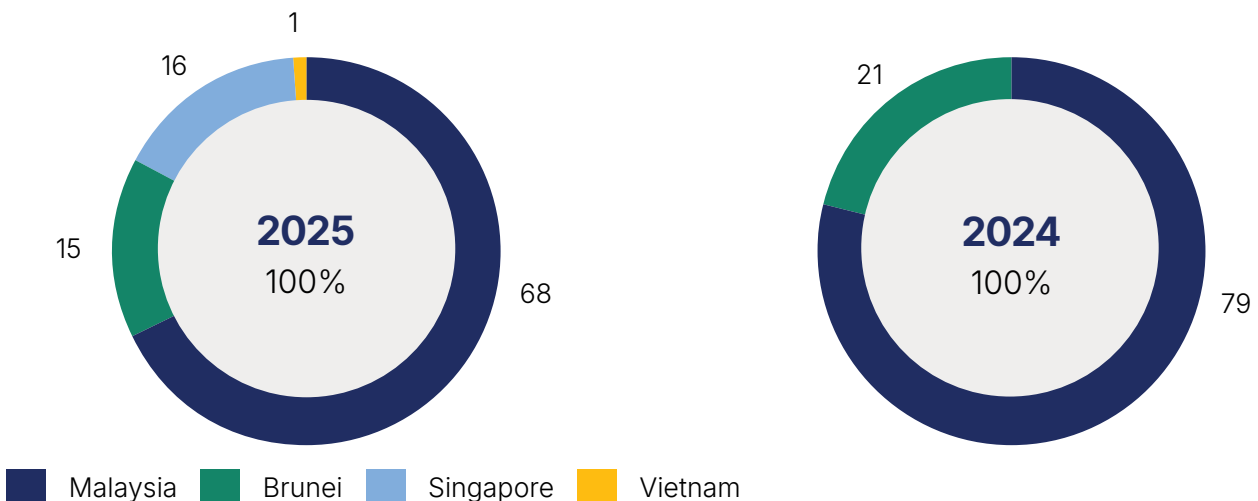
The Group also continued to optimise its overall fleet portfolio as part of a broader asset rebalancing strategy across both its OSV and marine transportation segments. Within the OSV segment, the Group selectively redeployed and rationalised assets to improve fleet quality, capital efficiency and long-term deployment competitiveness. In parallel, the acquisition of three bulk carriers under the marine transportation segment strengthened the Group’s presence in the marine logistics market, broadened its asset mix and supported its broader diversification strategy.

Geographically, LFG has historically operated predominantly in Malaysia and Brunei, providing offshore and marine support services to the regional oil and gas industry. In line with its growth strategy, FY2025 saw the Group further strengthen its presence in Singapore and Vietnam, while

extending operations into Indonesia, Thailand, Bangladesh and other Southeast Asian markets. This expansion positions LFG to access a broader pool of opportunities while reducing dependence on any single market or operating segment, strengthening the resilience of the Group’s earnings profile.



The Group’s operations are carried out predominantly in Malaysia. Revenue earned by the Group analysed by the location of its external customers is as follows:



## MANAGEMENT DISCUSSION AND ANALYSIS

### STRATEGIC EVOLUTION AND REVIEW OF OPERATIONS

#### Rebranding as a Catalyst for Transformation

One year after rebranding to 'Lianson Fleet Group', we have sharpened our strategic identity as a diversified maritime asset and energy infrastructure player. The rebranding has enhanced stakeholder perception and aligned the Group's operating structure with our long-term ambition of building resilient, recurring income streams across complementary sectors.

#### OSV Business

The OSV business remains LFG's core pillar, underpinning our Malaysian maritime roots and long-standing operational capabilities, cash flow generation and market presence. While the Group continues to diversify into adjacent maritime and logistics segments, the OSV fleet remains central to LFG's value proposition, providing critical support services to offshore oil and gas operations and anchoring the Group's credibility as a maritime services provider.

#### Strategic Fleet Optimisation and Capital Discipline

During 2025, the Group undertook and structured a programme to right-size and modernise our OSV fleet, prioritising capital efficiency, asset quality and long-term sustainability. This included the targeted divestment of ageing vessels maintain a leaner and more competitive asset base.

Concurrently, LFG actively redeployed our remaining OSVs across a balanced mix of long-term contracts and spot charters, allowing the Group to secure baseline earnings visibility while retaining flexibility to capture upside when charter rates improve.

#### Fleet Rationalisation and Modernisation

As part of our fleet optimisation initiatives, the Group disposed of six offshore vessels during the year:

- Five Anchor Handling Tug Supply (AHTS) vessels: Icon Azra, Omni Victory, Icon Samudera, Tanjung Dahan 1 and Tanjung Dahan 2,
- One Accommodation Workboat (AWB): Kayra.

These disposals executed with discipline, focusing on achieving or exceeding fair market valuations and reducing exposure to higher volatility assets. Importantly, the disposed assets were subsequently deployed in foreign jurisdictions, helping preserve domestic OSV supply dynamics.

Beyond near-term optimisation, the Group remains committed to a longer-term fleet modernisation strategy. LFG continues to actively evaluate opportunities to phase out ageing assets at appropriate valuations and acquire newer vessels - both within and beyond the OSV segment - in line with the Group's broader diversification strategy.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Fleet Profile and Utilisation

As at 31 December 2025, the Group's OSV fleet remained predominantly anchored within the anchor handling tug supply ("AHTS") segment, supporting offshore installation, production and maintenance activities across regional markets.

The Group's AHTS vessels continued to play a central role in offshore operations, supporting anchor handling, towing and supply functions across offshore fields. Their continued deployment underscores the operational relevance of the Group's core fleet and its sustained role in supporting regional offshore activities.

### Managing Seasonality and Operational Downtime

Management maintained a structured and forward-planned approach to dry-docking and maintenance scheduling during the year to minimise vessel downtime and align maintenance cycles with seasonal demand patterns. This proactive maintenance approach contributed to improved fleet availability, stronger deployment discipline and better operational continuity across the fleet.

### Marine Transportation Business

The Marine Transportation business was established in FY2025 as part of the Group's diversification strategy, with initial revenue contributions recorded in the second half of the financial year. Designed to provide more stable and recurring income through longer-tenure charter arrangements, the segment complements the Group's core OSV business by broadening its earnings base and reducing exposure to the more cyclical offshore support market.

The segment also supports the Group's regional expansion strategy by extending its operating presence across key Southeast Asian markets and broadening participation in the marine logistics value chain.



Key developments during the year included:

- Acquisition of 36 marine transportation vessels, comprising 17 tugboats, 17 steel barges and 2 bulk carriers;
- Acquisition of 3 additional bulk carriers, subsequently fixed on long-term time charters; and
- Strategic expansion into Vietnam through port and warehouse-related logistics operations, completed in January 2026.

## MANAGEMENT DISCUSSION AND ANALYSIS

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### Port, Warehouse and Integrated Logistics

The Port and Warehouse business represents a strategic extension of the Group's marine transportation and logistics platform, broadening our participation across the logistics value chain and enhancing earnings diversification while deepening our operational presence in Vietnam.

Key developments:

- Acquisition of port and warehouse operations in Vietnam, marking the Group's first foray into the port and warehouse segment.
- Expansion of logistics services to support end-to-end supply chain solutions.
- Strategic partnership with PTSC, a member of the Vietnam National Industry - Energy Group, enhancing market access and growth potential.

### EMBEDDING ESG INITIATIVES FOR RESPONSIBLE GROWTH

Sustainability is a core enabler of the Group's long-term value creation and operational resilience. The Group's ESG strategy is anchored on embedding responsible practices across our operations, strengthening governance, and ensuring safe, efficient, and sustainable asset deployment as LFG expands across the maritime and energy value chain.

LFG is progressively integrating ESG considerations into operational planning, risk management, and decision-making processes. The Group prioritises high standards of operational integrity, safety performance, and governance discipline to support business continuity, regulatory compliance, and stakeholder confidence.

Environmental stewardship remains a key focus area, with ongoing evaluation of initiatives to improve operational efficiency and reduce emissions across both fleet and shore-based operations.



In 2025, LFG achieved a significant ESG milestone by being included in the FTSE4Good Bursa Malaysia Index and the FTSE4Good Bursa Malaysia Shariah Index in December 2025. This recognition reflects the Group's commitment to internationally recognised sustainability standards and reinforces ESG as a strategic pillar underpinning LFG's long-term growth trajectory.

For further information on our sustainability initiatives and achievements in 2025, please refer to our Sustainability Statement, page 27.

## MANAGEMENT DISCUSSION AND ANALYSIS

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### QHSSE Excellence

The Group continues to strengthen the Quality, Health, Safety, Security and Environment ("QHSSE") framework, with initiatives focused on:

- Ensuring safe vessel operations and a healthy working environment through strict adherence to QHSSE policies, procedures, and regulatory requirements.
- Enhancing safety management competencies of both shore-based and onboard personnel through structured training, drills, audits, and emergency preparedness programmes.
- Safeguarding the health and safety of employees, particularly marine crew operating in high-risk environments, through robust risk management, health monitoring, and incident prevention measures.

## MANAGEMENT DISCUSSION AND ANALYSIS

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### MARKET OUTLOOK AND FUTURE PLANS

#### Priorities for FY2026

FY2026 is expected to remain shaped by a competitive offshore marine environment, with geopolitical uncertainty, energy price volatility and supply chain disruption continuing to influence market conditions. Recent developments in the Middle East, including disruptions around the Strait of Hormuz, have contributed to near-term cost pressure while reinforcing the strategic importance of regional offshore production and marine support activity.

Within the OSV segment, market conditions are expected to remain mixed across selected vessel classes, although the Group's core AHTS fleet remains well-positioned to support offshore production, maintenance and regional charter demand.

The marine transportation segment is expected to deliver a broader earnings contribution in FY2026, supported by longer-tenure charter exposure, a more stable operating profile and improved earnings diversification.

Against this backdrop, Management remains focused on disciplined execution, with priorities centred on charter quality, capital discipline, selective asset optimisation and measured regional expansion.

## MANAGEMENT DISCUSSION AND ANALYSIS



### Stability Through Core Activity

The offshore oil and gas support market is expected to remain broadly stable in 2026, underpinned by ongoing production activities and selective project execution. While growth may be tempered by oil price fluctuations, activity levels and charter rates are expected to hold at sustainable levels. LFG also sees opportunities to deploy assets beyond domestic markets, including Thailand and Vietnam, to optimise utilisation and returns.



### Marine Transportation and Logistics

Marine transportation and logistics are expected to deliver steady performance, supported by long-term contracts and regional trade flows in dry bulk commodities. Compared to the offshore support segment, this segment offers greater earnings visibility and plays an increasingly important role in balancing the Group's overall risk profile. Supported by recent strategic developments, the outlook for this segment and for LFG remains robust.

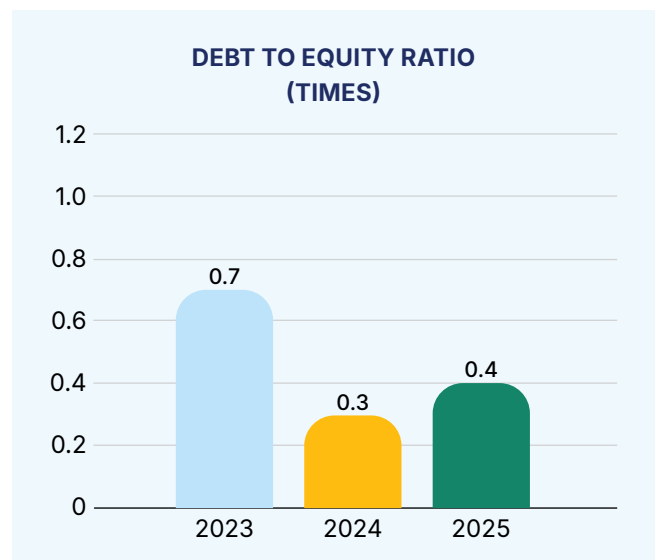
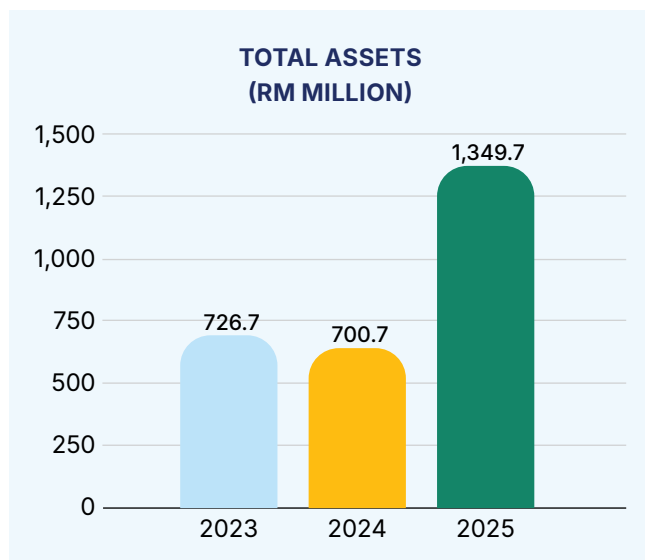
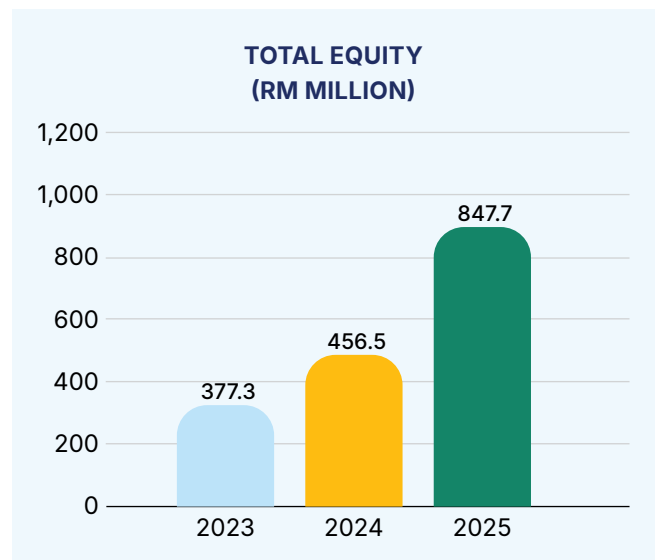
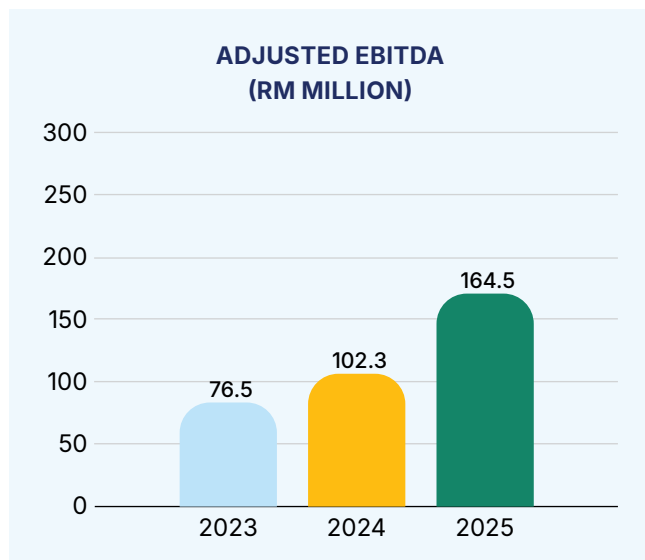
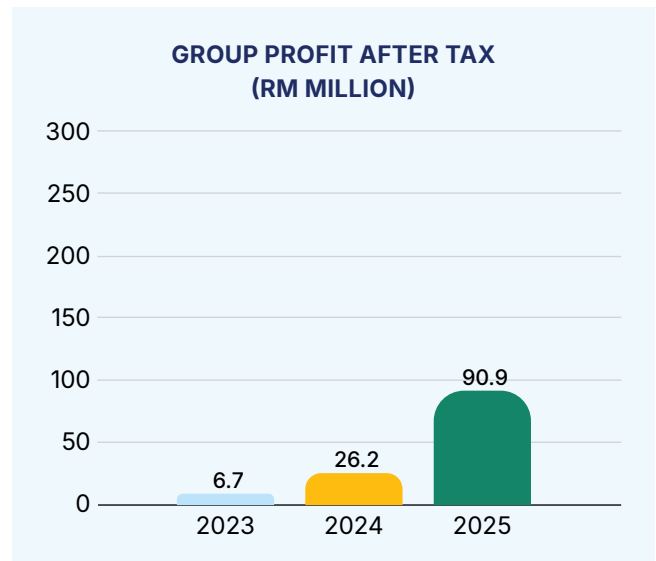
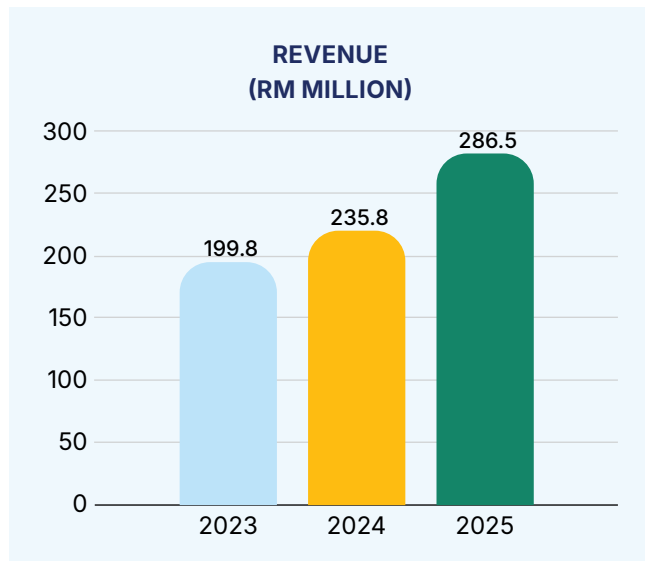


### Business Mix Optimisation and Risk Management

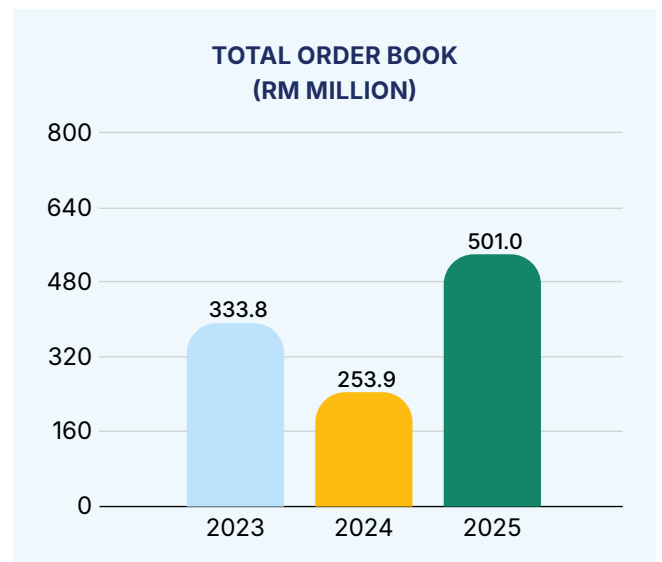
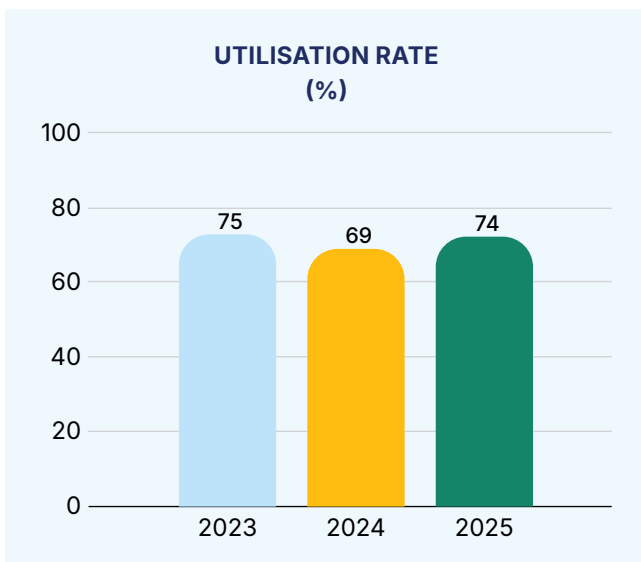
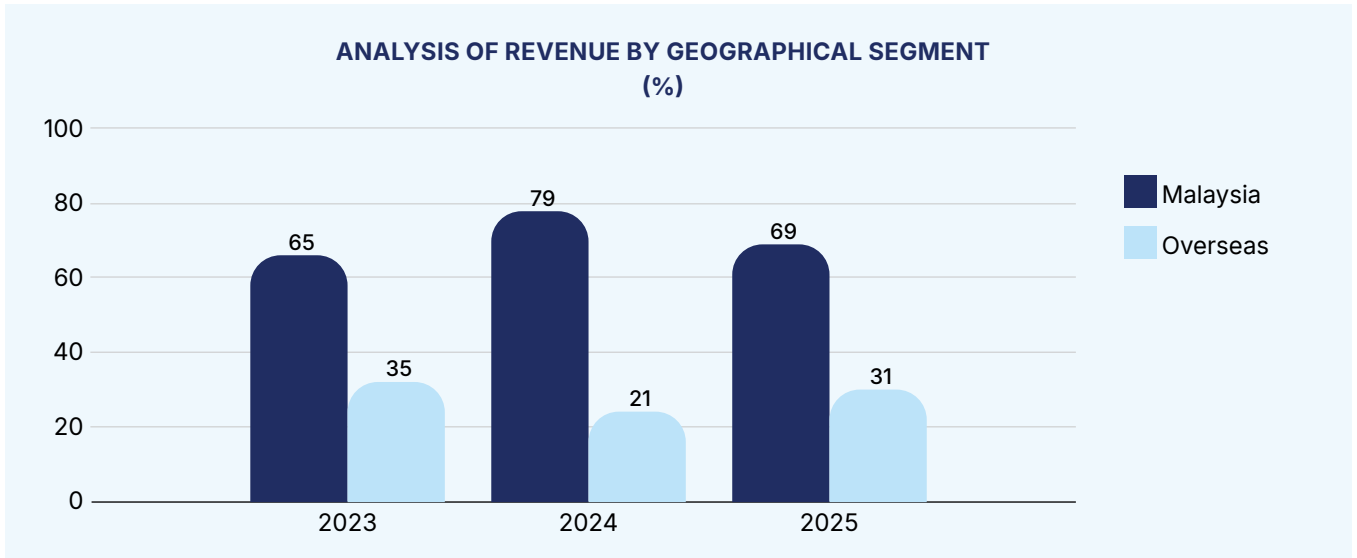
LFG will continue to optimise our business mix by allocating capital and assets towards segments with clearer charter visibility and stronger utilisation profiles. By balancing exposure between cyclical offshore activities and more defensive marine logistics operations, the Group retains the operational flexibility needed to navigate market volatility while supporting sustainable earnings growth.

LFG is well-positioned to benefit from broader macro trends, including sustained offshore energy activity, regional maritime trade flows, and infrastructure-driven demand for marine logistics. These structural drivers underpin continued demand for marine assets and services across Southeast Asia, reinforcing the Group's confidence as it enters 2026.

# FINANCIAL HIGHLIGHTS



# OPERATIONAL HIGHLIGHTS



# SHARE PRICE PERFORMANCE

Share Performance (RM)	FY2023	FY2024	FY2025
Year High	0.67	1.31	2.24
Year Low	0.07	0.57	0.70
Year Close	0.59	1.01	2.08
Market Capitalisation	316,857,930	629,849,722	1,297,116,259

# SUSTAINABILITY STATEMENT

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## ABOUT THIS REPORT

### DRIVING SUSTAINABLE PROGRESS WITH PURPOSE

Sustainability is not just a priority - it is a fundamental principle that drives our business, shaping how we operate, grow and create long-term value. LFG remains fully committed to upholding and advancing the Group's sustainability agenda, ensuring that responsible practices remain at the core of our operations.

Guided by the existing three-year sustainability roadmap (2023–2025), we continue to execute the strategies outlined to enhance our environmental, social and governance (“ESG”) performance. As we approach the roadmap's completion, we are preparing to develop a new sustainability framework that will define our ambitions beyond 2025, aligning with evolving industry expectations and stakeholder priorities.

## SUSTAINABILITY STATEMENT

### REPORTING FRAMEWORK

This report has been prepared with reference to the following frameworks and guidelines:

- ⇒ Bursa Malaysia Securities Berhad (Bursa Malaysia) Main Market Listing Requirements (MMLR)
- ⇒ Bursa Malaysia's Enhanced Sustainability Reporting Guide (3rd Edition), 2022
- ⇒ Bursa Malaysia's Illustrative Sustainability Report Framework 2023
- ⇒ Global Reporting Initiative ("GRI") Standards 2021
- ⇒ United Nations Sustainable Development Goals ("UN SDGs")
- ⇒ FTSE4Good Sustainability Index
- ⇒ IFRS S2 Climate-related disclosures

### REPORTING PERIOD AND CYCLE

Unless otherwise specified, this report follows an annual reporting cycle from 1 January 2025 to 31 December 2025. Historical statistical data may be included in specific disclosures to illustrate trend lines and provide a clearer understanding of comparative performance.

### MEMBERSHIPS IN ASSOCIATIONS

LFG is dedicated to advancing sustainable industry practices and actively collaborates with various industry associations to drive the effective adoption of sustainability best practices. We also strive to enhance awareness of sustainability issues throughout our value chain. As part of these efforts, we take pride in our membership in the following professional bodies and industry associations:

1. Malaysia Shipowners' Association (MASA)
2. The Malaysian Oil & Gas Services Council (MOGSC)
3. Malaysia OSV Owners' Association (MOSVA)

### STATEMENT OF ASSURANCE

To enhance the credibility of this Sustainability Statement, selected aspects have been subjected to an internal review by company's internal auditors and approved by the Audit and Risk Management Committee.

The internal review covered the three-year sustainability roadmap (2023–2025) and specifically, the progress and achievement of the target and goals. This review encompassed all of Lianson Fleet Group's operating units.

## SUSTAINABILITY STATEMENT

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### BOARD RESPONSIBILITY STATEMENT

The Board takes full responsibility for maintaining the integrity of this Report, which it believes presents a fair and balanced reflection of the Group's performance for FY2025. Additionally, the Board confirms that this Report has been prepared in compliance with Bursa Malaysia's MMLR. This Report was approved by the Board of Directors on 27 April 2026.

### REPORTING SCOPE AND BOUNDARY

Lianson Fleet Group Berhad ("**LFG**" or "**the Group**") operates within the offshore support vessel and marine transportation industry, providing vessel chartering, ship management and offshore marine services. This report covers LFG's key operations in Malaysia and other regions where we have a presence, including owned and chartered vessels, onshore facilities and corporate offices.

### LIMITATIONS

The Group recognises the challenges associated with data collection for specific indicators and is continuously working to enhance data tracking and gathering mechanisms to improve reporting accuracy and reliability moving forward.

### FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements regarding the Group's targets, future plans, operations and performance based on reasonable assumptions aligned with current business trajectories. However, as the business is subject to risks and unforeseen circumstances beyond its control, readers are advised not to rely solely on these statements, as actual results may vary.

### REPORT AVAILABILITY AND FEEDBACK

This report was published on 30 April 2026 and is available in print and digital formats. The digital version can be accessed or downloaded from the Group's corporate website at [www.lianson.com](http://www.lianson.com).

The Group values ongoing engagement with its stakeholders and welcomes feedback, inquiries and concerns to drive continuous improvement.

For any matters related to this report, please contact the following:  
[enquiry@lianson.com](mailto:enquiry@lianson.com)

# 2025

## Sustainability Highlights

LFG is committed to seven (7) United Nations Sustainable Development Goals



### ECONOMIC



Revenue  
**RM286.5** Million



Group Profit after Tax  
**RM90.9** Million



Cash and Bank Balances  
**RM191.4** Million

### SOCIAL



**313**  
Total employees



**Zero**  
Lost time injuries across 1,652,156 hours worked



**49%** Female employees onshore

### ENVIRONMENTAL\*



**20%**  
reduction in total fuel and energy consumption



**21%**  
reduction in total Scope 1 and Scope 2 emissions



**60%**  
reduction in Total Waste Generated



**RM61.1 million**  
Total employee salaries, benefits and bonuses paid out

\* Result measured against baseline year 2022

## 2025 SUSTAINABILITY JOURNEY

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# Sustainability at Lianson Fleet Group

*Sustainability serves as the foundation of our business, guiding our strategies, operations and decision-making towards long-term resilience and responsible growth, anchored on four key pillars—Economic, Environmental, Social and Governance (EESG).*

## 2025 SUSTAINABILITY JOURNEY

### GOVERNANCE

#### SUSTAINABILITY GOVERNANCE

The Group adheres to the Malaysian Code on Corporate Governance (MCCG) in its sustainability and general corporate governance practices through three key principles of good governance:

01

Board leadership and effectiveness

02

Effective audit and risk management and integrity in corporate reporting

03

Meaningful relationships with stakeholders

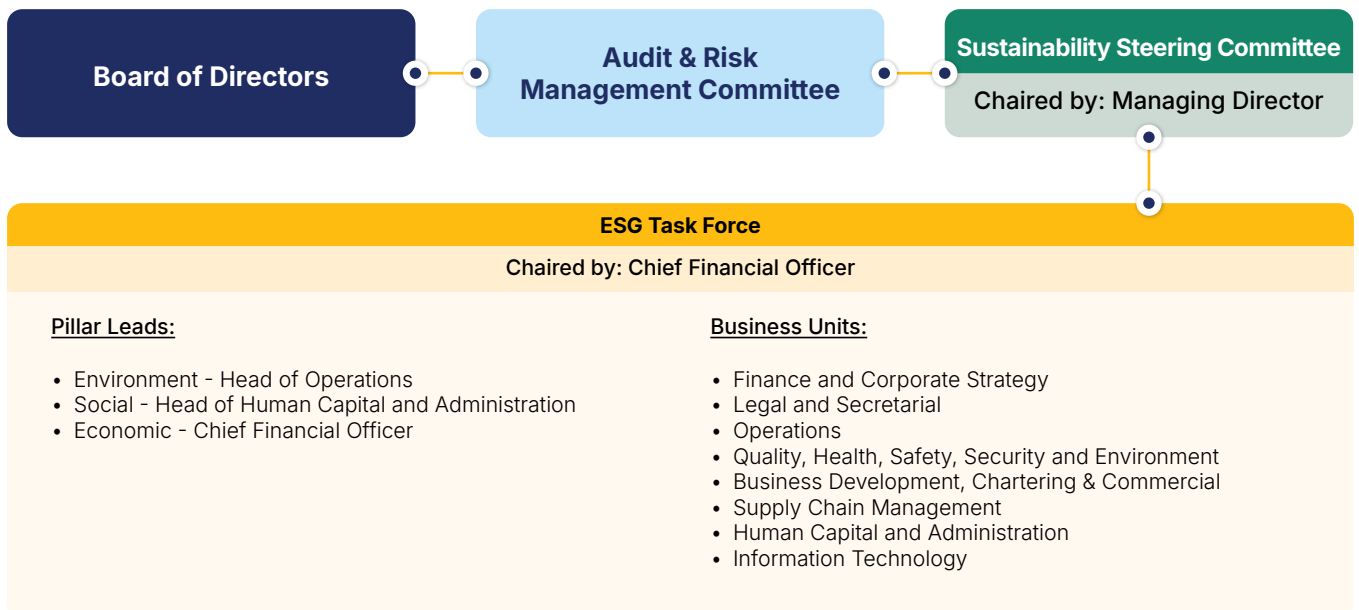
The Group integrates these principles across its governance, economic, environmental and social practices to effectively manage its material matters. It remains committed to the MCCG, including the latest revisions issued in April 2021. Further details on the Group’s corporate governance practices are available in the Corporate Governance section on page 109 this Annual Report.

#### GOVERNANCE STRUCTURE

To enhance governance clarity across its ESG pillars, the Group revised its sustainability governance structure in FY2023, defining roles and responsibilities at all levels. Each ESG pillar is overseen by senior management, ensuring alignment from the Board to operational teams and reinforcing a top-down approach to ESG oversight.

#### Sustainability Governance Structure

The Group’s Sustainability Governance Structure is as follows:



## 2025 SUSTAINABILITY JOURNEY

### Governance Roles and Responsibilities

The Group's sustainability governance is led by the Board, with oversight from the Audit & Risk Management Committee (ARMC). The Managing Director heads the Sustainability Steering Committee (SSC), while the Chief Financial Officer leads the ESG Task Force.

The roles and responsibilities are listed below:

 <p><b>Board of Directors</b></p>	<ul style="list-style-type: none"> <li>• Ultimately accountable for overseeing and managing sustainability matters including high-level strategy setting, prioritisation of material matters and formulating overarching mid to long-term targets for the Group.</li> <li>• Ensures LFG's business strategies consider sustainability by incorporating material topics.</li> <li>• Responsible for deliverables sign-off and approves the development and implementation of the company's sustainability roadmap, strategies, business plans and targets with material sustainability matters fully integrated into the decision-making process.</li> </ul>
 <p><b>Audit &amp; Risk Management Committee</b></p>	<ul style="list-style-type: none"> <li>• Reviews sustainability strategies and recommends solutions to the Board.</li> <li>• Oversees sustainability blueprint including the 3-year roadmap (short to midterm targets).</li> <li>• Identifies, evaluates and manages ESG risks and opportunities.</li> <li>• Incorporates and weighs ESG risks as important factors in tandem with other enterprise risks.</li> <li>• Reviews sustainability strategies and monitors the performances of each ESG target.</li> <li>• Reports the progress of sustainability performances and achievements to the Board.</li> </ul>
 <p><b>Sustainability Steering Committee</b></p>	<ul style="list-style-type: none"> <li>• Oversees the implementation of sustainability strategies.</li> <li>• Evaluates overall sustainability risks and opportunities.</li> <li>• Provides leadership in driving sustainability in the Group.</li> <li>• Oversees departments to ensure robustness in the implementation of the strategies and processes in the departments.</li> <li>• Reviews and analyses all the data and information submitted in the report.</li> <li>• Develops targets for ESG KPIs.</li> <li>• Reports sustainability KPIs, strategies, implementation and challenges to the ARMC, as and when required.</li> </ul>
 <p><b>ESG Task Force</b></p>	<ul style="list-style-type: none"> <li>• Recommends sustainability targets/KPIs.</li> <li>• Establishes methodology and measurement units for each target.</li> <li>• Data collection/tracking.</li> <li>• Adheres to sustainability project plans and implements relevant data collection processes.</li> <li>• Meets as frequently as required for data-gathering purposes.</li> <li>• Develops, proposes and reports quarterly sustainability performance to the Sustainability Steering Committee.</li> </ul>

## 2025 SUSTAINABILITY JOURNEY

### Board and Managing Director’s Responsibilities

The Board holds overall responsibility for the Group’s sustainability governance, receiving regular updates to provide guidance and oversight. The Managing Director oversees ESG initiatives, reporting key sustainability matters to the ARMC, which monitors the Group’s sustainability blueprint, material topics and targets. The ARMC then presents progress and strategies to the Board for review and approval. From FY2023, ESG KPIs from the three-year sustainability roadmap will be incorporated into the Group’s Corporate Scorecard, with quarterly reviews conducted by the Board and ARMC to track performance and key developments.

### Sustainability Steering Committee and ESG Task Force’s Roles and Responsibilities

Within the Group’s Sustainability Steering Committee and ESG Task Force, designated departments oversee, analyse and collect data on sustainability issues and related initiatives.

Environment Pillar	Social Pillar	Economic Pillar
Key Departments: <ul style="list-style-type: none"> <li>• <b>Lead by Operations (Audit and Quality Control)</b></li> <li>• <b>Support by:</b> <ul style="list-style-type: none"> <li>• Operations</li> <li>• QHSSE</li> <li>• Human Capital and Administration</li> </ul> </li> </ul>	Key Departments: <ul style="list-style-type: none"> <li>• <b>Lead by Human Capital and Administration (Data Management and Analysis)</b></li> <li>• <b>Support by:</b> <ul style="list-style-type: none"> <li>• Finance and Corporate Strategy</li> <li>• QHSSE</li> <li>• Operations</li> </ul> </li> </ul>	Key Departments: <ul style="list-style-type: none"> <li>• <b>Lead by Finance and Corporate Strategy (Audit, Data Management and Analysis)</b></li> <li>• <b>Support by:</b> <ul style="list-style-type: none"> <li>• Procurement</li> <li>• Business Venture</li> <li>• Corporate Services</li> <li>• Operations</li> </ul> </li> </ul>
Climate Change*	Occupational Safety & Health*	Business Ethics
Air Emissions*	Talent Attraction & Retention*	Economic Impact
Waste & Pollution Management*	Diversity & Inclusion	
Biodiversity	Human Rights	
Water Management	Community Engagement	

\* Top priority material matters with specific targets to be achieved for the 3-Year Sustainability Roadmap (2023-2025)

## 2025 SUSTAINABILITY JOURNEY

### CORPORATE GOVERNANCE AND POLICIES

LFG is committed to delivering long-term sustainable value for its shareholders while upholding the highest standards of corporate governance. The Board is responsible for establishing the Group's strategic direction and implementing policies to ensure robust corporate governance.

The following policies support the Group's governance framework and practices:

<ul style="list-style-type: none"> <li>• Board Charter</li> <li>• Terms of Reference for:               <ol style="list-style-type: none"> <li>1. Audit and Risk Management Committee</li> <li>2. Nomination &amp; Remuneration Committee</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Code of Ethics and Code of Conduct:               <ol style="list-style-type: none"> <li>1. Employee Code of Ethics</li> <li>2. Director's Code of Ethics</li> <li>3. IT Code of Ethics</li> <li>4. Service Provider Code of Conduct</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Limits of Authority</li> <li>• Finance Policy</li> </ul>	<ul style="list-style-type: none"> <li>• Anti-Corruption and Anti-Bribery Policy</li> <li>• Anti-Fraud and Whistleblowing Policy</li> </ul>	<ul style="list-style-type: none"> <li>• Human Resource Policies</li> <li>• Employee Handbook</li> </ul>
<ul style="list-style-type: none"> <li>• QHSSE policy for:               <ol style="list-style-type: none"> <li>1. Lianson Fleet Group Berhad</li> <li>2. Regulus Offshore Sdn. Bhd.</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Information Security Policy</li> </ul>			
<b>Sustainability Policy</b>				

LFG's governance policies can be viewed on the Group's website at [www.lianson.com](http://www.lianson.com).

## 2025 SUSTAINABILITY JOURNEY

### STRONG INTERNAL CORPORATE GOVERNANCE STANDARDS

#### Independence and Role Clarity

The Group upholds strong corporate governance practices, ensuring compliance with ethical regulations and standards across all leadership levels. The Chairman maintains a clear separation of responsibilities from the Managing Director. In cases of conflict of interest or related party transactions, directors are required to disclose their interests and abstain from discussions on the matter in question.

#### Governance in Executive Remuneration

LFG determines executive remuneration through employment contracts with its Executive Directors. The Board delegates responsibility for remuneration matters to the Nomination and Remuneration Committee (NRC), which evaluates and approves remuneration packages for Directors and key senior management positions. After thorough deliberation, the NRC submits recommendations to the Board for any necessary adjustments to Director remuneration, considering the Group's performance. Shareholders retain the right to vote on fees and benefits for Non-Executive Directors.

#### Duties and Committee Composition

When determining directors' remunerations, factors such as directors' duties, responsibilities and time commitments are taken into account, while the remuneration and practices for senior management are tailored to consider complexities and individual responsibilities aligned with the business strategy and long-term objectives of LFG.

Detailed information on the Group's corporate governance practices, including its structure and policies, can be found on page 109 of this report.

The full Corporate Governance Report is available on LFG's corporate website at [www.lianson.com](http://www.lianson.com).

#### Diverse Board Composition

The Board consists of individuals with diverse professional expertise and skill sets, providing valuable insights for strategic decision-making, long-term value creation and stakeholder satisfaction.

The Board undergoes an annual performance review to uphold the highest standards of leadership ethics. The Group considers gender diversity a key factor and is committed to achieving a 30% female representation on our Board as set by Bursa Malaysia. As of FY2025, our Board consists of 100% Malaysians.

#### Industry Regulatory Compliance

The Group maintains compliance with regulatory requirements through regular meetings, discussions and audits conducted throughout the year. Our operations adhere to stringent Quality, Health, Safety, Security and Environment (QHSSE) standards, as well as industry regulations governing the oil and gas sector. The Group's sustainability initiatives, policies and decisions are aligned with the following regulations:

For the OSV and Marine Transportation business segment, compliance is maintained with regulations established by the International Maritime Organisation (IMO), including:

- The International Convention for the Safety of Life at Sea (SOLAS)
- International Convention for the Prevention of Pollution from Ships (MARPOL)
- Standards of Training, Certification and Watchkeeping for Seafarers (STCW)
- Maritime Labour Convention, 2006 (MLC)
- Merchant Shipping Ordinance, 1952 (MSO)

For our fleets, certifications are obtained from regulatory bodies such as:

- Registro Italiano Navale (RINA)
- Korean Register (KR)
- The American Bureau of Shipping (ABS)

In FY2025, LFG did not incur any fines or receive censure from regulatory authorities for environmental or social non-compliance.

## 2025 SUSTAINABILITY JOURNEY

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### ANTI-BRIBERY AND ANTI-CORRUPTION STANCE

If left unaddressed, corruption erodes trust, undermines public interest and poses significant risks to any entity, including LFG. Though it may receive less attention than other ESG issues, corruption leads to severe power abuses that can undermine sustainability across all ESG dimensions, as detailed below:



#### GOVERNANCE

Corruption hinders the establishment and enforcement of sound governance principles and frameworks. It is closely linked to breaches in transparency, accountability and the rule of law. As a result, corruption weakens democracy, erodes legal structures and impedes economic growth.



#### ENVIRONMENT

Corruption obstructs funding and initiatives to combat climate change, undermines forest conservation and sustainable forestry programmes and exacerbates crimes related to wildlife and fisheries.



#### SOCIAL

When corruption infiltrates the government, it can derail critical social initiatives, leading to failures in poverty eradication, hunger alleviation and access to quality healthcare and education. It also weakens efforts to promote gender equality, uphold human rights and reduce societal inequalities.

The Group is committed to creating value for its clients, employees and stakeholders by upholding the highest standards of integrity, health, safety and environmental responsibility. To reinforce this commitment, stringent measures have been implemented to prevent all forms of bribery and corruption. At the same time, the Group strives to achieve optimal financial and operational performance while adhering to the strictest ethical standards.

## 2025 SUSTAINABILITY JOURNEY

### Zero Tolerance to Bribery and Corruption

The Group maintains a zero-tolerance approach to bribery and corruption across its value chain and business partnerships, upholding the highest standards of ethical conduct and integrity.

Following the enforcement of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (MACCA) on 1 June 2020, the Group swiftly introduced the Integrity Pledge for all directors, employees (onshore and offshore) and third parties. In April 2022, the Board approved the Anti-Bribery and Anti-Corruption (ABAC) Policy, further reinforcing the Group's stance on ethical business practices. Anti-corruption measures are also embedded in the Code of Ethics (COE) and supported by guidelines aligned with the TRUST Principles.

The ABAC Policy ensures compliance with Malaysian anti-corruption laws and aligns with international frameworks such as the UK Bribery Act 2010 and the Foreign Corrupt Practices Act 1977, including their amendments.



### Anti-Bribery and Anti-Corruption Policy (ABAC)

The Board, as the highest governing body, oversees anti-corruption and anti-bribery efforts within the Group. It periodically reviews the ABAC Policy to ensure alignment with the latest governance and legislative updates. The full policy is available on the Group's website at [www.lianson.com](http://www.lianson.com). Furthermore, the ABAC Policy is available to all employees on the company's server.

Applicable to all employees, regardless of rank or location, the ABAC Policy covers onshore and offshore operations in every country where LFG operates. It extends to the Board, senior management, fleet crew, trainees, part-time and contract employees, agency staff and volunteers.

LFG integrates its anti-corruption agenda across its supply chain, requiring vendors, clients, suppliers, contractors, consultants and service providers to sign pledges acknowledging and adhering to the Group's zero-tolerance stance on bribery. Every contract includes ABAC compliance, reinforced by Letter of Award policies and tendering SOPs to ensure transparency in bid submissions.

The Code of Ethics (COE) provides guidelines on business courtesies, restricting employees from offering or accepting monetary gifts, loans, kickbacks, or any form of undue influence. Business courtesies must remain reasonable and not create conflicts of interest. Any exceptions require approval from the Managing Director via a Declaration Form.

Violations of the ABAC Policy, COE, or related anti-corruption policies will result in strict disciplinary action, including suspension, termination, or legal proceedings, as necessary.

## 2025 SUSTAINABILITY JOURNEY

### Anti-Corruption Training, Communication and Awareness

The Group reinforced its anti-corruption efforts through ongoing training, briefing and information dissemination for the Board, senior management, employees and vessel crew.

Senior management, supervisors and vessel captains regularly remind employees of anti-corruption best practices and the necessary actions in case of policy breaches. New hires must attend induction sessions covering company policies, the Code of Ethics and anti-bribery briefings. Additional awareness is raised through the Group's website, email alerts and the employee handbook.

### Apolitical Stance

The Group remains apolitical and has not made any political donations during the reporting year. However, it may participate in government-led philanthropic or nation-building initiatives and sponsor community projects that may involve politicians or political parties.

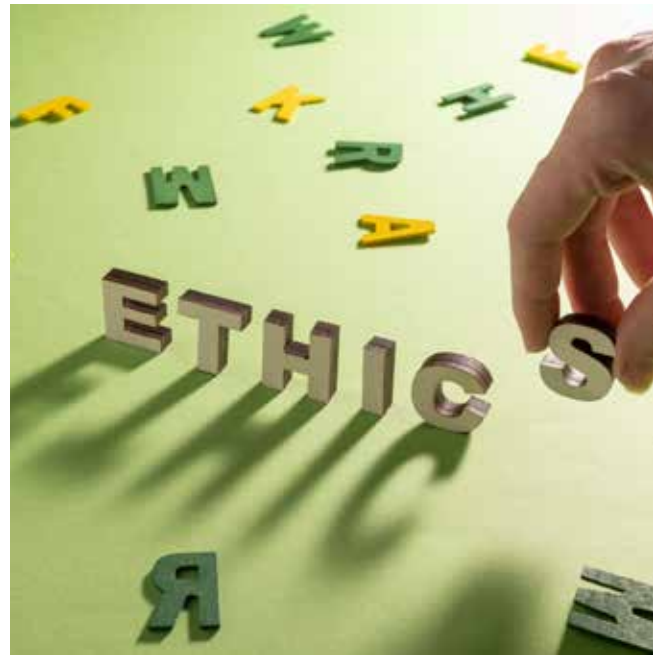
### Whistleblowing and Grievance Mechanism

The Group remains committed to preventing fraud and corruption through its Anti-Fraud and Whistleblowing Policy, fostering a safe environment for employees to report concerns without fear. Whistleblowers' identities are protected and reports can be submitted via designated channels, including direct email access to the Chairman of the ARMC or the Board, if necessary. The ARMC Chairman oversees all whistleblowing investigations. Violations related to fraud or corruption result in strict disciplinary action. The Group's grievance mechanism ensures fair resolution through established procedures, with employees expected to report in good faith. No whistleblowing cases were recorded in FY2025.

The full policy is available at [www.lianson.com](http://www.lianson.com).

### Ethical Work Conduct

In alignment with the Malaysian government's National Anti-Corruption Agenda, the Group has strengthened its Code of Ethics (COE) and Service Providers' Code of Conduct (SPCOC) with dedicated anti-corruption action plans. To maintain their relevance and effectiveness, the Board regularly reviews both policies.



### Code of Ethics and Conduct

The Group's Code of Ethics, including the Employee and Directors' Code of Ethics, applies to all employees, management and directors. It promotes high moral standards across the Group's operations and business activities.

The Service Providers' Code of Conduct has been effectively communicated to suppliers, contractors, professional advisors and consultants, ensuring compliance when engaging with the Group. This has reinforced ethical integrity beyond the organisation.

## 2025 SUSTAINABILITY JOURNEY

### Supply Chain Governance

The Group upholds ethical business practices across its supply chain, ensuring responsible sourcing prioritising moral, environmental and social considerations. This commitment is reinforced through the Service Providers' Code of Conduct (SPCOC), which includes anti-corruption action plans and pledges supporting the national anti-corruption agenda.

Business associates are expected to adhere to the SPCOC and Anti-Bribery and Anti-Corruption (ABAC) Policy and provide consent for the Credit Tip-off Service (CTOS). Due diligence is mandatory when employees engage with third-party partners and suppliers must confirm their compliance with all relevant policies and regulations before conducting business with the Group.

### Supply Chain Due Diligence

The Group maintains an up-to-date list of suppliers, revising it as necessary. To ensure partnerships with third parties that uphold high standards of business integrity, suppliers and vendors undergo a thorough due diligence process before engagement. This includes carefully assessing their financial, legal and fiscal standing.

Vendors are required to complete, acknowledge and stamp the Vendor Registration Form and submit additional supporting documents for due diligence. These include the company profile, financial report, relevant health and safety policies, integrity pledge and other applicable policies. This process helps the Group ensure that its third-party partners maintain good governance across environmental, social and corporate governance matters within their organisations.

### Strengthening ESG in the Supply Chain

As part of its commitment to enhancing QHSSE practices, the Group requires vendors, suppliers and contractors to sign a letter committing to its QHSSE approach under the Offshore Vessel Management Self-Assessment (OVMSA).

This initiative aligns with the Group's broader efforts to progressively strengthen ESG standards and requirements for its supply chain partners. By implementing structured procedures, the Group continues to embed sustainability principles throughout its supply chain.



### Sustainability and Climate Change Policy

In FY2023, the Group introduced its Sustainability Policy, enabling a comprehensive ESG approach focused on sustainability initiatives that address material topics beneficial to stakeholders while promoting environmental stewardship and community well-being.

The Group also established its Climate Change Statement, reaffirming its commitment to mitigating climate change and minimising its environmental footprint. The statement outlines the Group's objectives for reducing carbon emissions and lessening its impact on global warming through sustainable operational practices.

Both Statements are available on the Group's website at [www.lianson.com](http://www.lianson.com).

## 2025 SUSTAINABILITY JOURNEY

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### STAKEHOLDER ENGAGEMENT

Effective stakeholder communication and engagement are central to the Group's commitment to being a reputable, trusted and responsible business entity. The Group prioritises building long-term relationships with stakeholders and driving non-financial ESG value by actively seeking meaningful feedback on key issues.

Stakeholders include individuals or entities affected by the Group's business strategies and operations, as well as those who can influence its direction. Through continuous two-way communication, the Group gathers insights to develop, implement and monitor solutions that align with stakeholder expectations and concerns.

In recent years, stakeholder engagement has been primarily conducted through online platforms, a shift driven by evolving business needs and digital advancements.

#### Key Stakeholder Engagement Platforms

The Group engages shareholders primarily through annual general meetings (AGMs) and extraordinary general meetings (EGMs), providing a platform for shareholders to voice concerns and offer suggestions directly to the Board of Directors.

Additionally, the Group maintains open communication through its website, social media channels, press releases and other media outlets. It also participates in investor forums and holds regular investor briefings to foster transparency and engagement.

The Group recognises that effective stakeholder engagement is essential for maintaining transparency, building trust and aligning business strategies with stakeholder expectations. By fostering open and consistent communication, the Group ensures that stakeholders remain informed and have the opportunity to provide valuable input on key matters.

The table below outlines how the Group engages with its stakeholders:

## 2025 SUSTAINABILITY JOURNEY

Stakeholders	Engagement Approach	Frequency of Engagement	Areas/Issues of Concern	Engagement Outcomes
<b>Employees</b> (Onshore and Offshore)	Town Hall Sessions	Ad-hoc	<ul style="list-style-type: none"> <li>Business performance, alignment, staff welfare</li> </ul>	<ul style="list-style-type: none"> <li>Constantly informed on the overall business alignment and employees' camaraderie.</li> <li>Staff benefits and welfare</li> </ul>
	Internal Communications	Regular	<ul style="list-style-type: none"> <li>To keep employees engaged and in sync with business goals</li> </ul>	<ul style="list-style-type: none"> <li>Clear understanding of the company's objective, strategy and direction</li> </ul>
	Annual Appraisals	Annually	<ul style="list-style-type: none"> <li>Performance review and feedback</li> <li>Employee development programme</li> </ul>	<ul style="list-style-type: none"> <li>Regular feedback and review on performance. Establish highly performing culture and performance-based rewards.</li> </ul>
<b>Employees</b> (Onshore)	Trainings and Workshops	Regular	<ul style="list-style-type: none"> <li>Upskilling</li> </ul>	<ul style="list-style-type: none"> <li>Improved hard and soft skills for employees and personal growth</li> </ul>
	Festive Celebrations & Staff Gathering	Ad-hoc	<ul style="list-style-type: none"> <li>Enhance top management-staff relationship building</li> </ul>	<ul style="list-style-type: none"> <li>Promote camaraderie, respect, teamwork, inclusiveness and diversity</li> </ul>
	Corporate Social Responsibility ("CSR") Activities	Ad-hoc	<ul style="list-style-type: none"> <li>Encouraging volunteerism and being a responsible corporate citizen.</li> </ul>	<ul style="list-style-type: none"> <li>Established a meaningful relationship with the community</li> </ul>
	Department Meeting	Regular	<ul style="list-style-type: none"> <li>Daily operating matters, i.e. QHSSE, work progress updates, challenges encountered, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Improve work efficiency</li> <li>Improve communications within team members</li> <li>Clarity in scope of work</li> </ul>
<b>Employees</b> (Offshore)	Focus Group Interview and Engagement	Annually	<ul style="list-style-type: none"> <li>Behavioural-based Competency i.e. integrity, effective communication, agility and resilience for change</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened Top 4 Officers' leadership competencies through engagement and learning to create awareness</li> </ul>
	Crew Engagement	Regular	<ul style="list-style-type: none"> <li>Business performance, alignment, staff welfare, engagement</li> <li>Specific QHSSE topics and initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Employees were well-informed and regularly updated</li> <li>Low incidents related to QHSSE, promote QHSSE efforts among crew</li> </ul>
	Management Ship Visit	Periodical	<ul style="list-style-type: none"> <li>General QHSSE related matters</li> <li>Mental health &amp; well-being of the crew</li> <li>Operational related issues</li> </ul>	<ul style="list-style-type: none"> <li>Defined QHSSE expectations</li> <li>Cultivated a good worklife balance in the working environment</li> <li>Improved efficiency and effectiveness of the workflow</li> </ul>
	Focus Group Interview and Engagement	Regular	<ul style="list-style-type: none"> <li>Monsoon Campaign</li> </ul>	<ul style="list-style-type: none"> <li>Upskill people in situational awareness, skills and intervention techniques on working safely during adverse weather condition</li> </ul>
	QHSSE Campaign	Quarterly	<ul style="list-style-type: none"> <li>Enhance target goal ZERO safety culture</li> </ul>	<ul style="list-style-type: none"> <li>Improve safety performances</li> </ul>

## 2025 SUSTAINABILITY JOURNEY

Stakeholders	Engagement Approach	Frequency of Engagement	Areas/Issues of Concern	Engagement Outcomes
<b>Shareholders, Investors, Analysts and Media</b>	Annual Report	Annual	<ul style="list-style-type: none"> <li>• Transparency in disclosure of corporate information</li> </ul>	<ul style="list-style-type: none"> <li>• Disclosure of corporate/ financial annual performances</li> </ul>
	General Meeting	Periodical	<ul style="list-style-type: none"> <li>• Listing requirement compliance matters, shareholder's interests/ concerns</li> </ul>	<ul style="list-style-type: none"> <li>• Platform to meet and reinforce relationship with them on their enquiries pertaining to the company's corporate exercises, performances and share prices.</li> <li>• Obtained trust and continuous support from shareholders, investors and analysts.</li> </ul>
	Financial Report	Annual and Quarterly	<ul style="list-style-type: none"> <li>• Future plans and outlook, financial performance/results</li> </ul>	<ul style="list-style-type: none"> <li>• Reaffirmed stakeholders' confidence, platform for discussion and Q&amp;A</li> </ul>
	Analyst Briefings	Quarterly		
	Press Interviews and releases	Periodical		
	Bursa Announcements	Periodical		
	Website	Frequent		
<b>Suppliers</b>	Meeting	Regular	<ul style="list-style-type: none"> <li>• Technical specifications</li> </ul>	<ul style="list-style-type: none"> <li>• Better product/service matching</li> </ul>
	Field Trip	Periodical	<ul style="list-style-type: none"> <li>• New product/service knowledge</li> </ul>	<ul style="list-style-type: none"> <li>• Better understanding of product/service recommendations</li> </ul>
	E-mail	Regular	<ul style="list-style-type: none"> <li>• Daily operational matters</li> </ul>	<ul style="list-style-type: none"> <li>• Ensured a well-communicated and timely delivery of product/service</li> <li>• Technical and commercial enquiries</li> </ul>
	Questionnaire	Ad-hoc	<ul style="list-style-type: none"> <li>• ESG related Safety Cultures</li> </ul>	<ul style="list-style-type: none"> <li>• To provide trainings and talks on HSE to elevate H&amp;S standards for them</li> </ul>
<b>Government and Regulators</b>	Meeting	Quarterly	<ul style="list-style-type: none"> <li>• Safe vessel operations</li> </ul>	<ul style="list-style-type: none"> <li>• Ensured a proper awareness about compliance.</li> <li>• Better understanding of industry updates, new rules &amp; regulations implementations.</li> </ul>
	Audit	Periodical	<ul style="list-style-type: none"> <li>• Operational Compliance</li> </ul>	
<b>Bankers/ Financiers</b>	Phone call, E-mail, Meeting	Ad-hoc	<ul style="list-style-type: none"> <li>• Financial support, financial review, compliance with debt obligations</li> </ul>	<ul style="list-style-type: none"> <li>• Continued financial support, refinancing of facility, improvement of financing facility terms</li> </ul>

## 2025 SUSTAINABILITY JOURNEY

### Stakeholder Engagement for Materiality Assessment

The stakeholder engagement methodology for the Materiality Assessment process includes interviews with internal and external stakeholders to prioritise ESG topics relevant to the Group's business operations. Stakeholder responses were assessed using a scoring system based on the significance of each topic and the depth of insights provided.

For internal stakeholders, the importance of each material topic was determined by calculating the average score across all respondents. For external stakeholders, scores were derived by averaging responses and applying weightage based on stakeholder groups: 20% for suppliers, 10% for bankers, 20% for regulators and 50% for customers.

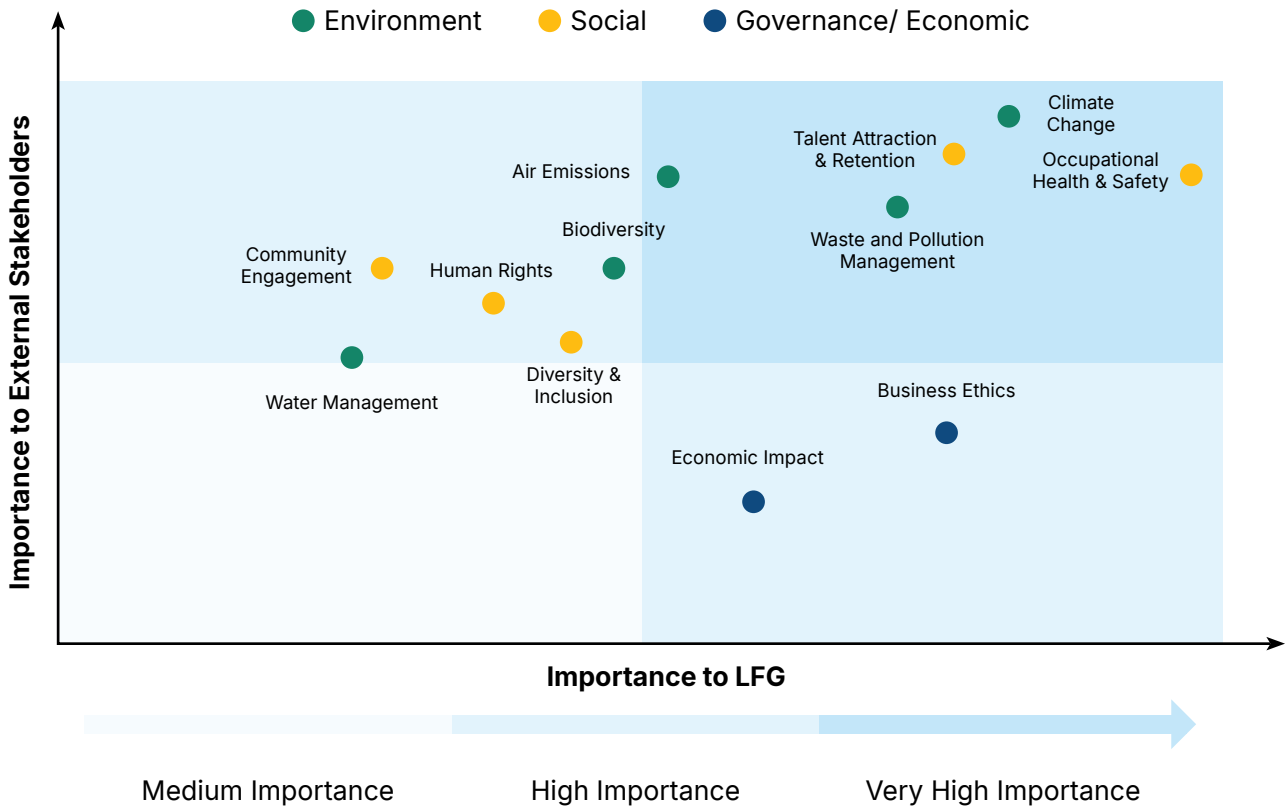
The Group has identified a total of 28 topics, from which 12 have been shortlisted as its Material Topics, as follows:

Material ESG Topics	Definition
Climate Change	Measures taken to adapt the business to a changing climate, increase resilience and transition to a low-carbon economy by reducing GHG emissions through energy efficiency, improved production technology and low-carbon processes.
Air Emissions	Controlling and managing our air emissions, such as NOx, SOx and VOCs, to minimise and mitigate adverse impacts of our operations on society and the environment.
Biodiversity	Ensuring the protection of marine ecosystems through appropriate management of our impacts.
Waste and Pollution Management	Managing waste and effluents produced by our operations to reduce generation and ensure that they are disposed of/discharged in a responsible manner.
Water Management	Tracking and monitoring our water consumption and water discharge to ensure sustainable water practices.
Occupational Health and Safety	Measures taken to improve and maintain the safety of our employees and contractors, manage critical incidents, prevent workplace accidents or injuries, and mitigate health and safety risks.
Talent Management	Attracting and retaining high-performing employees in the face of emerging business models and trends through initiatives which promote job satisfaction and improve productivity.
Diversity and Inclusion	Promoting a diverse and inclusive workplace where every employee is treated with dignity and respect.
Human Rights	Respecting and protecting the rights of all those associated with our operations.
Community Engagement	Empowering and creating positive social impacts for the communities in which we operate or those that are connected to our operations.
Business Ethics	Conducting our business based on moral principles that act as a guideline in the face of ethical dilemmas and controversial situations.
Economic Impacts (Direct and Indirect)	Identifying and managing of direct and indirect economic impacts on society.

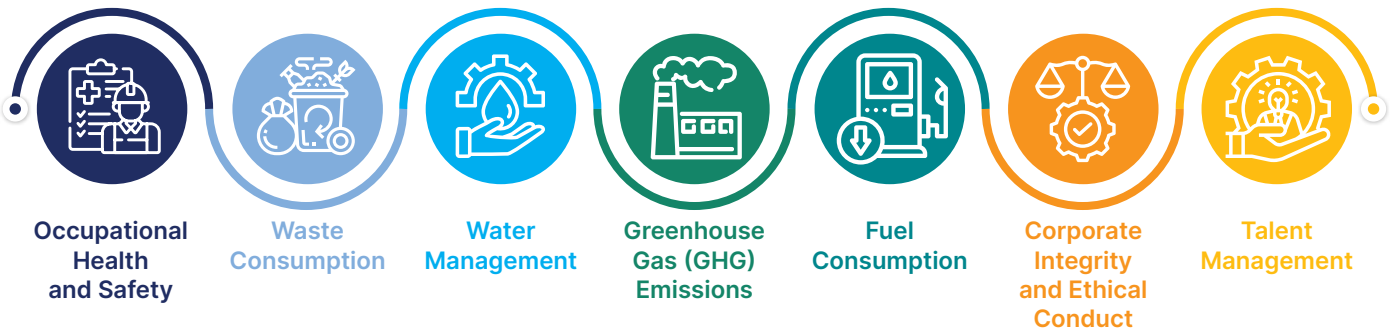
## 2025 SUSTAINABILITY JOURNEY

### MATERIALITY MATTERS AND MATRIX

The Group's materiality matrix was developed based on these 12 identified material topics, illustrated as follows:



The Group's current material matters are guided by industry best practices, stakeholder insights and internal perspectives, playing a key role in defining its material topics. The classification of these topics under the Economic, Social and Governance pillars is an integral part of the materiality assessment process. For 2025, the Group's material matters remain unchanged from the previous year, as shown below:



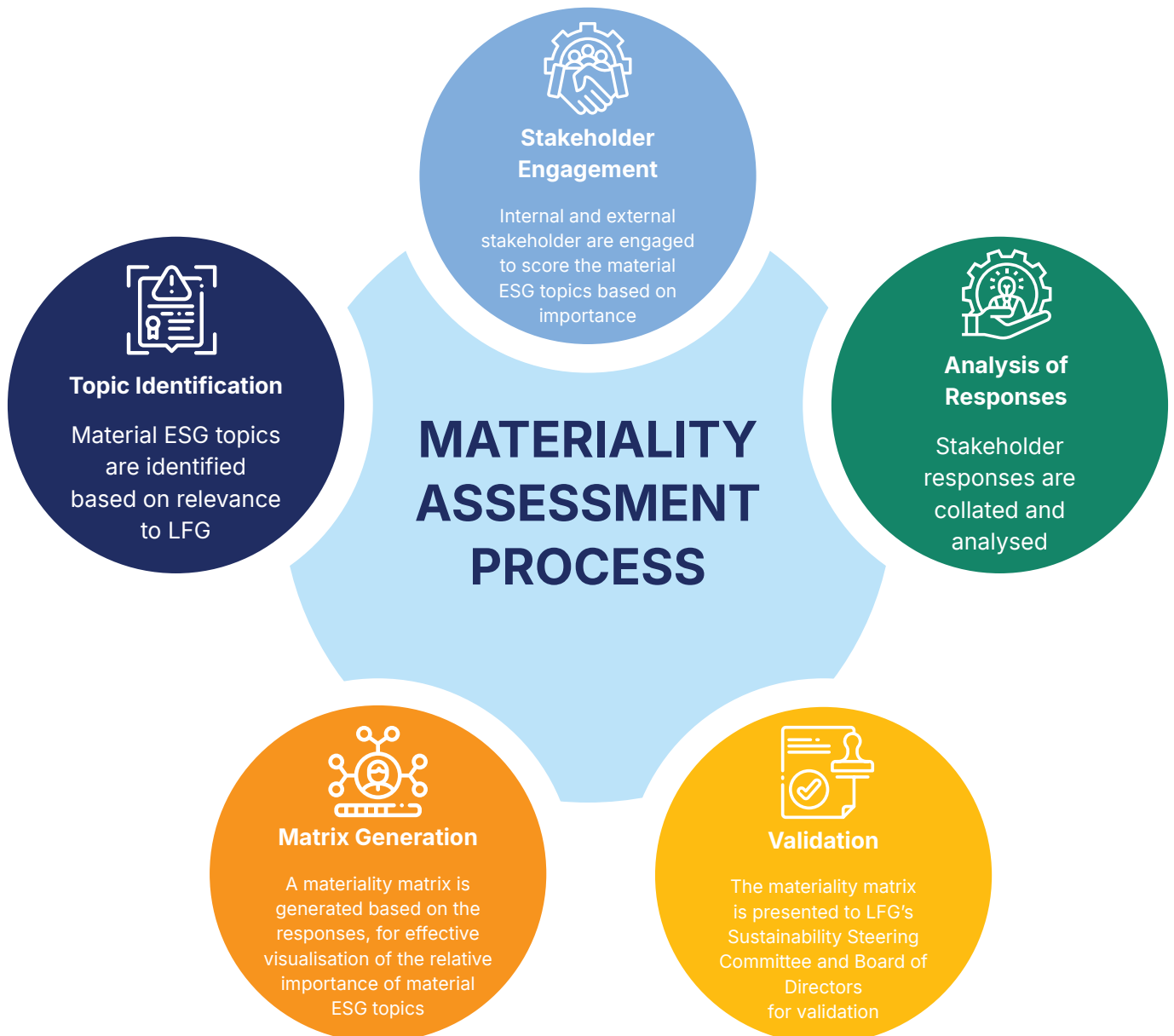
## 2025 SUSTAINABILITY JOURNEY

### Materiality Assessment Process

The materiality assessment process involved identifying a comprehensive list of ESG topics by referencing relevant sustainability frameworks, including GRI 11, SASB Marine Transportation and FTSE4Good, as well as conducting desktop research on material ESG issues within the industry.

Internal stakeholders, including the Board of Directors, Managing Director, senior management and staff, played a key role in prioritising ESG material topics. Additionally, external stakeholders such as financial institutions, suppliers, customers and regulators were engaged in the assessment process.

The overview of the materiality assessment process is outlined below:



## 2025 SUSTAINABILITY JOURNEY

The five priority topics identified from the materiality matrix for 2023-2025 are as follows:



The Board plays a key role in guiding the direction of the Group’s five priority material topics and other identified areas, determining key focus areas for the management. The Group remains committed to enhancing its sustainability efforts by advancing existing material topics and addressing newly identified ones.

### SUSTAINABILITY FRAMEWORK AND ROADMAP

#### 3 Year Sustainability Roadmap

In 4Q2022, the Group embarked on a purpose-driven sustainability journey with the development of a comprehensive sustainability strategy, which laid the groundwork for a three-year roadmap from 2023 to 2025. Anchored to the Group’s 2022 baseline performance, the roadmap supports the systematic integration of sustainability and ESG considerations into our operations to deliver meaningful outcomes across communities, the environment, the wider industry and our value chain.

Following the successful completion of the current roadmap, the Group will develop a refreshed sustainability strategy and set new goals and targets to support the next phase of the Group’s growth.

#### Sustainability Framework

LFG’s Sustainability Framework is underpinned by key pillars that align with the Group’s vision and mission, providing a clear foundation for long term value creation. This approach supports the continued growth and resilience of both financial and non financial value for stakeholders across the short, medium, and long-term, while focusing on material sustainability issues that have the greatest impact on overall value creation.



## 2025 SUSTAINABILITY JOURNEY

### 3 Year Sustainability Goals and Targets

The Group's Sustainability Roadmap established clear goals and targets, with 2022 as a baseline where relevant, to drive meaningful progress in each of the areas outlined below:

Goals		Targets (Year 1–Year 3)	Target Achievement
<b>Restoring environment pillar</b>			
<b>Climate Change</b>	Adapting the business to a changing climate, increase resilience and transition to a low-carbon economy by reducing GHG emissions through energy efficiency, improved production technology and low carbon processes	Year 1 • 1% reduction in scope 1 and 2 GHG emissions	
		Year 2 • 3% reduction in scope 1 and 2 GHG emissions	
		Year 3 • 5% reduction in scope 1 and 2 GHG emissions	
<b>Air Emissions</b>	Controlling and managing air emissions, such as NOx, SOx and VOCs, to minimise and mitigate adverse impacts of LFG's operations on society and the environment.	Year 1 - Year 3 • Zero cases of non-compliance related to air emissions	
<b>Waste &amp; Pollution Management</b>	Managing waste and effluents produced by LFG's operations to reduce generation and ensure that they are disposed of/discharged in a responsible manner	Year 1 - Year 3 • Total waste reduction by 3% year on year	
		Year 1 - Year 3 • Zero spillage	
<b>Empowering people and communities pillar</b>			
<b>Occupational Health &amp; Safety</b>	Improving and maintaining the safety of our employees and contractors, managing critical incidents, preventing workplace accidents or injuries, and mitigating health and safety risk	Year 1 • Total recordable case frequency <1 • Zero Lost Time Injury (LTI) and fatalities • 7% of suppliers have established Safety Management System (SMS) by end of Year 1	
		Year 2 • Total recordable case frequency <1 • Zero LTI and fatalities • 8% of suppliers have SMS by end of Year 2	
		Year 3 • Total recordable case frequency <1 • Zero LTI and fatalities • 9% of suppliers have SMS by end of Year 3	
<b>Talent Attraction &amp; Retention</b>	Attracting and retaining high performing employees in the face of emerging business models and trends through initiatives which promote job satisfaction and increase productivity	Year 1 - Year 3 • Offshore Marine Talent Programme: 40 Identified talent to participate in on-job training and 20% to be certified top 4 officers by the end of Year 3 • Onshore Talent Management Programme: 15 Identified high potential talent participate in a Talent Development Programme, who will be earmarked to be LFG's ready talent by the end of Year 3 • Learning and Development (L&D) Framework Customised to Competency Gaps: 90% of onshore employees to achieve required learning manhours of training per year by Year 2 (learning hours to be defined based on role requirements)	

- On Track – Target achieved or progressing in line with target since FY2023
- Needs Improvement – Target not met; improvement areas identified and corrective actions in progress since FY2023
- Programme was temporarily shelved in 2024 in view of the ongoing M&A process. A new programme will be initiated with the launch of our refreshed sustainability framework, which will define the Group's ambitions beyond 2025.

## 2025 SUSTAINABILITY JOURNEY

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### RISK MANAGEMENT

#### Risk Management Framework

The Group operates within a risk management framework under the oversight of the Board, which recognises the critical importance of effective risk management and internal control systems in safeguarding the Group's operations. This framework enables the systematic identification, assessment, management, monitoring, reporting and mitigation of key business and operational risks that may affect the achievement of the Group's sustainability goals and business objectives, while ensuring the protection of assets and stakeholder interests.

Risk management is embedded across the Group's operations through its Enterprise Risk Management ("ERM:") framework and is treated as an ongoing and integral process. The Group remains committed to continuously enhancing the relevance and effectiveness of this framework in response to the evolving global business environment. Recent geopolitical developments, including heightened tensions in Europe, have further emphasised the importance of robust risk management practices in mitigating potential operational disruptions and strengthening organisational resilience. Enterprise-wide risks are reviewed regularly, with updates made to the risk matrix as required, and the risk register reviewed on a quarterly basis.

#### Risk Oversight and Governance

Oversight of the Group's risk management framework is provided by the Board through the Audit and Risk Management Committee ("ARMC"). Senior Management is responsible for ensuring the adequacy and effectiveness of the Group's internal control systems and risk management processes, with significant risk matters escalated to the Managing Director for review and attention.

The ARMC convenes quarterly to review the principal risks faced by the Group and to receive updates on related mitigation measures. Independent assurance over the effectiveness of the Group's risk management and internal control systems is obtained through periodic reviews by both internal and external auditors.

Management takes a proactive approach in addressing findings and recommendations arising from these reviews throughout the financial year, contributing to the continuous strengthening of the Group's control environment.

#### Integration of Sustainability-Related Risks

The Group recognises that sustainability-related risks form an increasingly important component of its overall risk profile. As such, environmental, social and governance ("ESG") risks are integrated into the Group's broader risk management framework, alongside operational, financial, market and strategic risks.

The Board and Management closely monitor material ESG-related risks, including those associated with climate change, labour and human rights, as well as occupational safety and health ("OSH"), given their potential implications on financial performance, regulatory compliance and access to capital. Strengthening the internal control framework remains a key priority, supported by ongoing assessments conducted by Management to ensure that significant risks are appropriately mitigated. Further information on the Group's risk management and internal control framework is set out in the Statement on Risk Management and Internal Control on page 131 of this Annual Report.

#### ESG Risk Assessment

To date, the Group's risk assessments have been relatively limited and primarily focused on anti-bribery and anti-corruption ("ABAC") risks based on common risk indicators. The assessment of broader ESG-related risks has been minimal. Nevertheless, the Group acknowledges the growing importance of ESG considerations and is committed to enhancing its sustainability governance framework.

Accordingly, the Group plans to expand and strengthen its ESG risk assessment processes in the coming year as part of its continuous improvement efforts, with the objective of achieving a more comprehensive identification and evaluation of sustainability-related risks.

## 2025 SUSTAINABILITY JOURNEY

### OUR PERFORMANCE IN 2025

## ECONOMIC

The Group is committed to building a resilient and sustainable business that delivers long-term value for our stakeholders. Through disciplined strategic investments, operational excellence and responsible business practices, we continue to strengthen our competitive position while contributing to broader economic development. Our emphasis on profitability, competitiveness and innovation underpins sustainable growth and enables us to respond with agility to evolving market dynamics.

### ECONOMIC PERFORMANCE

#### Why is it important?

The Group's financial performance in FY2025 remained a key driver in delivering sustainable value to our shareholders and stakeholders. Through disciplined resource optimisation, continued cost efficiency initiatives and the cultivation of strategic partnerships, we strengthened business continuity and operational resilience. These efforts position the Group for long-term growth and stability amid an increasingly dynamic economic environment.

#### Our Approach

The Group is steadfast in upholding the highest standards of integrity and accountability across all facets of its operations. We place strong emphasis on sound corporate governance, robust risk management and strict adherence to regulatory requirements to support a responsible and resilient organisation. By embedding ethical business practices and aligning our policies and processes with both local and international standards, we establish a strong foundation for sustainable and value-driven growth. Further details on the Group's business and financial performance are set out in the Management Discussion and Analysis on page 15 and the Financial Statements on page 137 of this Report.



## 2025 SUSTAINABILITY JOURNEY

### ECONOMIC

#### Our Performance

Indicator	Unit	FY2023	FY2024	FY2025	Y-o-Y Variance
Revenue	RM'000	199,788	235,781	286,539	22%
Profit After Tax	RM'000	6,717	26,197	90,856	247%
Adjusted EBITDA	RM'000	76,459	102,349	204,984	100%
Cash and Bank Balances	RM'000	147,358	91,558	191,430	109%
Total Assets	RM'000	726,727	700,680	1,349,712	95%
Total Equity	RM'000	377,328	456,523	847,861	86%
Net Asset Per Share	RM	0.70	0.73	0.75	5%
Basic Earnings Per Ordinary Share	Sen	0.90	7.39	11.00	49%

#### Indirect Economic Values Distributed

In FY2025, the Group's financial performance created positive economic impact for stakeholders. Strong financial discipline, strategic investments and partnerships enhanced resilience and sustainability, while job creation and support for local businesses contributed to broader economic growth.

Indicator	Unit	FY2023	FY2024	FY2025
<b>ECONOMIC VALUES GENERATED</b>	RM'000	203,426	242,321	390,313
Operating cost*	RM'000	-128,403	-145,861	-196,010
Total payout to employees in wages and benefits	RM'000	-53,700	-51,915	-61,084
Repayments to financiers	RM'000	-20,700	-10,291	-14,154
Taxes paid to government	RM'000	-1,763	-3,136	-5,998
Economic values distributed	RM'000	-204,566	-211,203	-277,246
<b>ECONOMIC VALUES RETAINED</b>	RM'000	-1,139	31,118	113,067

\* Operating costs includes of cost of sales, administrative expenses, and receivables-related impairment expenses and income.

## 2025 SUSTAINABILITY JOURNEY

### ECONOMIC

#### SUPPLY CHAIN MANAGEMENT



##### Why is it important?

A robust and well-structured supply chain underpins the Group's operational efficiency, responsiveness and competitive positioning. It also plays a vital role in advancing our sustainability agenda by enhancing logistics efficiency, reducing waste and promoting high standards of Health, Safety and Environment (HSE) across our supplier base.

Effective supply chain risk management is critical to minimising disruptions and ensuring compliance with applicable environmental, labour and governance requirements. A proactive approach to identifying and managing these risks enhances supply chain resilience and supports business continuity.

By embedding sustainable and responsible procurement practices into our operations, the Group improves cost efficiency and operational effectiveness. We remain committed to ethical sourcing and the development of strong, transparent supplier relationships to uphold high standards of business conduct across our supply chain.

##### Local Procurement

LFG remains committed to strengthening the local supply chain and supporting the national economic agenda through active engagement in local procurement and supply chain partnerships. This approach ensures that the Group's procurement requirements are met efficiently while contributing to the development of a more resilient and self-sustaining domestic economy.

Prioritising local procurement enhances the Group's corporate reputation and operational efficiency by shortening lead times, optimising costs and improving oversight of procurement processes. At the same time, it generates employment opportunities within local communities and supports the growth of domestic industries, creating shared value for both the Group and the wider economy.

## 2025 SUSTAINABILITY JOURNEY

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### ECONOMIC

#### Our Approach

- **Risk Mitigation**

A thorough evaluation of the supply chain's ESG aspects is conducted using questionnaires and supporting documentation. This assessment ensures vendor compliance with key factors such as waste management policies, labour standards and adherence to local wage regulations. Where applicable, Health, Safety and Environment (HSE) policies are also implemented to maintain workplace safety and ethical labour practices.

- **Enhancing Cost Efficiency and Operational Performance Through Strategic Procurement:**

- » Reconditioning CATERPILLAR engine core parts during overhauls to maximise their lifecycle.
- » Utilising premium-grade anti-fouling paint on vessel hulls to reduce barnacle accumulation and improve fuel efficiency.
- » Establishing framework agreements for blanket orders, covering essential items such as Personal Protective Equipment (PPE), engine lubricants, food supplies, deck paint, maintenance and other services.

- **Fostering Supply Chain Transparency:**

- » Partnering with vendors who adhere to responsible procurement practices, including committing to integrity pledges, providing CTOS consent and complying with anti-bribery and service conduct policies.
- » Conducting vendor evaluations and audits when necessary and ensure internal stakeholders disclose potential conflicts of interest.

- **Strengthening Compliance and Efficiency:**

Internal audits are conducted to monitor and improve compliance with procurement policies while enhancing overall efficiency within the supply chain.

## 2025 SUSTAINABILITY JOURNEY

### ECONOMIC

#### Our Performance

In FY2025, the Group engaged with 578 suppliers, with a procurement expenditure of RM220.3 million for the same reporting period.

The following highlights our procurement details from 2023-2025.

Indicator	Unit	FY2023	FY2024	FY2025
Local Suppliers	%	70	70	74
Foreign Suppliers	%	30	30	26
Total Suppliers	No.	531	601	578
Local Procurement Spend	%	80	75	70
Foreign Procurement Spend	%	20	25	30
Total Procurement Spend	RM Mil	52.8	75.8	220.3
Supplier Quality - Excellent (46-50)	%	16	17	3
Supplier Quality - Good (40-45)	%	12	9	50
Supplier Quality - Average (30-39)	%	69	71	44
Supplier Quality - Below Average (20-29)	%	3	3	3
Supplier Quality - Poor (below 20)	%	0	0	0
Supplier Assessed on Social Impact (Health & Safety)	No.	172	230	212
HSE Related Policy	%	77	77	68
Full-time HSE Personnel	%	49	34	29
Provides PPE for Employees/Workers	%	67	67	94
Measures in Place for Electricity Safety	%	47	31	29
Chemical Management	%	13	10	9

LFG aims to maintain local procurement at a minimum of 70% of total procurement in FY2025. In parallel, the Group is committed to enhancing its procurement and supply chain capabilities through employees' participation in relevant training and development programmes. Efforts will also be intensified to proactively identify and engage additional local vendors, broadening the local supplier base to sustainably support the Group's future operational requirements .


## 2025 SUSTAINABILITY JOURNEY

### ECONOMIC

## ANTI-CORRUPTION

**Why is it important?**

The Group is committed to conducting its business with the highest ethical standards and integrity. Upholding responsible and transparent practices is essential for fostering trust, safeguarding stakeholder interests and ensuring long-term sustainability. By embedding ethical principles into its corporate culture, the Group strengthens its accountability, regulatory compliance and operational excellence.



#### Our Approach

The Group is committed to fostering a culture of integrity and ethical business conduct across all levels of the organisation.

- All Directors and employees are required to adhere to the Code of Ethics, ensuring the highest standards of conduct in business activities. A Code of Conduct for Suppliers and Contractors is also in place to uphold ethical standards across supply chains and business partnerships.
- The Group maintains a zero-tolerance policy towards bribery and corruption, reinforcing its commitment to ethical business practices.
- An Integrity Pledge is implemented for all stakeholders, including Directors, employees, suppliers, contractors, interns, workers and volunteers, ensuring accountability and ethical engagement.
- The Group enforces an Anti-Bribery and Anti-Corruption Policy to prevent unethical practices. Additionally, a whistleblowing and anti-fraud policy has been established to encourage the reporting of misconduct.
- During induction and onboarding sessions, briefings are conducted to familiarise individuals with the Group's ethical standards and policies. Compliance with laws, regulations and internal policies is further reinforced through adherence to the Limit of Authority (LOA) framework.
- Standard Operating Procedures (SOPs) guide the Group's tendering process, ensuring fairness, transparency and accountability in procurement activities.

## 2025 SUSTAINABILITY JOURNEY

### ECONOMIC

#### Our Performance

In FY2025, the Group conducted a corruption risk assessment across all departments: Finance, Supply Chain Management, Information Technology, Human Capital and Administration, Operations, Commercial & Chartering, QHSSE, Internal Audit and Corporate Communication.

The Group is pleased to report that no corruption cases were recorded for the year under review and the overall risk level was assessed as low across all departments, reflecting the effectiveness of the Group's ethical governance and commitment to maintaining a transparent and accountable business environment.

Indicator	Unit	FY2023	FY2024	FY2025
Management	%	62	16	100
Executive	%	71	26	100
Non-Executive/Technical Staff	%	25	8	100
Percentage of Operations that Underwent Corruption Risk Assessments	%	100	100	100
Confirmed Incidents of Corruption and Actions Taken	No.	0	0	0

## 2025 SUSTAINABILITY JOURNEY

### ECONOMIC

#### CYBERSECURITY AND DATA PRIVACY



##### Why is it important?

The Group manages a substantial volume of digital data, encompassing supply chain and customer information stored across multiple platforms, including cloud servers, physical servers, laptop hard drives and portable storage devices such as thumb drives.

Cybersecurity measures are essential to prevent unauthorised access and data breaches, which could expose confidential information or damage the company's reputation.

In Malaysia, we comply with the Personal Data Protection Act (PDPA) to mitigate legal risks and safeguard our reputation.

Cyber threats, such as ransomware attacks, pose a significant risk to business operations, potentially causing downtime and financial losses. Strengthening cybersecurity frameworks ensures operational continuity and minimises service disruptions.

Beyond external threats, we are also responsible for protecting employee data, including personal and financial records. In addition to regulatory requirements, securing this information fosters trust among employees, reinforcing their confidence in the company's commitment to privacy.

#### Our Approach

The Group remains committed to strengthening cybersecurity and data protection through risk management, employee awareness and regulatory compliance. We continue implementing stringent security measures, conducting regular system audits and enhancing employee training to mitigate cyber threats.

#### Our Performance

Indicator	Unit	FY2023	FY2024	FY2025
Number of Awareness Programme on Cyberattack carried out for all employees	No.	3	1	1
Number of Awareness Programme on Data Privacy carried out for all employees	No.	1	1	1
Number of substantiated complaints concerning breaches in customer privacy or data loss	No.	0	0	0

## 2025 SUSTAINABILITY JOURNEY

### ENVIRONMENTAL

The Group strives to continuously enhance its environmental performance by adopting best practices, cutting-edge technologies and robust management systems. Our commitment to sustainability includes minimising our operational footprint, optimising resource efficiency and implementing energy-efficient solutions. We ensure compliance with industry standards and regulatory requirements to reduce carbon emissions and promote responsible waste management. We remain dedicated to fostering long-term sustainability through continuous innovation and strategic initiatives while balancing business growth with environmental stewardship.

#### WATER MANAGEMENT



##### Why is it important?

The Group prioritises carefully monitoring and managing water consumption, recognising that effective water management is essential to our oil and gas operations. Water is essential for various functions, including vessel cooling, ballast water management, oil spill response, drilling, production and compliance with international marine regulations. The company acknowledges that efficient water management is key to maximising operational efficiency, ensuring environmental sustainability and adhering to regulatory requirements.

Minimising the environmental impact of water-related activities helps protect biodiversity and ecosystem health while enhancing operational performance.

##### Our Approach

- Water dispensers are installed on all vessels and undergo routine maintenance to ensure hygiene and quality. Regular testing and monitoring are conducted to ensure the water meets safety standards for consumption.
- Desalination units (water-makers) are fitted on AWB vessels, utilising reverse osmosis technology to convert seawater into clean water for showering and deck cleaning.
- Freshwater (potable) for ships and rigs is sourced from port facilities on land, which is specifically used for drinking.
- Ballast water management prioritises the responsible use of seawater, reflecting our commitment to biodiversity conservation.
- Vessel operations follow strict standard operating procedures (SOPs) for water management, ensuring full compliance with regulatory requirements.

#### Our Performance

Indicator	Unit	FY2023	FY2024	FY2025
Total volume of water used	Megalitres	32.8	30.1	34.9

## 2025 SUSTAINABILITY JOURNEY

### ENVIRONMENTAL

#### WASTE MANAGEMENT



##### Why is it important?

Our operations produce both scheduled and general waste, which, if not appropriately managed, can negatively impact the environment. Therefore, it is essential for the Group to implement effective waste management practices to minimise ecological harm and prevent pollution. To uphold environmental responsibility, the Group strictly complies with the regulations outlined in Annex V of MARPOL 73/78, the Environmental Act 1974 and the Environmental Quality Regulations 2005.

##### Our Approach

- The Group has established a robust waste management plan to monitor, handle and track waste generation and disposal.
- To manage this waste properly, we separate them for proper disposal.
- The Group adheres to the following regulations for waste management and disposal:
  - ⇒ Department of Environment-compliant protocols
  - ⇒ Annex V of MARPOL
  - ⇒ ISM Environment Management System – Garbage Management Plan
- Our waste management initiatives include:
  - ⇒ General waste is segregated according to usable and disposable materials such as domestic waste, paper and plastic;
  - ⇒ Scheduled waste such as chemicals, oil/grease and paint;
  - ⇒ Bulk packaging for supplies, taking into account the shelf life upon opening the package/container;
  - ⇒ We opt to utilise reusable or recyclable packaging and containers whenever possible;
  - ⇒ Minimise use of disposable cups, utensils, dishes, towels and rags; and
  - ⇒ Whenever possible, avoid non-recyclable plastics or supplies packaging

These initiatives are implemented across the Group, ensuring consistent waste management practices. Scheduled waste is collected and disposed of by licensed third-party contractors. In 2024, we are pleased to report zero spillage incidents.

##### Our Performance

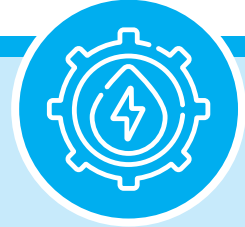
Indicator	Unit	FY2023	FY2024	FY2025
Hazardous/Scheduled Waste	Tonne	210.7	176.2	57.4
General Waste/Non-Hazardous	Tonne	580.7	264.9	273.4
Total Waste Generated	Tonne	791.5	441.0	330.8

\* **Note:** Waste management and environmental pollution-related data are audited independently by RINA.

## 2025 SUSTAINABILITY JOURNEY

### ENVIRONMENTAL

#### ENERGY MANAGEMENT



##### Why is it important?

The Group acknowledges that its business activities have an environmental impact, particularly from energy production through the combustion of fuels for vessel operations. These greenhouse gas (GHG) emissions contribute to climate change, impacting the planet and people.

Therefore, we are committed to minimising energy consumption and enhancing energy efficiency to reduce pollution from non-renewable energy sources.

##### Our Approach

- To strengthen fuel management accuracy, the Group has deployed the Vessel Fuel Track Management System ("VFMS") across eight vessels. This digital monitoring system provides real-time, high-resolution data on fuel consumption, enabling precise measurement, verification and analysis of fuel usage. By improving data reliability and transparency, VFMS supports more accurate operational control, optimised engine performance and informed decision-making, while promoting disciplined and sustainable fuel management across the Group's fleet.
- VFMS is equipped with advanced digital sensors and monitoring technologies that capture high-frequency, real-time data on fuel consumption, engine performance and overall vessel efficiency. The data is systematically processed and analysed using sophisticated algorithms, producing accurate, verifiable insights that support precise operational control, performance optimisation and improved fuel efficiency.
- We switched to using LED lighting across our offices for energy efficiency and to reduce electricity consumption.
- Furthermore, to reinforce our commitment to responsible environmental practices, we have sustainability and climate change policies in place to guide our actions.
- Electricity consumption at our onshore offices is continuously tracked and monitored to improve energy efficiency.
- Organisation of energy-saving campaign to encourage employees to switch off electrical devices when not in use, promoting responsible energy consumption.

In FY 2025, LFG reduced its total energy consumption by 20% compared to FY 2022 primarily due to an 87% reduction in corporate fleet fuel consumption, from 264.58 GJ to 34.94 GJ. Beyond operational improvements, we continue to strengthen our sustainability and climate change policies, ensuring our actions align with global environmental goals.

## 2025 SUSTAINABILITY JOURNEY

### ENVIRONMENTAL

#### Our Approach (cont.)

As part of the Group's commitment to energy efficiency and responsible fuel management, B7 biodiesel and diesel consumption for Offshore Support Vessels ("OSVs") are monitored and reported separately. Overall, total fuel consumption declined by 20% compared to the baseline year, reflecting improved fuel management and operational discipline.

#### Our Performance

Indicator	Unit	FY2023	FY2024	FY2025
Fuel consumption from renewable source – B7 biodiesel	GJ	52,241.86	41,427.29	48,763.08
Fuel consumption from non-renewable source – OSV	GJ	1,092,367.12	866,236.57	1,019,626.53
Fuel consumption from non-renewable source – corporate fleet	GJ	318.86	331.09	34.94
<b>TOTAL FUEL CONSUMPTION</b>	<b>GJ</b>	<b>1,144,927.84</b>	<b>907,994.95</b>	<b>1,068,424.55</b>
<b>Electricity Consumption: Location-based</b>				
HQ	GJ	244.60	202.95	109.64
Kemaman	GJ	71.00	45.11	26.29
Labuan	GJ	80.56	50.70	44.13
Leased EV Car	GJ	0	0	26.96
<b>TOTAL ELECTRICITY CONSUMPTION</b>	<b>GJ</b>	<b>396.17</b>	<b>298.76</b>	<b>207.02</b>
<b>TOTAL ENERGY CONSUMPTION</b>	<b>GJ</b>	<b>1,145,324.02</b>	<b>908,293.71</b>	<b>1,068,631.57</b>
<b>TOTAL ENERGY CONSUMPTION</b>	<b>MWh</b>	<b>318,145.81</b>	<b>252,304.01</b>	<b>296,842.10</b>

## 2025 SUSTAINABILITY JOURNEY

### ENVIRONMENTAL

#### EMISSIONS MANAGEMENT

##### Why is it important?

Effective emissions management is a core priority for LFG, reflecting the environmental and health risks associated with the combustion of fuels in marine vessel operations. These emissions contribute to air pollution, deteriorating air quality and placing ecosystems and human well-being at risk. The release of harmful pollutants accelerates environmental degradation and heightens exposure to hazardous airborne contaminants.

Air pollution remains a global challenge, with vulnerable groups - particularly children - experiencing disproportionate health impacts. Global health authorities have highlighted that many children are routinely exposed to pollution levels that exceed safe thresholds, increasing the risk of respiratory illnesses and long-term health complications. Against this backdrop, LFG recognises the importance of managing emissions responsibly. Through disciplined emissions control, the Group seeks to protect public health, reduce environmental impact and contribute meaningfully to a more sustainable and resilient future.

##### Our Approach

Aside from carbon emissions, The Group is committed to controlling and managing its air emissions, such as Nitrogen Oxides (Nox), Sulfur Oxides (Sox) and volatile organic compounds (VOCs), to mitigate their impact on the environment and society.

We ensure that all our vessel engines comply with the Engine International Air Pollution Prevention Certificate requirements issued by Germanischer Lloyd—a globally recognised authority in assurance, consulting, and classification for the marine and energy industries. Compliance with these standards ensures our vessel engines operate with enhanced fuel efficiency, adopt cleaner combustion technologies and utilise emission-reduction systems, thereby significantly lowering harmful air pollutants. This commitment reflects our proactive efforts to reduce air pollution and advance sustainable industry practices.



## 2025 SUSTAINABILITY JOURNEY

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### ENVIRONMENTAL

#### Our Performance

All our marine diesel engines fully comply with the Technical Code on the Control of Nitrogen Oxide Emissions from Marine Diesel Engines (2006), mandated under Annex VI of the International Convention for the Prevention of Pollution from Ships (1973) and later amended by the 1978 Protocol.

Additionally, fuel purchase receipts confirm our adherence to PETRONAS' Certificate of Quality. The sulphur content in the biodiesel used also meets the permitted specifications outlined in the certificate. We are pleased to report that there were no instances of non-compliance with air emission regulations in FY2023, FY2024 and FY2025.

Beyond regulatory compliance, we adopt a comprehensive approach to emissions management, following the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard. This framework allows us to track and disclose our emissions transparently across four key categories:

- Scope 1: direct greenhouse gas emissions from sources relating to LFG's operations.
- Scope 2: indirect greenhouse gas emissions from the generation of purchased energy consumed by LFG under operational control.
- Scope 3: other indirect greenhouse gas emissions (for business travel and employee commute only)
- Biogenic emissions from the combustion of biofuels are excluded from Scope 1 emissions and reported separately as a memo item.

In 2023, LFG embarked on a three-year roadmap to achieve a 5% reduction in total Scope 1 and Scope 2 GHG emissions from its 2022 baseline. By FY2025, the Group had recorded a 21% reduction in total Scope 1 and Scope 2 emissions, significantly exceeding its target and demonstrating the tangible impact of ongoing emission reduction efforts across its OSV operations.

The Group reports its Scope 3 emissions under Category 6 - Business Travel and Category 7 - Employee Commuting in accordance with the GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standards. Business travel emissions are calculated based on travel records provided by travel agencies, while employee commute data is collected through surveys, capturing details such as transport modes, average distance, and commute frequency to ensure accurate emissions estimation.

The Group remains focused on reducing the emissions through the optimisation of fuel usage, operational efficiency improvements, and the continued integration of renewable energy sources such as biofuels across our fleet. We continuously track emissions, fuel efficiency performance, and operational improvements to ensure measurable progress.

By embedding these strategies into our operations, LFG reinforces its commitment to sustainability, regulatory compliance, and ongoing decarbonisation efforts, driving continuous improvements in the Group's emissions performance.

## 2025 SUSTAINABILITY JOURNEY

### ENVIRONMENTAL

#### Our Performance (cont.)

Category	Unit	FY2023	FY2024	FY2025*
Scope 1 emissions in tonnes of CO <sub>2</sub> e	Metric tonne	81,912.00	64,724.87	76,159.62
Scope 2 emissions in tonnes of CO <sub>2</sub> e	Metric tonne	63.00	60.73	41.46
Scope 3 emissions in tonnes of CO <sub>2</sub> e (business travel and employee commute)	Metric tonne	-	308.76	160.25
Biogenic Emissions in tonnes of CO <sub>2</sub> e	Metric tonne	5,979.34	4,741.56	5,581.18
<b>Total Emissions, tCO<sub>2</sub>e (Scope 1+2+3)</b>	<b>Metric tonne</b>	<b>81,975.00</b>	<b>65,094.36</b>	<b>76,361.33</b>

\* GHG emissions for the Marine Transportation segment are not reported for FY2025 as the segment was acquired in July 2025 and complete, verifiable emissions data for the reporting period is not yet available. The Group has commenced data collection post-acquisition and will include this segment in future reporting.

## 2025 SUSTAINABILITY JOURNEY

### ENVIRONMENTAL



#### EFFLUENTS

##### Why is it important?

Responsible management of sewage and effluents onboard vessels is essential not only for regulatory compliance but also for protecting the marine environment in which the Group operates. Given the limited sewage storage capacity on ships, discharges at sea are sometimes unavoidable and, if not properly managed, may pose risks to surrounding marine ecosystems. Recognising this, LFG places strong emphasis on environmentally responsible sewage handling practices. By adhering to regulatory requirements and industry best practices, the Group seeks to minimise adverse environmental impacts and safeguard marine biodiversity within its operational areas.

##### Our Approach

Sewage discharge into the marine environment is governed by stringent regulations to safeguard ocean health and prevent pollution. Wastewater generated from toilets, urinals and WC scuppers onboard vessels must undergo appropriate treatment prior to discharge. Treated sewage may only be released when the vessel is at least three nautical miles from the nearest land, while untreated sewage is subject to more stringent controls and may only be discharged at a minimum distance of 12 nautical miles from shore. These requirements are designed to minimise potential harm to marine ecosystems and protect water quality in coastal and offshore environments.

Sewage discharged into the sea must not contain visible floating solids or cause discolouration of the surrounding waters, in order to minimise pollution and protect marine ecosystems. Detailed requirements governing the treatment and disposal of sewage from ships are set out under MARPOL Annex IV.

#### Our Performance

Category	Unit	FY2023	FY2024	FY2025
Total volume of effluents discharged over the reporting period	Litres	N/A*	120.8	68.69

\* **Note:** Going forward, we will monitor the total volume of effluents discharged into the sea.

## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

The Group's Social Pillar reflects our commitment to creating meaningful value for employees and the communities in which we operate. We seek to be an employer of choice by providing a safe, inclusive, and engaging work environment that supports employee well-being and development. Beyond our workforce, the Group contributes to local communities through employment opportunities and social responsibility initiatives. These efforts reinforce our corporate values and underpin the Group's long-term success.

#### LABOUR PRACTICES AND HUMAN RIGHTS



##### Why is it important?

The Group recognises its responsibility to respect human rights and embeds this commitment through corporate policies, practices, and expectations aligned with universally recognised principles. This framework underpins legal compliance, protects operational integrity, and supports the Group's reputation. Ongoing efforts are undertaken to proactively identify and mitigate potential human rights risks within our operations.

In addition, the Group's commitment to human rights supports a positive and inclusive workplace culture that promotes employee morale, satisfaction, and productivity. We comply with all applicable employment laws and uphold the universal principles of human rights to ensure a safe and respectful working environment.

#### Our Approach

The Group ensures that all employees understand and uphold our commitment to human rights, labour standards, and ethical conduct. This is reinforced through structured training programmes, workshops, induction sessions, and interactive discussions. Key topics, including human rights, anti-corruption, anti-bribery, and the Code of Conduct, are regularly communicated to promote awareness and understanding across the organisation. To support effective engagement and compliance, multiple communication channels are established to reach employees at all levels, as follows:

##### Code of Conduct

The Group's Code of Conduct outlines the principles and standards governing ethical behaviour and professional integrity across all levels of the organisation. It serves as a reference point for sound decision-making and supports the consistent application of high standards in daily business activities.

##### Employee Handbook

A comprehensive and readily accessible employee handbook provides employees with essential information on workplace policies, including their rights, labour standards, employment benefits, and working conditions. This handbook helps employees understand their roles and responsibilities while navigating workplace expectations with clarity and confidence.

## 2025 SUSTAINABILITY JOURNEY

# SOCIAL

### Our Approach (cont.)

#### Onboarding and Induction Programmes

The Group implements a structured onboarding training programme for new employees to ensure familiarity with corporate policies, organisational expectations, and key principles such as human rights and the Code of Conduct. The programme covers essential areas, including the Employee Handbook, organisational structure, ethical conduct, anti-bribery and anti-corruption practices, cybersecurity awareness, and the employee integrity pledge. This approach supports consistent alignment with the Group's values and operational objectives.

Additionally, every departing employee follows an exit procedure, including an exit interview, which allows us to gather valuable feedback in managing our continuous improvement process.

#### Grievance Mechanism

Employees have access to a structured grievance mechanism that provides avenues for both informal resolution and formal complaint handling, ensuring that workplace concerns are addressed fairly, consistently, and transparently. The Group adopts a zero-tolerance approach towards violations of human rights and labour standards, reinforcing its commitment to ethical and responsible business practices. Any employee found to be in breach of these standards is subject to appropriate disciplinary action, which may range from verbal warnings to termination of employment.

This framework strengthens organisational compliance and encourages employees to uphold ethical and responsible conduct in their daily activities. Employee engagement is supported through multiple platforms, including meetings, training sessions, workshops, induction programmes, and regular staff-management interactions, fostering open communication, transparency, and continuous learning across the Group.

#### Ongoing Training and Communication

We maintain open and consistent communication across the organisation through regular training sessions, briefings and internal communications conducted via meetings and memorandums.

To further encourage connection and collaboration, employees participate in a variety of engagement initiatives, including festive celebrations, campaign launches, team-based recreational activities and Townhall sessions, creating opportunities for meaningful interaction across the workforce.

## 2025 SUSTAINABILITY JOURNEY

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### SOCIAL

#### Our Performance

We are pleased to note that no incidents relating to discrimination, human rights violations or breaches of labour standards were reported throughout FY2023 to FY2025.

Category	Unit	FY2023	FY2024	FY2025
Number of substantiated complaints concerning human rights violations	No.	0	0	0

## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

#### HEALTH AND SAFETY



##### Why is it important?

The Group recognises the inherent safety risks associated with its operations as an offshore service provider and remains committed to managing these risks effectively. Regular training programmes are conducted to equip offshore employees with the skills and awareness needed to identify potential hazards and apply safe work practices.

These efforts are reinforced through the enforcement of robust safety protocols and ongoing assessment of operational risks. In parallel, the Group places importance on the mental well-being of its crew, recognising the demands of extended voyages and providing appropriate support to promote a healthy, balanced and sustainable working environment.

#### Our Approach

Maintaining strong Quality, Health, Safety, Security and Environment (QHSSE) standards remains a core priority for the Group in ensuring safe and efficient operations. We adopt a structured and proactive approach to continuously strengthen performance and operational excellence.

To uphold our commitment, we:

- Implement QHSSE Policies tailored to the OSV and Marine Transportation Business Segment
- Align all initiatives with the QHSSE Framework to ensure best practices are followed
- Maintain strict adherence to Marine QHSSE Standards and Compliance requirements
- Conduct scheduled internal and external safety audits to ensure regulatory compliance
- Organise regular quarterly health and safety campaigns to reinforce workplace safety
- Hold monthly QHSSE meetings to review progress and drive continuous improvement
- Provide oversight through the QHSSE Steering Committee, led by top management, to ensure accountability
- Utilise six QHSSE Key Performance Indicators (KPIs) to monitor and enhance operational performance

This approach reinforces our commitment to a safe, responsible, high-performing work environment.

Recognising the importance of Health & Safety (H&S) to the Group, it is embedded within the Corporate Scorecard and closely monitored by both the Senior Management and the Board to ensure accountability and continuous improvement.

## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

#### Our Performance

Category	Unit	FY2023	FY2024	FY2025
Number of Work-related Fatalities	No.	0	2	0
Permanent Total Disability	No.	0	0	0
Permanent Partial Disability	No.	0	0	0
Loss Workday Case	No.	0	2	0
Lost Time Incident Rate (LTIR)	Rate	0	0.4	0
Restricted Work Injury	No.	0	0	0
Medical Treatment Injury	No.	0	0	0
First Aid Case	No.	0	0	0
Occupational Illness	No.	0	0	0
Total Recordable Case Frequency	No.	0	2.1	0
Property Damage/Loss	No.	3	3	0
Fire/Explosion	No.	0	0	0
Hydrocarbon Release	No.	1	0	0
Loss of Primary Containment	No.	0	0	1
TOTAL INCIDENTS	No.	4	7	1
SAFE WORKING MANHOURS WITHOUT LTI	Hours	1,915,760.00	737,456.00	1,652,156
Number of employees trained on Health & Safety Standards (onshore)	No.	52	66	460

## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

#### QHSSE Awards & Recognitions

The Group's commitment to excellence in Quality, Health, Safety, Security and Environment (QHSSE) continues to earn industry recognition. These accolades are a testament to our rigorous operational standards and the dedication of our marine crew, who uphold best practices with precision and professionalism.

Below are the QHSSE awards received from 2023 to 2025:

Award Description	Awarded to	From
<b>2025</b>		
HML 2024/25 Monsoon Safety Campaign Zero Monsoon Related Incident Award - PTSC Lam Kinh	Regulus Offshore S/B (PTSC Lam Kinh)	Hibiscus Petroleum
2024/25 Monsoon Safety Campaign Best Intervention Award	Regulus Offshore S/B (PTSC Lam Kinh)	Hibiscus Petroleum
HML 15 Years Lost Time Injury (LTI) Free as of 4th September 2025 & 9 Years Total Recordable Incident (TRI) Free as of 8th September 2025	Regulus Offshore S/B	Hibiscus Petroleum
HML 2025 Appreciation To Master & Crew of MV PTSC Lamkin For Rendering Immediate Assistance During Distress Call at Song Doc Platform Award	Regulus Offshore S/B (PTSC Lam Kinh)	Hibiscus Petroleum
Hibiscus Malaysia Operated Asset – Sabah Integrated Wells Campaign 2025 Award	Regulus Offshore S/B (PTSC Lam Kinh)	Hibiscus Petroleum
HESS NMB Logistic Monthly Safety Award February 2025 "Best Stop Card"	Icon Offshore S/B (Icon Samudera)	HESS NMB Logistics
<b>2024</b>		
Zero TOD Heroes	Icon Offshore Group S/B	Shell
Anchor Handling Goal Zero	Icon Offshore Group S/B	Shell
<b>2023</b>		
Certificate of appreciation towards 0-LTI-TRI for Hibiscus Petroleum	Icon Offshore Group S/B (Icon Amara)	Hibiscus Petroleum
NMB Logistics Monthly Safety Award – Apr '23 (Category: Best Stop Card)	Captain Sani bin Bakar – MV Icon Lotus	HESS
NMB Logistics Monthly Safety Award – May '23 (Category: Best Stop Card)	Bosun Rajkumar Galiba – MV Icon Samudera	HESS NMB Logistics
NMB Logistics Monthly Safety Award – Sept '23 (Category: Best Stop Card)	Mr. Wan Mohd Yusdi Bosun	HESS NMB Logistics Monthly Awards

The Group cultivates a strong safety culture through quarterly health and safety campaigns alongside frequent ship-shore engagement initiatives, such as management site visits. These efforts keep all personnel informed and engaged, contributing to a secure working environment.

## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

#### DIVERSITY

##### Why is it important?

A diverse workforce is a key enabler of long-term value creation, bringing together a broad range of experiences, perspectives and expertise. This diversity strengthens innovation, sharpens problem-solving and supports the Group's pursuit of sustainable growth and operational excellence.

At LFG, inclusivity is central to how we serve our local and international clients. By fostering an environment where individuals from different social and educational backgrounds can contribute meaningfully, we create space for fresh ideas, continuous improvement and more responsive decision-making in a dynamic operating landscape.

##### Our Approach

The Group is committed to providing fair, transparent and competitive remuneration that recognises individual contributions and supports a culture of excellence.

Our remuneration framework is designed to align compensation with job responsibilities, market benchmarks and organisational priorities, reinforcing performance-driven outcomes across the Group.

Compensation is merit-based and reflects individual performance, skills, qualifications and tenure with LFG. Performance-linked rewards are assessed against KPI's and administered through the Group's Performance Management System.

Through this structured and equitable approach, employees are appropriately rewarded for their contributions, encouraging continuous improvement while supporting the Group's long-term growth and sustainability objectives.



## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

#### Our Performance

The table below presents the distribution of onshore and offshore employees by gender and age group across different employee categories for the past three years, FY2023, FY2024 and FY2025.

<b>Diversity, Equity &amp; Inclusion</b>				
<b>ONSHORE: Percentage of employees by gender and age group by category.</b>				
<b>Additional info: Ethnicity and Ratio of basic salary and remuneration of women to men.</b>				
<b>Category</b>	<b>Unit</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
Gender - Male	%	76.5	80.8	51
Gender - Female	%	23.5	19.2	49
Age - Under 30	%	0	0	4
Age - Between 30-50	%	85.3	84.6	92
Age - Above 50	%	14.7	15.4	3
Ethnicity - Malay	%	79.4	69.2	65.2
Ethnicity - Chinese	%	11	26.9	28
Ethnicity - Indian	%	2.9	0	2.3
Ethnicity - Other Ethnicities	%	5.9	3.8	4.5
Salary Ratio women to men	Ratio	40:60	16:84	56:44
<b>Executive Category (Sr Executive and Executive)</b>				
Gender - Male (Exec)	%	16.7	15.4	28
Gender - Female (Exec)	%	83.3	84.6	68
Age - Under 30 (Exec)	%	33.3	30.8	10
Age - Between 30-50 (Exec)	%	66.7	69.2	87
Age - Above 50 (Exec)	%	0	0	0
Ethnicity - Malay (Exec)	%	100	100	99
Ethnicity - Chinese (Exec)	%	0	0	1
Ethnicity - Indian (Exec)	%	0	0	0
Ethnicity - Other Ethnicities (Exec)	%	0	0	0
Salary Ratio women to men (Exec)	Ratio	48:52	83:17	98:02

## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

#### Our Performance (cont.)

Diversity, Equity & Inclusion				
ONSHORE: Percentage of employees by gender and age group by category. Additional info: Ethnicity and Ratio of basic salary and remuneration of women to men.				
Category	Unit	FY2023	FY2024	FY2025
<b>Operational (Non-Executive, Crew, Driver, Storekeeper)</b>				
Gender - Male	%	75	100	75
Gender - Female	%	25	0	25
Age - Under 30	%	25	0	0
Age - Between 30-50	%	75	100	100
Age - Above 50	%	0	0	0
Ethnicity - Malay	%	100	100	100
Ethnicity - Chinese	%	0	0	0
Ethnicity - Indian	%	0	0	0
Ethnicity - Other Ethnicities	%	0	0	0
Salary Ratio women to men	Ratio	51:49	0:100	51:49
<b>General Workers (Apprentices, Interns, Sub-con, Volunteers)</b>				
Gender - Male	%	50	100	0
Gender - Female	%	50	0	0
Age - Under 30	%	100	100	0
Age - Between 30-50	%	0	0	0
Age - Above 50	%	0	0	0
Ethnicity - Malay	%	100	100	0
Ethnicity - Chinese	%	0	0	0
Ethnicity - Indian	%	0	0	0
Ethnicity - Other Ethnicities	%	0	0	0
Salary Ratio women to men	Ratio	N/A	N/A	N/A

## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

#### Our Performance (cont.)

Diversity, Equity & Inclusion				
OFFSHORE: Percentage of employees by gender and age group by category. Additional info: Ethnicity and Ratio of basic salary and remuneration of women to men.				
Category	Unit	FY2023	FY2024	FY2025
<b>Management (Master, Chief Engineer)</b>				
Gender - Male	%	100	100	100
Gender - Female	%	0	0	0
Age - Under 30	%	0	0	0
Age - Between 30-50	%	70	62.8	70
Age - Above 50	%	30	37.2	30
Ethnicity - Malay	%	71.4	48.7	45
Ethnicity - Chinese	%	1.6	3.8	20
Ethnicity - Indian	%	4.8	3.8	23
Ethnicity - Other Ethnicities	%	22.2	43.6	12
Salary Ratio women to men	Ratio	0:100	0:100	0:100
<b>Operational (Non-Executive, Crew, Driver, Storekeeper)</b>				
Gender - Male	%	100	99.7	100
Gender - Female	%	0	0.3	0
Age - Under 30	%	20.3	22	16
Age - Between 30-50	%	66.1	65.7	79
Age - Above 50	%	13.6	12.2	5
Ethnicity - Malay	%	92.6	88.1	53
Ethnicity - Chinese	%	0	0.7	26
Ethnicity - Indian	%	0	0.3	11
Ethnicity - Other Ethnicities	%	7.4	10.8	9
Salary Ratio women to men	Ratio	0:100	1:99	0:100

## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

#### Our Performance (cont.)

Diversity, Equity & Inclusion				
OFFSHORE: Percentage of employees by gender and age group by category. Additional info: Ethnicity and Ratio of basic salary and remuneration of women to men.				
Category	Unit	FY2023	FY2024	FY2025
<b>Executive (Engineers &amp; Officers)</b>				
Gender - Male	%	0	100	100
Gender - Female	%	0	0	0
Age - Under 30	%	0	93.3	3
Age - Between 30-50	%	0	6.7	83
Age - Above 50	%	0	0	14
Ethnicity - Malay	%	0	93.3	58
Ethnicity - Chinese	%	0	0	21
Ethnicity - Indian	%	0	0	8
Ethnicity - Other Ethnicities	%	0	6.7	13
Salary Ratio women to men	Ratio	N/A	0:100	0:100
<b>Percentage of directors by gender and age group. Additional Info: Ethnicity Diversity</b>				
Gender - Male	%	83.3	83.3	62.5
Gender - Female	%	16.7	16.7	37.5
Age - Under 30	%	0	0	0
Age - Between 30-50	%	33.3	33.3	37.5
Age - Above 50	%	66.7	66.7	62.5
Ethnicity - Malay	%	83.3	83.3	50
Ethnicity - Chinese	%	16.7	16.7	37.5
Ethnicity - Indian	%	0	0	12.5
Ethnicity - Other Ethnicities	%	0	0	0

#### Gender Representation

	Unit	FY2023	FY2024	FY2025
Female representation in the Board	%	25	16.7	37.5
Female employee in onshore workforce	%	47	49.1	50
Female representation in Senior Management Team	%	20	0	25

## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

#### LABOUR PRACTICES AND STANDARDS



##### Why is it important?

The Group recognises that our workforce is the foundation of our success. Upholding fair and ethical labour practices is essential in fostering a safe, inclusive and supportive workplace. We are committed to maintaining high standards in human capital management, ensuring fair treatment, well-being and professional growth opportunities for all employees, crew members, management personnel and leadership teams. The Group empowers its workforce to drive long-term success and sustainability by adhering to industry best practices and labour standards.

##### Our Approach

We recognise that our people are our greatest asset. A highly skilled and knowledgeable workforce is the foundation of our success, driving innovation, efficiency and operational excellence. We prioritise continuous learning and professional development to ensure our employees remain competitive and well-equipped to meet evolving industry demands.

Training and development are central to the Group's commitment to equipping employees with the essential knowledge and skills to drive operational excellence and productivity. We have invested significantly in employee development, adopting a blended learning approach to enhance learning effectiveness. All job-related training expenses are fully covered through our contributions to the Human Resources Development Corporation ("HRDC"). Our training and development programmes are customised to address identified competency gaps, cater to individual learning needs and support targeted professional growth.

Competency gaps are evaluated and identified through the annual appraisal process and business requirements, allowing for the creation of a personalised development plan for each employee, in collaboration with Human Resources, the individual employee and their superiors to ensure targeted growth and skill enhancement.

Training KPIs are set for employees to achieve before their next appraisal, ensuring continuous development. Employees remain actively engaged with their superiors to track performance and progress. Regular feedback is provided through mid year and annual appraisals to support their growth. In most instances, the Group covers the cost of seminars, training programmes and professional courses, reinforcing its commitment to employee development.

## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

#### Talent Management Framework



##### Talent Retention Strategy



- Training Needs Assessment
- Management & Employee Engagement:
  - ⇒ Festive Gatherings
  - ⇒ Townhalls
  - ⇒ Sports Activities
- Performance Management Evaluation



##### Training & Development

- Training & Development Policy
- Vessel Competency Programme (Collaboration with Akademi Laut Malaysia)

##### Salary, Remuneration, and Rewards



- Salary (Aligned with Salary Policy and Malaysian Government's Minimum Wage Policy)
- Remuneration & Reward (Under the purview of NRC, Remuneration policy for Senior Management, Remuneration policies)
- Guided by Limits of Authority Manual for the approval process of salary and remuneration-based job grading
- Performance-based rewards will be tied to employees' KPIs, following guidelines from our Performance Management System
- Regulatory compliance includes EPF (with higher employer contribution to retain staff) and SOCSO contribution
- Employee Benefits

#### Hiring & Attrition Practices



Prioritising Local Talent



Streamlined HR Policies on separation, resignation, end of contract, MSS



Employment Contracts

## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

#### Our Performance

##### Statutory Contributions

The Group fully adheres to statutory requirements for employee contributions to the Employees Provident Fund (EPF). Employer contribution rates are determined based on employee eligibility, as outlined in our policy and individual employment contracts.

Total Payments made to employees from 2023-2025 are as follows:

	FY2023	FY2024	FY2025
<b>ONSHORE EMPLOYEE</b>			
Total Salaries, Bonuses and Benefits Payments	11,667,268	10,479,348	7,474,776.83
Total statutory payments made for employees' retirement benefits (EPF)	1,267,252	1,055,073	1,444,245.00
Total payments in medical insurance (SOCSO) for employees	63,264	16,143	73,986.75
<b>OFFSHORE EMPLOYEE</b>			
Total Salaries, Bonuses and Benefits Payments	38,343,105	21,288,567	11,841,219.17
Total statutory payments made for employees' retirement benefits (EPF)	2,165,042	2,188,238	2,392,702.00
Total payments in medical insurance (SOCSO) for employees	194,457	206,924	166,321.00

##### Employee Benefits

At LFG, we comply with all mandatory benefits outlined in the Employment Act 1955. In addition to these legal requirements, we also provide a comprehensive suite of group benefits for our full-time employees, as illustrated below:

<div style="background-color: #FFC107; padding: 5px; text-align: center; font-weight: bold; margin-bottom: 10px;">LEAVE</div> <ul style="list-style-type: none"> <li>Annual Leave</li> <li>Sick Leave</li> <li>Hospitalisation Leave</li> <li>Marriage Leave</li> <li>Paternity/Maternity Leave</li> <li>Examination Leave</li> <li>Compassionate Leave</li> </ul>	<div style="background-color: #FFC107; padding: 5px; text-align: center; font-weight: bold; margin-bottom: 10px;">MEDICAL</div> <ul style="list-style-type: none"> <li>Group Personal Accident</li> <li>Group Term Life Insurance</li> <li>Group Hospitalisation &amp; Surgical</li> <li>Outpatient Medical Treatment</li> <li>Dental &amp; Optical Benefits</li> </ul>
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## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

#### Our Performance (cont.)

##### Parental Leave

LFG provides parental leave benefits, including maternity and paternity leave, to eligible onshore employees, which is extended for up to five legally recognised surviving children. However, parental leave does not apply to crews on contracts.

In FY2025, four employees utilised parental leave.

Indicator	FY2023	FY2024	FY2025
Employees Who Took Parental Leave	4	7	4
Employees Who Took Paternity Leave	3	4	1
Employees Who Took Maternity Leave	1	3	3

Indicator	Unit	FY2023		FY2024		FY2025	
		Male	Female	Male	Female	Male	Female
Return to work rate (After parental leave)	%	100	100	100	100	100	100
Retention Rate (remain with organisation 12 months or more after parental leave)	%	100	100	100	100	100	100

##### Training Performance

In 2025, the Group recorded 3,255 training hours across onshore and offshore employees, reflecting our continued commitment to workforce development.

Following are highlights of our training performance for 2025:

- Total training hours and training expenditure for both onshore and offshore employees.
- List of training programmes in 2025

Total training hours (onshore) by employee category (HSE, non-HSE & education)				
Category	Unit	FY2023	FY2024	FY2025
Management	Hours	938	557	1,057
Executive	Hours	687	616	1,011
Non-executive/Technical Staff	Hours	66	17	56
General Workers (apprentices, interns, sub-con, volunteers)	Hours	0	54	47
Total Training Hours	Hours	1,691	1,244	2,171
Average training hours per employee	Hours	26	21	24
Total spend on training	Ringgit	161,127	33,345	116,209

## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

#### Our Performance (cont.)

Total training hours (offshore) by employee category (HSE, non-HSE & education)				
Category	Unit	FY2023	FY2024	FY2025
Management	Hours	506	311	378
Executive	Hours	1,735	922	1,220
Non-executive/Technical Staff	Hours	2,058	980	1,191
General Workers (apprentices, interns, sub-con, volunteers)	Hours	471	36	116
Total Training Hours	Hours	4,770	2,249	2,904
Average training hours per employee	Hours	3	7	15
Total spend on training	Ringgit	92,724	296,783	97,513

#### Hiring & Attrition Performance

As of 31 December 2025, our workforce consists of 89 onshore employees and 224 offshore personnel.

Percentage of employees that are contractors or temporary staff (onshore only - interns, temporary staff, staff under contract, suppliers working for us)				
	Unit	FY2023	FY2024	FY2025
Total employee are contractor/temporary staff	%	0.16	0.11	0.13
Total number of employee turnover by employee category (onshore only as offshore is 100% turnover)				
Senior Management	No.	2	4	3
Management	No.	3	9	14
Executive	No.	6	6	18
Non-executive/Technical Staff	No.	1	0	2
General Workers	No.	N/A	0	N/A
Turnover Rate (onshore)	%	16	35	42
Total new hires (onshore)	No.	14	19	26
New hire rate Percentage (onshore)	%	23	35	30
Total new hires (offshore)	No.	48	199	194
New hire rate percentage (offshore)	%	11	36	42

## 2025 SUSTAINABILITY JOURNEY

### SOCIAL

#### COMMUNITY ENGAGEMENT/ SOCIAL RESPONSIBILITY



##### Why is it important?

The Group recognises that being a responsible corporate citizen is essential to our long-term success. Our commitment to giving back to society is reflected in our active engagement with local communities and authorities across Malaysia, creating meaningful and lasting impacts in areas where we operate. Through these efforts, we strive to uplift communities, improve their quality of life and support sustainable development.

##### Our Approach

At LFG, our dedication to social responsibility goes beyond monetary contributions. We believe in creating meaningful change by engaging with communities and empowering future generations. Through targeted initiatives, we aim to foster skills development, provide career opportunities and support those in need, ensuring a positive and sustainable impact on society.

Community engagement and social responsibility initiatives enable the Group to strengthen relationships with stakeholders, uplift underserved communities and contribute to inclusive social development. By supporting education, encouraging responsible resource utilisation and collaborating with public sector agencies, the Group reinforces its commitment to sustainable development while creating shared value for society and the business. These initiatives also reflect the Group's values and commitment to being a responsible and trusted corporate citizen.

During the financial year, the Group undertook several community focused initiatives. This included the donation of stationery supplies to a secondary

school in Melaka, helping to meet essential educational needs and fostering a more conducive learning environment.

The Group also supported a charity run organised by a primary school in Selangor through a contribution of RM10,000, in addition to a donation of 10 laptop computers to the school. The initiative was intended to enhance access to digital learning resources while supporting the school's educational development through a community based fundraising event.

In support of public sector organisations, the Group donated used office furniture to the Marine Department, enabling the continued use of functional assets while promoting responsible resource reuse. This initiative reflects the Group's commitment to sustainability and ongoing collaboration with government agencies serving the maritime and marine industry.

The Group remains steadfast in our efforts to drive social impact, ensuring that our growth is aligned with the well-being of the communities we serve.

# TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

## MANAGING CLIMATE-RELATED FINANCIAL RISKS

The Group is committed to identifying, assessing, and mitigating financial risks associated with climate change. Guided by the Bursa Malaysia Sustainability Reporting Guide, we integrate climate-related considerations into our financial planning and risk management frameworks. This approach enhances transparency, strengthens our resilience to climate-related financial challenges and enables us to manage risks while capitalising on opportunities for sustainable growth.

Our climate strategy is designed to evaluate and address the potential impacts of evolving climate scenarios, including regulatory shifts, technological advancements, market trends, and environmental changes. Recognising the increasing importance of climate resilience, we prioritise risk mitigation strategies that support long-term sustainability while reinforcing stakeholder confidence. Through a structured and forward looking approach, we continue to refine our climate governance framework to ensure LFG remains agile and well-positioned in an evolving global landscape.

We are committed to aligning our sustainability disclosures with global and national standards. In line with the National Sustainability Reporting Framework (NSRF), LFG is in the process of transitioning to and adopting the IFRS Sustainability Disclosure Standards to standardise sustainability disclosures, ensuring alignment with global reporting standards and national requirements.

As a Group 2 listed issuer categorised under the Bursa Malaysia's Main Market Sustainability Reporting Requirements, we are actively preparing to meet the full disclosure requirements for climate reporting and disclosure under the IFRS Sustainability Disclosure Standards within the required timeline.

### Governance

Specific Recommendations	Adoption of Recommendations
<p>Describe the Board's oversight of climate-related risks and opportunities.</p>	<p>The Board of Lianson Fleet Group "LFG" has a significant role in overseeing matters related to climate change and broader sustainability strategies. Specifically, the Audit and Risk Management Committee (ARMC) at the board level is responsible for keeping the Board informed about material matters concerning Environmental, Social, and Governance (ESG), including emerging trends in climate change, industry updates, regulatory changes, and new mandates from PETRONAS and other major players in the oil and gas industry. This includes a current emphasis on carbon capture and storage initiatives.</p> <p>The ARMC consolidates this information and presents a detailed report to the entire Board. This comprehensive briefing allows the Board to consider and recommend appropriate actions for management to execute.</p> <p>Through such structured reporting and active engagement, the Board effectively governs and directs the company's sustainability initiatives, including climate change considerations. It plays a crucial and proactive role in shaping high-level strategies, prioritising significant sustainability issues, and setting mid-to-long-term objectives for the company.</p> <p>Furthermore, the Board is tasked with developing and executing the Group's sustainability roadmap. This includes crafting strategies, business plans, and targets, ensuring that sustainability considerations are deeply embedded within the company's decision-making processes. More information is contained in the Governance in Sustainability section of the SR.</p>

## TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

### Governance (cont.)

Specific Recommendations	Adoption of Recommendations
Describe management's role in assessing and managing climate-related risks and opportunities.	<p>Within LFG's sustainability governance structure, the Group's Managing Director ("MD") is responsible at the Executive level for ESG including climate change related matters.</p> <p>The MD is supported by the Sustainability Steering Committee ("SSC") which oversees the implementation of sustainability strategies while also evaluating overall sustainability risks and opportunities.</p> <p>The ESG Task Force is a cross-functional working level team responsible for data collection/ performance tracking of material sustainability topics. The Taskforce provides regular reports to the SSC.</p>

### Strategy

Specific Recommendations	Adoption of Recommendations
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	<p>Certain climate change-related risks could affect the Group, particularly under scenarios where global warming reaches 1.5°C or 2°C. Such warming could lead to rising sea levels and shifting coastlines, potentially disrupting offshore operations.</p> <p>However, these climate challenges also offer LFG unique opportunities to revise its business strategies, enhancing the Group's ability to adapt to these climate scenarios effectively.</p>
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	<p>Additionally, there is an opportunity to spread environmental awareness throughout the value chain and among stakeholders, encouraging collaborative efforts to enact positive environmental changes.</p> <div style="border: 1px solid #FFC000; padding: 10px; margin-top: 10px;"> <p style="writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold; color: #FFC000;">Opportunities</p> <ul style="list-style-type: none"> <li>Opportunity to cascade environmental awareness across the value chain and towards related stakeholders in order to foster collaborative action in making positive changes.</li> <li>Unlock the prospect of revisiting and future-proofing business strategies in a more sustainability-oriented manner to ensure long-term business viability.</li> <li>Potentially garner government support for eco-friendly incentives and other regulatory-backed benefits.</li> <li>Exploring an opportunity to measure and disclose our GHG emissions in accordance with our mode of operation to differentiate LFG's offerings from other industry players and strengthen our prospects for future tenders.</li> </ul> </div>

## TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

### Strategy (cont.)

Specific Recommendations	Adoption of Recommendations
	<div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold; margin-right: 10px;">Risks</div> <div style="border: 1px solid #ccc; padding: 10px; background-color: #f0f0f0;"> <p>Severe changing weather patterns caused by climate change can cause short term and long-term disruptions or even damage to LFG's offshore operations via extreme and unpredictable thunderstorms, tidal waves and more.</p> <p>Increased costs for repair and maintenance of offshore operations and assets impacted by climate-change related scenarios.</p> <p>Floods caused by intense rain and storms can lead to unpredictable logistical interruptions for business operations.</p> </div> </div>
Describe the organisation's processes for identifying and assessing climate-related risks.	The identification of climate-related risks at LFG is integrated into the existing risk management framework, as detailed in the company's Statement on Risk Management and Internal Control within the Annual Report. Alongside traditional focuses such as strategic, market, financial, and operational risks, LFG increasingly considers sustainability-driven material topics, including climate change, human and labour rights, occupational safety and health (OSH), which could affect LFG's business reputation, disrupt operations, impact financing availability, or lead to regulatory non-compliance.
Describe the organisation's processes for managing climate-related risks.	<p>With Management's support, the Board is committed to continuously enhancing LFG's internal control system and regularly reviewing its adequacy to address significant risks effectively.</p> <p>LFG is also an active participant in Climate Governance Malaysia, recognising climate change as a critical business risk.</p>
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	<p>LFG's Management reviews the risk register quarterly to ensure robust business resilience. This ongoing evaluation includes assessing and updating the enterprise risk matrix as necessary, incorporating climate-related risks as part of LFG's broader strategy to strengthen its management and mitigation of climate change impacts.</p> <p>More information can be found in the Annual report's Statement on Risk Management and Internal Control on page 131.</p>

## TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

### Metrics and Targets

Specific Recommendations	Adoption of Recommendations
<p>Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p>Regarding LFGs primary operations, risk factors are quantified using revenue and other pertinent indicators. The Group has incorporated stakeholder feedback through an updated materiality assessment to refine how it prioritises and manages material topics related to climate change. Details of this materiality assessment process can be found on page 46.</p> <p>LFG's Operations Department diligently monitors the overall CO<sub>2</sub> emissions and emissions intensity of its operations wherever feasible. The primary sources of LFG's carbon emissions are from the combustion of marine gas oil (Scope 1), primarily used in the OSV business segment. The segment has exceeded its target of 5% reduction in emissions against the baseline year 2022. Additionally, LFG tracks biogenic emissions (Scope 1) from the use of biodiesel in its operations.</p> <p>For operational fuel, LFG uses Bio-fuel diesel B7, which consists of 7% biodiesel and 93% petroleum diesel and is characterised by low sulfur, NOx, and VOCs content.</p> <p>Furthermore, purchased electricity consumption (Scope 2) is a significant component of LFG's electricity usage, particularly in its shore-based offices.</p>
<p>Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.</p>	<p>Scope 1 Emissions and Scope 2 Emissions are provided in the Emissions Performance section on page 63.</p>
<p>Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.</p>	<p>LFG's overarching target is to be fully consistent with the Paris Agreement and to disclose its current GHG emission in line with Task Force Climate Financial Related Disclosure.</p> <p>LFG plans to conduct monitoring activities of relevant Scope 3 emissions for future disclosure in its reports, specifically business travel and staff commute Scope 3 emissions.</p> <p>The Group's 3-Year Sustainability Roadmap also details more specific emissions targets, given that climate change has been established as one of the 5 priority topics from FY2023 onwards:</p> <ul style="list-style-type: none"> <li>• Year 1: 1% reduction in Scope 1 and 2 GHG emissions</li> <li>• Year 2: 3% reduction in Scope 1 and 2 GHG emissions</li> <li>• Year 3: 5% reduction in Scope 1 and 2 GHG emissions</li> </ul>

# BURSA ESG PERFORMANCE TABLE

As at 31/12/2025

The sustainability performance data presented below underscores the Group’s commitment to transparency and accountability, in line with Bursa Malaysia’s sustainability reporting requirements, and provides a concise overview of key ESG metrics for FY2025, highlighting our continued progress across environmental, social and governance areas.

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa (Anti-Corruption)	—	—	—	—	No assurance
Bursa C1(a) Percentage of employees who have received training on anticorruption by employee category	—	—	—	—	No assurance
—	Management	Percentage	100	—	Internal
—	Executive	Percentage	100	—	Internal
—	Non-executive/Technical Staff	Percentage	100	—	Internal
—	Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100	—	Internal
—	Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	—	Internal
Bursa (Community/Society)	—	—	—	—	—
—	Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	374,300	—	Internal
—	Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	160	—	Internal
Bursa (Diversity)	—	—	—	—	No assurance
Bursa C3(a) Percentage of employees by gender and age group, for each employee category	—	—	—	—	No assurance
Age Group by Employee Category	—	—	—	—	No assurance
—	Management Under 30	Percentage	4	—	No assurance
—	Management Between 30-50	Percentage	93	—	No assurance

## BURSA ESG PERFORMANCE TABLE

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
—	Management Above 50	Percentage	3	—	No assurance
—	Executive Under 30	Percentage	33.3	—	No assurance
—	Executive Between 30-50	Percentage	64.3	—	No assurance
—	Executive Above 50	Percentage	2.4	—	No assurance
—	Operational Under 30	Percentage	0	—	No assurance
—	Operational Between 30-50	Percentage	100	—	No assurance
—	Operational Above 50	Percentage	0	—	No assurance
—	General Workers Under 30	Percentage	0	—	No assurance
—	General Workers Between 30-50	Percentage	0	—	No assurance
—	General Workers Above 50	Percentage	0	—	No assurance
Gender Group by Employee Category	—	—	—	—	No assurance
—	Management Male	Percentage	51	—	No assurance
—	Management Female	Percentage	49	—	No assurance
—	Executive Male	Percentage	28	—	No assurance
—	Executive Female	Percentage	68	—	No assurance
—	Operational Male	Percentage	75	—	No assurance
—	Operational Female	Percentage	25	—	No assurance
—	General Workers Male	Percentage	0	—	No assurance
—	General Workers Female	Percentage	0	—	No assurance

## BURSA ESG PERFORMANCE TABLE

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa C3(b) Percentage of directors by gender and age group	—	—	—	—	No assurance
—	Male	Percentage	62	—	Internal
—	Female	Percentage	38	—	Internal
—	Under 30	Percentage	0	—	Internal
—	Between 30–50	Percentage	38	—	Internal
—	Above 50	Percentage	62	—	Internal
Bursa (Energy management)	Bursa C4(a) Total energy consumption	Megawatt	• 296,84210	—	No assurance
Footnote 2025: This figure has been revised, following the identification and correction of a computational error during the review of submitted data.					
Bursa (Health and safety)	Bursa CS(a) Number of work related fatalities	Number	0	—	No assurance
—	Bursa CS(b) Lost time incident rate ("LTIR")	Rate	0	—	No assurance
—	Bursa CS(c) Number of employees trained on health and safety standards	Number	460	—	No assurance
Bursa (Labour practices and standards)	—	—	—	—	No assurance
Bursa C6(a) Total hours of training by employee category	—	—	—	—	No assurance
—	Management	Hours	1057	—	No assurance
—	Executive	Hours	1011	—	No assurance
—	Non-executive/Technical Staff	Hours	56	—	No assurance

## BURSA ESG PERFORMANCE TABLE

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
—	Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.13	—	No assurance
Bursa (Labour practices and standards)	—	—	—	—	No assurance
Bursa C6(c) Total number of employee turnover by employee category	—	—	—	—	No assurance
—	Senior Management	Number	3	—	Internal
—	Management	Number	14	—	Internal
—	Executive	Number	18	—	Internal
—	Non-executive/Technical Staff	Number	2	—	Internal
—	Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	—	Internal
Bursa (Supply chain management)	Bursa C7(b) Proportion of spending on local suppliers	Percentage	70	—	No assurance
Bursa (Data privacy and security)	Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	—	Internal
Bursa (Water management)	Bursa C9(a) Total volume of water used	Megalitres	34.9	—	Internal
Bursa (Waste management)	Bursa C10(a) Total waste generated	Metrictonnes	330.8	—	Internal
Bursa (Emissions management)	Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	Metrictonnes	76,159.62	—	Internal
—	Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	Metrictonnes	41.45	—	Internal

## BURSA ESG PERFORMANCE TABLE

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
—	Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting)	Metrictonnes	160.25	—	Internal

# STATEMENT OF ASSURANCE

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## ***Assurance undertaken***

In strengthening the credibility of the Sustainability Statement, selected aspects of this Sustainability Statement has been subjected to an internal review by the company's internal auditors and has been approved by the Company's Audit and Risk Management Committee.

## ***Subject matter***

The subject matters covered by the internal review include the following indicators:

**GRI 306: Waste 2020**

**GRI 305: Emissions 2016**

**GRI 205: Anti-Corruption 2016**

**GRI 302: Energy 2016**

**GRI 303: Water and Effluents 2018**

**GRI 305: Emissions 2016**

**GRI 306: Waste 2020**

**GRI 418: Customer Privacy 2016**

## ***Scope***

The boundary of the internal review includes the Company's operations will be the whole Lianson Fleet Group Berhad's operating units.

## STATEMENT OF ASSURANCE

<b>Statement of use</b>	Lianson Fleet Group Berhad has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

<b>GRI STANDARD</b>	<b>DISCLOSURE</b>	<b>LOCATION</b>
GRI 2: General Disclosures 2021	2-1 Organisational details	
	2-1-a: The legal name of organisation	Lianson Fleet Group Berhad ("LFG")
	2-1-b: Nature of ownership and legal form	LFG is a public-listed company on Bursa Malaysia Securities Berhad.
	2-1-c: Location of headquarters	Suite 28.01, Level 28, Menara Southpoint, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur Malaysia
	2-1-d: Countries of operation	Malaysia, Singapore and Brunei
	2-2 Entities included in the organisation's sustainability reporting	
	2-2-a: List of entities	Total 24 vessels. 19 of our owned OSVs are active with 5 vessels laid-up
	2-2-b: Specify the difference between the list of entities included in its financial reporting and sustainability reporting	
	2-2-c: Explain the approach used for consolidating the information	Please refer to 'About This Report', pg 27
	2-3 Reporting period, frequency and contact point	Please refer to 'About This Report', pg 27
	2-3-a: Reporting period and frequency of its sustainability reporting	
	2-3-b: Reporting period for its financial reporting	
	2-3-c: Publication date of the report	
	2-3-d: Contact point for questions about the report	
	2-4 Restatements of information	
	2-4-a: Report the restatement of information and explain the reasons and effects of the restatements	Please refer to 'About This Report', pg 27
	2-5 External assurance	
	2-5-a: Policy and practice for seeking external assurance	Please refer to 'About This Report', pg 27

## STATEMENT OF ASSURANCE

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-5-b: Describe the details of external assurance	N/A
	2-5-b-i: Link of reference to the external assurance report(s) or assurance statement(s)	
	2-5-b-ii: Describe what has been assured and on what basis	
	2-5-b-iii: Relationship between the organisation and the assurance provider	
	2-6 Activities, value chain and other business relationships	Our Core Businesses, pg 9
	2-7 Employees	Total employees, pg 30
	2-8 Workers who are not employees	Diversity, Equity & Inclusion, pg 73
	2-9 Governance structure and composition	Corporate Governance and Policies, pg 35
	2-10 Nomination and selection of the highest governance body	Corporate Governance and Policies, pg 35
	2-11 Chair of the highest governance body	Corporate Governance and Policies, pg 35
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance and Policies, pg 35 Risk Management Oversight, pg 49
	2-13 Delegation of responsibility for managing impacts	Corporate Governance and Policies, pg 35 Risk Management Oversight, pg 49
	2-14 Role of the highest governance body in sustainability reporting	Governance Roles and Responsibilities, pg 33
	2-15 Conflicts of interest	Independence and Role Clarity, pg 36
	2-16 Communication of critical concerns	Whistleblowing and Grievance Mechanism, pg 39
	2-17 Collective knowledge of the highest governance body	Anti-Corruption Training, Communication and Awareness, pg 39 Whistleblowing and Grievance Mechanism, pg 39
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance and Policies, pg 35
	2-19 Remuneration policies	Governance in Executive Remuneration, pg 36
	2-20 Process to determine remuneration	Governance in Executive Remuneration, pg 36
	2-21 Annual total compensation ratio	Please refer to "Salary Ratio between Male and Female Employee, pg 73
	2-22 Statement on sustainable development strategy	3-YEAR SUSTAINABILITY ROADMAP, pg 47
	2-23 Policy commitments	Corporate Governance and Policies, pg 35 Anti-Bribery and Anti-Corruption Policy, pg 38
	2-24 Embedding policy commitments	Corporate Governance and Policies, pg 35
	2-25 Processes to remediate negative impacts	Risk Management Oversight, pg 49
	2-26 Mechanisms for seeking advice and raising concerns	Risk Management Oversight, pg 49 Whistleblowing and Grievance Mechanism, pg 39

## STATEMENT OF ASSURANCE

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations	Industry Regulatory Compliance, pg 36 Anti-Bribery and Anti-Corruption Policy, pg 38 Sustainability Governance, pg 32 LFG's Sustainability Framework, pg 47
	2-28 Membership associations	Memberships in Associations, pg 28
	2-29 Approach to stakeholder engagement	Stakeholder Engagement, pg 41
	2-30 Collective bargaining agreements	N/A
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement for Materiality Assessment, pg 44 Materiality Matters and Matrix, pg 45 Materiality Assessment Process, pg 46
	3-2 List of material topics	Materiality Assessment Process, pg 46
	3-3 Management of material topics	Materiality Assessment Process, pg 46
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Direct Economic Values Created, pg 51
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-Bribery and Anti-Corruption Policy, pg 38
	205-2 Communication and training about anti-corruption policies and procedures	Anti-Corruption Training, Communication and Awareness, pg 39
	205-3 Confirmed incidents of corruption and actions taken	Anti-corruption, pg 55
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	QHSSE, pg 69
	403-4 Worker participation, consultation, and communication on occupational health and safety	QHSSE, pg 69
	403-5 Worker training on occupational health and safety	QHSSE, pg 69
	403-9 Work-related injuries	QHSSE, pg 69
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cybersecurity & Data Privacy, pg 57
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Energy Management, pg 60
	302-4 Reduction of energy consumption	Energy Management, pg 60
GRI 404: Education and Training 2016	404-1 Average hours of training per year per employee	Training Performance, pg 80
	404-2 Programs for upgrading employee skills and transition assistance programs	Ongoing Training and Communication, pg 67

## STATEMENT OF ASSURANCE

GRI STANDARD	DISCLOSURE	LOCATION
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diverse Board Composition, pg 36
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	N/A
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply Chain Management, pg 52
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	N/A
GRI 308: Supplier Social Assessment 2018	414-1 New suppliers that were screened using social criteria	N/A
GRI 306: Waste 2020	306-3 Waste generated	Waste Management, pg 59
	306-4 Waste diverted from disposal	N/A
	306-5 Waste directed to disposal	Waste Management, pg 59
GRI 303: Water and Effluents 2018	303-5 Water consumption	Waste Management, pg 59
GRI 303: Materials 2016	303-1 Materials used by weight or volume	N/A
	303-2 Recycled input materials used	N/A

# DIRECTORS TEAM

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# DIRECTORS' PROFILE

## Lim Chern Yuan

Non-Independent Non-Executive Chairman

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

- Nil

### Academic/Professional Qualifications:

- Bachelor of Commerce (Finance Major), University of Melbourne, Australia

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

- Yinson Holdings Berhad

### Work Experience and Occupation:

Mr Lim Chern Yuan ("CY Lim") joined Yinson Holdings Berhad ("Yinson") in 2005 and progressed rapidly through the organisation. He was appointed Senior General Manager in 2007 and subsequently Executive Director in 2009. He has served as Group Chief Executive Officer of Yinson since 2014.

Under his leadership, Yinson's market capitalisation has increased more than 120-fold since 2011, establishing the company as one of the largest FPSO contractors globally. He has been instrumental in steering Yinson's strategic direction towards the energy transition, driving its expansion into renewables and green technologies and positioning Yinson as a sustainability leader in the industry.

CY is an experienced and highly respected business leader, particularly in the energy infrastructure and technology sector, with a strong focus on environmental, social, and governance ("ESG") principles. He also serves as a board member and former mentor at Endeavor Malaysia. Among his recognitions, he has received the Best CEO Award from Institutional Investor for three consecutive years since 2020 and was inducted as a Council Member of ASEAN-BAC Malaysia in February 2023.

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






- CY is the son of Mr Lim Han Weng, the major shareholder of the Company, as well as the brother of Mr CW Lim, the Managing Director of the Company.



- 41 years old
- Malaysian
- Male
- 15 December 2025
- Board Meeting Attended: N/A

## DIRECTORS' PROFILE



-  39 years old
-  Malaysian
-  Male
-  10 May 2024
-  Board Meeting Attended: 6/6

# Lim Chern Wooi

**Managing Director**

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

- Nil

### Academic/Professional Qualifications:

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

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

- Nil

### Work Experience and Occupation:

Mr Lim Chern Wooi ("CW Lim") began his career with Yinson Holdings Berhad ("Yinson") as a Business Development Executive in June 2008. He was subsequently promoted to Chief Executive Officer of Regulus Offshore Sdn. Bhd. on 3 January 2014.






In this role, he oversees the operations and business development of Yinson's Offshore Marine Division, which encompasses offshore support vessels, tugs, and barges.

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

- Mr CW Lim is the son of Mr Lim Han Weng, the major shareholder of the Company, and the brother of Mr Lim Chern Yuan, the Non-Independent Non-Executive Chairman of the Company.

## DIRECTORS' PROFILE



-  69 years old
-  Malaysian
-  Male
-  19 August 2025
-  Board Meeting Attended: 2/3

# Dato' Mohamed Sabri bin Mohamed Zain

**Non-Independent Non-Executive Director**

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

- Member of the Nomination and Remuneration Committee

### Academic/Professional Qualifications:

- Bachelor of Science in Petroleum Engineering, University of Wyoming, United States of America
- INSEAD Senior Management Development Programme, 1998

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

- Nil

### Work Experience and Occupation:

Dato' Mohamed Sabri bin Mohamed Zain ("Dato' Sabri") has over 47 years of experience in the international oil and gas industry.

He began his career with Petroliam Nasional Berhad ("PETRONAS") in 1978 and subsequently held various senior leadership roles, including General Manager for International Operations in PETRONAS Carigali Sdn. Bhd. In 2008, he was appointed President of White Nile Petroleum Operating Company in Sudan.

In 2010, he joined MISC Berhad as Vice President, Offshore Business. He was later appointed President of GOM Resources Sdn. Bhd. and Puncak Oil & Gas Sdn. Bhd. in 2013.

He is currently the Chief Executive Officer of Yinson Energy Sdn. Bhd., a subsidiary company of Yinson Holdings Berhad, which is principally involved in provision of agency, consultancy, engineering and marine support services for oil and gas industry.

## DIRECTORS' PROFILE

# Captain Adarash Kumar A/L Chranji Lal Amarnath

Independent Non-Executive Director

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

- Member of the Audit and Risk Management Committee

### Academic/Professional Qualifications:

- Master Mariner

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

- Nil

### Work Experience and Occupation:

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

He has held several senior leadership positions during his career, including Assistant General Manager of Bumi Armada Navigation Sdn. Bhd., an offshore support services provider based in Malaysia; Group Chief Operating Officer of Ezra Holdings Limited; and Chief Executive Officer and Executive Director of Emas Offshore Ltd.






Prior to his appointment to the Board of Directors of the Company, he served as Business Development & Commercial Officer of EO Offshore Services Singapore Pte. Ltd. and EO Offshore Services (M) Sdn. Bhd.



- 66 years old
- Malaysian
- Male
- 2 January 2025
- Board Meeting Attended: 6/6

## DIRECTORS' PROFILE



-  54 years old
-  Malaysian
-  Female
-  18 May 2016
-  Board Meeting Attended: 6/6

# Farina binti Farikhullah Khan

Independent Non-Executive Director

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

- Chairperson of the Audit and Risk Management Committee

### Academic/Professional Qualifications:

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

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

Public-Listed Companies:

- PETRONAS Gas Berhad
- KLCC Property Holdings Berhad

Foreign Company

- EnQuest PLC

### Work Experience and Occupation:

Farina binti Farikhullah Khan ("Puan Farina") has over 30 years of professional experience, predominantly in the oil and gas industry.

She began her career in 1994 with Coopers & Lybrand, Australia, in the Business Services unit, where she provided accounting, audit, taxation, and business advisory services for 3 years. In 1997, she returned to Malaysia and joined Petroleum Nasional Berhad ("PETRONAS") in the Corporate Planning and Development Division. She progressed through various roles over the years, including Senior Manager (Strategy and Portfolio) in Group Strategic Planning, serving PETRONAS until 2005.

In 2006, she was appointed Chief Financial Officer ("CFO") of PETRONAS Carigali Sdn. Bhd. ("PCSB"), one of PETRONAS' largest subsidiaries with operations in more than 20 countries, a position she held until 2010. She subsequently served as CFO of the PETRONAS Exploration and Production Business from mid-2010 to the end of 2013, overseeing the largest business arm of PETRONAS, encompassing both the PETRONAS Group of Companies and the Petroleum Management Unit.

Prior to leaving the PETRONAS Group at the end of 2015 to pursue other interests, she was the CFO of PETRONAS Chemicals Group Berhad, the largest listed entity within the PETRONAS Group, a role she held for 2 years.

Currently, she is the Senior Independent Non-Executive Director of PETRONAS Gas Berhad and KLCC Property Holdings Berhad, both public listed companies on the Main Market of Bursa Malaysia Securities Berhad. She also holds the position of Senior Independent Director of KLCC REIT Management Sdn. Bhd., the Manager of KLCC Real Estate Investment Trust.

In addition, she is the Senior Independent Director of EnQuest PLC, a company listed on the London Stock Exchange.

She previously served as an Independent Non-Executive Director of AMMB Holdings Berhad and AmBank Islamic Berhad, a wholly owned subsidiary of AMMB Holdings Berhad.

## DIRECTORS' PROFILE

# Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar

Independent Non-Executive Director

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

- Chairman of the Nomination and Remuneration Committee

### Academic/Professional Qualifications:

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

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

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

### Work Experience and Occupation:

Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar ("Dato' Syed Naqiz") is a seasoned legal practitioner with more than 27 years of experience in legal practice. Over the course of his career, he has developed in-depth expertise across a broad spectrum of industries, including finance, capital markets, venture capital, power, property, construction, automotive, defence, technology, telecommunications, hospitality, retail, manufacturing, fast-moving consumer goods ("FMCG"), and logistics.

He has represented and acted for and against multinational corporations, public listed companies, governmental and regulatory bodies, as well as government-linked companies. Throughout the years, Dato' Syed Naqiz and Naqiz & Partners have been consistently recognised and ranked as a leading law firm and leading lawyer in Technology, Media and Data, Intellectual Property, Corporate, and Projects practice areas.

Dato' Syed Naqiz currently serves on several boards across various industries, including as Chairman of AwanBiru Technology Berhad, and as a Director of UOB Asset Management



- 53 years old
- Malaysian
- Male
- 10 May 2024
- Board Meeting Attended: 6/6






(Malaysia) Berhad, MMC Corporation Berhad and TH Properties Sdn. Bhd. He has also previously served as a Commission Member of the Malaysian Communications and Multimedia Commission, a Board Member of Yayasan DRB-HICOM, Penjana Kapital Sdn. Bhd., and the Kuala Lumpur Business Club (KLBC).

Through his board appointments, he has played and continues to play a significant role in legal, regulatory, and governance matters, and contributes meaningfully to discussions on risk management, corporate strategy, sustainability, and emerging industry trends.

In addition, Dato' Syed Naqiz is actively involved in various entrepreneurial ventures, particularly in the retail and technology sectors. Reflecting his commitment to industry development, he co-founded the Bumiputera Retailers Organisation (BRO) in 2013, where he currently serves as President, advocating on behalf of Bumiputera retailers and wholesalers.

## DIRECTORS' PROFILE



-  44 years old
-  Malaysian
-  Female
-  19 August 2025
-  Board Meeting Attended: 3/3

# Ginny Yeow Mei Ying

Independent Non-Executive Director

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

- Member of the Nomination and Remuneration Committee

### Academic/Professional Qualifications:

- Diploma in Marketing, Marketing Institute of Singapore
- Bachelor of Arts in English Literature (American and Spanish Literature), University of Warwick (Coventry, England)

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

- AwanBiru Technology Berhad

### Work Experience and Occupation:

Ms Ginny Yeow Mei Ying ("Ms Ginny Yeow") began her career in 2003 with Mindshare as a Media Planner, where she developed strategic media plans to help clients achieve both tactical and thematic marketing objectives. She subsequently joined F3 Strategies in 2005 as a Corporate Communications Executive, organising corporate events and business forums, and managing external corporate communications.

In 2008, she was appointed Senior Marketing Executive of the Kuala Lumpur Regional Centre for Arbitration ("KLRC"), before joining Kencana Capital Sdn. Bhd. as Investment Manager, managing portfolios of financial investments and developing long-term business plans.

She is currently the Director of Kagic Corporation Sdn. Bhd., overseeing operations, cash flow, and financial asset management, while identifying and executing new business opportunities. Since 2019, she has also served as an Independent Non-Executive Director of AwanBiru Technology Berhad.

## DIRECTORS' PROFILE

# Puteri Liza Elli Sukma

Independent Non-Executive Director

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

- Member of the Audit and Risk Management Committee

### Academic/Professional Qualifications:

- Bachelor of Commerce (Accounting), University of New South Wales, Australia
- Chartered Accountant, Chartered Accountants Australia and New Zealand (CA ANZ)

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

- TRC Synergy Berhad

### Work Experience and Occupation:

Puan Puteri Liza Elli Sukma ("Puan Puteri Liza") has over 25 years of experience in finance, accounting, corporate finance, strategic planning, risk management, organisational realignment, procurement, and audit. She began her career in 1994 as an Auditor with KPMG Melbourne, Australia, before joining PETRONAS Corporate Finance Division in 1997, where she held several managerial roles over a 20-year tenure, including Senior Manager at Group Strategic Planning, Petroliam Nasional Berhad ("PETRONAS") in 2004, and PETRONAS Gas Berhad in 2007.

From 2010 to 2013, she served as Chief Financial Officer of PETRONAS Trading Corporation Sdn. Bhd., and later as CFO of PETRONAS Dagangan Berhad from 2014 to 2017. From 2022 to 2024, she serve as Independent Non-Executive Director of Pelaburan Hartanah Berhad. She is currently an Independent Non-Executive Director of TRC Synergy Berhad.



- 53 years old
- Malaysian
- Female
- 19 August 2025
- Board Meeting Attended: 3/3

### Notes:

Save as disclosed above, none of the Directors has:-

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

# SENIOR MANAGEMENT TEAM

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## SENIOR MANAGEMENT TEAM



**Lim Chern Wooi**  
Managing Director

39 years old Male Malaysian

**Date Appointed to the Company:**

10 May 2024

**Academic/Professional Qualifications:**

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

- Certified Auditor for multiple international standards, including Quality Management System (ISO 9001:2008), Environmental Management System (ISO 14001:2004), Occupational Health and Safety Management System (OHSAS 18001:2007), International Safety Management (ISM), and International Ship and Port Facility Security (ISPS).

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

- Nil

**Work Experience and Occupation:**

- Mr Lim Chern Wooi ("CW Lim") began his career with Yinson Holdings Berhad ("Yinson") as a Business Development Executive in June 2008. He was subsequently promoted to Chief Executive Officer of Regulus Offshore Sdn. Bhd. on 3 January 2014.
- In this role, he oversees the operations and business development of Yinson's Offshore Marine Division, which encompasses offshore support vessels, tugs, and barges.

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

Mr CW Lim is the son of Mr Lim Han Weng, the major shareholder of the Company, and the brother of Mr Lim Chern Yuan, the Non-Independent Non-Executive Chairman of the Company.



**Ng Yng Yng**  
Chief Financial Officer

36 years old Female Malaysian

**Date Appointed to the Company:**

3 April 2025

**Academic/Professional Qualifications:**

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

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

- Nil

**Work Experience and Occupation:**

- Ms Ng Yng Yng ("Ms Ng") is a finance professional with over 15 years of experience.
- She brings with her wealth of experience, expertise and great values of corporate finance, business advisory and transformation to this role from her previous appointments as follows:
  - The Chief Operating Officer and Chief Transformation Officer for Servay Evergreen Group of Companies from February 2020 till March 2025. Led enterprise wide transformation initiatives, including finance digitisation and operational integration across multiple business units.
  - The Project Controller for EG Development (Sabah) Sdn. Bhd. from August 2023 till March 2025. Oversaw project financials for mixed use developments, delivering cost controls and performance reporting frameworks.
  - The Senior Manager, Assurance for PricewaterhouseCoopers PLT from March 2011 till January 2020. Managed audit engagements for public listed and multinational clients, specialising in financial reporting and internal controls.

## SENIOR MANAGEMENT TEAM



**David Then Hai Pin**

Head of Operations, Commercial & Chartering

44 years old Male Malaysian

**Date Appointed to the Company:**

1 February 2025

**Academic/Professional Qualifications:**

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

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

- Nil

**Work Experience and Occupation:**

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



**Douau Jean-Philippe**

Chartering Director

49 years old Male French

**Date Appointed to the Company:**

21 July 2025

**Academic/Professional Qualifications:**

- Licence in Shipping & Trading, IUP Banque Finance, University of Nantes Saint-Nazaire, France (B.Sc. Equivalent)
- University Diploma in International Shipping & Logistics Management, University of Plymouth, United Kingdom
- DUT Transport & Logistics, University of Caen, France (HND equivalent)

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

- Nil

**Work Experience and Occupation:**

- Mr Douau Jean-Philippe ("Mr Douau") is a shipping professional with over 24 years of experience in the Dry Bulk shipping industry. Prior to joining the Company, he was the Chartering Manager of the Group's related company, Liannex Corporation (S) Pte Ltd, a position he held since July 2018.
- Prior to joining Liannex, Mr Douau held senior chartering roles with the Lafarge Holcim Group, Thoresen Shipping Singapore Pte Ltd and Mekatrade Asia Pte Ltd, where he was responsible for dry bulk chartering and fleet employment across Asia Pacific and international markets. He began his career in the dry bulk shipping industry with chartering and operations roles with Sanko Kisen (UK) Ltd and Navalmar (UK) Ltd in London, before relocating to Singapore with Navico International Pte Ltd.

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

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

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors (“Board”) of Lianson Fleet Group Berhad (“LFG” or “Company”) is pleased to present the following report of the Audit and Risk Management Committee (“ARMC”) for the financial year ended 31 December 2025 (“FY2025”) (“ARMC Report” or “Report”).

## MEMBERSHIP AND MEETING

Following the resignation of Dato' Syed Yasir Arafat bin Syed Abd Kadir on 7 November 2025, the ARMC comprising entirely of all Independent Non-Executive Directors, including the Chairperson. The Chairperson of the ARMC, Puan Farina binti Farikhullah Khan, is a Chartered Accountant and a Fellow of the Institute of Chartered Accountants, Australia and New Zealand. Accordingly, the composition of the ARMC complies with the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia Securities”).

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

During FY2025, a total of five (5) ARMC meetings were held, and the respective members’ attendance is shown in the following table:

Member	No. of Meetings Attended/Held	Percentage of Attendance (%)
<b>Farina binti Farikhullah Khan (Chairperson)</b> Independent Non-Executive Director	4/4	100
<b>Captain Adarash Kumar A/L Chranji Lal Amarnath (Member)</b> Independent Non-Executive Director	4/5	80
<b>Puteri Liza Elli Sukma (Member)</b> Independent Non-Executive Director (appointed on 19 August 2025)	5/5	100
<b>Dato' Syed Yasir Arafat bin Syed Abd Kadir (Member)</b> Independent Non-Executive Director (resigned on 7 November 2025)	2/2	100

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

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### MEMBERSHIP AND MEETING (CONT.)

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

The ARMC had the following private discussions with the External and Internal Auditors, without the presence of the Management:

- (a) External Auditors, PricewaterhouseCoopers PLT on 27 February 2025 and 27 November 2025; and
- (b) Internal Auditor on 27 November 2025.

### ROLES AND RESPONSIBILITIES OF THE ARMC

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

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

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

### SUMMARY OF ACTIVITIES OF THE ARMC

During FY2025 and up to the date of approval of the Report, the ARMC had carried out the following works in discharging its duties:

#### A. Financial Reporting

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

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

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

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

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

#### **C. Risk Management**

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

#### **D. External Auditors**

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

#### **E. Internal Auditors**

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

#### **F. Related Party Transactions**

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

#### **G. ESG**

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

### INTERNAL AUDIT FUNCTION

In supporting the ARMC's governance obligations as outlined in its TOR, the ARMC is aided by an in-house internal audit function, which reports directly to the ARMC and is guided by the Internal Audit Charter. Its principal role is to undertake independent, regular and systematic review and appraisal of the Group's risk management, control and governance processes designed and represented by Management to determine whether they are adequate, functioning appropriately and forming a robust internal control.

During the financial year and up to the date of approval of the Report, the Internal Auditors carried out four (4) risk-based operational audit reviews in accordance with the approved annual internal audit plan, namely:

- Internal Controls Assessment on Sustainability Statement Disclosure
- Human Resource and Payroll
- Order to Cash
- Review achievement of 3-year Sustainability goals and targets

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

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### INTERNAL AUDIT FUNCTION (CONT.)

The corresponding reports of the internal audit reviews were presented to the ARMC in May 2025, August 2025, November 2025 and February 2026, respectively, and forwarded to Management for their attention and actions. Management is responsible for ensuring the action plans are taken within the required timeframe.

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

For FY2025, the total cost incurred for the internal audit function was RM85,905.

This Report has been approved by the Board of LFG on 27 April 2026.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

This Corporate Governance Overview Statement ("**CG Overview Statement**") outlines the Company's corporate governance processes and practices applied during the financial year ended 31 December 2025 ("**FYE 2025**"), in compliance with Paragraph 15.25 (1) of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**") and guided by the principles and recommendations as set out in the Malaysian Code on Corporate Governance ("**MCCG 2021**") along with the Companies Act 2016 ("**CA 2016**") and Corporate Governance Guide (4<sup>th</sup> Edition) issued by Bursa Malaysia Berhad. This CG Overview Statement is to be read in conjunction with the Corporate Governance Report ("**CG Report**") of the Company, which is available on the Company's website at [www.lianson.com](http://www.lianson.com).

The CG Report provides details on how the Company has generally applied the practices under MCCG 2021 as well as the departures and alternative measures in place within the Company during the financial year under review and demonstrates the commitment of the Board and Management of the Company in applying and embracing the high standards of corporate governance in the organisation. The CG Report and the CG Overview Statement had been approved by the Board of LFG on 27 April 2026.

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

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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

#### I. BOARD ROLES AND RESPONSIBILITIES

##### Board's Role

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

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

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

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

##### Board Committees

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

- (i) Audit and Risk Management Committee ("**ARMC**"); and
- (ii) Nomination and Remuneration Committee ("**NRC**");

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

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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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

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

The roles of the Chairman and MD are clearly separated following the re-designation of Mr Lim Chern Wooi (“**CW Lim**”) from Executive Chairman to MD on 15 December 2025 (“**Re-designation**”), and the appointment of Mr Lim Chern Yuan as the Non-Independent Non-Executive Chairman of the Company on the same date.

Prior to the Re-designation, CW Lim acted as the Executive Chairman and assumed the duties of MD to ensure continuity and stability in leadership while the Board undertook a diligent process to identify a suitable candidate in line with the best practice of separating these two key roles. During his tenure as Executive Chairman, CW Lim provided strong leadership and strategic direction, while remaining actively involved in the management of the Group. Under his stewardship, the Company upheld high standards of corporate governance, ensuring effective oversight, accountability, and transparency. He was also instrumental in diversifying the Group’s business portfolio, driving sustainable growth, enhancing resilience, and creating long-term shareholder value.

The Board is of the view that the Chairman should not be a member of any Board Committees, to preserve appropriate checks and balances and ensure that objectivity is not impaired. The Board remains mindful of the importance of good corporate governance and has ensured that the separation of roles and responsibilities is maintained to uphold independence and effective oversight.

##### **Company Secretaries**

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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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

##### Access to Information

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

##### Board Meeting

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

Prior to each Board meeting, Management endeavours to circulate the agenda and the complete set of meeting papers electronically within five (5) to seven (7) business days in advance, to enable Directors to review and assess the matters to be deliberated. The minutes of the Board meeting and Board Committees meetings are prepared in a timely manner and included as part of the Board papers to facilitate informed deliberations.

During the financial year ended 31 December 2025, Board papers were circulated to the Board members in advance via a secure digital meeting platform, and this remains an ongoing priority to facilitate informed decision-making. Senior Management is invited to attend Board meetings to present and provide clarifications on matters under discussion, as well as to respond to queries raised by the Directors. All proceedings of the Board and the Board Committees are minuted and signed by the respective Chairmen of the meetings.

##### Board Charter

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

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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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

##### Governance-related Policies

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

In line with the overriding responsibility to act honestly, fairly, and with integrity, the Board has established internal policies and frameworks for Group-wide application to enhance the governance and oversight of its operations. A brief description of these policies is provided in the CG Report:

- (i) Directors' Code of Ethics;
- (ii) Employees' Code of Ethics;
- (iii) Service Provider Code of Conduct;
- (iv) Anti-Fraud and Whistleblowing Policy;
- (v) Anti-Bribery and Anti-Corruption Policy ("**ABAC Policy**"); and
- (vi) Directors' Fit and Proper Policy (embedded in the Board Charter).

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

##### Sustainability

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

The Company continuously and constantly communicates the targets and performances of the ESG to all the stakeholders of the Group internally or externally. The ARMC is tasked with overseeing the Group's ESG matters before reporting to the Board.

Detailed information pertaining to the sustainability of the Group is stated in the Sustainability Report contained in this Annual Report or on the Company's website at [www.lianson.com](http://www.lianson.com).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### II. BOARD COMPOSITION

LFG is led by a capable and experienced Board. The Board currently comprises eight (8) Directors, consisting of one (1) Non-Independent Non-Executive Chairman, one (1) Managing Director, one (1) Non-Independent Non-Executive Director, and five (5) Independent Non-Executive Directors.

The Board Charter provides that the Board shall comprise qualified individuals with diverse experience, backgrounds and perspectives. The current Board consists of a well-balanced mix of seasoned professionals and industry leaders with extensive experience across oil and gas, marine and offshore services, risk management, finance, accounting, legal, engineering, project management and general corporate leadership. Collectively, the Board provides strong strategic oversight, technical expertise and governance acumen, supporting effective supervision of management and informed decision-making in pursuit of the Group's long-term objectives.

The Board supports the continued emphasis on greater diversity in the boardroom, recognising that diversity of perspectives enhances the quality of deliberations and business decision-making in the best interests of the Group. As of the date of this CG Overview Statement, the Board comprises three (3) female Directors, representing 38% female representation.

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

The Board composition complies with Paragraph 15.02 of the MMLR of Bursa Malaysia Securities, requiring at least two (2) or one-third (1/3) of the Board, whichever is higher, to be Independent Directors, as well as MCGG 2021, which requires, at least half of the Board to comprise Independent Directors. The strong presence of a majority of Independent Directors provides an effective check and balance in the functioning of the Board.

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

The Board, through the NRC, undertakes the independence assessment of all its Independent Directors, which is carried out as part of the Board assessment annually. From the recent independence assessment of the Independent Directors, the Board was satisfied that all the Independent Directors of the Company are able to exercise independent judgement and continue to act in the best interest of the Company.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### II. BOARD COMPOSITION (CONT.)

##### Fostering Commitment

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

The table below shows the attendance record of the Directors for the Board and Board Committee meetings held during FYE 2025:

Name of Directors	General Meeting	Board	ARMC	NRC
Lim Chern Yuan <sup>1</sup>	N/A	N/A	-	-
Lim Chern Wooi <sup>2</sup>	5/5	6/6	-	-
Dato' Syed Yasir Arafat bin Syed Abd Kadir <sup>3</sup>	2/4	5/5	4/4	1/1
Farina binti Farikhullah Khan	5/5	6/6	4/5	-
Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar	5/5	6/6	-	1/1
Ainul Azhar bin Ainul Jamal <sup>4</sup>	4/4	3/3	-	1/1
Captain Adarash Kumar A/L Chranji Lal Amarnath <sup>5</sup>	5/5	6/6	5/5	-
Dato' Mohamed Sabri bin Mohamed Zain <sup>6</sup>	1/1	2/3	-	N/A
Puteri Liza Elli Sukma <sup>7</sup>	1/1	3/3	2/2	-
Ginny Yeow Mei Ying <sup>8</sup>	1/1	3/3	-	N/A

##### Chairman

<sup>1</sup> Appointed as Non-Independent Non-Executive Chairman on 15 December 2025.

<sup>2</sup> Re-designated from Executive Chairman to Managing Director on 15 December 2025.

<sup>3</sup> Resigned as Non-Independent Non-Executive Director on 7 November 2025.

<sup>4</sup> Resigned as Independent Non-Executive Director on 25 July 2025.

<sup>5</sup> Appointed as an Independent Non-Executive Director on 2 January 2025 and a member of ARMC on 24 February 2025.

<sup>6</sup> Appointed as a Non-Independent Non-Executive Director on 19 August 2025 and a member of NRC on 26 November 2025.

<sup>7</sup> Appointed as an Independent Non-Executive Director and a member of ARMC on 19 August 2025.

<sup>8</sup> Appointed as an Independent Non-Executive Director and a member of NRC on 19 August 2025.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### II. BOARD COMPOSITION (CONT.)

##### Training and Development of Directors

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

Throughout FYE 2025, all Board members had attended various training programmes, conferences, seminars, and courses organised by regulatory authorities and professional bodies. Training programmes attended by the Directors during FYE 2025 are as follows:

Name of Directors	Seminar/Conference/Training Programme Attended
<b>Lim Chern Yuan</b> <i>(appointed on 15 December 2025)</i>	<ul style="list-style-type: none"> <li>Panel Discussion: ASEAN EV Implementation Roadmap</li> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>Ikhlas Capital Annual Conference 2025</li> <li>YHB's AI and Board Governance Training</li> <li>YHB's 2025 Board Strategic Offsite session</li> <li>Yinson Media Spokesperson Workshop</li> <li>Gemilang Fellowship Forum</li> <li>ASEAN Inclusive Growth Summit</li> <li>ASEAN Business &amp; Investment Summit 2025</li> <li>ASEAN-Indo-Pacific Forum 2025 (AIPF)</li> <li>2<sup>nd</sup> Tripartite Forum: Bridging the Gap: Ensuring Affordability, Reliability, and Sustainability in Renewable Energy</li> <li>ASEAN Capital Markets Dinner</li> </ul>
<b>Lim Chern Wooi</b>	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> </ul>
<b>Farina binti Farikhullah Khan</b>	<ul style="list-style-type: none"> <li>Managing Whistleblowing - What You Should Know and Do</li> <li>Engagement Session with Fide Forum Members on Bank Negara Malaysia Annual Report 2024, Economic and Monetary Review 2024 and Financial Stability Review for Second Half 2024</li> <li>Energy Asia 2025</li> <li>Refresher on Basel FIRB (Foundation Internal Ratings Based)</li> <li>PETRONAS Board Excellence: Navigating Perspectives and Governance in the Digital Frontier</li> </ul>
<b>Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar</b>	<ul style="list-style-type: none"> <li>Understanding the Cybersecurity Act 2024</li> <li>Empowering Growth with AI: A Vision for the Future at My Company</li> <li>The future of the Coffee Industries in Southeast Asia</li> <li>Dialog Industri Bersama YB Menteri Pelaburan Perdagangan dan Industri</li> <li>Gemini AI Training</li> <li>BRO Industrial Talk</li> <li>TRUST Principles with a focus on Conflict of Interest.</li> </ul>
<b>Captain Adarash Kumar A/L Chranji Lal Amarnath</b>	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> </ul>
<b>Dato' Mohamed Sabri bin Mohamed Zain</b> <i>(appointed on 19 August 2025)</i>	<ul style="list-style-type: none"> <li>YHB's AI and Board Governance Training</li> <li>YHB's 2025 Board Strategic Offsite session</li> <li>OGSE100 CEOs Forum 2025</li> </ul>
<b>Puteri Liza Elli Sukma</b> <i>(appointed on 19 August 2025)</i>	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part I</li> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>AOB Conversation with Audit Committee</li> </ul>
<b>Ginny Yeow Mei Ying</b> <i>(appointed on 19 August 2025)</i>	<ul style="list-style-type: none"> <li>Understanding Cybersecurity Act 2024</li> <li>TRUST Principles With A Focus on Conflict of Interest</li> <li>Gemini System Training</li> <li>Talk Corporate Governance Leadership Forum</li> </ul>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### II. BOARD COMPOSITION (CONT.)

##### Nomination and Remuneration Committee ("NRC")

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

During FYE 2025, the NRC has undertaken the following activities:

- a) Conducted annual review of the Board evaluation process;
- b) Reviewed the key performance indicators and corporate scorecard for Executive Director and Senior Management;
- c) Reviewed and recommended the Non-Executive Directors' fees and benefits to the Board, subject to approval by shareholders at the Annual General Meeting ("AGM");
- d) Reviewed the terms of office and performance of the ARMC and each of its members in compliance with the MMLR of Bursa Malaysia Securities;
- e) Reviewed, considered and recommended the retention of Puan Farina binti Farikhullah Khan as an Independent Non-Executive Director;
- f) Reviewed, considered and recommended the appointment and remuneration package of the Chief Financial Officer;
- g) Reviewed, considered, and recommended the appointments of Independent Non-Executive Directors, Non-Independent Non-Executive Director, and changes in the composition of the Board Committees; and
- h) Reviewed, considered, and recommended the re-designation of Managing Director, and the appointment of Non-Independent Non-Executive Chairman.

##### Board Appointment and Succession Planning

The NRC plays a key role in the nomination and selection process for potential candidates for appointment to the Board. In discharging its responsibilities, the NRC is guided by the Directors' Fit and Proper Policy, which is embedded in the Board Charter, as well as the principles and practices set out under the MCCG 2021, which emphasise a formal, transparent, and merit-based approach to Board appointments, taking into account the required mix of skills, experience, independence, diversity, and competence.

As part of the Board's ongoing succession planning and commitment to upholding the highest standards of corporate governance, the Board, through the NRC, initiated a structured refresh of the Board composition. This included facilitating the orderly transition of Puan Farina binti Farikhullah Khan, whose tenure as an Independent Director had exceeded the cumulative nine-year term limit as recommended under the MCCG 2021, as well as addressing leadership balance arising from CW Lim concurrently holding executive and chairman roles, in order to strengthen board independence and checks and balances.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### II. BOARD COMPOSITION (CONT.)

##### Board Appointment and Succession Planning (cont.)

Against this backdrop, and following the resignations of Encik Ainul Azhar bin Ainul Jamal and Dato' Syed Yasir Arafat bin Syed Abd Kadir on 25 July 2025 and 7 November 2025, respectively, the NRC took prompt and proactive steps to address both existing and anticipated Board vacancies.

Consequently, four Directors were appointed, namely Dato' Mohamed Sabri bin Mohamed Zain, Ms Ginny Yeow Mei Ying and Puan Puteri Liza Elli Sukma on 19 August 2025, as well as Mr Lim Chern Yuan on 15 December 2025 as Non-Independent Non-Executive Chairman of the Company. The candidates were sourced through a structured nomination process, drawing from recommendations by the NRC, the Board and relevant stakeholders. Each candidate underwent a comprehensive assessment in accordance with the Directors' Fit and Proper Policy, including evaluations of character and integrity, skills and experience, independence, and time commitment. These appointments have strengthened the Board through a diverse mix of experience, skills, and perspectives.

##### Board Assessments

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

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

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

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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### III. REMUNERATION

##### Directors' Remuneration

The determination of Directors' remuneration is a matter deliberated by the NRC and approved by the Board as a whole. In recommending the proposed Directors' fees, the NRC takes into consideration the qualifications, duties and responsibilities, and contribution required from a Director in view of the Group's complexity, as well as benchmarking against the prevailing remuneration practices of comparable companies.

Non-Executive Directors are paid fixed annual Directors' fees as members of the Board, which are approved by the Company's shareholders at the AGM. An additional fee is also paid to the Non-Executive Directors who serve on the Board Committees. In addition, meeting allowances are paid for attendance at the meetings of the Board and the Board Committees.

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

The detailed disclosure for remuneration of individual Directors on the Company and the Group basis for FYE 2025 are as follows:

Name of Directors	RM ('000)						
	Fee	Allowance	Salary	Bonus	Benefits-in-Kind	Other emoluments	Total
Lim Chern Wooi <sup>(1)</sup>	-	-	1,416.0	495.0	-	456.5	2,367.5
Farina binti Farikhullah Khan	135.0	64.4	-	-	-	-	199.4
Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar	130.0	16.0	-	-	-	-	146.0
Captain Adarash Kumar A/L Chranji Lal Amarnath <i>(appointed on 2 January 2025)</i>	128.2	20.0	-	-	-	-	148.2
Dato' Mohamed Sabri bin Mohamed Zain <sup>(2)</sup> <i>(appointed on 19 August 2025)</i>	45.1	1.5	-	-	-	-	46.6
Puteri Liza Elli Sukma <i>(appointed on 19 August 2025)</i>	48.1	6.5	-	-	-	-	54.6
Ginny Yeow Mei Ying <i>(appointed on 19 August 2025)</i>	47.2	4.5	-	-	-	-	51.7
Lim Chern Yuan <i>(appointed on 15 December 2025)</i>	8.4	-	-	-	-	-	8.4
Ainul Azhar bin Ainul Jamal <i>(resigned on 25 July 2025)</i>	70.6	11.5	-	-	-	-	82.1
Dato' Syed Yasir Arafat bin Syed Abd Kadir <i>(resigned on 7 November 2025)</i>	117.2	15.5	-	-	-	-	132.7
Alif Omar bin Mohamad Omar (Alternate Director to Dato' Syed Yasir Arafat bin Syed Abd Kadir) <i>(resigned on 1 April 2025)</i>	-	-	-	-	-	-	-
<b>Total</b>	<b>729.8</b>	<b>139.9</b>	<b>1,416.0</b>	<b>495.0</b>	<b>-</b>	<b>456.5</b>	<b>3,237.2</b>

<sup>(1)</sup> Mr Lim Chern Wooi, being the MD, has waived his entitlements for the Director's fees and benefits, which comprise solely meeting allowances.

<sup>(2)</sup> 50% of the Director's Remuneration for Dato' Mohamed Sabri bin Mohamed Zain as nominee of Yinson Offshore Services Sdn. Bhd. ("YOSSB") on the Board of the Company is paid directly to YOSSB.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I. ARMC

##### Financial Reporting

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

##### External Auditors

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

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

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

With respect to the appointment or re-appointment of External Auditors, the ARMC is accorded the responsibility of reviewing the suitability and independence of the External Auditors before an appropriate recommendation is made to the Board and shareholders. In assessing the suitability and independence of the External Auditors for FYE 2025, the ARMC received a confirmation in writing from the External Auditors that they were and had been independent during the year in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.

The Board considers the declaration of independence, integrity, and objectivity made by the External Auditors in their Audit Report for the year 2025 as adequate to serve as an assurance from the External Auditors on their independence and integrity throughout the conduct of their audit engagement.

The services provided by the External Auditors include statutory audits and non-audit services. The details of the audit and non-audit fees paid/payable in FYE 2025 to the External Auditors are disclosed under the Additional Compliance Information section of this Annual Report.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT.)

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

##### Risk Management and Internal Audit Function

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

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

The Company had during FYE 2025 established its internal audit function ("**Internal Auditors**"). The Internal Auditors report directly to the ARMC and conducts regular audits to review and provide assurance to the Board on the adequacy and effectiveness of the Group's risk management, control, and governance processes.

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

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

#### I. ENGAGEMENT WITH STAKEHOLDERS

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

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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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### PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT.)

#### II. CONDUCT OF GENERAL MEETINGS

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

During the AGM held in 2025, the Chief Financial Officer presented the Company's performance and highlighted key matters to the shareholders. The Board also encourages participation from shareholders by having a question-and-answer session during the AGM. Shareholders who are unable to participate in the AGM are allowed to appoint proxies to participate and vote on their behalf in accordance with the Company's Constitution. All questions posed by shareholders during the AGM were well attended by the Board and/or the Senior Management.

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

The minutes of the 2025 AGM and Extraordinary General Meetings were published on the Company's website at [www.lianson.com](http://www.lianson.com).

#### STATEMENT BY THE BOARD ON CG OVERVIEW STATEMENT

The Board has deliberated, reviewed and approved this CG Overview Statement. The Board considers and is satisfied that to the best of its knowledge, the Company has fulfilled its obligations under the MCGG 2021, the relevant chapters of the MMLR of Bursa Malaysia Securities on corporate governance and all applicable laws and regulations throughout the FYE 2025, except for the departures set out in the CG Report. The Company shall continue to strive for high standards of corporate governance throughout the Group, and the highest level of integrity and ethical standards in all of its business dealings.

# ADDITIONAL COMPLIANCE INFORMATION

## 1. AUDIT AND NON-AUDIT FEES

For the financial year ended 31 December 2025 ("**FYE 2025**"), the External Auditors, PricewaterhouseCoopers PLT, have rendered audit and non-audit services to the Group. A breakdown of fees paid/payable is listed as below for information:

	RM'000 Group	RM'000 Company
<b>PricewaterhouseCoopers PLT</b>		
- Statutory audit	763	206
- Audit related services <sup>(1)</sup>	-	-
<b>Member firms of PricewaterhouseCoopers PLT</b>		
- Statutory audit	32	-
- Other services <sup>(2)</sup>	229	-
<b>Total</b>	<b>1,024</b>	<b>206</b>

**Notes:**

<sup>(1)</sup> Fees for audit-related services mainly comprise a non-recurring fee for reporting accountant services, audits other than statutory audits, and agreed-upon procedures.

<sup>(2)</sup> Fees incurred primarily in connection with financial and tax due diligence on corporate exercises, and tax compliance services.

## 2. MATERIAL CONTRACTS

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

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

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

## ADDITIONAL COMPLIANCE INFORMATION

### 2. MATERIAL CONTRACTS (CONT.)

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

SSPA (cont.)	Purpose (cont.)
	The proposed acquisitions under SSPA 1 were completed as of 21 July 2025. Liannex Fleet Pte. Ltd. is now known as Lianson Fleet Pte. Ltd. (" <b>Lianson Fleet</b> ")
SSPA 2	<p>(a) Proposed acquisition of 525,000 ordinary shares in Regulus Offshore Sdn. Bhd. ("<b>Regulus Offshore</b>"), representing 70% ordinary shares in Regulus Offshore, and 25,000,000 non-convertible redeemable preference shares ("<b>RPS</b>") in Regulus Offshore, by Icon from Yinson Offshore Services Sdn. Bhd. ("<b>Yinson Offshore Services</b>") for a purchase consideration of RM136.0 million to be wholly satisfied via the issuance of 154,545,455 Consideration Shares at the Issue Price; and</p> <p>(b) Proposed acquisition of 1 ordinary share in Yinson Camellia Sdn. Bhd. ("<b>Yinson Camellia</b>"), representing 100% of the issued share capital of Yinson Camellia, by Icon from Yinson Offshore for a purchase consideration of RM24.0 million to be wholly satisfied via the issuance of 27,272,727 Consideration Shares at the Issue Price.</p> <p>The proposed acquisitions under SSPA 2 were completed as of 31 January 2025.</p>
SSPA 3	<p>(a) Proposed Acquisition of 1 Ordinary Share in Yinson Port Ventures Pte Ltd ("<b>YPVPL</b>"), representing the entire equity interest in YPVPL, and 10,289,000 Redeemable Convertible Preference Shares ("<b>RCPS</b>") in YPVPL, by the Company from Yinson Capital Sdn Bhd ("<b>Yinson Capital</b>") for a purchase consideration of RM15.8 million to be wholly satisfied via the issuance of 17,954,545 new Ordinary Shares in LFG ("<b>Shares</b>") at an issue price of RM0.88 per Share ("<b>Issue Price</b>") ("<b>Consideration Shares</b>")</p> <p>(b) Proposed Acquisition of 1 Ordinary Share in Yinson Premier Limited ("<b>YPL</b>"), representing the entire equity interest in YPL, and 1,700,000 RCPS in YPL, by the Company from Yinson Capital for a purchase consideration of RM6.4 million to be wholly satisfied via the issuance of 7,272,727 Consideration Shares at the Issue Price</p> <p>The proposed acquisitions under SSPA 2 were completed as of 12 January 2026.</p>
SSPA 4	(a) Proposed acquisition of 49,000 ordinary shares in ICON Bahtera (B) Sdn. Bhd. (" <b>ICON Bahtera</b> "), representing 49% of the issued share capital of ICON Bahtera, and 3,011,000 non-convertible RPS in ICON Bahtera, by Icon from Zell Transportation Sdn. Bhd. (" <b>Zell Transportation</b> ") for a purchase consideration of RM33.7 million to be wholly satisfied via the issuance of 38,295,455 Consideration Shares at the Issue Price; and

## ADDITIONAL COMPLIANCE INFORMATION

### 2. MATERIAL CONTRACTS (CONT.)

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

SSPA (cont.)	Purpose (cont.)
	<p>(b) Proposed acquisition of 450,000 ordinary shares in ICON Waja (L) Inc. ("<b>ICON Waja</b>"), representing 15% of the issued and paid-up share capital in ICON Waja, by Icon from Zell Transportation for a purchase consideration of RM9.8 million to be wholly satisfied via the issuance of 11,136,364 Consideration Shares at the Issue Price.</p> <p>The proposed acquisitions under SSPA 4 were completed as of 16 May 2025.</p>

The Company had, at the Extraordinary General Meeting held on 27 January 2025, obtained shareholders' approval for SSPA 1, SSPA 2 and SSPA 4. The shareholders' approval for SSPA 3 was obtained at the Extraordinary General Meeting held on 12 December 2025.

### 3. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

At the Extraordinary General Meeting held on 12 December 2025, the Company obtained the Shareholders' Mandate to allow the Company and the Group to enter into recurrent related party transactions of a revenue or trading nature.

In accordance with Practice Note 12 of Main Market Listing Requirements ("**MMLR**") of Bursa Securities, the details of recurrent related party transactions conducted during the financial year ended 31 December 2025 pursuant to the shareholders' mandate are disclosed as follows:-

Lianson Fleet Group Berhad (" <b>LFG</b> ") and/or its subsidiaries	Transacting related party	Nature of Transaction	Related parties and their relationship with LFG Group	Actual value transacted from the date on which the Shareholders' Mandate to 31 December 2025 (RM)
Lianson Fleet	Liannex Corporation	Time charter for the supply of marine transportation fleet from Lianson Fleet to Liannex Corporation.	<p><u>Interested Major Shareholders</u></p> <p>(i) Lim Han Weng<sup>(1)</sup></p> <p>(ii) Liannex Corporation<sup>(2)</sup></p> <p>(iii) Liannex Maritime Sdn. Bhd.<sup>(3)</sup></p> <p><u>Interested Directors</u></p> <p>(i) Lim Chern Wooi<sup>(4)</sup></p>	11,514,015.90

## ADDITIONAL COMPLIANCE INFORMATION

Lianson Fleet Group Berhad ("LFG") and/or its subsidiaries	Transacting related party	Nature of Transaction	Related parties and their relationship with LFG Group	Actual value transacted from the date on which the Shareholders' Mandate to 31 December 2025 (RM)
			<u>Persons Connected</u> (i) Bah Kim Lian <sup>(5)</sup> (ii) Yinson Holdings Berhad ("YHB") <sup>(6)</sup> (iii) Yinson Offshore Services Sdn. Bhd ("Yinson Offshore Services") <sup>(7)</sup>	

### Notes:

#### Nature of relationships

- <sup>(1)</sup> Mr Lim Han Weng, a Major Shareholder of Liannex Corporation, is also a Director and Major Shareholder of YHB. He is also an indirect Major Shareholder of LFG, deemed interested by virtue of his shareholdings in:
- (i) Liannex Maritime through Liannex Corporation pursuant to Section 8(4) of the Act;
- (ii) Yinson Offshore Services through YHB pursuant to his direct shareholding in YHB and deemed interested by virtue of his spouse and children's direct shareholdings in YHB pursuant to Section 59(11)(c) of the Act and Liannex Corporation's and YLSB's direct shareholdings in YHB pursuant to Section 8(4) of the Act; and
- (iii) YLSB pursuant to Section 8(4) of the Act.
- <sup>(2)</sup> Liannex Corporation, an indirect Major Shareholder of LFG is deemed interested by virtue of its shareholdings in Liannex Maritime pursuant to Section 8(4) of the Act.
- <sup>(3)</sup> Liannex Maritime, a Major Shareholder of LFG pursuant to its direct shareholdings in LFG.
- <sup>(4)</sup> Mr Lim Chern Wooi ("CW Lim"), the Managing Director of LFG and the son of Mr Lim Han Weng and Mdm Bah Kim Lian, as well as brother of Mr. Lim Chern Yuan, the Non-Independent Non-Executive Chairman of LFG.
- <sup>(5)</sup> Mdm Bah Kim Lian is the spouse of Mr Lim Han Weng and the mother of CW Lim.
- <sup>(6)</sup> YHB, an indirect Major Shareholder of LFG by virtue of its shareholdings in Yinson Offshore Services pursuant to Section 8(4) of the Act.
- <sup>(7)</sup> Yinson Offshore Services, a Major Shareholder of LFG pursuant to its direct shareholdings in LFG.

## 4. UTILISATION OF PROCEEDS

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

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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The Company's Board of Directors ("**Board**") is pleased to provide this Statement on Risk Management and Internal Control ("the Statement") in accordance with Paragraph 15.26(b) of Bursa Malaysia Securities Berhad's ("Bursa Malaysia Securities") Main Market Listing Requirements ("MMLR"). When preparing the Statement, the Board referred to the Guidelines for Directors of Listed Issuers on Risk Management and Internal Control, published by The Institute of Internal Auditors Malaysia and endorsed by Bursa Malaysia Securities.

## BOARD RESPONSIBILITY

The Board recognises its duty to oversee the Group's risk management and internal control system, as well as to assess its adequacy, effectiveness, and integrity. Nonetheless, it is important to acknowledge that all such systems have inherent limitations; therefore, internal controls are intended to manage, not eliminate, risks associated with achieving the Group's objectives. As a result, these controls offer reasonable assurance, but cannot guarantee absolute protection against material misstatements, fraud, losses, or violations of laws and regulations.

The Board has implemented a continuous process for the identification, assessment, and management of significant risks affecting the Group. The Board remains committed to enhancing the internal control system and regularly reviews existing controls to ensure their adequacy in mitigating key risks. Management supports the Board by executing established policies and procedures and by designing, operating, and monitoring effective internal controls to manage these risks. This process has been operational throughout the financial year under review and up to the date of this Statement's approval. Regular reviews are conducted by the Board through its Audit and Risk Management Committee ("ARMC"), which is further supported by the internal audit function and the Risk Management Department.

## RISK MANAGEMENT DEPARTMENT

### RISK MANAGEMENT FRAMEWORK

A Risk Management Framework was established to assist Management in embedding robust and consistent risk management processes throughout the Group. Key risk events were systematically identified, assessed, and communicated, enabling the implementation of suitable controls and mitigation strategies under the direction and supervision of the Board.

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

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

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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### RISK MANAGEMENT FRAMEWORK (CONT.)

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

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

Key risks are reviewed quarterly, with updates on risk profiles, new risks, and mitigation actions reported to the Board via the ARMC.

### INTERNAL CONTROL

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

#### 1. ARMC

The ARMC is comprised wholly of Non-Executive Board members and has full access to both Internal Auditors and External Auditors. It shall meet with the Internal Auditor without Management, and/or Managing Director's presence at least once a year and with the External Auditors at least twice a year or when necessary. The activities performed by the ARMC during the financial year under review are set out in the ARMC Report.

#### 2. BOARD COMMITTEE

Besides the ARMC, the Company also has a Nomination and Remuneration Committee. The Board Committees are established to assist the Board in providing independent oversight of the Group's management in accordance with their responsibilities and authorities stated in the respective terms of reference.

#### 3. IN HOUSE INTERNAL AUDIT FUNCTION

During the financial year under review, the Group's internal audit function transitioned from an outsourced arrangement to an in-house function, providing independent assurance to the Board, ARMC, and Management on the adequacy and effectiveness of the Group's risk management, internal control, and governance systems.

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

The risk management and internal audit functions support the ARMC in fulfilling their risk management duties, with particular focus on assisting Management in the effective implementation of the Risk Management Framework throughout the Group.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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### INTERNAL CONTROL (CONT.)

#### 5. CORPORATE GOVERNANCE FRAMEWORK

Corporate governance serves to uphold fairness, transparency, ethical conduct, sustainability, and accountability in the Company's management. The Secretarial Department is responsible for overseeing corporate governance practices across the Group.

The Company adheres to the three (3) key principles of good governance outlined by the Malaysia Code on Corporate Governance: Board leadership and effectiveness; robust audit and risk management; and integrity in corporate reporting along with fostering meaningful stakeholder relationships.

A summary of the Group's adopted or implemented corporate governance practices can be reviewed in the Corporate Governance Overview Statement and the Corporate Governance Report.

#### 6. ORGANISATIONAL STRUCTURE WITH DEFINED RESPONSIBILITY

The organisation has implemented a structured framework with distinct reporting relationships, designated responsibilities, and delegated authority to serve as a control mechanism for accountability and reporting lines.

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

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

#### 8. ESTABLISHED LIMIT OF AUTHORITY ("LOA")

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

#### 9. BUDGETING PROCESS AND FINANCIAL REPORTING

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

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

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

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

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

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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### INTERNAL CONTROL (CONT.)

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

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

#### 12. SERVICE PROVIDER CODE OF CONDUCT

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

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

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

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

#### 14. CORPORATE DISCLOSURE POLICY

The Company currently observes and complies with the disclosure requirements set out in the MMLR of Bursa Malaysia Securities, guided by the Bursa Malaysia Corporate Disclosure Guide. The Corporate Disclosure Policy was developed to ensure that information directed to shareholders, stakeholders, and the general public represents the Company fairly and accurately. Hence, investors and potential investors can make informed investment decisions, and stakeholders can be informed of the Company's material information.

#### 15. INTERNAL CONTROL INITIATIVES

The Board and Management recognise that a sound system of risk management and internal control is essential to safeguard the Group's assets, support operational effectiveness, and ensure the integrity of financial reporting. During the financial year, the Group continued to strengthen its internal control framework, with particular focus on the implementation of the Group's Enterprise Resource Planning (ERP) system to enhance process standardisation, approval workflows, transaction visibility, and data integrity. Implementation risks were closely monitored, and mitigating measures were put in place. Where significant internal control issues are identified and disclosed, Management adopts a structured and accountable approach to address root causes, implements appropriate corrective actions within defined timelines, and monitors remediation progress, with material matters reported to the ARMC and the Board for oversight.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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### ADEQUACY OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Board has received assurance from the Managing Director and Chief Financial Officer that the Group's risk management and internal control systems are functioning effectively and sufficiently in all material respects for the financial year under review and up to the date this Statement was approved.

### PLANS MOVING FORWARD

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

### CONCLUSION

The Board recognises that the establishment of a robust risk management and internal control framework is a continuous process and has therefore implemented measures for its progressive enhancement. Throughout the financial year under review, areas requiring improvement were identified and addressed. Management responded promptly to issues raised, undertaking appropriate actions to rectify matters highlighted by both External and Internal Auditors. The Board remains confident that the existing risk management and internal control system is both effective and sufficient to protect the Group's assets and shareholders' interests during the financial year under review and up to the date of this Statement's approval.

The Statement has been approved by the Board of the Company on 30 April 2026.

### REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the External Auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants. AAPG 3 does not require the External Auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

# STATEMENT OF DIRECTORS' RESPONSIBILITY

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

The Directors are required to take reasonable steps in ensuring that the Audited Financial Statements give a true and fair view of the state of affairs of the Group and the Company as at the end of the financial year ended 31 December 2025 ("**FY2025**").

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

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

Pages 151 to 241 of this Annual Report are the financial statements of the Group and Company for FY2025.

# Directors' Report

For the Financial Year Ended 31 December 2025

The Directors submit their report together with the audited financial statements of the Group and the Company for the financial year ended 31 December 2025.

## PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group are vessel owning/leasing and provision of vessel chartering and ship management services to oil and gas related industries. The principal activities of subsidiaries and joint venture are disclosed in Note 15 and Note 16 to the financial statements.

## FINANCIAL RESULTS

	Group	Company
	RM '000	RM '000
Profit for the financial year attributable to:		
- Equity holders of the Company	102,674	68,248
- Non-controlling interests	(11,818)	-
Profit for the financial year	90,856	68,248

## DIVIDEND

Dividends paid and proposed in respect of the financial year ended 31 December 2025 are as follows:

First interim dividend of 1.0 sen per ordinary share amounting to RM10,821,000, was declared on 30 May 2025, and was paid in cash on 14 August 2025.

Second interim dividend of 1.0 sen per ordinary share amounting to RM11,190,000, was declared on 29 August 2025, and was paid in cash on 13 November 2025.

Third interim dividend of 1.0 sen per ordinary share amounting to RM11,232,000, was declared on 27 November 2025 and was paid in cash on 13 February 2026.

On 27 February 2026, the Directors declared a special dividend of 1.0 sen per ordinary share and a fourth interim dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 December 2025, amounting to approximately RM23,321,000 in total. The dividends will be payable on 13 May 2026 to shareholders whose names appear in the Record of Depositors as at 30 April 2026.

# Directors' Report

For the Financial Year Ended 31 December 2025 (Continued)

## RESERVES AND PROVISIONS

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

## DIRECTORS

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

Farina binti Farikhullah Khan	
Lim Chern Wooi	
Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar	
Captain Adarash Kumar A/L Chranji LAL Amarnath	
Puteri Liza Elli Sukma	(Appointed on 19 August 2025)
Dato Mohamed Sabri bin Mohamed Zain	(Appointed on 19 August 2025)
Ginny Yeow Mei Ying	(Appointed on 19 August 2025)
Lim Chern Yuan	(Appointed on 15 December 2025)
Dato' Syed Yasir Arafat bin Syed Abd Kadir	(Resigned on 7 November 2025)
Ainul Azhar bin Ainul Jamal	(Resigned on 25 July 2025)

## LIST OF DIRECTORS OF SUBSIDIARIES

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

Siti Nursalwana binti Haji Awang	(Resigned on 19 May 2025)
Siti Nurul Hameezah binti Haji Awang	(Resigned on 19 May 2025)
Muhammad Abdul Hakeem bin Haji Awang	(Resigned on 19 May 2025)
Ng Yng Yng	(Appointed on 15 May 2025)
Sheik Ahmad Darabi bin Sulaiman	(Appointed on 10 November 2025)
Dato' Sri Hadian bin Hashim	(Resigned on 19 May 2025)
Lee Yu-Jin	(Resigned on 16 May 2025)
Lim Shi Jin	(Resigned on 16 May 2025)
Mazzrizal bin Abdul Wahab	(Resigned on 27 October 2025)
Samuel Tee Jianyi	
Lim Han Weng	
Bah Kim Lian	(Resigned on 22 July 2025)
Phan Duy Dong	

## DIRECTORS' INTERESTS

According to the register of Directors' shareholdings maintained by the Company in accordance with Section 59 of the Companies Act 2016, none of the Directors holding office as at 31 December 2025 had any interests and deemed interests in the shares, options over shares and warrants of the Company or its subsidiaries or its holding company or subsidiaries of the holding company during the financial year.

# Directors' Report

For the Financial Year Ended 31 December 2025 (Continued)

## DIRECTORS' BENEFITS

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

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

## DIRECTORS' REMUNERATION

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

	<b>Group and Company</b>
	<b>RM '000</b>
<u>Executive:</u>	
Salaries, allowances and bonuses	1,995
Defined contribution plan	372
	<u>2,367</u>
<u>Non-Executive:</u>	
Fees and emoluments	848
Total Directors' remuneration	<u><u>3,215</u></u>

## INDEMNITY AND INSURANCE COSTS

The Company maintains a corporate liability insurance for Directors and Officers of the Company throughout the financial year, which provides appropriate insurance cover for the Directors and Officers of the Company. The amount of insurance premium paid and payable by the Company for the financial year ended 31 December 2025 was RM86,399.

# Directors' Report

For the Financial Year Ended 31 December 2025 (Continued)

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## ISSUE OF SHARE CAPITAL AND WARRANTS

During the current financial year, the Company increased its issued and paid-up ordinary share capital from 623,613,586 to 1,123,172,889 through the following transactions:

- (a) Issuance of 409,090,909 new ordinary shares as consideration for the acquisition of subsidiaries;
- (b) Issuance of 49,431,819 new ordinary shares as consideration for the acquisition of minority interest; and
- (c) Issuance of 41,036,575 new ordinary shares pursuant to the exercise of warrants.

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

No warrants were issued during the financial year.

## STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

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

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

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

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

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

# Directors' Report

For the Financial Year Ended 31 December 2025 (Continued)

## STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

In the opinion of the Directors:

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

## AUDITORS' REMUNERATION

Auditors' remuneration for financial year ended 31 December 2025 is as follows:

	<b>Group</b>	<b>Company</b>
	<b>RM '000</b>	<b>RM '000</b>
Statutory audit		
- PricewaterhouseCoopers PLT	763	206
- Member firms of PricewaterhouseCoopers PLT	32	-
- Other auditors	121	-
	916	206

## AUDITORS

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

This report was approved by the Board of Directors on 30 April 2026. Signed on behalf of the Board of Directors:

**LIM CHERN WOOI**  
DIRECTOR

**FARINA BINTI FARIKHULLAH KHAN**  
DIRECTOR

# Statement by Directors

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

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We, Lim Chern Wooi and Farina binti Farikhullah Khan, being two of the Directors of Lianson Fleet Group Berhad, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 151 to 241 are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 December 2025 and financial performance of the Group and of the Company for the financial year ended 31 December 2025 in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 30 April 2026.

**LIM CHERN WOUI**  
DIRECTOR

**FARINA BINTI FARIKHULLAH KHAN**  
DIRECTOR

Kuala Lumpur

# Statutory Declaration

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

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I, Ng Yng Yng, being the Officer primarily responsible for the financial management of Lianson Fleet Group Berhad, do solemnly and sincerely declare that the financial statements set out on pages 151 to 241 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

**NG YNG YNG**  
(MIA NO. 54364)  
CHIEF FINANCIAL OFFICER  
30 April 2026

Subscribed and solemnly declared by the above named Ng Yng Yng at Kuala Lumpur before me, on 30 April 2026.

COMMISSIONER FOR OATHS



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

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

#### Our opinion

In our opinion, the financial statements of Lianson Fleet Group Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

#### What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 151 to 241.

#### Basis for opinion

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

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

#### *Independence and other ethical responsibilities*

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

#### Our audit approach

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

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PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P O Box 10192, 50706 Kuala Lumpur Malaysia  
T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, [www.pwc.com/my](http://www.pwc.com/my)



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

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

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

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

#### Key audit matters

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

#### Group

Key audit matter	How our audit addressed the key audit matter
<p><b>Major acquisitions during the year – accounting for business combinations and business combinations under common control</b></p> <p><i>Refer to Note 2.2 – Summary of material accounting policies, Note 3(iii) – Critical accounting estimates and judgements, Note 15 – Interest in subsidiaries and Note 32 – Acquisition of subsidiaries and non-controlling interests in 2025</i></p> <p>During the financial year ended 31 December 2025, the Group completed significant acquisitions and undertook restructuring of the Group. These included the acquisition of Regulus Offshore Sdn. Bhd. ("ROSB"), Yinson Camellia Sdn. Bhd. ("YCSB"), Liannex Fleet Pte. Ltd. ("LF") and Yinson Power Marine Sdn. Bhd. ("YPM") These transactions were material to the Group and involved the application of different accounting frameworks, depending on whether the transactions constituted a business combination under MFRS 3 Business Combination or a business combination under common control ("BCUCC").</p> <p>The acquisition of ROSB and YCSB was accounted for as a business combination under MFRS 3. Significant estimate was applied when management identified and measured the fair values of identifiable assets acquired and liabilities assumed, and determining the amount of goodwill recognised.</p>	<p>For the acquisition under MFRS 3, we have performed the following procedures:</p> <ul style="list-style-type: none"> <li>Assessed management's conclusion that the acquisition of ROSB and YCSB met the definition of a business combination under MFRS 3.</li> <li>Reviewed basis of management's purchase price allocation to supporting documents.</li> <li>Evaluated basis of recognition of goodwill that it appropriately reflected synergies expected to arise from the acquisition.</li> <li>Evaluated the adequacy of the related disclosures in the financial statements in accordance with MFRS 3.</li> </ul> <p>For the acquisition under BCUCC, we have performed the following procedures:</p> <ul style="list-style-type: none"> <li>Assessed management's conclusion that the acquisition of LF and YPM constituted a business combination under common control, based on ownership and control before and after the transaction.</li> <li>Evaluated whether the predecessor basis of accounting was appropriately applied in accordance with their accounting policy, including consistency of carrying values transferred from the predecessor entities.</li> <li>Assessed the adequacy of disclosures relating to the BCUCC and the presentation of equity adjustments arising from the acquisition.</li> </ul>



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

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

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

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p><b>Major acquisitions during the year – accounting for business combinations and business combinations under common control (continued)</b></p> <p>The acquisition of LF and YPM was accounted for as a BCUCC, as the entities were under common control before and after the transaction. Management applied the predecessor basis of accounting, with assets and liabilities recognised at existing carrying values. Significant judgement was required in determining the scope of entities included within the BCUCC, and the presentation and disclosure of the transaction to reflect its economic substance.</p> <p>Given the materiality of the acquisitions and the significant estimates involved in the determination of MFRS 3 fair value measurements, and the significant judgement involved in the acquisition under BCUCC, we considered this matter to be a key audit matter.</p>	<p>Based on the procedures carried out above, we did not find any material exceptions.</p>
<p><b>Recoverability assessment of goodwill and non-financial assets of the OSV segment</b></p> <p><i>Refer to Note 2.2, Note 2.4, Note 2.5 and Note 2.7 – Summary of material accounting policies, Note 3(i) – Critical accounting estimates and judgements, Note 14 – Property, plant and equipment, Note 18 – Right-of-use assets and Note 32 – Acquisition of subsidiaries and non-controlling interests in 2025.</i></p> <p>Goodwill is required to be tested for impairment annually. For the purposes of the impairment assessment, goodwill of RM92.3 million has been allocated to the Offshore Support Vessel (“OSV”) segment. The group of Cash Generating Units (“CGUs”) within the OSV segment comprises non-financial assets, consisting principally of property, plant and equipment (“PPE”) of RM442.0 million, right-of-use assets (“ROU”) of RM1.6 million, intangible assets (“IA”) of RM0.9 million and goodwill of RM92.3 million.</p>	<p>We have performed the following audit procedures :</p> <ul style="list-style-type: none"> <li>• Assessed management’s impairment assessment methodology to ensure consistency with the requirements of MFRS 136 Impairment of Assets.</li> <li>• Assessed the appropriateness of management’s allocation of goodwill to the relevant group of CGUs within the OSV segment.</li> <li>• Compared the VIU computed by management and the FVLCOD to determine that the recoverable amounts of the CGUs adopted were based on the higher of VIU and FVLCOD, in accordance with MFRS 136.</li> <li>• Where FVLCOD was used as the recoverable amount and an external valuer was engaged: <ul style="list-style-type: none"> <li>- Evaluated the competency, objectivity and capabilities of the external valuer.</li> </ul> </li> </ul>



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

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

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

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p><b>Recoverability assessment of goodwill and non-financial assets of the OSV segment (continued)</b></p> <p>Management assessed the recoverability of the OSV CGUs based on the higher of value-in-use ("VIU") or fair value less costs of disposal ("FVLCOD") of the respective vessels within the segment.</p> <p>Significant judgement was applied in determining the allocation of goodwill to the group of CGUs relating to the OSV segment. Significant estimate was applied when determining the recoverable amounts of the vessels. These estimates involved identifying appropriate valuation comparables and determining the key assumptions and adjustments applied to derive the fair values of the vessels and the related costs to sell.</p> <p>Based on management's assessment, the recoverable amount of the OSV CGUs, determined using FVLCOD (being higher than the VIU), exceeded the carrying amount of the related non-financial assets and, accordingly, no impairment was recognised during the financial year.</p> <p>Given the materiality of the goodwill and PPE balances and the significant judgement and estimates involved in the impairment assessment, we considered this matter to be a key audit matter.</p>	<p>We have performed the following audit procedures : (continued)</p> <ul style="list-style-type: none"> <li>- Performed inquiries with the valuer to understand the valuation methodology, market comparables selected and the key assumptions and adjustments applied in deriving the fair value of the vessels.</li> <li>• Tested the reasonableness of the costs to sell applied in the valuation.</li> <li>• Evaluated the adequacy of the related disclosures in the financial statements.</li> </ul> <p>Based on the procedures carried out above, we did not find any material exceptions.</p>



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

(Incorporated in Malaysia)  
Registration No. 201201011310 (984830-D)

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

Key audit matters (continued)

Company

Key audit matter	How our audit addressed the key audit matter
<p><b>Reallocation of carrying amounts of investment and recoverability of investment in subsidiaries</b></p> <p><i>Refer to Note 2.3 and Note 2.5 – Summary of material accounting policies, Note 3(ii) – Critical accounting estimates and judgements and Note 15 – Interest in subsidiaries</i></p> <p>As at 31 December 2025, the total carrying value of investments in subsidiaries amounted to RM653.1 million.</p> <p>During the financial year, the Group completed a series of acquisitions and subsequently undertook a group reorganisation within its OSV segment, which resulted in a reallocation of carrying amount of investment in subsidiaries. The reallocation was performed to reflect the economic substance of the reorganisation following the change in the Group's business structure.</p> <p>Management reallocated the carrying amount of investment in subsidiaries based on a relative fair value approach. The relative fair values were determined using the value-in-use ("VIU") method which approximates fair value. This involved significant judgement in determining the basis and methodology for reallocating the carrying amounts of investment between subsidiaries.</p> <p>Significant estimates is involved in the determination of the recoverable amounts of the subsidiaries, particularly in relation to management's assumptions used in the VIU cash flow projections, including the projected utilisation and charter rates, useful lives of vessels, amount and timing of drydock expenditures and discount rates applied.</p> <p>Given the materiality of the investments in subsidiaries together with the significant judgement and estimation uncertainty in determining the recoverable amounts of the subsidiaries, we considered this matter to be a key audit matter.</p>	<p>We have performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>• Evaluating management's reallocation of the carrying amounts of investment in subsidiaries to assess whether the reallocation appropriately reflected the economic substance of the acquisition and subsequent group reorganisation.</li> <li>• Agreed the VIU cash flow projections to Directors' approved cash flow projections used in the impairment assessments of vessels.</li> <li>• Checked that the VIU cash flow projections used to determine recoverable amounts were adjusted for financing cash flow projections of respective subsidiaries.</li> <li>• Checked the key assumptions used in the VIU cash flow projections such as useful lives of vessels, projected utilisation and charter rates to historical data.</li> <li>• Corroborated amount and timing of drydock expenditure to drydocking schedules obtained from the Group's operations department.</li> <li>• Checked the discount rates used with assistance from our valuation experts by benchmarking this rate to industry and available market data to ascertain reasonableness of discount rates used.</li> <li>• Assessed the adequacy of disclosures in the financial statements of key assumptions and sensitivity analysis.</li> </ul> <p>Based on procedures carried out above, we did not find any material exception to the assessments.</p>



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

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

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

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

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report and the Statement on Risk Management and Internal Control, which we obtained prior to the date of this auditors' report, and other sections of the annual report, which is expected to be made available to us after that date. Other information does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

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

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

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

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

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

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

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

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

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

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**Auditors' responsibilities for the audit of the financial statements (continued)

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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



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

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 15 to the financial statements.

**OTHER MATTERS**

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

PRICEWATERHOUSECOOPERS PLT  
LLP0014401-LCA & AF 1146  
Chartered Accountants

PAULINE HO  
02684/11/2027 J  
Chartered Accountant

**Kuala Lumpur  
30 April 2026**

# Statements of Comprehensive Income

For the Financial Year Ended 31 December 2025

	Note	Group		Company	
		2025 RM '000	2024 RM '000	2025 RM '000	2024 RM '000
Revenue	4	286,539	235,781	79,395	4,689
Cost of sales		(221,298)	(163,819)	-	-
Gross profit		65,241	71,962	79,395	4,689
Other income	5	45,306	6,537	92	244
Gain on disposal of property, plant and equipment		58,468	3	-	-
Administrative expenses		(42,451)	(33,026)	(10,533)	(11,038)
Reversal of impairment /(Impairment loss) of receivables (net)		6,655	(931)	-	-
Impairment on vessels (net)		(19,887)	(1,630)	-	-
Profit/(Loss) from operations		113,332	42,915	68,954	(6,105)
Finance costs	6	(14,154)	(10,291)	(2)	-
Share of loss of a joint venture		(259)	-	-	-
Profit/(Loss) before taxation	7	98,919	32,624	68,952	(6,105)
Taxation	10	(8,063)	(6,427)	(704)	(307)
Profit/(Loss) for the financial year		90,856	26,197	68,248	(6,412)
Other comprehensive loss: Items that will be reclassified subsequently to profit or loss: - Currency translation differences		(1,389)	(96)	-	-
Total comprehensive income/(loss) for the financial year		89,467	26,101	68,248	(6,412)
Profit/(Loss) attributable to:					
- Equity holders of the Company		102,674	44,047	68,248	(6,412)
- Non-controlling interests		(11,818)	(17,850)	-	-
		90,856	26,197	68,248	(6,412)

# Statements of Comprehensive Income

For the Financial Year Ended 31 December 2025 (Continued)

	Note	Group		Company	
		2025 RM '000	2024 RM '000	2025 RM '000	2024 RM '000
Total comprehensive income/(loss) attributable to:					
- Equity holders of the Company		101,262	43,998	68,248	(6,412)
- Non-controlling interests		(11,795)	(17,897)	-	-
		<u>89,467</u>	<u>26,101</u>	<u>68,248</u>	<u>(6,412)</u>
		Sen	Sen		
Basic earnings per share attributable to owners of the Company	11	<u>11.00</u>	<u>7.39</u>		
Diluted earnings per share attributable to owners of the Company	11	<u>10.62</u>	<u>7.21</u>		

The notes set out on pages 163 to 241 form an integral part of these financial statements.

# Statements of Financial Position

As at 31 December 2025

		Group		Company	
	Note	2025 RM '000	2024 RM '000	2025 RM '000	2024 RM '000
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment	14	710,748	491,677	-	-
Intangible assets		920	-	-	-
Goodwill	32	92,294	-	-	-
Interest in subsidiaries	15	-	-	653,132	378,723
Investment in a joint venture	16	101	-	-	-
Cash and bank balances	17	-	42,583	-	-
Right-of-use assets	18	1,632	204	-	-
Deferred tax assets	19	12,838	13,122	-	-
		818,533	547,586	653,132	378,723
<b>CURRENT ASSETS</b>					
Inventories		4,498	1,944	-	-
Trade and other receivables	20	162,183	97,655	809	38
Interest in subsidiaries	15	-	-	255,817	-
Tax recoverable		4,037	4,520	-	83
Other investments	21	94,788	-	-	-
Cash and bank balances	17	191,430	48,975	728	6,802
		456,936	153,094	257,354	6,923
Non-current assets held for sale	22	74,243	-	-	-
		531,179	153,094	257,354	6,923
<b>CURRENT LIABILITIES</b>					
Trade and other payables	23	92,352	60,190	4,056	3,806
Dividend payable	24	11,232	-	11,232	-
Lease liabilities	18	949	105	-	-
Borrowings	25	165,418	35,232	-	-
Tax payable		33,678	2,926	575	-
		303,629	98,453	15,863	3,806
<b>NET CURRENT ASSETS</b>		227,550	54,641	241,491	3,117

# Statements of Financial Position

As at 31 December 2025 (Continued)

	Note	Group		Company	
		2025 RM '000	2024 RM '000	2025 RM '000	2024 RM '000
<b>NON-CURRENT LIABILITIES</b>					
Lease liabilities	18	639	105	-	-
Borrowings	25	177,778	125,492	-	-
Deferred tax liabilities	19	19,805	20,107	-	-
		198,222	145,704	-	-
<b>NET ASSETS</b>		<b>847,861</b>	<b>456,523</b>	<b>894,623</b>	<b>381,840</b>
<b>EQUITY</b>					
Share capital	26.1	857,021	368,984	857,021	368,984
Warrant reserves	26.2	22,204	32,463	22,204	32,463
Currency translation reserve		5,953	3,033	-	-
Capital reorganisation reserve	32	(148,026)	-	-	-
Capital contribution reserve	27	7,686	7,686	7,686	7,686
Retained earnings/ (Accumulated losses)		74,248	27,774	7,712	(27,293)
Total equity attributable to owners of the Company		819,086	439,940	894,623	381,840
Non-controlling interest		28,775	16,583	-	-
<b>TOTAL EQUITY</b>		<b>847,861</b>	<b>456,523</b>	<b>894,623</b>	<b>381,840</b>

The notes set out on pages 163 to 241 form an integral part of these financial statements.

# Statements of Changes in Equity

For the Financial Year Ended 31 December 2025

	Attributable to equity holders of the Company							Total equity RM '000	
	Note	Share capital RM '000	Warrant reserve RM '000	Currency translation reserve RM '000	Share based payment reserve RM '000	Capital contribution reserve RM '000	Retained earnings RM '000		Non-controlling interest RM '000
<b>Group</b>									
At 1 January 2024		317,941	32,726	3,082	40	7,614	(16,061)	31,988	377,330
Profit for the financial year		-	-	-	-	-	44,047	(17,850)	26,197
Currency translation differences, representing total income and expense recognised directly in equity		-	-	(49)	-	-	-	(47)	(96)
Total comprehensive income for the financial year		-	-	(49)	-	-	44,047	(17,897)	26,101
<b>Transactions with shareholders</b>									
Issuance of ordinary shares for settlement of fixed rate term loans	26.1	49,567	-	-	-	-	-	-	49,567
Employees' Share Grant Plan and Employees' Share Option Scheme ("ESOS")	34	-	-	-	171	72	-	-	243
Share options lapsed	34	-	-	-	(47)	-	-	-	(47)
Issuance of shares under ESOS	26.1	347	-	-	(164)	-	-	-	183
Issuance of ordinary shares for warrants exercised	26.2	1,129	(263)	-	-	-	-	-	866
Dilution of shareholding in a subsidiary	15	-	-	-	-	-	(212)	2,492	2,280
At 31 December 2024		368,984	32,463	3,033	-	7,686	27,774	16,583	456,523

# Statements of Changes in Equity

## For the Financial Year Ended 31 December 2025 (Continued)

### Attributable to equity holders of the Company

	Note	Share capital RM '000	Warrant reserve RM '000	Currency translation reserve RM '000	Capital reorganisation reserve RM '000	Capital contribution reserve RM '000	Retained earnings RM '000	Non- controlling interest RM '000	Total equity RM '000
<b>Group</b>									
At 1 January 2025		368,984	32,463	3,033	-	7,686	27,774	16,583	456,523
Profit for the financial year		-	-	-	-	-	102,674	(11,818)	90,856
Currency translation differences, representing total income and expense recognised directly in equity		-	-	(1,412)	-	-	-	23	(1,389)
Total comprehensive income for the financial year		-	-	(1,412)	-	-	102,674	(11,795)	89,467
<u>Transactions with shareholders</u>									
Issuance of ordinary shares for acquisition of subsidiaries	32.1	403,636	-	-	(148,026)	-	-	-	255,610
Issuance of ordinary shares for warrants exercised	26.2	44,114	(10,259)	-	-	-	-	-	33,855
Non-controlling interests on acquisition of a subsidiary	32.1	-	-	-	-	-	-	35,738	35,738
Changes in ownership interests in subsidiaries	32.2	40,287	-	4,332	-	-	(22,957)	(11,751)	9,911
Dividends	12	-	-	-	-	-	(33,243)	-	(33,243)
At 31 December 2025		857,021	22,204	5,953	(148,026)	7,686	74,248	28,775	847,861

# Statements of Changes in Equity

## For the Financial Year Ended 31 December 2025 (Continued)

	Note	Attributable to equity holders of the Company						Total equity RM '000
		Share capital RM '000	Warrant reserve RM '000	Share based payment reserve RM '000	Capital contribution reserve RM '000	(Accumulated losses)/ Retained earnings RM '000		
<b>Company</b>								
At 1 January 2024		317,941	32,726	40	7,614	(20,881)		337,440
Total comprehensive income for the financial year		-	-	-	-	(6,412)		(6,412)
<u>Transactions with shareholders</u>								
Issuance of ordinary shares for settlement of fixed rate term loans	26.1	49,567	-	-	-	-		49,567
Employees' Share Grant Plan and Employees' Share Option Scheme ("ESOS")	34	-	-	171	72	-		243
Share options lapsed	34	-	-	(47)	-	-		(47)
Issuance of shares under ESOS	26.1	347	-	(164)	-	-		183
Issuance of ordinary shares for warrant exercised	26.2	1,129	(263)	-	-	-		866
At 31 December 2024 and 1 January 2025		368,984	32,463	-	7,686	(27,293)		381,840
Total comprehensive income for the financial year		-	-	-	-	68,248		68,248
<u>Transactions with shareholders</u>								
Issuance of ordinary shares for acquisition of subsidiaries	32.1	403,636	-	-	-	-		403,636
Issuance of ordinary shares for warrants exercised	26.2	44,114	(10,259)	-	-	-		33,855
Changes in ownership interests in subsidiaries	32.2	40,287	-	-	-	-		40,287
Dividends	12	-	-	-	-	(33,243)		(33,243)
At 31 December 2025		857,021	22,204	-	7,686	7,712		894,623

The notes set out on pages 163 to 241 form an integral part of these financial statements.

# Statements of Cash Flows

For the Financial Year Ended 31 December 2025

	Note	Group		Company	
		2025 RM '000	2024 RM '000	2025 RM '000	2024 RM '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit/(Loss) before taxation		98,919	32,624	68,952	(6,105)
Adjustments for:					
Depreciation of property, plant and equipment		77,152	58,894	-	-
Depreciation of right-of-use assets		894	408	-	-
Dividend income		-	-	(72,200)	-
Amortisation of intangible assets		371	-	-	-
Finance costs		14,154	10,291	2	-
Fair value gain on debt settlement		-	(2,428)	-	-
Fair value loss on money market funds		361	-	-	-
Interest income		(2,380)	(924)	(69)	(211)
Impairment loss on vessels, net		19,887	1,630	-	-
Impairment loss on intangible assets		3	-	-	-
Share of loss of joint venture		259	-	-	-
(Reversal of impairment)/impairment of receivables (net)		(6,655)	931	-	-
Unrealised loss on foreign exchange		3,919	2,297	1,909	1
Share-based payment expense		-	197	-	197
Gain on disposal of property, plant and equipment		(58,468)	(3)	-	-
Loss from dilution of shareholding in a subsidiary		-	-	-	1,202
Operating profit/(loss) before working capital changes		148,416	103,917	(1,406)	(4,916)
Changes in working capital:					
Inventories		(2,554)	2,357	-	-
Receivables		106,204	(52,072)	(771)	115
Payables		(120,591)	11,908	232	5,405
Subsidiaries balances		-	-	(6,766) <sup>^</sup>	(13,427)
Cash generated from/(used in) operations		131,475	66,110	(8,711)	(12,823)
Tax paid		(5,998)	(3,136)	(61)	(329)
Tax refund		1,592	16	15	-
Net cash flow generated from/(used in) operating activities		127,069	62,990	(8,757)	(13,152)

# Statements of Cash Flows

For the Financial Year Ended 31 December 2025 (Continued)

	Note	Group		Company	
		2025 RM '000	2024 RM '000	2025 RM '000	2024 RM '000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from disposal of asset held for sale and property, plant and equipment		199,580	12,222	-	-
Purchase of property, plant and equipment		(197,357)	(56,627)	-	-
Purchase of intangible assets		(113)	-	-	-
Addition to other investments		(95,149)	-	-	-
Interest received		2,380	924	69	211
Decrease in deposits and bank balances pledged as security		45,667	21,425	-	-
Investment in joint venture		(360)	-	-	-
Acquisition of subsidiaries#		15,220	-	-	-
Repayment of subsidiaries		-	-	2,300	-
Advances to subsidiaries		-	-	(33,541)	(9,000)
Net cash flow used in from investing activities		(30,132)	(22,056)	(31,172)	(8,789)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Proceeds from issuance of shares		-	183	-	183
Proceeds from exercise of warrants		33,855	866	33,855	866
Repayment of lease liabilities		(990)	(494)	-	-
Repayment of borrowings		(217,101)	(35,900)	-	-
Interest paid		(12,309)	(9,894)	-	-
Proceeds from dilution of shareholding in a subsidiary		-	2,280	-	2,280
Drawdown of borrowings		265,862	-	-	-
Dividend paid		(22,011)	(27,082)	-*	(6,000)*
Dividend paid to non-controlling interest		-	(4,500)	-	-
Net cash flow generated from/(used in) from financing activities		47,306	(74,541)	33,855	(2,671)
Effects of changes in foreign exchange rate		1,296	(769)	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		145,539	(34,376)	(6,074)	(24,612)
<b>Cash and cash equivalents at beginning of financial year</b>		45,256	79,632	6,802	31,414
<b>Cash and cash equivalents at end of financial year</b>	17	190,795	45,256	728	6,802
Cash and cash equivalents	17	190,795	45,256	728	6,802
Deposits and bank balances pledged as security	17	635	46,302	-	-
Cash and bank balances	17	191,430	91,558	728	6,802

# Statements of Cash Flows

For the Financial Year Ended 31 December 2025 (Continued)

Non-cash transactions:

\* Dividend amounting to RM22,011,000 (2024: RM21,082,000) was paid on behalf of the Company by a subsidiary of the Group.

# Acquisitions of subsidiaries amounting to RM15,220,000 (2024: NIL) represent cash and bank balances acquired during the year. The purchase consideration for these acquisitions was satisfied through the issuance of ordinary shares during the year. Further details are disclosed in Note 32.

^ Non-cash working capital includes the following transactions:

	<b>Company</b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b>RM '000</b>	<b>RM '000</b>
Expenses paid on behalf of the Company by a subsidiary	(3,542)	(3,327)
Management fees charged by a subsidiary to the Company	(261)	-
Management fees charged by the Company to the subsidiaries	<u>6,835</u>	<u>4,688</u>

Notes:

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

	<b>Group</b>		<b>Company</b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
Additions during the year	194,741	62,119	-	-
Additions incurred but not yet paid	(2,876)	(5,492)	-	-
Settlement of prior year additions	5,492	-	-	-
	<u>197,357</u>	<u>56,627</u>	<u>-</u>	<u>-</u>

The purchase of property, plant of equipment by way of cash of RM197,357,000 relates to cash purchase of RM191,865,000 during the current financial year and RM5,492,000 for payments made in the current financial year for purchase of property, plant and equipment in the prior financial year. RM2,876,000 of purchase of property plant and equipment during the current financial year were financed through other payables.

(b) Material non-cash transactions with related parties are disclosed in Note 31.

# Statements of Cash Flows

For the Financial Year Ended 31 December 2025 (Continued)

## Reconciliation of liabilities arising from financing activities

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

	<b>Lease Liabilities (Note 18(ii)) RM '000</b>	<b>Borrowings (Note 25) RM '000</b>	<b>Redeemable preference shares (Note 25) RM '000</b>
<b>Group</b>			
At 1 January 2024	556	238,329	10,467
<u>Financing cash flows</u>			
Repayment of lease liabilities	(494)	-	-
Repayment of borrowings	-	(35,900)	-
Interest paid	-	(9,894)	-
<u>Non-cash changes</u>			
Currency translation reserve	-	-	(569)
Additions to lease liabilities	143	-	-
Debt settlement via issuance of shares	-	(49,567)	-
Fair value gain on debt settlement	-	(2,428)	-
Finance costs for the financial year (Note 6)	5	10,286	-
At 31 December 2024 and 1 January 2025	210	150,826	9,898
<u>Financing cash flows</u>			
Drawdown of borrowings	-	265,862	-
Repayment of lease liabilities	(990)	-	-
Repayment of borrowings	-	(217,101)	-
Interest paid	-	(12,309)	-
<u>Non-cash changes</u>			
Currency translation reserve	-	(8,759)	13
Acquisition of subsidiaries (Note 32.1)	2,249	150,737	-
Debt settlement via issuance of shares (Note 32.2)	-	-	(9,911)
Finance costs for the financial year (Note 6)	119	13,940	-
At 31 December 2025	1,588	343,196	-

# Statements of Cash Flows

For the Financial Year Ended 31 December 2025 (Continued)

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

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

	<b>Amount due to subsidiary</b>
	<b>RM '000</b>
<b>Company</b>	
At 1 January 2024	35,000
<u>Non-cash changes</u>	
Offset against amount due from subsidiaries	(35,000)
At 31 December 2024	-
Expenses paid on behalf of the Company by a subsidiary	3,542
<u>Non-cash changes</u>	
Offset against amount due from subsidiaries	(3,542)
At 31 December 2025	-

The notes set out on pages 163 to 241 form an integral part of these financial statements.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

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## 1. GENERAL INFORMATION

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

The Company is an investment holding company. The principal activities of the Group are vessel owning/leasing and provision of vessel chartering and ship management services to oil and gas related industries. The principal activities of subsidiaries and joint venture are disclosed in Note 15 and Note 16 to the financial statements. There were no significant changes in the nature of these principal activities during the financial year.

The immediate holding company is Liannex Maritime Sdn. Bhd., a company incorporated in Malaysia. The ultimate holding company is Liannex Corporation (S) Pte Ltd ("Liannex Corporation"), a company incorporated in Singapore.

The address of the registered office of the Company is:

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

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

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

### 2.1 Basis of preparation

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

The financial statements of the Group and the Company have been prepared under the historical cost convention unless otherwise indicated in the accounting policies below. The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency. Unless otherwise indicated, the amounts in these financial statements have been rounded to the nearest thousand.

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

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

The Group and the Company have applied the following amendments to published standards for the first time for the financial year beginning on 1 January 2025:

- Amendments to MFRS 121 'Lack of Exchangeability'

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

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

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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

### 2.1 Basis of preparation (continued)

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

A number of new standards and amendments to published standards are effective for the financial year beginning after 1 January 2025. The Group and the Company have not early adopted these new standards and amendments to published standards. None of these are expected to have a significant effect on the financial statements of the Group and of the Company, except for the following set out below:

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

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

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

#### 2.1 Basis of preparation (continued)

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

A number of new standards and amendments to published standards are effective for the financial year beginning after 1 January 2025. The Group and the Company have not early adopted these new standards and amendments to published standards. None of these are expected to have a significant effect on the financial statements of the Group, except for the following set out below: (continued)

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

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

- MFRS 19 'Subsidiaries without Public Accountability: Disclosures'
- Amendments to MFRS 19 'Subsidiaries without Public Accountability: Disclosures'
- Amendments to MFRS 121 'Translation to a Hyperinflationary Presentation Currency'
- Annual Improvements to MFRS Accounting Standards for enhanced consistency

The amendments to published standards shall be applied retrospectively.

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

#### 2.2 Basis of consolidation

- (a) Subsidiaries

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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

### 2.2 Basis of consolidation (continued)

#### (a) Subsidiaries (continued)

##### Common control business combinations

The Group applies the predecessor method of accounting to account for business combinations under common control. Under the predecessor method of accounting, assets and liabilities acquired are not restated to their respective fair values but are recorded at the carrying amounts from the perspective of the common controlling party, and adjusted to ensure uniform accounting policies within the Group. The difference between any consideration given and the aggregate carrying amounts of the assets and liabilities (as of the date of the transaction) of the acquired entity is recorded within equity as capital reorganisation reserve.

##### Other business combinations

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

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

Acquisition-related costs are expensed as incurred.

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

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

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

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

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

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

#### 2.2 Basis of consolidation (continued)

(a) Subsidiaries (continued)

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

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

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

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

(c) Disposal of subsidiaries

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

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

(d) Joint arrangements

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

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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

### 2.2 Basis of consolidation (continued)

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

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

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

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

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

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

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

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

### 2.4 Property, plant and equipment

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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

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

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

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

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

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

Work-in-progress are not depreciated as these assets are not yet available for use. Property, plant and equipment are depreciated on the straight-line basis to allocate the cost of each asset to their residual values over their estimated useful lives, summarised as follows:

Vessels	15 - 30 years
Vessel parts	10 years
Drydocking expenditure	5 years
Machineries	10 years
Motor vehicles	4 - 5 years
Office equipment	5 -10 years
Computers	5 years
Furniture and fittings	10 years
Renovation	5 years

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

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

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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

### 2.5 Impairment of non-financial assets

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

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

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

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

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

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

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

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

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

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

#### 2.7 Leases

##### Accounting by lessee

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

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

##### a) Lease term

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

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

##### b) ROU assets

ROU assets are initially measured at cost comprising the following:

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

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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

### 2.7 Leases (continued)

#### Accounting by lessee (continued)

#### c) Lease liabilities

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

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

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

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

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

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

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

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

#### Accounting by lessor

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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

### 2.7 Leases (continued)

#### Operating leases

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

The Group has identified an operating lease arising from the lease of a bareboat to a charterer of which they recognise lease payments received under operating lease as lease income on a straight-line basis over the lease term.

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

### 2.8 Cash and cash equivalents

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

### 2.9 Financial assets

#### (a) Classification

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

- Financial assets measured at amortised cost; and
- Financial assets at fair value through profit or loss ("FVTPL").

#### (b) Recognition and derecognition

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

#### (c) Measurement

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

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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

### 2.9 Financial assets (continued)

#### (c) Measurement (continued)

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

#### (i) Financial assets at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost using the effective interest rate ("EIR") method. Any gains and losses are recognised in profit or loss when the debt instruments are derecognised or impaired, and through the amortisation process.

#### (ii) Financial assets at fair value through profit or loss ("FVTPL")

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. The Group may also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases.

Financial assets at FVTPL are carried in the statements of financial position at fair value with net changes in fair value presented as administrative expenses (negative net changes in fair value) or other income (positive net changes in fair value) in profit or loss.

#### (d) Subsequent measurement - Impairment

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

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

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

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

The measurement of ECL reflects:

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

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

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

#### 2.9 Financial assets (continued)

(d) Subsequent measurement – Impairment (continued)

Simplified approach for trade receivables

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

*Significant increase in credit risk*

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

The following indicators are incorporated:

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

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

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

*Definition of default and credit-impaired financial assets*

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

*Groupings of instruments for ECL measured on collective basis*

(i) Collective assessment

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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

### 2.9 Financial assets (continued)

(d) Subsequent measurement – Impairment (continued)

(ii) Individual assessment

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

*Write-off*

(i) Trade receivables

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

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

(ii) Other receivables

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

### 2.10 Offsetting financial instruments

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

### 2.11 Current and deferred income tax

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

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

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

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

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

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

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

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

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

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

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

#### 2.12 Provisions

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

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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

### 2.12 Provisions (continued)

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

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

### 2.13 Financial guarantee contracts

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

### 2.14 Borrowings

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

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

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

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

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

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

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

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

#### 2.15 Employee benefits

(a) Short-term employee benefits

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

(b) Defined contribution plan

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

(c) Termination benefits

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

(d) Bonus plans

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

#### 2.16 Share capital

(a) Classification

Ordinary shares are classified as equity.

(b) Share issue costs

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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

### 2.16 Share capital (continued)

#### (c) Dividend distribution

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

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

#### (d) Earnings per share

##### Basic earnings per share

Basic earnings per share is calculated by dividing:

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

##### Diluted earnings per share

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

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

### 2.17 Trade payables

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

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

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

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

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

#### 2.18 Foreign currencies

(a) Functional and presentation currency

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

(b) Transactions and balances

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

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

(c) Group companies

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

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

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

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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

### 2.18 Foreign currencies (continued)

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

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

### 2.19 Revenue from contracts with customers

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

#### Charter hire of vessels

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

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

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

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

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

##### Associated services

Associated services to charterers includes crew services rendered and are recognised when services are rendered.

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

##### Meals and backcharges to charterers

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

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

##### Revenue from other sources

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

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

Management fee income is recognised when services are rendered.

#### 2.20 Other income

##### Interest income

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

##### Insurance recovery

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

#### 2.21 Borrowing costs

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

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

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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

### 2.22 Prepayments

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

### 2.23 Segment reporting

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

### 2.24 Contingent liability and assets

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

### 2.25 Share based payments

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

#### (a) Employees' share options

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

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

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

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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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

### 2.25 Share based payments (continued)

(a) Employees' share options (continued)

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

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

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

(b) Employees' share grants

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

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

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

### 2.26 Inventories

Inventories comprise of consumables and bunkers are valued at the lower of cost and net realisable value. Purchase costs and other costs incurred in bringing the spare parts to its present location and condition are accounted for on a weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The inventories are measured at lower of cost and net realisable value.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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## 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

### Key assumptions and sources of estimation uncertainty

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

#### (i) Recoverability of goodwill and non-financial assets of the OSV Segment

The Group reviews its goodwill impairment assessment and its related non-financial assets in accordance with its accounting policy as set out in Note 2.5.

For the purposes of the impairment assessment, goodwill has been entirely allocated to the OSV segment, which is considered to comprise one group of cash generating units ("CGUs"). Significant judgement was applied by management in determining the allocation of goodwill to this group of CGUs, having regard to the manner in which the OSV operations are managed and monitored.

The recoverable amount of the OSV CGU group is determined based on the higher of Value in Use ("VIU") and Fair Value Less Cost of Disposal ("FVLCO").

In cases where FVLCO is used to determine the recoverable amount of the CGUs, valuations are performed by independent valuers using market-based approaches, which reflect recent market transactions of similar vessels under arm's-length conditions. Significant estimation uncertainty arises in determining the recoverable amounts of the vessels, particularly in the selection of appropriate valuation comparables and in estimating the key adjustments applied to derive the fair value of the vessels, including adjustments for age, condition, specification and the estimation of related costs to sell.

Sensitivity analysis relating to the impairment assessment of goodwill and vessels are disclosed in Note 32.1 and Note 14, respectively.

#### (ii) Reallocation of cost of investment and recoverability of interests in subsidiaries and amount due from subsidiaries

##### Reallocation of cost of investment

The Group completed a series of acquisitions and subsequently undertook a group reorganisation within its OSV segment, which resulted in a reallocation of the carrying amounts of its investments in subsidiaries. The reallocation was undertaken to reflect the economic substance of the acquisition and subsequent group reorganisation, including changes in the Group's business structure, operating structure and business model arising from the streamlining of vessel ownership into fewer entities and the retention of residual profits in a subsidiary that operates as the Group's ship manager as disclosed in Note 15 and Note 19. These changes were driven by the series of acquisitions completed during the financial year, as disclosed in Note 32.

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

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

- (ii) Reallocation of cost of investment and recoverability of interests in subsidiaries and amount due from subsidiaries (continued)

#### Reallocation of cost of investment (continued)

Management reallocated the carrying amounts of the investments in subsidiaries using a relative fair value approach, with the relative fair values derived from the recoverable amounts of the respective subsidiaries. Management determined that the value-in-use ("VIU") cash flow projections approximated fair values for this purpose. Significant judgement was involved in determining the basis and methodology for reallocating the carrying amounts of investment between subsidiaries following the changes in the Group's operating structure. Significant estimates were also involved in determining the recoverable amounts of the subsidiaries, particularly in relation to assumptions used in the VIU cash flow projections, including projected utilisation and charter rates, useful lives of vessels, the amount and timing of drydock expenditures, and the discount rates applied.

Further details of the reallocation exercise are disclosed in Note 15(e).

Significant estimates is required in the estimation of the VIU cash flow projections generated by the subsidiaries. Key assumptions used in VIU cash flow projections are disclosed in Note 15.

#### Recoverability of interests in subsidiaries and amount due from subsidiaries

The Group tests interest in subsidiaries for impairment in accordance with its accounting policy in Note 2.5. The recoverable amounts of subsidiaries have been determined based on VIU cash flow projections. Key assumptions used in VIU cash flow projections are disclosed in Note 15.

- (iii) Accounting for business combinations and business combinations under common control

The Group completed significant acquisitions and undertook restructuring of the Group during the financial year. These included the acquisition of Regulus Offshore Sdn. Bhd. ("Regulus Offshore"), Yinson Camellia Sdn. Bhd. ("Yinson Camellia"), Lianson Fleet Pte. Ltd. ("Lianson Fleet") and Yinson Power Marine Sdn. Bhd. ("YPM"). These transactions were material to the Group and involved the application of different accounting frameworks, depending on whether the transactions constituted a business combination under MFRS 3 Business Combination or a business combination under common control ("BCUCC").

The acquisition of Regulus Offshore and Yinson Camellia was accounted for as a business combination under MFRS 3, which required Group to exercise significant judgement in determining whether the acquisition met the definition of a business, identifying and measuring the fair values of identifiable assets acquired and liabilities assumed, and determining the amount of goodwill recognised.

The acquisition of Lianson Fleet and YPM was accounted for as a BCUCC, as the entities were under common control before and after the transaction. The Group had applied the predecessor basis of accounting, with assets and liabilities recognised at existing carrying amounts. The carrying amounts of the assets and liabilities has been recognised at the highest level that it had been carried at the ultimate holding company, prior to the acquisition. Significant judgement was required in determining the appropriate accounting treatment, the scope of entities included within the BCUCC, and the presentation and disclosure of the transaction to reflect its economic substance. Details of these acquisitions are further disclosed in Note 32.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 4. REVENUE

	<b>Group</b>		<b>Company</b>	
	<b>2025</b> <b>RM '000</b>	<b>2024</b> <b>RM '000</b>	<b>2025</b> <b>RM '000</b>	<b>2024</b> <b>RM '000</b>
<u>Revenue from contracts with customers</u>				
Charter hire of vessels	264,931	225,198	-	-
Meals and backcharges to charterers	15,629	8,298	-	-
	280,560	233,496	-	-
<u>Revenue from other sources</u>				
Operating lease income	5,979	2,285	-	-
Dividend income	-	-	72,200	-
Management fee income	-	-	7,195	4,689
	286,539	235,781	79,395	4,689

Revenue from charter hire of vessels and meals and backcharges to charterers are recognised over time.

## 5. OTHER INCOME

	<b>Group</b>		<b>Company</b>	
	<b>2025</b> <b>RM '000</b>	<b>2024</b> <b>RM '000</b>	<b>2025</b> <b>RM '000</b>	<b>2024</b> <b>RM '000</b>
Interest income	2,380	924	69	211
Insurance recovery (a)	40,843	3,128	-	-
Fair value gain on debt settlement	-	2,428	-	-
Sale of bunker and scrap	500	-	-	-
Miscellaneous other income	1,583	57	23	33
	45,306	6,537	92	244

(a) Insurance recovery of RM40,843,000 during the year comprises approved insurance claims which are to be reimbursed to the Group upon incident of damages to vessel in 2024.

## 6. FINANCE COSTS

	<b>Group</b>		<b>Company</b>	
	<b>2025</b> <b>RM '000</b>	<b>2024</b> <b>RM '000</b>	<b>2025</b> <b>RM '000</b>	<b>2024</b> <b>RM '000</b>
Bank charges	95	-	2	-
Term loan interest	13,940	10,286	-	-
Lease interest	119	5	-	-
	14,154	10,291	2	-

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 7. PROFIT/(LOSS) BEFORE TAXATION

Profit/(Loss) before taxation is stated after charging/(crediting):

	Group		Company	
	2025 RM '000	2024 RM '000	2025 RM '000	2024 RM '000
Auditors' remuneration				
- Fees for statutory audit				
- PricewaterhouseCoopers PLT ("PwC") Malaysia	763	689	206	206
- Member firms of PwC Malaysia	32	32	-	-
- Other auditors	121	-	-	-
- Fees for audit-related services (Note (a))				
- PwC Malaysia	-	1,030	-	1,030
- Fees for other services (Note (b))				
- Member firms of PwC Malaysia	229	685	-	612
Consumable costs and bunker, diesel and lubricant costs	15,316	13,899	-	-
Amortisation of intangible assets	371	-	-	-
Depreciation of property, plant and equipment (Note 14)	77,152	58,894	-	-
Depreciation of right-of-use assets (Note 18)	894	408	-	-
Employee benefits expense (Note 8)	61,084	51,915	4,300	3,356
Fair value loss on money market funds (Note 21)	361	-	-	-
Impairment loss on vessels (net) (Note 14)	19,887	1,630	-	-
(Reversal of impairment)/Impairment loss of receivables (net) (Note 20(a))	(6,655)	931	-	-
Insurance expense	7,718	4,630	68	116
Professional fees	5,025	7,015	2,900	3,971
Ship operation and charter hire costs	73,044	30,425	-	-
Realised loss/(gain) on foreign exchange	1,603	(303)	-	5
Net unrealised loss on foreign exchange	3,919	2,297	1,909	1

(a) Fees for audit-related services mainly comprise of services relating to audit on financial information on corporate exercises, non-recurring fee for quarterly reviews and agreed upon procedures review.

(b) Fees for other services mainly comprise of services relating to due diligence on corporate exercises and other taxation services.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 8. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2025 RM '000	2024 RM '000	2025 RM '000	2024 RM '000
Wages, salaries, allowances and bonuses	57,110	47,839	3,877	2,638
Defined contribution plan	3,655	3,590	421	519
Social security contribution	319	289	2	2
Share based payments	-	197	-	197
	61,084	51,915	4,300	3,356

Included in employee benefits expense of the Group and the Company are the Directors' remuneration amounting to RM3,215,000 (2024: RM3,623,000) and RM3,215,000 (2024: RM3,623,000) respectively as further disclosed in Note 9.

## 9. DIRECTORS' REMUNERATION

	Group		Company	
	2025 RM '000	2024 RM '000	2025 RM '000	2024 RM '000
<u>Executive:</u>				
Salaries, allowances and bonuses	1,995	2,201	1,995	2,201
Defined contribution plan	372	417	372	417
Share based payments	-	171	-	171
	2,367	2,789	2,367	2,789
<u>Non-Executive:</u>				
Fees and emoluments	848	834	848	834
Total Directors' remuneration (excluding benefits-in-kind)	3,215	3,623	3,215	3,623

## 10. TAXATION

	Group		Company	
	2025 RM '000	2024 RM '000	2025 RM '000	2024 RM '000
<u>Current income tax:</u>				
Malaysian corporate income tax				
- Current financial year	28,555	3,337	660	44
- Under provision of income tax in prior financial year	514	794	44	263
Foreign tax				
- Current financial year	8,912	-	-	-
	37,981	4,131	704	307
<u>Deferred tax</u>				
Deferred tax relating to the origination and reversal of temporary differences (Note 19)	(29,918)	2,296	-	-
Tax expense for the financial year	8,063	6,427	704	307

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 10. TAXATION (CONTINUED)

The income tax is calculated at the statutory tax rate at 24% (2024: 24%) on the estimated chargeable profit for the financial year. Subsidiaries of the Company, being Malaysian tax residents incorporated in Labuan under the Labuan Companies Act, 1990, are taxed at 3% of profit before taxation in accordance with the Labuan Business Activity Tax Act, 1990 excluding certain subsidiaries where the income tax were calculated based on Income Tax Act, 1967. Income derived from the Singapore-registered vessels is exempt from income tax under Section 13A of the Singapore Income Tax Act. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

Reconciliations of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and the Company are as follows:

	Group		Company	
	2025 RM '000	2024 RM '000	2025 RM '000	2024 RM '000
Profit/(Loss) before taxation	98,919	32,624	68,952	(6,105)
Taxation at Malaysian statutory tax rate at 24%	23,741	7,830	16,548	(1,465)
Effects of tax in Labuan and other foreign jurisdictions	(23,730)	(9,936)	-	-
Expenses not deductible for tax purposes	42,562	8,191	1,440	1,509
Income exempted under Section 13(A)	(2,375)	-	-	-
Income not taxable for tax purposes	(231)	(181)	(17,328)	-
Under provision of income tax in prior financial year	514	794	44	263
Reversal of temporary differences from the transfer of vessels to entities governed by the Labuan tax jurisdiction (Note 19)	(22,294)	-	-	-
Recognition of previously unrecognised tax losses	(10,124)	(271)	-	-
Tax expense for the financial year	8,063	6,427	704	307

\* Included within expenses not deductible are balancing charges arising from the transfer of vessels within the Group, which are regarded as non-controlled transactions for tax purposes.

## 11. EARNINGS PER SHARE ("EPS")

The calculation of the basic earnings per share is based on the net profit attributable to the ordinary equity shareholders of the Company for the period divided by the weighted average number of ordinary shares in issue or issuable during the financial year.

### (i) Basic EPS

	Group	
	2025 RM '000	2024 RM '000
Earnings attributable to equity holders of the Company	102,674	44,047
Weighted average number of ordinary shares in issue ('000)	933,492	596,437
Basic EPS (sen)	11.00	7.39

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 11. EARNINGS PER SHARE ("EPS") (CONTINUED)

### (ii) Diluted EPS

The diluted earnings per share is calculated by dividing the net profit attributable to the ordinary equity shareholders of the Company for the year by the weighted average number of ordinary shares as adjusted for the basic earnings per share and includes all potential dilutive warrants by the reporting date, as if the warrants had been exercised on the first day of the financial year.

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM '000</b>	<b>RM '000</b>
Earnings attributable to equity holders of the Company	102,674	44,047
Weighted average number of ordinary shares in issue ('000)	933,492	596,437
Adjusted for dilutive warrants ('000)	33,334	14,696
Weighted average number of ordinary shares in issue for Diluted EPS ('000)	966,826	611,133
Diluted EPS (sen)	10.62	7.21

The weighted average number of shares takes into account the weighted average effect of changes in ordinary shares transactions during the financial year.

## 12. DIVIDENDS

	<b>Company</b>			
	<b>Sen</b>	<b>2025</b>	<b>Sen</b>	<b>2024</b>
		<b>RM '000</b>		<b>RM '000</b>
Single-tier tax-exempt ordinary dividends				
- First Interim dividend of 1.0 sen per ordinary shares paid on 14 August 2025	1.0	10,821	-	-
- Second Interim dividend of 1.0 sen per ordinary shares paid on 13 November 2025	1.0	11,190	-	-
- Third Interim dividend of 1.0 sen per ordinary shares paid on 13 February 2026	1.0	11,232	-	-
		<u>33,243</u>		<u>-</u>

On 27 February 2026, the Directors declared a special dividend of 1.0 sen per ordinary share and a fourth interim dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 December 2025, amounting to approximately RM23,321,000 million in total. The dividends will be payable on 13 May 2026 to shareholders whose names appear in the Record of Depositors as at 30 April 2026.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 13. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers comprising the Board of Directors and the Managing Director. The chief operating decision makers are responsible for allocating resources, assessing performance of the operating segments and making strategic decisions.

For management purposes, the Group is organised based on their products and services and has the following reportable operating segments:

- (i) OSV – This segment comprises of leasing OSV vessels and related services.
- (ii) Marine Transportation – This segment comprises leasing of Tug and Barges and Bulk Carriers and related services.
- (iii) Others – This segment comprises of investment holding and management services.

Transactions between segments are carried out on mutually agreed basis. The effects such inter-segment transactions are eliminated on consolidation.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment results is measured based on the total revenue for each segment, net of cost of sales, other income, gain on disposal of property, plant and equipment, administrative expenses and impairment expenses. Segment performance is evaluated based on operating income or loss which, in certain aspects as explained in the table below, is measured differently from operating income or loss in the condensed consolidated financial statements. The Group's financing (include finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

	OSV RM '000	Marine Transportation RM '000	Others RM '000	Total RM '000
<u>Group</u>				
<u>2025</u>				
Revenue				
Gross revenue	244,218	44,381	79,395	367,994
Inter-segment elimination	(2,060)	-	(79,395)	(81,455)
	242,158	44,381	-	286,539
Segment results	135,481	(11,708)	(10,441)	113,332
Finance costs				(14,154)
Share of profit of joint venture				(259)
Taxation				(8,063)
				<u>90,856</u>
Non-current assets	462,595*	335,669	7,330	805,594
Non-current assets held for sale	74,243	-	-	74,243
	<u>536,838</u>	<u>335,669</u>	<u>7,330</u>	<u>879,837</u>

\* Includes goodwill arising from the acquisition of Regulus Offshore Sdn. Bhd. and Yinson Camellia Sdn. Bhd.. See Note 32 for further details.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 13. SEGMENT REPORTING (CONTINUED)

	OSV RM '000	Marine Transportation RM '000	Others RM '000	Total RM '000
<u>2024</u>				
Revenue				
Gross revenue	235,781	-	4,689	240,470
Inter-segment elimination	-	-	(4,689)	(4,689)
	235,781	-	-	235,781
Segment results	32,121	-	10,794	42,915
Finance costs				(10,291)
Taxation				(6,427)
				<u>26,197</u>
Non-current assets	491,880	-	-	491,880

### Geographical information

The Group's operations are carried out predominantly in Malaysia. Revenue earned by the Group analysed by the location of its external customers is as follows:

		<u>2025</u> RM '000		<u>2024</u> RM '000
	%		%	
<u>Revenue</u>				
Malaysia	68	194,862	79	185,499
Brunei	15	43,632	21	50,282
Singapore	16	44,381	-	-
Vietnam	1	3,664	-	-
Total	100	286,539	100	235,781

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

### 14. PROPERTY, PLANT AND EQUIPMENT

Group	Vessels		Vessel parts		Drydocking expenditure		Machineries		Motor Vehicles		Office Equipment		Computers		Furniture and fittings		Renovation		Work-in-progress		Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<u>Cost</u>																							
Beginning of the financial year	1,090,396	11,622	216,935	-	128	243	3,811	80	598	-	-	-	-	-	-	-	-	-	-	-	-	1,323,813	
Acquisition of subsidiaries (Note 32.1)	301,327	16,524	25,394	-	-	314	86	745	1,869	-	-	-	-	-	-	-	-	-	-	-	-	346,259	
Additions	167,912	2,084	17,011	4,305	-	301	-	40	3,088	-	-	-	-	-	-	-	-	-	-	-	-	194,741	
Disposal	(381,046)	(8,269)	(62,216)	-	(128)	-	-	(19)	-	-	-	-	-	-	-	-	-	-	-	-	-	(451,678)	
Reclassification to assets held for sale	(204,677)	(3,576)	(18,780)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(227,884)	
Currency translation reserve	(15,683)	(598)	(1,640)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(17,921)	
End of the financial year	958,229	17,787	176,704	4,305	-	858	3,897	806	2,507	-	-	-	-	-	-	-	-	-	-	-	-	1,167,330	
<u>Accumulated depreciation</u>																							
Beginning of the financial year	341,988	10,256	128,792	-	114	110	3,559	17	598	-	-	-	-	-	-	-	-	-	-	-	-	485,434	
Depreciation for the financial year	39,127	2,792	34,462	108	-	159	23	91	390	-	-	-	-	-	-	-	-	-	-	-	-	77,152	
Disposal	(143,264)	(4,432)	(44,340)	-	(114)	-	-	(16)	-	-	-	-	-	-	-	-	-	-	-	-	-	(192,166)	
Reclassification to assets held for sale	(48,058)	(2,257)	(13,350)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(63,665)	
Currency translation reserve	(6,192)	(224)	(923)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,339)	
End of the financial year	183,601	6,135	104,641	108	-	269	3,582	92	988	-	-	-	-	-	-	-	-	-	-	-	-	299,416	
<u>Accumulated impairment loss</u>																							
Beginning of the financial year	346,702	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	346,702
Impairment	31,481	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31,481	
Reversal of impairment	(11,594)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(11,594)	
Disposal	(118,400)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(118,400)	
Reclassification to assets held for sale	(89,976)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(89,976)	
Currency translation reserve	(1,047)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,047)	
End of the financial year	157,166	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	157,166	
Net book value	617,462	11,652	72,063	4,197	-	589	315	714	1,519	-	-	-	-	-	-	-	-	-	-	-	-	710,748	

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

### 14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	2024										Total	
	Vessels	Vessel parts	Drydocking expenditure	Motor Vehicles	Office Equipment	Computers	Furniture and fittings	Renovation	RM'000			
<u>Cost</u>												
Beginning of the financial year	1,096,581	11,093	156,737	128	322	3,684	174	927				1,269,646
Additions	-	747	61,223	-	-	138	11	-				62,119
Disposal	-	-	-	-	(79)	(11)	(104)	(329)				(523)
Currency translation reserve	(6,185)	(218)	(1,025)	-	-	-	(1)	-				(7,429)
End of the financial year	1,090,396	11,622	216,935	128	243	3,811	80	598				1,323,813
<u>Accumulated depreciation</u>												
Beginning of the financial year	310,826	8,669	106,930	114	172	3,252	97	708				430,768
Depreciation for the financial year	34,026	1,640	22,655	-	17	318	19	219				58,894
Disposal	-	-	-	-	(79)	(11)	(98)	(329)				(517)
Currency translation reserve	(2,864)	(53)	(793)	-	-	-	(1)	-				(3,711)
End of the financial year	341,988	10,256	128,792	114	110	3,559	17	598				485,434
<u>Accumulated impairment loss</u>												
Beginning of the financial year	346,869	-	-	-	-	-	-	-				346,869
Impairment	51,810	-	-	-	-	-	-	-				51,810
Reversal of impairment	(50,180)	-	-	-	-	-	-	-				(50,180)
Currency translation reserve	(1,797)	-	-	-	-	-	-	-				(1,797)
End of the financial year	346,702	-	-	-	-	-	-	-				346,702
Net book value	401,706	1,366	88,143	14	133	252	63	-				491,677

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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## 14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (i) Vessels of the Group with net book values totaling RM518,560,000 (2024: RM283,681,000) have been charged to secure loan granted to the Group as disclosed in Note 25.
- (ii) There were RM2,876,000 (2024: RM5,492,000) non-cash additions during the current financial year arising from drydocking accruals.
- (iii) Proceeds from disposal of property, plant and equipment received during the financial year were RM199,580,000 (2024: RM9,200).

### Impairment assessment of vessels

The Group recognised an impairment charge of RM31,481,000 (2024: RM1,630,000) during the financial year due to the existence of specific impairment indicators. These indicators arose primarily from the ageing profile of certain dry bulk carriers and external evidence of a decline in market values for vessels of a similar class, which indicated that the recoverable amounts of these vessels were lower than their carrying values. Accordingly, the Group performed impairment assessments which resulted in the impairment charge recognised for the current financial year.

The Group had also recognised a reversal of impairment charges of RM11,594,000 due to higher disposal prices achieved for certain vessels and as a result of a memorandum of agreement being entered into at prices higher than those previously used in assessing the recoverable amounts of the vessels planned for disposal.

The Group considered each vessel with its vessel parts and drydocking expenditure that generates independent cashflows as separate Cash Generating Units ("CGUs"). Recoverable amounts used in impairment assessments for each CGU were determined at higher of Fair Value Less Cost of Disposal ("FVLCOD") and Value in Use ("VIU") derived from each vessel with its vessel parts and capitalised drydocking expenditure (collectively referred to as "vessels").

In determining the recoverable amounts of vessels that are impaired or written back during the year, the following methods were used:

### FVLCOD

Fair value of vessels have been assessed by an independent professional valuer with appropriate qualifications and experience in valuation of vessels. The valuation method applied in determining market value was the market comparable approach which reflects recent market transactions of similar vessels of similar age and specifications. The valuation technique is therefore classified as level 3 measurement in the fair value hierarchy. The independent valuer had taken into consideration prevailing market conditions and adjusted for age, timing of drydocking and specifications where necessary before arriving at the most appropriate fair value for vessels. Costs of disposal were determined at 4.5% of fair value of vessels and reflect management's expectations based on experience with disposal of assets and industry benchmarks.

The recoverable amount of all the vessels for which impairment assessment has been performed has been based on FVLCOD considering that it's higher than the value-in-use of the vessels.

The recoverable amounts of the vessels have been determined based on their FVLCOD of the vessels. For the financial year ended 31 December 2025, if there was a 1% increase or 10% decrease in estimated FVLCOD respectively, the expected movement of in the recoverable amounts would have been as follows:

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	FVLCOD RM'000	(Reversal of impairment)/ impairment expense RM'000	Group
<u>2025</u>			
- Increase by 1%	546,231		(13,462)
- Decrease by 10%	486,740		5,457

## 15. INTEREST IN SUBSIDIARIES

	Company	
	<u>2025</u> RM'000	<u>2024</u> RM'000
Unquoted shares, at cost (Note (a), (b), (c) and (f))	548,132	485,845
Capital contribution to a subsidiary (Note (g))	105,000	105,000
	653,132	590,845
Accumulated impairment loss	-	(332,937)
Investment in subsidiaries	653,132	257,908
Amounts due from subsidiaries (net) (Note (h))	255,817	520,508
Accumulated impairment loss	-	(399,693)
	255,817	120,815
Total interest in subsidiaries	908,949	378,723
<u>Current</u>		
Amounts due from subsidiaries (Note (d))	255,817	-
<u>Non-current</u>		
Amounts due from subsidiaries	-	520,508
Investment in subsidiaries	653,132	590,845
Accumulated impairment loss	-	(732,630)
	653,132	378,723

In the current financial year, movement in the investment in subsidiaries includes the following:

- (a) On 31 January 2025, the Company acquired Regulus Offshore Sdn. Bhd. and Yinson Camellia Sdn Bhd. from Yinson Offshore Services Sdn Bhd with total considerations of RM153,773,000 and RM27,136,000, respectively. See Note 32.1 for further details.
- (b) On 16 May 2025, the Company increased its investment in Icon Fleet Sdn. Bhd. for total considerations of RM40,287,000 in connection to acquisition of non-controlling interest of Icon Waja (L) Inc. and Icon Bahtera (B) Sdn. Bhd., and was satisfied via issuance of the Company's shares. See Note 32.2 for further details.
- (c) On 21 July 2025, the Company acquired of Lianson Fleet Pte. Ltd. ("Lianson Fleet") and Yinson Power Marine Sdn. Bhd. ("YPM") from Liannex Corporation (S) Pte Ltd and Mr. Lim Han Weng ("LHW") for total considerations of RM202,682,000 and RM20,045,000, respectively. See Note 32.1 for further details.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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## 15. INTEREST IN SUBSIDIARIES (CONTINUED)

- (d) The amounts due from subsidiaries are non-trade, unsecured and non-interest bearing with no fixed terms of repayment.
- (e) During the financial year ended 31 December 2025, the Group undertook an internal reorganisation involving the transfer of OSV between subsidiaries. Management determined that the investment values recognised by the receiving entities did not reflect the economic substance of the transferred assets and therefore applied judgement in developing an appropriate accounting treatment. With reference to MFRS 127 and MFRS 136, and by analogy to goodwill reallocation principles, the transferred investments were measured using a relative fair value approach, with fair values determined based on value-in-use to reflect future cash flows and economic contribution. As a result of the reallocations, previously recognised accumulated impairment no longer reflected the underlying economics of the restructured business under the new operating model and therefore was derecognised.

In the previous financial year, movement in the investment in subsidiaries includes the following:

- (f) On 13 May 2024, the Company's ownership interest in Icon Offshore Group Sdn Bhd ("IOG") reduced from 100% to 70% following the disposal of a 30% interest in its investment. The proceeds from this disposal was RM2,280,000. A loss on dilution of shareholding in subsidiary of RM1,202,331 was recognised by the Company. The Company maintains control of the subsidiary.
- (g) Non-trade amount of RM105,000,000 owing by a subsidiary to the Company as at 31 December 2017 were reclassified from amounts due from subsidiaries to investments in subsidiaries after having considered the working capital needs of the subsidiary as approved by the Board of Directors of the Company. Subsequently, these non-trade amounts are not repayable by the subsidiary and are treated as an increase in the Company's investment in the subsidiary.
- (h) The amounts due from subsidiaries are non-trade, unsecured and non-interest bearing with no fixed terms of repayment. The Company has a right to call for repayment although this is not expected in the foreseeable future. Accordingly, the Company has classified this as a debt instrument accounted for in accordance with MFRS 9, and as non-current receivables. The amount due to subsidiaries has been offset against the amount due from subsidiaries as the necessary offsetting criteria have been met.

### Impairment assessment of investments in subsidiaries and amounts due from subsidiaries

During the financial year ended 31 December 2025, management of the Company performed impairment assessments on the carrying values of its investments in subsidiaries and amounts due from subsidiaries as there were indicators of impairment. The recoverable amounts of subsidiaries for assessment of impairment were determined based on VIU cashflows. Whereas the assessments of recoverability of amounts due from the subsidiaries, were based on the expected credit loss from the respective subsidiaries. Based on management's assessments, no further impairment was required.

VIU cashflows were determined based on the present value of dividend cash flows expected from subsidiaries, estimated based on the present value of cash flows generated from the underlying assets of each subsidiary net of financing cash flows.

Key assumptions used in the VIU cash flow for the financial year end are as follows:

- Cash flow projections are based on the remaining useful lives of underlying assets of subsidiaries;
- Utilisation rates and charter rates are based on past performance, management's expectation of market development and weighted average growth rates consistent with forecasts included in industry reports;
- Drydocking expenditure is based on historical trends; and
- Cost of equity of 12.37% (2024: 14.1%) was applied.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 15. INTEREST IN SUBSIDIARIES (CONTINUED)

Impairment assessment of investments in subsidiaries and amounts due from subsidiaries (continued)

Discount rates used are pre-tax and reflect specific risks relating to investments. Discount rates applied to cash flow projections are based on cost of equity applied based on the respective geographical areas of the subsidiaries.

Sensitivity of the carrying amounts to changes in key assumptions with all other variables being held constant are as follows:

	<b>Company</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Utilisation rate increased by 3%	-	29,073
Utilisation rate decreased by 3%	(30,617)	(29,081)
Charter rate increased by 5%	-	50,442
Charter rate decreased by 5%	(33,744)	(50,450)
Discount rate increased by 3% (2024: 1%)	(5,259)	(18,652)
Discount rate decreased by 3% (2024: 1%)	-	19,413
Dry docking costs increased by 7% (2024: 10%)	(5,431)	(3,685)
Dry docking costs decreased by 7% (2024: 10%)	-	12,797

For purpose of assessing the recoverability of the amounts due from subsidiaries, the expected credit losses were estimated based on expected timing of collections from subsidiaries and their ability to repay the Company based on the approved budgets and the estimated future cash flows of the respective subsidiaries and applying key assumptions used in the vessel impairment assessment detailed in Note 14.

The details of the Company's subsidiaries are as follows:

<b>Names of subsidiaries</b>	<b>Country of incorporation/ Principal place of business</b>	<b>Principal activities</b>	<b>The Company's effective interest</b>	
			<b>2025</b>	<b>2024</b>
			%	%
<u>Direct subsidiaries</u>				
LFG Ship Management Sdn. Bhd.	Malaysia	Ship management services to the oil and gas related industries	100	100
Icon Fleet Sdn. Bhd.	Malaysia	Investment holding	100	100
Icon Offshore Group Sdn. Bhd.	Malaysia	Provision of vessel services to the oil and gas related industries	70	70
LFG Overseas Ventures Sdn. Bhd.	Malaysia	Investment holding	100	100
LFG Well Services Sdn. Bhd.	Malaysia	Provision of well services to the oil and gas related industries	60	100
Regulus Offshore Sdn. Bhd. <sup>(5)</sup>	Malaysia	Provision of vessel services to the oil and gas related industries	70	-
Yinson Camelia Sdn. Bhd. <sup>(5)</sup>	Malaysia	Provision of vessel services to the oil and gas related industries	100	-
Lianson Fleet Pte. Ltd. <sup>(3)(5)</sup>	Singapore	Investment holding and provision of ship management services	100	-

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 15. INTEREST IN SUBSIDIARIES (CONTINUED)

The details of the Company's subsidiaries are as follows (continued):

Names of subsidiaries	Country of incorporation/ Principal place of business	Principal activities	The Company's effective interest	
			2025	2024
			%	%
<u>Indirect subsidiaries</u>				
Omni Marine Sdn. Bhd.	Malaysia	Dormant	100	100
Omni Triton Sdn. Bhd.	Malaysia	Dormant	100	100
Icon Drilling Sdn. Bhd.	Malaysia	Dormant	100	100
Icon Caren (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Icon Kayra (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Omni Emery (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Omni Victory (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Omni Marissa (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Omni Stella (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Omni Flotilla (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Omni Offshore (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Icon Azra (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Icon Samudera (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Icon Ikhlas (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Icon Zara (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Icon Waja (L) Inc. <sup>(1)(6)</sup>	Malaysia/Brunei	Leasing of vessels	100	85
Icon Corridor (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Icon Ocean (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Icon Puteri 1 (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Icon Puteri 2 (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Icon Dawai (L) Inc. <sup>(1)</sup>	Malaysia	Dormant	100	100
Icon Huma (L) Inc. <sup>(1)</sup>	Malaysia	Dormant	100	100
Icon Sari (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Icon Biru 1 (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Icon Biru 2 (L) Inc. <sup>(1)</sup>	Malaysia	Dormant	100	100
Icon Dahan 1 (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Icon Dahan 2 (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Icon Pinang 1 (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Icon Pinang 2 (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Icon Pinang 3 (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Icon Pinang 4 (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Icon Piai 1 (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Icon Piai 2 (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Icon Gaya (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Icon Tigris (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Icon Lotus (L) Inc. <sup>(1)</sup>	Malaysia/Vietnam	Leasing of vessels	100	100
Icon Sophia (L) Inc. <sup>(1)</sup>	Malaysia	Leasing of vessels	100	100
Icon Aliza (L) Inc. <sup>(1)</sup>	Malaysia/Brunei	Leasing of vessels	100	100

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 15. INTEREST IN SUBSIDIARIES (CONTINUED)

The details of the Company's subsidiaries are as follows (continued):

Names of subsidiaries	Country of incorporation/ Principal place of business	Principal activities	The Company's effective interest	
			2025	2024
			%	%
<u>Indirect subsidiaries (continued)</u>				
Icon Bahtera (B) Sdn. Bhd. <sup>(2)(8)</sup>	Brunei	Vessel owner, operator and provision of vessel services to the oil and gas related industries	100	51
Icon Pioneer (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Icon Astrid (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
Icon Andra (L) Inc. <sup>(1)(7)</sup>	Malaysia	Dormant	100	100
I Oilfield Services Sdn. Bhd.	Malaysia	Dormant	100	100
Barisar Corporation Pte. Ltd. <sup>(3)(5)</sup>	Singapore	Leasing of vessels	100	-
Bursar Corporation Pte. Ltd. <sup>(3)(5)</sup>	Singapore	Leasing of vessels	100	-
Felisar Corporation Pte. Ltd. <sup>(3)(5)</sup>	Singapore	Leasing of vessels	100	-
Gimsar Corporation Pte. Ltd. <sup>(3)(5)</sup>	Singapore	Leasing of vessels	100	-
Handal Corporation Pte. Ltd. <sup>(3)(5)</sup>	Singapore	Leasing of vessels	100	-
Kangsar Corporation Pte. Ltd. <sup>(3)(5)</sup>	Singapore	Leasing of vessels	100	-
Kelisar Corporation Pte. Ltd. <sup>(3)(5)</sup>	Singapore	Leasing of vessels	100	-
Melisar Corporation Pte. Ltd. <sup>(3)(5)</sup>	Singapore	Leasing of vessels	100	-
Nimsar Corporation Pte. Ltd. <sup>(3)(5)</sup>	Singapore	Leasing of vessels	100	-
LFG Marine Pte. Ltd. <sup>(3)(5)</sup>	Singapore	Leasing of vessels	100	-
LFG Ace Limited <sup>(4)</sup>	Liberia/Singapore	Leasing of vessels	100	-
LFG Pride Limited <sup>(4)</sup>	Liberia/Singapore	Leasing of vessels	100	-
Lianson Odyssey Limited <sup>(4)</sup>	Liberia/Singapore	Leasing of vessels	100	-
Yinson Power Marine Sdn. Bhd. <sup>(5)</sup>	Malaysia/Singapore	Leasing of vessels	100	-

Notes:

- (1) Incorporated in the Federal Territory of Labuan, under the Labuan Companies Act, 1990.
- (2) Audited by member firm of PricewaterhouseCoopers International Limited which is separate and independent legal entity from PricewaterhouseCoopers PLT.
- (3) Audited by other auditors.
- (4) Newly incorporated during the financial year ended 31 December 2025 and not required to be audited for the financial year ended 31 December 2025.
- (5) Acquired during the financial year ended 31 December 2025. See Note 32.1 for further information.
- (6) Acquired ownership held by non-controlling interests during the financial year ended 31 December 2025. See Note 32.2 for further information.
- (7) No auditors were appointed during the financial year ended 31 December 2025 as the entity is in the midst of winding up.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 15. INTEREST IN SUBSIDIARIES (CONTINUED)

Set out below are summarised financial information for Regulus Offshore Sdn. Bhd. ("Regulus Offshore") that have non-controlling interest that is material to the Group in the current financial year. The amounts disclosed are before the related company eliminations.

On 31 January 2025, the Group completed the acquisition of Regulus Offshore from Yinson Offshore Services Sdn. Bhd. through the issuance of 154,545,455 new ordinary shares of the Company. Following the completion of the acquisition, the Group holds effective ownership interests of 70% in Regulus Offshore, while the remaining 30% belongs to a non-controlling interest of the subsidiary. See Note 32.1 for further details.

	<b>Regulus Offshore</b>
	<b>RM'000</b>
<u>2025</u>	
<u>Summarised statement of financial position</u>	
Current assets	83,346
Current liabilities	(58,776)
Net current liabilities	<u>24,570</u>
Non-current assets	60,218
Non-current liabilities	(637)
Net non-current assets	<u>59,581</u>
Net assets	<u>84,151</u>
Accumulated non-controlling interest	<u><u>25,245</u></u>
<u>Summarised statement of comprehensive income</u>	
Revenue	116,822
Loss after tax for the financial year	(3,086)
Other comprehensive income	-
Total comprehensive loss for the financial year	<u><u>(3,086)</u></u>
Non-controlling interest	30%
Loss after tax allocated to non-controlling interest	<u><u>(926)</u></u>
<u>Summarised statement of cash flows</u>	
Cash flows generated from operating activities	30,319
Cash flows used in investing activities	(1,177)
Cash flows used in financing activities	(19,219)
Net increase in cash and bank balances	<u><u>9,923</u></u>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 15. INTEREST IN SUBSIDIARIES (CONTINUED)

The details of the Company's subsidiaries are as follows (continued):

Set out below are summarised financial information for Icon Waja (L) Inc. ("Icon Waja") and Icon Bahtera (B) Sdn. Bhd. ("Icon Bahtera") that have non-controlling interests that is material to the Group in the previous financial year. The amounts disclosed are before related company eliminations.

	Icon Waja RM'000	Icon Bahtera RM'000
<u>2024</u>		
<u>Summarised statement of financial position</u>		
Current assets	221	30,577
Current liabilities	(8,397)	(67,622)
Net current liabilities	(8,176)	(37,045)
Non-current assets	51,609	59,031
Non-current liabilities	-	(7,899)
Net non-current assets	51,609	51,132
Net assets	43,433	14,087
Accumulated non-controlling interest	6,515	6,903
<u>Summarised statement of comprehensive income</u>		
Revenue	12,741	68,585
Profit/(Loss) after tax for the financial year	8,141	(44,159)
Other comprehensive loss	-	(95)
Total comprehensive income/(loss) for the financial year	8,141	(44,254)
Non-controlling interest	15%	49%
Profit/(Loss) after tax allocated to non-controlling interest	1,221	(21,638)
<u>Summarised statement of cash flows</u>		
Cash flows used in operating activities	-	(36,675)
Cash flows generated from investing activities	-	1
Cash flows used in financing activities	-	(4,013)
Effect of exchange rate changes	-	(1,625)
Net decrease in cash and bank balances	-	(42,312)

On 16 May 2025, the Group acquired 49,000 ordinary shares in Icon Bahtera, representing 49% of the issued share capital of Icon Bahtera, and 3,011,000 Redeemable Preference Shares in Icon Bahtera, as well as 450,000 ordinary shares in Icon Waja, representing 15% of the issued share capital of Icon Waja, from the non-controlling interest, Zell Transportation Sdn. Bhd., through the issuance of 38,295,455 and 11,136,364 new ordinary shares of the Company, respectively. See Note 32.2 for further details. Correspondingly, the non-controlling interests in relation to these companies have been derecognised, and the Redeemable Preference Shares has been settled, as disclosed in Note 25(d).

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 16. INVESTMENT IN A JOINT VENTURE

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM '000</b>	<b>RM '000</b>
Unquoted shares within Malaysia, at cost	360	-
Share of loss of a joint venture	(259)	-
	<u>101</u>	<u>-</u>

Details of joint ventures held are as follows:

Name of joint ventures	Countries of incorporation	Proportion (%) of ownership of interest		Principal activities
		2025	2024	
Held through LFG Overseas Ventures Sdn. Bhd.				
Nusantara Maritime Sdn. Bhd. <sup>(a)</sup>	Malaysia	45	-	Provision of leasing, operations and maintenance of vessels

- (a) On 30 July 2025, the Group subscribed for 22,500 shares, each with a nominal value of RM1.00 in Nusantara Maritime Sdn. Bhd., representing 45% equity interest in Nusantara Maritime Sdn. Bhd. for a total consideration of RM22,500. On 17 September 2025, the Group has further subscribed 337,500 shares, each with a nominal value of RM1.00 in Nusantara Maritime Sdn. Bhd. with a total consideration of RM337,500. As a result, the Group continues to own 45% equity interest in Nusantara Maritime Sdn. Bhd.

## 17. CASH AND BANK BALANCES

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
Current:				
Fixed deposits with licensed banks	3,249	6,935	-	3,434
Bank balances	188,173	42,000	728	3,368
Cash in hand	8	40	-	-
	<u>191,430</u>	<u>48,975</u>	<u>728</u>	<u>6,802</u>
Non-current:				
Fixed deposits with licensed banks	-	42,583	-	-
Cash and bank balances	191,430	91,558	728	6,802
Less: Fixed deposits with licensed banks and bank balances pledged as security <sup>1</sup>	(635)	(46,302)	-	-
Cash and cash equivalents	<u>190,795</u>	<u>45,256</u>	<u>728</u>	<u>6,802</u>

<sup>1</sup> Certain fixed deposits with licensed banks and bank balances of the Group were pledged to secure loan and bank guarantee facilities as disclosed in Note 25. The non-current fixed deposits with licensed banks in prior year amounting to RM42,583,000 has been utilised as a bullet repayment towards the Group's previous borrowing, RTL 2/CMTF-i 2 as part of the Group's refinancing during the current financial year, as disclosed in Note 25(a).

Fixed deposit is with licensed banks of the Group and the Company have maturity ranging from 30 days to 365 days (2024: 30 days to 365 days).

Interest rates of fixed deposits with licensed banks of the Group and the Company at the reporting date ranged from 1.70% to 2.50 % per annum (2024: 1.45% to 3.55% per annum).

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 18. RIGHTS-OF-USE ASSETS AND LEASE LIABILITIES

(i) Rights-of-use assets

The details of right-of-use assets are as follows:

	<b>2025</b>	<b>Building</b>
	<b>RM'000</b>	<b>2024</b>
		<b>RM'000</b>
<u>Group</u>		
<u>Costs</u>		
At 1 January	662	1,843
Addition	-	143
Acquisition of subsidiaries (Note 32.1)	2,322	-
Expiry of tenancy agreement	-	(1,324)
At 31 December	<u>2,984</u>	<u>662</u>
<u>Accumulated depreciation</u>		
At 1 January	458	1,374
Depreciation during the year	894	408
Expiry of tenancy agreement	-	(1,324)
At 31 December	<u>1,352</u>	<u>458</u>
<u>Net book value</u>		
At 31 December	<u>1,632</u>	<u>204</u>

(ii) Lease liabilities

The details of lease liabilities are as follows:

	<b>2025</b>	<b>Group</b>
	<b>RM'000</b>	<b>2024</b>
		<b>RM'000</b>
Current liabilities	949	105
Non-current liabilities	639	105
	<u>1,588</u>	<u>210</u>

The movement of lease liabilities during the financial year are as follows:

	<b>2025</b>	<b>Group</b>
	<b>RM'000</b>	<b>2024</b>
		<b>RM'000</b>
At 1 January	210	556
<u>Financing cash flows</u>		
Repayment of lease liabilities	(990)	(494)
Non-cash changes		
Acquisition of subsidiaries (Note 32)	2,249	-
Additional lease liabilities during the financial year	-	143
Finance costs for the financial year (Note 6)	119	5
At 31 December	<u>1,588</u>	<u>210</u>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 19. DEFERRED TAXATION

The following amounts, determined after appropriate offsetting, are shown in the consolidated statement of financial position:

	<b>2025</b>	<b>Group</b>
	<b>RM '000</b>	<b>2024</b>
		<b>RM '000</b>
Deferred tax assets – Non-current	12,838	13,122
Deferred tax liabilities - Non-current	(19,805)	(20,107)

The movement during the financial year relating to deferred taxation is as follows:

	<b>2025</b>	<b>Group</b>
	<b>RM '000</b>	<b>2024</b>
		<b>RM '000</b>
Beginning of the financial year	(6,985)	(5,433)
Acquisition of subsidiaries (Note 32)	(30,753)	-
Credited/(Charged) to profit or loss (Note 10):		
- property, plant and equipment*	22,699	(4,260)
- intangible assets	89	-
- trade and other payables	713	2,249
- tax losses	7,622	-
- others	(352)	459
End of the financial year	(6,967)	(6,985)

\* During the year, RM30,331,000 of the deferred tax liabilities recognised due to the acquisition of the subsidiaries relates to property, plant and equipment related temporary differences. Subsequent to the acquisition, certain vessels were transferred from Regulus Offshore Sdn. Bhd., to subsidiaries of the Company subject to the Labuan tax regime as part of the Group reorganisation. Following the transfer of these vessels, the material adjustments relating to the reversal of temporary differences include the following:

- (i) RM8,613,000 taxable temporary differences were reversed due to a change in tax rates; and
- (ii) RM13,681,000 taxable temporary differences were reversed due to an increase in tax base.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when deferred taxes relate to the same tax authority.

The components of deferred tax assets and liabilities at the end of the reporting period comprise the tax effects of:

	<b>2025</b>	<b>Group</b>
	<b>RM '000</b>	<b>2024</b>
		<b>RM '000</b>
Deferred tax assets		
- property, plant and equipment	2,586	14,203
- trade and other payables	5,158	4,445
- tax losses	7,622	-
- others	58	50
Deferred tax assets (before offsetting)	15,424	18,698
Offsetting	(2,586)	(5,576)
Deferred tax assets (after offsetting)	12,838	13,122

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 19. DEFERRED TAXATION (CONTINUED)

	<b>2025</b>	<b>Group</b>
	<b>RM '000</b>	<b>2024</b>
		<b>RM '000</b>
Deferred tax liabilities		
- property, plant and equipment	(21,838)	(25,683)
- intangible assets	(193)	-
- others	(360)	-
Deferred tax liabilities (before offsetting)	(22,391)	(25,683)
Offsetting	2,586	5,576
Deferred tax liabilities (after offsetting)	(19,805)	(20,107)

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. This involves judgement regarding the future financial performance of the subsidiary in which the deferred tax asset has been recognised. Pursuant to the Malaysia Finance Act 2021 gazetted on 31 December 2021, the time limit to carry forward unabsorbed tax losses is ten consecutive Years of Assessment ("YA").

As described in Note 32.1, the Group recognised a deferred tax asset as a result of a group reorganisation undertaken during the financial year. As at 31 December 2025, the Group recorded an additional deferred tax asset of RM10,124,000, arising primarily from the unrecognised tax losses of a subsidiary, resulting in total deferred tax assets of RM12,838,000 (2024: RM13,122,000). The additional recognition of deferred tax assets was attributable to a change in business model, which resulted in the subsidiary — which previously had unrecognised deferred tax assets — being restructured to retain taxable profits. This restructuring provides sufficient probable future taxable profits against which the deductible temporary differences and tax losses can be utilised. Key assumptions used in taxable profit projections of the subsidiary include utilisation rates and charter rates which are based on past performance, management's expectation of market development, an arm's length mark-up percentage to be applied to the total costs incurred for the inter-company provision of integrated ship management and project and corporate management services, together with weighted average growth rates aligned with industry forecast assumptions.

In evaluating whether it is probable that future taxable profits will be available in future periods, all available evidence was considered, including approved budgets, business plans, and analysis of historical operating results. These forecasts are consistent with those prepared and used internally for business planning and impairment testing purposes.

The amount of unutilised capital allowances and unutilised tax losses of the Group's subsidiaries, for which no deferred tax asset is recognised in the statements of financial position as it is not probable that taxable profit will be available against which these temporary differences can be utilised are as follows:

	<b>2025</b>	<b>Group</b>
	<b>RM '000</b>	<b>2024</b>
		<b>RM '000</b>
Unutilised capital allowances	20,394	20,394
Unutilised tax losses		
- Expiring in FY2028	1,178	39,821
- Expiring in FY2032	2,011	5,553
- Expiring in FY2033	16	16
	3,205	45,390
	23,599	65,784

No tax losses are recognised for entities under the Labuan Business Activity Tax Act 1990.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 20. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025 RM '000	2024 RM '000	2025 RM '000	2024 RM '000
Current:				
<u>Trade</u>				
Trade receivables	68,269	54,919	-	-
Amount due from ultimate holding company	15,755	-	-	-
Accrued income	27,442	30,949	-	-
Less: Impairment of trade receivables (Note (a))	(783)	(931)	-	-
	110,683	84,937	-	-
<u>Non trade</u>				
Other receivables (Note (b))	46,682	9,442	662	-
Prepayments	4,818	3,276	147	38
	51,500	12,718	809	38
Total current	162,183	97,655	809	38
Non-current:				
Trade receivables	-	6,507	-	-
Less: Impairment of trade receivables (Note (a))	-	(6,507)	-	-
Total non-current	-	-	-	-
Total trade receivables, other receivables and prepayments	162,183	97,655	809	38

### (a) Trade receivables

	Group	
	2025 RM '000	2024 RM '000
Trade receivables	68,269	61,426
Less: Loss allowance	(783)	(7,438)
	67,486	53,988

Trade receivables are denominated in Ringgit Malaysia, Singapore Dollars, United States Dollars and Brunei Dollar.

The credit term of trade receivables ranges from 30 to 45 days (2024: 30 to 90 days)

### Trade receivables that are impaired

	Group	
	2025 RM '000	2024 RM '000
<u>Movement in impairment of receivables:</u>		
Beginning of the financial year	7,438	6,507
(Reversal)/Additions during the financial year	(6,655)	931
End of the financial year	783	7,438

Impairment of trade receivables is individually determined by the Group. The individually impaired trade receivables mainly relate to customers and counterparties which are in difficult financial situations. These receivables are not secured by collateral.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 20. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (continued)

Reversal of allowance of trade receivables of RM6,655,000 during the current financial year ended was recognised, primarily as a result of the full settlement from Sapura Offshore Sdn. Bhd. and Sapura Pinewell Sdn. Bhd. during the year. See Note 33 for further details.

(b) Included in other receivables as at 31 December 2025 is an insurance claim recovery of RM40,843,000 (2024: RM4,100,000) relating to a vessel damaged in 2024.

## 21. OTHER INVESTMENTS

During the year, the Group invested RM95,149,000 in money market funds with certain financial institutions, which are recognised as fair value through profit or loss as at 31 December 2025. The net changes in the fair value of RM361,000 have been presented in administrative expenses in the profit or loss. The fair value of these money market funds as at 31 December 2025 is RM94,788,000.

## 22. NON-CURRENT ASSETS HELD FOR SALE

In the current financial year, assets held for sale of RM74,243,000 related to the sale of vessels (previously classified as property, plant and equipment), following the approval by the Board for their disposal during the current financial year. Thereafter, on 22 December 2025, 24 December 2025 and 19 January 2026, the Group had entered into memorandum of agreements for the sale of certain vessels, respectively. The sale of these vessels is expected to be completed within the next financial year.

The carrying values of certain vessels are the same as their carrying values before they were reclassified to current assets.

## 23. TRADE AND OTHER PAYABLES

	Group		Company	
	2025	2024	2025	2024
			RM '000	RM '000
<u>Financial liabilities</u>				
Trade payables	9,026	17,865	299	204
Other payables	2,909	219	14	28
Accruals (Note (a))	58,194	27,763	1,923	2,457
Deposits received (Note (b))	3,937	-	-	-
	<u>74,066</u>	<u>45,847</u>	<u>2,236</u>	<u>2,689</u>
<u>Non-financial liabilities*</u>	9,347	4,937	1,820	1,117
Other payroll-related liabilities	8,939	9,406	-	-
Other payables	18,286	14,343	1,820	1,117
	<u>92,352</u>	<u>60,190</u>	<u>4,056</u>	<u>3,806</u>

\* Non-financial liabilities mainly related to statutory liabilities.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 23. TRADE AND OTHER PAYABLES (CONTINUED)

The carrying amounts of other payables approximate their fair values.

- (a) Included in accruals of the Group as at 31 December 2025 are accruals amounting to RM22,430,000 (2024: NIL) relating to costs incurred on replacement vessels for charter contracts during the financial year.
- (b) Deposits received of RM3,937,000 as at 31 December 2025 relate to a purchase option agreement entered with a customer to dispose a vessel of the Group.

## 24. DIVIDEND PAYABLE

On 27 November 2025, a third interim dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 December 2025, amounting to RM11,232,000, was declared and was paid in cash on 13 February 2026. The dividends accrual of RM11,232,000 is based on the ordinary shares in issuance as at 31 December 2025.

## 25. BORROWINGS

	<b>Group</b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
	%	%
Current:		
Bank borrowings		
- term loans	34,074	25,334
- revolving credit	131,344	-
Redeemable preference shares	-	9,898
	<u>165,418</u>	<u>35,232</u>
Non-current:		
Bank borrowings		
- term loans	177,778	125,492
	<u>177,778</u>	<u>125,492</u>
Total borrowings	<u><u>343,196</u></u>	<u><u>160,724</u></u>

The range of interest/profit rates (per annum) are as follows:

	<b>Group</b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
	%	%
Term loans	4.62 – 5.74	3.37 – 10.38
Revolving credits	<u>2.81 – 6.06</u>	<u>-</u>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 25. BORROWINGS (CONTINUED)

The maturities of the borrowings as at the reporting date are as follows:

<u>Group</u>	<u>At 31 December 2025</u>	<u>Interest/profit rate terms</u>	<u>Total carrying amount</u>	<u>Maturity profile</u>			
				<u>&lt; 1 year</u>	<u>1 - 2 years</u>	<u>2 - 5 years</u>	<u>&gt; 5 years</u>
			<u>RM '000</u>	<u>RM '000</u>	<u>RM '000</u>	<u>RM '000</u>	
Secured:							
Term loans (Note (a))		Floating rate varying based on cost of funds + 1.40%	98,713	14,549	14,622	44,298	25,244
- Commodity Murabahah Term Financing-i Facility							
Revolving credits (Note (b))		Floating rate varying based on cost of funds + 1.50%	113,139	19,525	19,525	57,467	16,622
		-USD denominated term loan					
		Floating rate varying based on cost of funds + 1.50%	131,344	131,344	-	-	-
			343,196	165,418	34,147	101,765	41,866

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 25. BORROWINGS (CONTINUED)

The maturities of the borrowings as at the reporting date are as follows:

Group	At 31 December 2024	Interest/profit rate terms	Total carrying amount	Maturity profile		
				< 1 year	1 - 2 years	2 - 5 years
			RM '000	RM '000	RM '000	RM '000
Secured:						
Term loans (Note (c))		Floating rate varying based on cost of funds				
		- Restructured Term Loan 1/ Commodity Murabahah Term Financing-i 1/ tawarruq financing-i 1 ("RTL 1/CMTF-i 1")	111,477	25,334	25,334	60,809
		- Restructured Term Loan 2/ Commodity Murabahah Term Financing-i 2/ tawarruq financing-i 2 ("RTL 2/CMTF-i 2")	39,349	-	-	39,349
Redeemable preference shares (Note (d))		Discretionary dividends	9,898	9,898	-	-
			160,724	35,232	25,334	100,158

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 25. BORROWINGS (CONTINUED)

### (a) Term loans as at 31 December 2025

#### - *Commodity Murabahah Term Financing-i Facility*

The Commodity Murabahah Term Financing-i Facility is a Ringgit Malaysia denominated loan, which was entered into primarily for the purpose of refinancing the Group's existing borrowings (Note (c)).

The facilities are subject to customary financial covenants, including a minimum Finance Service Cover Ratio to be tested quarterly, a Loan-to-Value ratio on charged vessels to be tested annually, and a Net Debt to Tangible Net Worth ratio to be tested quarterly.

The facilities are secured by security and support customary for transactions of this nature, including security over shares, charges and/or mortgages over vessels (see Note 14(i)), assignment of insurance policies and charter proceeds, charges over designated accounts (see Note 17), a corporate guarantee from the Company, and a letter of undertaking to cover any shortfall in debt servicing obligations.

The total amount of borrowings related to this term loan amounted to RM98,713,000 as at 31 December 2025. The total amounts of borrowing being drawn down during the current financial year is RM148,000,000, of which RM49,647,000 was repaid during the current financial year.

#### - *USD denominated term loan*

The facilities, which are a US Dollar denominated loan, are secured by first preferred mortgages over certain vessels (see Note 14(i)). Additional security includes assignments of insurance policies, earnings and charter contracts in respect of the vessels, charges over designated USD and SGD earnings accounts (see Note 17), and a deed of guarantee and indemnity from the Company.

The Group is also required to maintain a minimum Tangible Net Worth at all times on a consolidated basis.

The entire non-current portion of these loans is subject to the covenant that is mentioned above.

The total amount of borrowings related to this term loan amounted to RM113,139,000 as at 31 December 2025. The total amounts of borrowing being drawn down during the current financial year is RM117,862,000, of which RM2,689,000 was repaid during the current financial year.

#### - *Others*

Separately, borrowings assumed by the Group arising from the acquisition of Lianson Fleet Pte. Ltd. and Yinson Power Marine Sdn. Bhd. (as disclosed in Note 32.1) were fully settled post-acquisition. The total repayment of these borrowings amounted to RM7,620,000.

### (b) Revolving credit as at 31 December 2025

Certain subsidiaries of the Group acceded to be guarantors for the revolving credit facilities granted to a newly acquired subsidiary of the Group by a bank, up to a limit of USD37 million, as at 31 December 2025. The facilities are secured by the vessels (see Note 14(i)), assignment of insurance, charter contracts, and all earnings/proceeds from certain vessels of the Group, charged over earning accounts (see Note 17) and a corporate guarantee from the Company. The entire amount of USD37 million has been fully drawn down by the subsidiary prior to the acquisition of the subsidiary by the Company. The total amount of borrowings related to this term loan amounted to RM131,344,000 as at 31 December 2025. The total amounts of borrowing repaid during the current financial year is RM4,281,000.

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

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### 25. BORROWINGS (CONTINUED)

(c) Term loans as at 31 December 2024

Terms of the term loan balances are as follows:

- (i) RTL 1/CMTF-i 1 is a 7-year and 6-month amortising term loan, at the respective Financiers' Cost of Funds ("COF") plus 1.0% per annum;
- (ii) RTL 2/CMTF-i 2 at the respective financiers' COF per annum, is to be repaid from the proceeds of the sale of non-core vessels over the next 5 years. Any outstanding amount not settled by proceeds from vessel disposals will be paid via the bullet reserve account allocated for RTL 2/CMTF-i 2.
- (iii) RTL 3/CMTF-i 3 will carry an interest/profit rate of three per cent (3.0%) per annum. The interest/profit is capitalised on a non-compounded basis up until the point where the financiers decide to exchange RTL 3/CMTF-i 3 to new shares of the Company at the option of the financiers at any time during the tenure of each instalment of the RTL 3/CMTF-i 3, provided that the new shares are Shariah compliant, failing which the amount owing under the RTL 3/CMTF-i 3 shall be settled in cash. Unless previously exchanged by the respective financiers or repaid by the affected Lianson Fleet Group Berhad companies, all outstanding RTL 3/CMTF-i 3 in each instalment will be mandatorily exchanged by the Company into new Icon Offshore Berhad ("Icon") shares at the end of the respective tenure of each instalment. The number of exchanged shares shall be determined based on the exchange price of the Icon shares from the date of the exchange notice. The RTL 3/CMTF-i 3 are restructured into 5 instalments, with instalment payment dates varying from 4 to 8 years. During the previous financial year, fixed rate term loans relating to RTL 3 amounting to RM49,567,000 were settled via issuance of 80,596,099 new ordinary shares of the Company. Arising from the early debt settlement, a fair value gain on debt settlement of RM2,428,000 is recognised.

The term loans were arranged to finance the construction and purchase of vessels for the Group and were secured by either a single security or a combination of securities. These securities include fixed charges over vessels (see Note 14(i)), assignment of insurance policies and charter proceeds relating to the charged vessels, assignment of shipbuilding contracts for the vessels, placement of deposits (see Note 17), and, for certain loans, corporate guarantees from Icon Fleet Sdn. Bhd.

These term loans were subject to certain financial covenants, limitation to certain asset sales or transfers and maintaining majority ownership in certain subsidiaries by the Group.

The term loans of the Group were subject to certain financial covenants which are to be maintained below/above a certain threshold which includes profit bearing ratio, debt to equity ratio, leverage ratio financial service cover ratio and earnings before income taxes, depreciation and amortisation ("EBITDA") to current borrowings/ finance costs. These covenants are applicable to certain subsidiaries of the Group.

There was also an operational covenant which includes limitation to certain asset sales or transfers and maintaining majority ownership in certain subsidiaries by the Group.

During the previous financial year, waivers were obtained by certain subsidiaries of the Group in relation to the debt to equity ratio covenant. With the waivers in place, the Group complied with all loan covenants.

On 27 March 2025, the Group signed a letter of offer with a financier for a Commodity Murabahah Term Financing-i Facility of up to RM150 million and a Short Term Revolving Credit-i Facility of up to RM30 million, followed by the successful refinancing of its existing indebtedness on 30 June 2025. Correspondingly, RTL 1 and RTL 2 has been fully settled during the current financial year upon a full repayment of the entire indebtedness amounting to RM152,864,000.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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## 25. BORROWINGS (CONTINUED)

(d) Redeemable preference shares ("RPS") as at 31 December 2024

A subsidiary, Icon Bahtera Sdn. Bhd. (hereafter referred to as the "issuer") issued RPS on 19 October 2016, of which 3,011,000 RPS were subscribed by IBSB's non-controlling interest. The salient terms were as follows:

- (i) The RPS is at an issue price of BND1.00 each and par value of BND0.01 each.
- (ii) The issuer shall have the discretion whether to declare any dividend as well as the quantum of such dividend subject always to:
  - a. No dividend is payable to RPS holders if no dividend is declared for the ordinary shareholders for the relevant financial year; and
  - b. Any dividend, if declared, is a non-cumulative preferential dividend and is distributed on an equitable basis.
- (iii) In the event of repayment of capital by the issuer, each RPS holder will be entitled to participate in such repayment and will rank pari passu with the ordinary shareholders.
- (iv) The RPS shall carry no right to vote at any general meeting of the issuer except with regards to any proposal to reduce the capital of the issuer, to wind up the issuer, during the winding up of the issuer and on any proposal that affects the rights attached to the RPS. In any such case, the RPS holders shall have one vote for each RPS held and may demand a poll at a general meeting of the issuer on any resolutions on which the holders may vote.
- (v) An RPS holder may, at any time, by a written notice to the issuer, redeem all the RPS in issue.

The RPS was classified as a liability in the previous financial year ended as the redemption option is at the discretion of the holder. On 16 May 2025, the RPS has been fully acquired by the Company via the issuance of shares of the Company and accordingly has been settled. See Note 32.2 for further details.

The Group is in compliance with the financial covenants for the current financial year. There is no indication that financial covenants will not be met in the next financial year.

The carrying amounts of borrowings of the Group during the current and previous financial year ended is reasonable approximations of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rate on or near the reporting date.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 26. SHARE CAPITAL AND WARRANT RESERVES

### 26.1 Share Capital

	Group and Company			
		2025		2024
	<u>Number of shares</u>	<u>RM'000</u>	<u>Number of shares</u>	<u>RM'000</u>
<u>Issued and fully paid:</u>				
At 1 January	623,613,586	368,984	541,637,488	317,941
Issuance of ordinary shares for acquisition of subsidiaries (Note (a), (b), (e) and (f))	409,090,909	403,636	-	-
Issuance of ordinary shares for acquisition of non-controlling interest (Note (c) and (d))	49,431,819	40,287	-	-
Issuance of ordinary shares for warrants exercised (Note 26.2)	41,036,575	44,114	1,050,000	1,129
Issuance of ordinary shares in consideration for settlement of fixed rate term loans (Note (g))	-	-	80,596,099	49,567
Issuance of shares for Employees' Share Option Scheme (post share consolidation) (Note (h))	-	-	329,999	347
At 31 December	<u>1,123,172,889</u>	<u>857,021</u>	<u>623,613,586</u>	<u>368,984</u>

- (a) On 31 January 2025, the Company increased its issued and paid-up share capital by way of issuance of 154,545,455 new ordinary shares arising from the acquisition of 525,000 ordinary shares in Regulus Offshore Sdn. Bhd. ("Regulus Offshore"), representing 70% of the issued share capital of Regulus Offshore, and 25,000,000 outstanding Non-Convertible Redeemable Preference Shares in Regulus Offshore from Yinson Offshore Services Sdn. Bhd..
- (b) On 31 January 2025, the Company increased its issued and paid-up share capital by way of issuance of 27,272,727 new ordinary shares arising from the acquisition of 1 ordinary share in Yinson Camellia Sdn Bhd ("Yinson Camellia"), representing 100% of the issued share capital of Yinson Camellia from Yinson Offshore Services Sdn. Bhd..
- (c) On 16 May 2025, the Company increased its issued and paid-up share capital by way of issuance of 38,295,455 new ordinary shares arising from the acquisition of 49,000 ordinary shares in Icon Bahtera (B) Sdn. Bhd. ("Icon Bahtera"), representing 49% of the issued share capital of Icon Bahtera and 3,011,000 RPS in Icon Bahtera, from Zell Transportation Sdn. Bhd..
- (d) On 16 May 2025, the Company increased its issued and paid-up share capital by way of issuance of 11,136,364 new ordinary shares arising from the acquisition of 450,000 ordinary shares in Icon Waja (L) Inc. ("Icon Waja"), representing 15% of the issued share capital of Icon Waja from Zell Transportation Sdn. Bhd..

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 26. SHARE CAPITAL AND WARRANT RESERVES

### 26.1 SHARE CAPITAL (CONTINUED)

- (e) On 21 July 2025, the Company increased its issued and paid-up share capital by way of issuance of 206,818,182 new ordinary shares arising from the acquisition of 100 ordinary shares in Lianson Fleet Pte Ltd ("Lianson Fleet") (formerly known as Liannex Fleet Pte Ltd), representing 100% of the issued share capital of Lianson Fleet from Liannex Corporation (S) Pte Ltd, which includes the settlement of RM48,699,000 of amount owing by the Company to the ultimate holding company, Liannex Corporation (S) Pte. Ltd, via an issuance of 49,693,952 new ordinary shares.
- (f) On 21 July 2025, the Company increased its issued and paid-up share capital by way of issuance of 20,454,545 new ordinary shares arising from the acquisition of 5,324,400 ordinary shares in Yinson Power Marine Sdn Bhd ("YPM"), representing 51% of the issued share capital of YPM from Mr. Lim Han Weng ("LHW").
- (g) On 29 April 2024, fixed rate term loans amounting to RM49,567,000 were settled via issuance of 80,596,099 new ordinary shares of the Company.
- (h) On 5 June 2024, 329,999 share options were exercised where 329,999 new ordinary shares of the Company were issued for RM347,000. Proceeds from the exercise of these share options were RM183,000. In the prior financial year, 1,700,000 units (equivalent to 340,000 units after share consolidation) and 329,999 share options were exercised where 1,700,000 (equivalent to 340,000 after share consolidation) and 329,999 new ordinary shares were issued for RM316,000 and RM347,000 respectively. Proceeds of the exercised share options in prior year were RM179,000 and RM183,000 respectively.

### 26.2 WARRANT RESERVES

	Group and Company			
	2025		2024	
	<u>Number of shares</u>	<u>RM '000</u>	<u>Number of shares</u>	<u>RM '000</u>
At 1 January	129,852,600	32,463	130,902,600	32,726
Warrants exercised	(41,036,575)	(10,259)	(1,050,000)	(263)
At 31 December	<u>88,816,025</u>	<u>22,204</u>	<u>129,852,600</u>	<u>32,463</u>

Warrants were issued on 14 February 2020 and listed on Bursa Malaysia on 18 February 2020. The maturity date falls on 13 February 2028. Each warrant carries the entitlement to subscribe for 1 new ordinary share at the exercise price of RM0.825 (after share consolidation) and at anytime during the exercise period of 8 years ("Exercise Period") commencing from and including the issue date of the warrants and ending at 5.00 p.m on the maturity date (provided that if such a date is not a market day, then it shall be the market day immediately preceding the said non-market day). Any warrants not exercised during the Exercise Period will thereafter lapse and cease to be valid for any purpose.

Below summarises the new ordinary shares issued upon the exercise of warrants:

Date of Issue	Number of new ordinary shares issued	Proceeds from exercise of warrants	
		Issue price RM	RM
20 September 2024	1,050,000	1,128,820	866,304

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 26. SHARE CAPITAL AND WARRANT RESERVES (CONTINUED)

### 26.2 WARRANT RESERVES (CONTINUED)

Date of Issue	Number of new ordinary shares issued	Issue price RM'000	Proceeds from exercise of warrants RM'000
28 August 2025	813,600	875	671
9 September 2025	4,920,608	5,290	4,060
18 September 2025	9,756,400	10,488	8,049
25 September 2025	375,800	404	310
30 September 2025	14,823,400	15,935	12,229
7 October 2025	2,703,600	2,906	2,230
14 October 2025	788,700	848	651
17 October 2025	1,609,000	1,730	1,327
23 October 2025	652,700	701	539
28 October 2025	451,300	485	372
4 November 2025	134,402	144	111
7 November 2025	1,055,700	1,135	871
18 November 2025	168,000	181	139
24 November 2025	1,040,200	1,118	858
28 November 2025	92,700	100	76
4 December 2025	1,135,265	1,220	937
10 December 2025	88,400	95	73
17 December 2025	366,800	394	303
23 December 2025	50,000	54	41
30 December 2025	10,000	11	8
	41,036,575	44,114	33,855

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

## 27. CAPITAL CONTRIBUTION

During the previous financial year ended, the Group recognised Capital Contribution reserve of RM72,000 in relation to Employees' Share Grant Plan ("ESGP") awarded to employees of the Group by the previous immediate holding company, as disclosed in Note 34.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 28. COMMITMENTS

### Capital expenditure

Authorised capital expenditure not provided for in the financial statements is as follows:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM '000</b>	<b>RM '000</b>
Approved and contracted for:		
Property, plant and equipment	15,808	10,224

### Operating lease commitments as lessor

The future minimum rental income receivable under operating leases contracted for as at end of reporting period but not recognised as receivables are as follows:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM '000</b>	<b>RM '000</b>
Rental income receivable:		
Not later than one year	7,041	-
One year to two years	3,491	-
	<u>10,532</u>	<u>-</u>

## 29. FINANCIAL INSTRUMENTS BY CATEGORY

Analysis of the financial instruments for the Group and the Company are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
<u>Financial assets at fair value through profit or loss</u>				
Other investments	94,788	-	-	-
	<u>94,788</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Financial assets at amortised cost:</u>				
Trade and other receivables (excluding prepayments)	157,365	94,379	662	-
Cash and bank balances (Note 17)	191,430	91,558	728	6,802
	<u>348,795</u>	<u>185,937</u>	<u>1,390</u>	<u>6,802</u>
<u>Financial liabilities at amortised cost</u>				
Trade and other payables (excluding statutory liabilities)	74,066	45,847	2,236	2,689
Borrowings (Note 25)	343,196	160,724	-	-
	<u>417,262</u>	<u>206,571</u>	<u>2,236</u>	<u>2,689</u>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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## 30. FINANCIAL RISK MANAGEMENT

The Group and the Company's overall financial risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and the Company. Financial risk management is carried out through risk reviews, internal control systems and adherence to the Group and the Company's financial risk management policies. The Directors of the Group and the Company regularly review these risks and approve the policies, which cover the management of these risks.

The Group and the Company are exposed to credit risk, liquidity risk, interest rate risk, foreign currency exchange risk and capital risk.

(i) Credit risk

Credit risk arises when services are rendered on credit terms. Customers are subject to credit checks and outstanding accounts are followed up on a timely basis. Credit risk concentration is monitored by monitoring performance of customers and actively engaging with customers to ensure payments are settled within the credit period.

*Concentration of credit risk*

The Group has no significant exposure to any geographical location or industry category other than as disclosed in Note 13. Significant credit and recovery risks associated with receivables have been provided for in the financial statements.

Credit risk also arises from deposits with licensed banks. The deposits are placed with credit worthy financial institutions. The Company considers the risk of material loss in the event of non-performance by a financial counterparty to be unlikely.

*Impairment of trade receivables and accrued income using simplified approach*

The expected loss rates for the Group's trade receivables and accrued income are based on payment profiles for services rendered over a period of 24 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of customers to settle their debts. The Group has identified doubtful debts that cannot be collected and accordingly has adjusted the historical loss rates based on expected changes in this factor. No significant changes to estimation techniques or assumptions were made during the financial year.

Movement on the Group's loss allowances for trade receivables is disclosed in Note 20.

*Deposits and bank balances*

For deposits and bank balances, the Group and the Company seek to ensure that cash assets are invested safely and profitably by assessing counterparty risks and allocating placement limits for various creditworthy financial institutions. While deposits and bank balances are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 30. FINANCIAL RISK MANAGEMENT (CONTINUED)

(i) Credit risk (continued)

*Other financial assets at amortised cost*

Other financial assets at amortised cost include other receivables, and there are no identified impairment loss.

The credit quality of financial assets that are not impaired can be assessed by reference to external credit ratings (if available) for bank balances and to historical information about counterparty default rates for trade and other receivables.

	Current	1-90 days	91-120 days	More than 120 days	Total
	RM '000	RM '000	RM '000	RM '000	RM '000
<u>Group</u>					
<u>At 31 December 2025</u>					
Gross carrying amounts					
- Trade receivables	22,188	36,204	2,434	7,443	68,269
- Amount due from ultimate holding company	15,755	-	-	-	15,755
- Accrued income	27,442	-	-	-	27,442
- Other receivables	46,682	-	-	-	46,682
	112,067	36,204	2,434	7,443	158,148
<u>Allowance for impairment</u>					
- Trade receivables	-	-	-	(783)	(783)
Net carrying amount	112,067	36,204	2,434	6,660	157,365
<u>At 31 December 2024</u>					
Gross carrying amounts					
- Trade receivables	28,185	25,693	-	7,548	61,426
- Accrued income	30,949	-	-	-	30,949
- Other receivables	9,442	-	-	-	9,442
	68,576	25,693	-	7,548	101,817
<u>Allowance for impairment</u>					
- Trade receivables	-	-	-	(7,438)	(7,438)
	68,576	25,693	-	110	94,379

As at 31 December 2024, the Group has certain amounts outstanding from customers whom defaulted on their payments in the previous financial year and are currently undergoing debt restructuring exercise. The balance was provided during the previous financial year.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 30. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (i) Credit risk (continued)

#### *Financial guarantee contracts*

The Company has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the expected credit loss requirements of MFRS 9. The amounts disclosed below represent the Company's maximum exposure to credit risk on financial guarantee contracts.

	<b>Company</b>	
	<b>2025</b>	<b>2024</b>
	<b><u>RM '000</u></b>	<b><u>RM '000</u></b>
Financial guarantee contracts	<u>407,059</u>	<u>126,713</u>

The Company has assessed that its subsidiaries have strong financial capacity to meet the contractual cash flow obligations and hence, does not expect significant credit losses arising from these guarantees.

### (ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting its financial obligations. The objectives of the Group's and of the Company's liquidity risk management policies is to ensure the Group and the Company have sufficient cash to meet operational and financing needs as and when they fall due, availability of funding by keeping committed credit lines and meet external covenants compliance. The Group and the Company monitor rolling forecasts of the Group's and of the Company's liquidity requirement.

The Group and the Company also maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due. The Company can also demand dividends from subsidiaries to meet its liabilities as and when they fall due.

The Group and the Company are required to comply with financial covenants and do not anticipate any breaches of these requirements in the next 12 months.

It is not expected that the cash flows included in the liquidity analysis could occur significantly earlier, or at significantly different amounts.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 30. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (ii) Liquidity risk (continued)

The table below summarises the maturity profile of the Group's and the Company's liabilities (including interest on borrowings) at the financial year end based on contractual undiscounted repayment obligations.

	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
	RM '000	RM '000	RM '000	RM '000	RM '000
<u>Group</u>					
<u>2025</u>					
Lease liabilities	1,032	549	136	-	1,717
Bank borrowings	203,597	42,640	117,338	43,484	407,059
Trade and other payables	74,066	-	-	-	74,066
	<u>278,695</u>	<u>43,189</u>	<u>117,474</u>	<u>43,484</u>	<u>482,842</u>
<u>2024</u>					
Lease liabilities	113	70	39	-	222
Bank borrowings	32,304	31,010	105,394	-	168,708
Redeemable preference shares	9,898	-	-	-	9,898
Trade and other payables	45,847	-	-	-	45,847
	<u>88,162</u>	<u>31,080</u>	<u>105,433</u>	<u>-</u>	<u>224,675</u>
<u>Company</u>					
<u>2025</u>					
Trade and other payables	2,236	-	-	-	2,236
Financial guarantee contracts*	407,059	-	-	-	407,059
	<u>409,295</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>409,295</u>
<u>2024</u>					
Trade and other payables	2,689	-	-	-	2,689
Financial guarantee contracts*	126,713	-	-	-	126,713
	<u>129,402</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>129,402</u>

\* The Company provided corporate guarantees to financial institutions on behalf of its subsidiaries, which are repayable on demand in the event of default, amounting to RM407,059,000 (2024: RM126,713,000). In the previous financial year, the Group has also provided bank guarantees, tender bonds and bid bonds amounting to RM5,565,000 as at 31 December 2024 primarily due to the tendering of new contracts and as guarantee for the performance of charter contracts and use of port facilities by the Company's subsidiaries.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 30. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (iii) Interest rate risk

Interest rate risks arise mainly from the Group's and the Company's short-term deposits and borrowings. The Group's and the Company's short-term deposits are placed at prevailing interest rates. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Bank rates are typically reviewed and adjusted periodically in accordance with prevailing interest rates. Increases in interest rates would increase interest expenses relating to the Group's outstanding floating rate borrowings and increase the cost of new debt. Interest rates applicable to borrowings are regularly reviewed against prevailing and anticipated market interest rates in order to determine if refinancing or early repayment is warranted. The table below sets forth the carrying amounts of borrowings, by floating interest rate terms.

	<b>Group</b>		<b>Company</b>	
	<b><u>2025</u></b> <b>RM '000</b>	<b><u>2024</u></b> <b>RM '000</b>	<b><u>2025</u></b> <b>RM '000</b>	<b><u>2024</u></b> <b>RM '000</b>
Floating rate loans (unhedged)	343,196	150,826	-	-
Impact on profit after tax for the financial year and equity:				
1.0% increase in interest rate	(2,446)	(1,146)	-	-
1.0% decrease in interest rate	2,446	1,146	-	-

### (iv) Foreign currency exchange risk

The Group has several foreign currency denominated bank accounts, trade and other receivables and trade and other payable. The currency exposure of financial assets and financial liabilities of the Group and of the Company that are not denominated in the functional currency of the respective companies are set out below:

Material trade and other receivables and cash and bank balances denominated in foreign currencies are as follows:

	<b>Group</b>		<b>Company</b>	
	<b><u>2025</u></b> <b>RM '000</b>	<b><u>2024</u></b> <b>RM '000</b>	<b><u>2025</u></b> <b>RM '000</b>	<b><u>2024</u></b> <b>RM '000</b>
<u>US Dollar denominated balances in RM functional currency</u>				
Trade and other receivables	524	-	-	-
Cash and bank balances	98,702	287	-	-
	99,226	287	-	-

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 30. FINANCIAL RISK MANAGEMENT (CONTINUED)

(iv) Foreign currency exchange risk

Material trade and other receivables and cash and bank balances denominated in foreign currencies are as follows (continued):

	<b>Group</b>		<b>Company</b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b><u>RM '000</u></b>	<b><u>RM '000</u></b>	<b><u>RM '000</u></b>	<b><u>RM '000</u></b>
<u>US Dollar denominated balances in SGD functional currency</u>				
Trade receivables	8,881	-	-	-
Cash and bank balances	16,085	-	-	-
Loans and borrowings	(244,483)	-	-	-
	<u>(219,517)</u>	<u>-</u>	<u>-</u>	<u>-</u>

There are no material trade and other payables denominated in foreign currencies in the Group and the Company.

	<b>Group</b>		<b>Company</b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b><u>RM '000</u></b>	<b><u>RM '000</u></b>	<b><u>RM '000</u></b>	<b><u>RM '000</u></b>
Impact on profit after tax for the financial year and equity:				
<u>US Dollar denominated balances in RM functional currency</u>				
10% strengthening of USD	7,541	29	-	-
10% weakening of USD	(7,541)	(29)	-	-
<u>US Dollar denominated balances in SGD functional currency</u>				
10% strengthening of USD	(18,220)	-	-	-
10% weakening of USD	18,220	-	-	-

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

### 30. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (v) Capital risk management

The Group and the Company define capital as total equity and borrowings as presented in the statements of financial position. The Group's and the Company's objectives when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Company may return capital to shareholders, issue new shares or sell assets to reduce debt. The Group and the Company monitor capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the statements of financial position) less cash and bank balances. Total equity is calculated as shareholders' equity as shown in the statements of financial position.

	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b>RM '000</b>	<b>RM '000</b>
Debt		
Less: Cash and bank balances	343,196	160,724
Net debt	(191,430)	(91,558)
	<u>151,766</u>	<u>69,166</u>
Total equity	<u>847,861</u>	<u>456,523</u>
Net gearing ratio (times)	<u>0.18</u>	<u>0.15</u>

The Group is subject to certain externally imposed requirements in the form of loan covenants and all other undertakings. Compliance with loan covenants and undertakings are based on the terms of the respective loan agreements. The Group has complied with all the loan covenants and its other undertakings during and as at the financial year as disclosed in Note 25.

#### (vi) Fair values

The carrying values of the balances disclosed in the financial statements approximates their fair values except as disclosed in the notes to the financial statements. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques.

The different levels of fair values have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

As at the reporting date, other investments, comprising money market investments, were measured by using Level 1.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 31. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities. Related companies comprise mainly companies which are controlled by the Group's ultimate holding company that are not part of the Group.

### (i) Key management personnel

Key management personnel of the Group comprise the Board of Directors and members of the senior leadership team who are directly responsible for the financial and operating policies and decisions of the Group and the Company. Remuneration of key management personnel paid and payable by the Group and the Company during the financial year was as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2025</b> <b>RM '000</b>	<b>2024</b> <b>RM '000</b>	<b>2025</b> <b>RM '000</b>	<b>2024</b> <b>RM '000</b>
Salaries, allowances and bonuses	3,797	4,533	2,412	2,731
Defined contribution plan	640	735	427	518
Social security contribution	7	5	2	1
Share based payments	-	213	-	213
	<u>4,444</u>	<u>5,486</u>	<u>2,841</u>	<u>3,463</u>

### (ii) Significant related party transactions

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions. The related party transactions described below were carried out on terms and conditions agreed with related parties.

	<b>Group</b>		<b>Company</b>	
	<b>2025</b> <b>RM '000</b>	<b>2024</b> <b>RM '000</b>	<b>2025</b> <b>RM '000</b>	<b>2024</b> <b>RM '000</b>
Ultimate holding company:				
-Chartering of vessels to the ultimate holding company	44,382	-	-	-
-Settlement of amount owing by the Company to the ultimate holding company	48,699	-	48,699	-

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 31. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

### (ii) Significant related party transactions (continued)

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions. The related party transactions described below were carried out on terms and conditions agreed with related parties.

	<b>Group</b>		<b>Company</b>	
	<b>2025</b> RM '000	<b>2024</b> RM '000	<b>2025</b> RM '000	<b>2024</b> RM '000
Subsidiaries:				
-Advances to a subsidiary	-	-	-	(9,000)
-Management fee income from subsidiaries	-	-	6,835	4,688
-Management fees charged by a subsidiary to the Company	-	-	(261)	-
-Dividend income from subsidiary	-	-	72,200	-
-Dividend paid on behalf by a subsidiary	-	-	-	(21,082)
-Settlement of RTL 3 loan balances on behalf of subsidiaries	-	-	-	(49,557)
-Payment on behalf of the Company made by a subsidiary	-	-	(3,542)	(3,327)
Fellow subsidiary:				
Share based payment expenses from Employees' Share Grant Plan with fellow subsidiary	-	72	-	72

There has also been acquisition of subsidiaries and non-controlling interest from respective related party during the financial year as disclosed in Note 32.

### (iii) Significant related party balances

Included in the Group's and Company's statement of financial position are the following significant related party balances arising from normal business transactions:

	<b>Group</b>		<b>Company</b>	
	<b>2025</b> RM '000	<b>2024</b> RM '000	<b>2025</b> RM '000	<b>2024</b> RM '000
Amount due from ultimate holding company (Note 20)	15,755	-	-	-
Amount due from subsidiaries (Note 15)	-	-	255,817	120,815

Apart from transactions disclosed above, the Group entered into transactions that are collectively, but not individually significant with other government-related entities. These transactions include vessel chartering, drydocking expenditure and repairs and maintenance. They are conducted in the ordinary course of the Group's business on terms consistently applied in accordance with the Group's internal policies and processes.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 32. ACQUISITION OF SUBSIDIARIES AND NON-CONTROLLING INTERESTS IN 2025

### 32.1 ACQUISITION OF SUBIDIARIES

Regulus Offshore Sdn. Bhd. ("Regulus Offshore") and Yinson Camellia Sdn. Bhd. ("Yinson Camellia")

On 31 January 2025, the Group completed the acquisition of Regulus Offshore and Yinson Camellia from Yinson Offshore Services Sdn Bhd, a related party by way of common shareholder, through the issuance of 154,545,455 and 27,272,727 new ordinary shares of the Company, respectively. Following the completion of the acquisition, the Group holds effective ownership interests of 70% in Regulus Offshore and 100% in Yinson Camellia. Accordingly, on that date the Group effectively obtained control of the subsidiaries. The rationale of the acquisition is to allow the Group to increase the operational capacity and service coverage as well as to continue to expand the Group's existing customer base whilst enabling the Group to service new geographical regions with market potential.

The acquisition gave rise to goodwill of RM92,294,000, calculated on the basis that the total consideration measured at the share price on the issue date amounted to RM180,909,000.

The following summarises the major classes of assets acquired and liabilities assumed at their fair values, together with the effects of the acquisitions at the date of acquisitions:

	<b>Regulus Offshore</b>	<b>Yinson Camellia</b>	<b>Total</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
Property, plant and equipment	108,962	23,177	132,139
Intangible assets	3	1,174	1,177
Right-of-use assets	2,322	-	2,322
Trade and other receivables	28,420	2,271	30,691
Tax recoverable	676	2,153	2,829
Cash and bank balances	7,411	1,743	9,154
Trade and other payables	(1,885)	(19,933)	(21,818)
Lease liabilities	(2,249)	-	(2,249)
Deferred tax liabilities	(24,532)	(5,360)	(29,892)
Total identifiable net assets	119,128	5,225	124,353
Less: Non-controlling interest, based on their proportionate interest in the recognised amounts of the assets and liabilities of the acquiree	(35,738)	-	(35,738)
Net assets acquired	83,390	5,225	88,615
Add: Goodwill			92,294
Fair value of consideration transferred via share issuance			180,909
Cash and bank balances acquired/ Net cash inflow	7,411	1,743	9,154

The fair value adjustments have been determined as follows:

	Method
Property, plant and equipment	The fair values of the vessels were determined based on independent valuations, using the market approach adopted by the independent valuers.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 32. ACQUISITION OF SUBSIDIARIES AND NON-CONTROLLING INTERESTS IN 2025 (CONTINUED)

### 32.1 ACQUISITION OF SUBSIDIARIES (CONTINUED)

#### Regulus Offshore and Yinson Camellia (continued)

The goodwill arising from the acquisition, which has been entirely allocated to the OSV segment, is attributable to synergies expected to be achieved from improved operational efficiency resulting from the business combination.

Following the acquisition, the OSV segment is identified as one group of cash-generating units ("CGUs"), operating as an integrated business unit leveraging Regulus Offshore's role as a licence holder within the segment. Regulus Offshore subsequently entered into charter contracts on behalf of each of the vessels in the OSV segment. The segment operates in a similar business environment and exhibit comparable operational and economic characteristics to the Group's existing OSV operations.

As a result of the acquisition, the acquired companies were integrated into the Group's OSV cash-generating unit structure and are managed under a unified operational structure. Management expects the synergies to be realised primarily through economies of scale, optimisation of resources, streamlined operational processes, and shared technical and management expertise.

#### Sensitivity analysis of goodwill

The recoverable amounts of the goodwill have been determined based on their FVLCOD of the vessels. The key assumptions of the underlying FVLCOD of the OSV cash-generating unit would be the fair value of each individual vessel forming part of the cash-generating unit. The valuation technique is therefore classified as Level 3 measurement in the fair value hierarchy. The fair value for the financial year ended 31 December 2025, the movement of goodwill as a result of the effect to the recoverable amount by 2% decrease to its estimated FVLCOD would have been as follows:

	<b>FVLCOD</b> <b>RM '000</b>	<b>Group</b> <b>Impairment</b> <b>expense</b> <b>RM '000</b>
<u>2025</u>		
- Decrease by 2%	10,816	5,794

Sensitivity analysis indicates that a decrease of 2% of the FVLCOD would result in an impairment to the goodwill.

#### Lianson Fleet Pte. Ltd. ("Lianson Fleet") and Yinson Power Marine Sdn. Bhd. ("YPM")

On 21 July 2025, the Group completed the acquisition of Lianson Fleet and YPM from Liannex Corporation (S) Pte Ltd and Mr. Lim Han Weng through the issuance of 206,818,182 and 20,454,545 new ordinary shares of the Company, respectively, which includes the settlement of RM48,699,000 of amount owing by the Company to the ultimate holding company, Liannex Coporation (S) Pte. Ltd, via an issuance of 49,693,952 new ordinary shares. Following the completion of the acquisition, the Group holds effective ownership interests of 100% in both Lianson Fleet and YPM. Control of the subsidiaries was transferred to the Group and the Group has applied the predecessor method of accounting to account for business combination under common control as it is a business combination in which all of the combining entities are ultimately controlled by the same parties both before and after the business combination, being Mr. Lim Han Weng and Madam Bah Kim Lian, and that control is not transitory. The ultimate controlling parties of the Group is Mr. Lim Han Weng and Madam Bah Kim Lian.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 32. ACQUISITION OF SUBSIDIARIES AND NON-CONTROLLING INTERESTS IN 2025 (CONTINUED)

### 32.1 ACQUISITION OF SUBSIDIARIES (CONTINUED)

Lianson Fleet Pte. Ltd. ("Lianson Fleet") and Yinson Power Marine Sdn. Bhd. ("YPM") (continued)

The acquisition gave rise to a capital reorganisation reserve of RM148,025,000, calculated on the basis that the total consideration measured at the share price on the issue date amounted to RM222,727,000. The difference between the consideration measured and the carrying amounts of the assets and liabilities of the acquired entities has been recognised as a capital reorganisation reserve within equity. The carrying amounts of the assets and liabilities has been recognised at the highest level that it had been carried at the ultimate holding company, prior to the acquisition.

The following summarises the major classes of assets acquired and liabilities assumed at their carrying amounts, together with the effects of the acquisitions at the date of acquisitions:

	<b>Lianson Fleet Group</b>	<b>YPM</b>	<b>Total</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
Property, plant and equipment	209,981	4,139	214,120
Intangible assets	-	4	4
Trade and other receivables	152,311	4,845	157,156
Tax recoverable	-	384	384
Cash and bank balances	5,915	151	6,066
Borrowings	(150,737)	-	(150,737)
Trade and other payables	(150,760)	(646)	(151,406)
Deferred tax liabilities	(142)	(719)	(861)
Tax payable	(25)	-	(25)
Net assets acquired	66,543	8,158	74,701
Add: Capital reorganisation reserve	136,139	11,887	148,026
Fair value of consideration transferred via share issuance	202,682	20,045	222,727
Cash and bank balances acquired/ Net cash inflow	5,915	151	6,066

### 32.2 ACQUISITION OF NON-CONTROLLING INTERESTS

On 16 May 2025, the Group acquired 49,000 ordinary shares in Icon Bahtera (B) Sdn. Bhd. ("Icon Bahtera"), representing 49% of the issued share capital of Icon Bahtera and 3,011,000 Redeemable Preference Shares in Icon Bahtera, as well as 450,000 ordinary shares in Icon Waja (L) Inc. ("Icon Waja"), representing 15% of the issued share capital of Icon Waja, from Zell Transportation Sdn. Bhd. through the issuance of 38,295,455 and 11,136,364 new ordinary shares of the Company, respectively. Correspondingly, the non-controlling interests in relation to these companies have been derecognised, and the Redeemable Preference Shares has been settled, as disclosed in Note 25(d).

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 32. ACQUISITION OF SUBSIDIARIES AND NON-CONTROLLING INTERESTS IN 2025 (CONTINUED)

### 32.2 ACQUISITION OF NON-CONTROLLING INTERESTS (CONTINUED)

Following the acquisition, the Group increased its effective ownership interest in Icon Bahtera and Icon Waja from 51% to 100% and 85% to 100%, respectively. The carrying amount of Icon Bahtera's and Icon Waja's net assets in the Group's financial statements on the date of acquisition were RM11,314,000 and RM41,378,000, respectively. The Group recognised a decrease in non-controlling interest of RM11,751,000 and a decrease in retained earnings of RM22,957,000, along with an increase in currency translation reserve of RM4,332,000.

The following summarises the impact of the Statement of Changes in Equity arising from the acquisitions completed during the financial year ended:

Date	Matters	Share capital	Currency translation reserve	Capital reorganisation reserve	Retained earnings	Non-controlling interests
		RM '000	RM '000	RM '000	RM '000	RM '000
31 January 2025	Acquisition of equity interest of 70% in Regulus Offshore and 100% in Yinson Camellia	180,909	-	-	-	35,738
16 May 2025	Acquisition of equity interest of 49% in Icon Bahtera and 15% in Icon Waja	40,287	4,332	-	(22,957)	(11,751)
21 July 2025	Acquisition of equity interest of 100% in Lianson Fleet and 100% in YPM	222,727	-	(148,026)	-	-
Total impact		443,923	4,332	(148,026)	(22,957)	23,987

The acquisition-related costs incurred by the Group for these acquisitions of RM3,423,000 relates to the external legal fees and due diligence costs. These expenses have been included in the administrative expenses in the consolidated statement of profit or loss and other comprehensive income in the current and previous financial year.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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## 33. MATERIAL LITIGATION

(i) Icon Offshore Group Sdn. Bhd. ("IOG") vs Sapura Offshore Sdn. Bhd. ("Sapura Offshore")

IOG, a wholly-owned subsidiary of Lianson Fleet Group Berhad, had on 21 February 2022 filed a winding up petition against Sapura Offshore at Shah Alam High Court via Companies Winding-up No. BA-28NCC-119 02/2022 ("Winding-up Petition") pursuant to Sections 464(1)(b), 465(1)(e) and 466(1)(a) of the Companies Act 2016 due to the failure on the part of Sapura Offshore to pay the total outstanding sum of RM3,620,000 to IOG.

Sapura Offshore had since June 2022, obtained various Ex-parte Restraining Orders to restrain the continuation of the winding-up proceedings against it, on the basis that Sapura Energy and its subsidiaries ("Sapura Group") have applied for a restructuring scheme at the Kuala Lumpur High Court, via Originating Summons No. WA-24NCC-85-02/2024.

Sapura Offshore had on 28 October 2022 admitted in full the Proof of Debt claim sum of RM3,620,000 due and owing to IOG.

(ii) Icon Offshore Group Sdn. Bhd. ("IOG") vs Sapura Pinewell Sdn. Bhd. ("Sapura Pinewell")

IOG had on 24 February 2022 via the Kuala Lumpur High Court Suit No. WA-27NCC-6-01/2022 obtained a Judgment in Default of appearance against Sapura Pinewell for an outstanding principal sum of RM2,842,000 together with the interest at the rate of 1% on the outstanding amounts for each invoices from date of maturity until date of judgment and interest at the rate of 5% on RM2,842,000 from date of judgment until full settlement.

Sapura Pinewell had since June 2022, obtained various Ex-parte Restraining Orders to restrain the continuation of the winding-up proceedings against it, on the basis that Sapura Energy and its subsidiaries ("Sapura Group") have applied for a restructuring scheme at the Kuala Lumpur High Court, via Originating Summons No. WA-24NCC-85-02/2024.

Sapura Pinewell had on 25 November 2022 admitted in full the Proof of Debt claim sum of RM2,650,000 due and owing to IOG.

Following the High Court of Kuala Lumpur's Sanction Order dated 6 March 2025 approving the Sapura Group's Scheme of Arrangement, all proceedings relating to the winding-up actions commenced by IOG against Sapura Offshore and Sapura Pinewell were effectively held in abeyance pending completion of the restructuring exercise.

In respect of the proceedings against Sapura Offshore, the Court subsequently granted the validation application on 8 August 2025 to facilitate the restructuring distribution to creditors. Pursuant to the approved restructuring timeline, IOG, as a preferred unsecured creditor, received full payment of the amount due on 3 October 2025, being within the stipulated distribution period.

Separately, in the proceedings against Sapura Pinewell, IOG had earlier obtained a default judgment and its Proof of Debt was admitted in full. Following the same Sanction Order and restructuring scheme, IOG received full settlement of the admitted claim on 9 October 2025.

Accordingly, both matters have been financially resolved during the current financial year, and no further material financial exposure remains in respect of these litigations.

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

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### 34. SHARE BASED PAYMENTS IN 2024

#### Employees' Share Scheme

In the previous financial year, the Group's Long-Term Incentive Plan ("LTIP") was governed by the by-laws approved by the Board of Directors on 8 August 2024. The Scheme comprises the Employees' Share Option Scheme and Employees' Share Grant Plan. The Scheme was designed to provide, among others, long-term incentives for the Group's and the Company's confirmed full-time employees (including an Executive Director) to deliver long-term shareholder returns.

The establishment of LTIP replaced the Company's previous Employees' Share Scheme which terminated on the date of the LTIP was established.

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

The salient terms of the Scheme were as follows:

#### Maximum number of ordinary shares available under the LTIP

Subject to the By-Laws governing the Scheme ("By-Laws of the Scheme"), the maximum number of shares which may be made available under the Scheme shall not exceed 5% of the issued and paid-up ordinary share capital of the Company from time to time or at any point of time during the duration of the Scheme.

#### Basis of allocation and maximum allowable allotment

Subject to the By-Laws of the Scheme, the maximum aggregate number of scheme shares that may be allotted to an eligible person shall be determined at the discretion of the Employees' Share Scheme Committee ("ESS Committee") after taking into consideration factors that the ESS Committee may deem relevant subject to the said By-Laws and any applicable law.

#### (a) Employees' Share Option Scheme ("ESOS")

Under the ESOS, eligible employee as defined in the By-Laws of the Scheme are offered options which vest on an annual pro-rata basis over a 3 year period from the grant date. Once vested, the options remain exercisable up to the expiry date of the ESOS.

Options are offered under the plan for a nominal consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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## 34. SHARE BASED PAYMENTS IN 2024 (CONTINUED)

(a) Employees' Share Option Scheme ("ESOS") (continued)

The salient terms of the ESOS are as follows:

(i) Eligibility

Eligible employee who meets the following criteria as at an offer date shall be eligible to participate in the ESOS:

- is a full time eligible senior management employee as defined in the By-Laws of the Scheme whose employment with the Group and/or the Company has been confirmed in writing and has not served a notice of resignation or received a notice of termination (including employees serving in a specific designation under an employment contract for a fixed duration);
- has been in employment with the Group and/or the Company for a minimum of 1 year, consecutively or the employee is serving in a specific designation under an employment contract for a fixed duration of not less than one (1) year;
- has attained 18 years of age;
- if he is an Executive Director, the specific allocation of ESOS options offered by the Company to him in his capacity as an Executive Director under the ESOS has been approved by the shareholders of the Company at a general meeting;
- is not participating of any other employee share option scheme implemented by any corporate within the Icon Group which is in force for the time being;
- is not an undischarged bankrupt and not subject to any bankruptcy proceedings; and
- fulfils any other criteria and/or falls within such category as may be determined by the ESS Committee from time to time.

No eligible employee or ESOS holder may participate at any time in another employees' share option scheme or share scheme of another corporation outside the Group and/or the Company without prior written consent of the ESS Committee.

(ii) Ranking of shares

The ESOS shares to be allotted and issued pursuant to the Scheme shall rank *pari passu* in all respects with the then existing shares.

(iii) Alteration of share capital and adjustment

In the event of any alteration in the capital structure of the Company during the duration of the ESOS, the ESS Committee may make such corresponding alterations to the ESOS:

- a. the ESOS option price; and/or
- b. the number of ESOS shares comprised in an offer, ESOS option or any portion thereof that is unvested or unexercised.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 34. SHARE BASED PAYMENTS IN 2024 (CONTINUED)

(a) Employees' Share Option Scheme ("ESOS") (continued)

Set out below is a summary of options granted under the ESOS:

	Average exercise price per share option RM '000	Number of options Units
At 1 January 2024	0.56	669,999
Exercised during the financial year (Note 26.1(h))	0.56	(329,999)
Forfeited due to termination of LTIP	0.56	(340,000)
At 31 December 2024		-

During the previous financial year, 329,999 units of shares vested. RM171,000 has been recognised as share-based payment expenses in the profit or loss.

(b) Employees' Share Grant Plan ("ESGP")

ESGP was a grant of shares by the previous immediate holding company, Hallmark Odyssey Sdn. Bhd., to eligible senior management employees for no cash consideration. Eligible senior management employees who meet the eligibility requirements may elect not to participate in the ESGP.

The eligibility requirements for an employee to participate in the ESGP were as follows:

- is a full time eligible persons employee as defined in the By-Laws of the scheme (as shall be determined by the ESS Committee) whose employment with the Group and/or the Company has been confirmed in writing and has not served a notice of resignation or received a notice of termination;
- has been in employment with the Group and/or the Company for a minimum of 1 year, consecutively or the employee is serving in a specific designation under an employment contract for a fixed duration of not less than one (1) year;
- has attained 18 years of age;
- if he is an Executive Director, the specific allocation of the new ESGP Shares, as defined in the By-Laws of the Scheme, offered or granted by the Company to him in his capacity as an Executive Director under the ESGP has been approved by the shareholders of the Company at a general meeting;
- is not an undischarged bankrupt and not subject to any bankruptcy proceedings; and
- fulfils any other criteria and/or falls within such category as may be determined by the ESS Committee from time to time.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

## 34. SHARE BASED PAYMENTS IN 2024 (CONTINUED)

### (b) Employees' Share Grant Plan ("ESGP") (continued)

The ESGP shares were Sempena Fokus Sdn. Bhd. ("SFSB")'s shares in the Company transferred to Maybank Trustees Berhad.

The said ESGP shares were held in trust by Maybank Trustees Berhad, in accordance with the By-laws of the Scheme and a Trust Deed dated 31 December 2015 signed between Maybank Trustees Berhad, the Company, and SFSB and also a Trust Deed dated 20 November 2024 signed between Maybank Trustees Berhad and the Company.

ESGP under the LTIP comprising the Performance Share Plan ("PSP") and Retention Share Plan ("RSP") was established on 8 August 2023.

### (i) Performance Share Plan ("PSP")

Ordinary shares of the Company were being granted to eligible senior management employee subject to achievement of the annual performance criteria as determined by the ESS Committee on an on-going basis under PSP.

Under the PSP, 4,614,993 fully paid ordinary shares in the Company may vest on an annual pro-rata basis over 3 years period to 31 December 2025 for no cash consideration to eligible senior management employees. The number of shares granted which may be vested to participants in the ESGP is the offer amount modified based on the achievement of the annual performance criteria as determined by the ESS Committee on an on-going basis. The performance measures and their weightings are determined by the ESS Committee based on the priorities of the Group on an annual basis.

Offers under the ESGP are at the discretion of the ESS Committee, and no offer may be made unless the Group and the respective eligible persons achieve the performance criteria.

In all other respects the shares ranked equally with other fully-paid ordinary shares on issue.

The number of shares granted under the ESGP to participating employees was as follows:

	<b>Group and Company</b>
	<b>Units</b>
At 1 January 2024	3,092,045
Granted during the financial year	632,479
Forfeited during the financial year	<u>(3,724,524)</u>
At 31 December 2024	<u><u>-</u></u>

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2025 (Continued)

### 34. SHARE BASED PAYMENTS IN 2024 (CONTINUED)

(b) Employees' Share Grant Plan ("ESGP") (continued)

(ii) Retention Share Plan ("RSP")

The Company granted RSP to eligible senior management employee subject to continuous employment with the Company for a specified period of time. The shares will be vested in equal tranches over the next three years, with final distribution on 31 December 2026.

	<b>Group and Company</b>
	<b>Units</b>
At 1 January 2024	1,247,996
Granted during the financial year	278,797
Vested during the financial year	(115,799)
Forfeited during the financial year	(1,410,994)
At 31 December 2024	<u><u>-</u></u>

During the previous financial year, 115,799 units of shares vested and RM72,000 were recognised as share-based payment expenses in the profit or loss.

(iii) Value Sharing Plan ("VSP")

Ordinary shares of the Company were being granted to eligible senior management employee subject to achievement of the annual performance criteria as determined by the ESS Committee on an on-going basis under VSP.

Under VSP, 4,843,750 fully paid ordinary shares in the Company may be vested to eligible senior management employee on an annual pro-rata basis over 3 years period to 1 March 2024 for no cash consideration. The number of shares granted which may be vested to participants in the ESGP is the offer amount modified based on the achievement of the annual performance criteria as determined by the ESS Committee on an on-going basis. The performance measures and their weightings are determined by the ESS Committee based on the priorities of the Group on an annual basis.

Offers under the ESGP were at the discretion of the ESS Committee, and no offer may be made unless the Group and the respective eligible persons achieve the performance criteria.

In all other respects the shares ranked equally with other fully-paid ordinary shares on issue.

The ESGP under the Scheme comprising the PSP, RSP and VSP were terminated during in the previous financial year.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025 (Continued)

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## 35. SUBSEQUENT EVENTS

- (a) The Company had on 30 August 2024 entered into several conditional share sale and purchase agreements which includes:
- (i) Proposed acquisition of 1 ordinary share in Yinson Port Ventures Pte Ltd ("YPVPL"), representing 100% of the issued and paid-up share capital of YPVPL and 10,289,000 redeemable convertible preference shares ("RCPS") in YPVPL for a purchase consideration of RM16.9 million to be wholly satisfied via the issuance of 19,204,545 new ordinary shares of the Company; and
  - (ii) Proposed acquisition of 1 ordinary share in Yinson Premier Limited ("YPL"), representing 100% of the issued and paid-up share capital of YPL, and 1,700,000 RCPS in YPL for a purchase consideration of RM8.7 million to be wholly satisfied via the issuance of 9,886,364 new ordinary shares of the Company.

The transactions relating to YPVPL and YPL completed on 9 January 2026, of which the control of the subsidiaries has been transferred to the Group, and the Company now owns 100% of YPVPL and YPL. The Group has applied the predecessor method of accounting to account for business combination under common control as the ultimate controlling party of the acquiree companies and the acquirer, being Mr Lim Han Weng and Madam Bah Kim Lian remains the same before and after the acquisition by virtue of them acting in concert as the shareholders the former and current ultimate holding company of YPVPL and YPL.

With the completion of these acquisitions, all transactions contemplated under the conditional share sale and purchase agreements entered into on 30 August 2024 have been fully completed.

The effects of this acquisition to the Group's financial statements is not expected to be material.

- (b) On 8 January 2026, the Group has completed the disposal of Yinson Hermes, previously classified as a non-current asset held for sale as at 31 December 2025 as disclosed in Note 22, with a total cash consideration of USD10 million (approximately RM40.56 million), following the successful delivery and handover of the vessel to the purchaser.
- (c) On 6 February 2026, the Group has completed the disposal of Icon Amara, previously classified as a non-current asset held for sale as at 31 December 2025 as disclosed in Note 22, with a total cash consideration of USD1.5 million (approximately RM6.09 million), following the successful delivery and handover of the vessel to the purchaser.
- (d) On 11 February 2026, the Bonus Issue of Warrants of the Company was completed following the admission of the Warrants B to the Official List of Bursa Securities, as well as the listing of and quotation for 116,552,842 Warrants B on the Main Market of Bursa Securities. Upon issuance, this is expected to reduce the diluted earnings per share of the Company.
- (e) On 24 March 2026, the Group has completed the disposal of Lianson Dynamic with a total cash consideration of USD8.8 million (approximately RM35.74 million), following the successful delivery and handover of the vessel to the purchaser.

## 36. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been authorised for issue in accordance with a resolution of the Board of Directors dated 30 April 2026.

# SHARIAH SCREENING DISCLOSURE

## DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A and Paragraph 9.41(b) of the Main Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

### (A) GROUP TOTAL INCOME AND TOTAL ASSETS

	Group	
	2025 RM'000	2024 RM'000
<b>Total Income</b>		
Revenue	286,539	235,781
Other income	45,306	6,537
<b>Total</b>	<b>331,845</b>	<b>242,318</b>
<b>Total Assets</b>	<b>1,349,712</b>	<b>700,680</b>

### (B) BUSINESS ACTIVITIES

There are no Shariah non-compliant business activities carried out by the Group.

## SHARIAH SCREENING DISCLOSURE

### (C) COMPONENT OF FINANCIAL POSITION

#### i) Cash Component

	Group	
	2025 RM'000	2024 RM'000
<b>Islamic Account/Instruments</b>		
Cash at bank (exclude cash in hand)	51,511	27,083
Money market instruments	51,570	-
Cash in hand	8	40
Deposits with licensed bank	-	40,464
<b>Total</b>	<b>103,089</b>	<b>67,587</b>
<b>Conventional Account/Instruments</b>		
Cash at bank (exclude cash in hand)	119,190	17,036
Deposits with bank in foreign jurisdiction: interest-bearing	17,472	-
Deposits with licensed bank	3,249	6,935
Money market instruments	43,218	-
<b>Total</b>	<b>183,129</b>	<b>23,971</b>

#### ii) Debt Component

	Group	
	2025 RM'000	2024 RM'000
<b>Islamic Financing</b>		
<b>Current</b>		
Term financing	14,549	25,334
<b>Non-Current</b>		
Term financing	84,164	125,492
<b>Total</b>	<b>98,713</b>	<b>150,826</b>

## SHARIAH SCREENING DISCLOSURE

### ii) Debt Component (cont.)

	Group	
	2025 RM'000	2024 RM'000
<b>Conventional Borrowing</b>		
<b>Current</b>		
Revolving credit and loans	131,344	-
Term loans	19,525	-
<b>Non-Current</b>		
Term loans	93,614	-
<b>Total</b>	<b>244,483</b>	<b>-</b>

# ANALYSIS OF SHAREHOLDINGS AS AT 30 MARCH 2026

Total number of issued shares (inclusive of treasury shares)	:	1,169,240,661
Class of shares	:	Ordinary shares
Voting rights	:	One (1) vote per ordinary share
Treasury shares held as at 30 March 2026	:	1,476,700

## ANALYSIS OF SHAREHOLDINGS #

Size of shareholdings	No. of shareholders	Percentage (%) of shareholders	No. of shares held	Percentage (%) of issued capital
1 – 99	4,309	56.70	134,248	0.01
100 – 1,000	1,341	17.65	487,385	0.04
1,001 – 10,000	1,275	16.78	5,672,836	0.49
10,001 – 100,000	496	6.53	15,914,647	1.36
100,001 to 58,422,433 *	175	2.30	474,512,301	40.61
58,422,434 and above **	3	0.04	671,727,244	57.49
<b>Total</b>	<b>7,599</b>	<b>100</b>	<b>1,168,448,661</b>	<b>100</b>

### Notes:

# Excluding 792,000 ordinary shares bought back by the Company and held as treasury shares based on the Record of Depositors dated 30 March 2026, which captures transactions up to 26 March 2026. As pursuant to the Bursa Malaysia Depository Disclosure Framework, reports on the list of shareholders and transactions are based on the settlement cycle of 2 trading days after the transaction date.

\* Less than 5% of issued holdings

\*\* 5% and above of issued holdings

## DIRECTORS' SHAREHOLDINGS ACCORDING TO THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Directors	Direct Interest		Indirect Interest	
	No. of shares held	Percentage (%)	No. of shares held	Percentage (%)
Lim Chern Yuan	-	-	-	-
Lim Chern Wooi	-	-	-	-
Farina binti Farikhullah Khan	-	-	-	-
Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar	-	-	18,000,000 <sup>(1)</sup>	1.54

## ANALYSIS OF SHAREHOLDINGS AS AT 30 MARCH 2026

### DIRECTORS' SHAREHOLDINGS ACCORDING TO THE REGISTER OF DIRECTORS' SHAREHOLDINGS (CONT.)

Directors	Direct Interest		Indirect Interest	
	No. of shares held	Percentage (%)	No. of shares held	Percentage (%)
Captain Adarash Kumar A/L Chranji Lal Amarnath	-	-	-	-
Dato' Mohamed Sabri bin Mohamed Zain	-	-	-	-
Puteri Liza Elli Sukma	-	-	-	-
Ginny Yeow Mei Ying	-	-	-	-

**Note:**

- (1) Deemed interested by virtue of his interest in Bumi Mampan Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.

### SUBSTANTIAL SHAREHOLDERS ACCORDING TO THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

Substantial shareholders	Direct Interest		Indirect Interest	
	No. of shares held	Percentage (%)	No. of shares held	Percentage (%)
Liannex Maritime Sdn. Bhd.	352,636,335	30.20	-	-
Liannex Corporation (S) Pte. Ltd.	-	-	352,636,335 <sup>(1)</sup>	30.20
Yinson Offshore Services Sdn. Bhd.	181,818,182	15.57	-	-
Yinson Holdings Berhad	-	-	181,818,182 <sup>(2)</sup>	15.57
Yinson Legacy Sdn. Bhd.	252,499,999	21.62	181,818,182 <sup>(3)</sup>	15.57
Lim Han Weng	-	-	786,954,516 <sup>(4)</sup>	67.39

**Notes:**

- (1) Deemed interested by virtue of its shareholdings in Liannex Maritime Sdn. Bhd. ("LMSB") pursuant to Section 8(4) of the Companies Act 2016 ("CA 2016").
- (2) Deemed interested by virtue of its shareholdings in Yinson Offshore Services Sdn. Bhd. ("YOSSB") pursuant to Section 8(4) of the CA 2016.
- (3) Deemed interested by virtue of its shareholding in YOSSB through Yinson Holdings Berhad ("YHB") pursuant to Section 8(4) of the CA 2016.
- (4) Deemed interested by virtue of his shareholdings in:-
- LMSB through Liannex Corporation (S) Pte. Ltd. ("Liannex Corporation") pursuant to Section 8(4) of the CA 2016;
  - YOSSB through YHB pursuant to his direct shareholding in YHB and deemed interested by virtue of his spouse and children's direct shareholdings in YHB pursuant to Section 59(11)(c) of the CA 2016 and Liannex Corporation's and Yinson Legacy Sdn. Bhd. ("YLSB")'s direct shareholdings in YHB pursuant to Section 8(4) of the CA 2016; and
  - YLSB pursuant to Section 8(4) of the CA 2016.

## ANALYSIS OF SHAREHOLDINGS AS AT 30 MARCH 2026

### THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS

No.	Shareholders	No. of shares held	Percentage (%) #
1.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR LIANNEX MARITIME SDN. BHD.	262,636,335	22.48
2.	YINSON LEGACY SDN. BHD.	227,272,727	19.45
3.	YINSON OFFSHORE SERVICES SDN. BHD.	181,818,182	15.56
4.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. - CIMB FOR LIANNEX MARITIME SDN. BHD. (PB)	56,000,000	4.79
5.	MAYBANK SECURITIES NOMINEES (ASING) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR ZELL TRANSPORTATION SDN. BHD.	48,431,819	4.15
6.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. - EXEMPT AN FOR AIA BHD	34,048,100	2.91
7.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - MAYBANK PRIVATE WEALTH MANAGEMENT FOR LIANNEX MARITIME SDN. BHD. (12027143) (463835)	34,000,000	2.91
8.	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. - PAMB FOR PRULINK EQUITY FUND	32,318,000	2.77
9.	YINSON LEGACY SDN. BHD.	25,227,272	2.16
10.	RHB CAPITAL NOMINEES (TEMPATAN) SDN. BHD. - LIM SOON FOO	20,300,000	1.74
11.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. - URUSHARTA JAMAAH SDN. BHD. (2)	19,037,700	1.63
12.	BUMI MAMPAN SDN. BHD.	18,000,000	1.54
13.	RHB NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR LIM SOON FOO	15,000,000	1.28
14.	HSBC NOMINEES (TEMPATAN) SDN. BHD. - HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT SHARIAH PROGRESS FUND	14,417,900	1.23
15.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. - EXEMPT AN FOR AIA PUBLIC TAKAFUL BHD	12,225,900	1.05
16.	MALACCA SECURITIES SDN. BHD. - IVT(006) TEAM MK01	7,699,800	0.66
17.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD - EXEMPT AN FOR AHAM ASSET MANAGEMENT BERHAD (TSTAC/CLNTT)	7,516,300	0.64
18.	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. - CIMB ISLAMIC TRUSTEE BERHAD FOR AHAM MULTI-ASSET FUND	6,200,000	0.53

## ANALYSIS OF SHAREHOLDINGS AS AT 30 MARCH 2026

### THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS (CONT.)

No.	Shareholders	No. of shares held	Percentage (%) #
19.	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. - PAMB FOR PRULINK DANA UNGGUL	5,389,200	0.46
20.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - NATIONAL TRUST FUND (IFM AHAM) (410195)	3,729,000	0.32
21.	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. - PAMB FOR PARTICIPATING FUND	3,673,800	0.31
22.	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. - TMF TRUSTEES MALAYSIA BERHAD FOR AFFIN HWANG WHOLESALE EQUITY FUND 2	3,500,000	0.30
23.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD - DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG VALUE FUND	3,500,000	0.30
24.	RHB NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR LIM SOON FOO	3,500,000	0.30
25.	RHB NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR CHAI JIA JUN	3,340,000	0.29
26.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. - EMPLOYEES PROVIDENT FUND BOARD (RHB INV)	3,300,000	0.28
27.	AMANAHRAYA TRUSTEES BERHAD - PMB SHARIAH GROWTH FUND	3,000,000	0.26
28.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR CHAI JIA JUN (3139509)	2,690,000	0.23
29.	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. - CIMB COMMERCE TRUSTEE BERHAD FOR AHAM MULTI-ASSET FUND 2	2,594,900	0.22
30.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - MEDICAL FUND ESG (IFM UOBAM) (447428)	2,508,000	0.22
<b>TOTAL</b>		<b>1,062,874,935</b>	<b>90.97</b>

**Note:**

# Excluding 792,000 ordinary shares bought back by the Company and held as treasury shares based on the Record of Depositors dated 30 March 2026, which captures transactions up to 26 March 2026. As pursuant to the Bursa Malaysia Depository Disclosure Framework, reports on the list of shareholders and transactions are based on the settlement cycle of 2 trading days after the transaction date.

# ANALYSIS OF WARRANT HOLDINGS FOR WARRANT A AS AT 30 MARCH 2026

Description	:	Warrants 2020/2028 (" <b>Warrants A</b> ")
Total Outstanding Warrants A	:	67,975,525
Maturity Date	:	13 February 2028
Exercise Price of Warrants A	:	RM0.825 each

## ANALYSIS BY SIZE OF WARRANT HOLDINGS FOR WARRANTS A AS PER THE RECORD OF DEPOSITORS

Size of warrant holdings	No. of warrant holders	Percentage (%) of warrant holders	No. of Warrants A held	Percentage (%)
1 – 99	293	25.28	8,307	0.01
100 – 1,000	358	30.89	177,991	0.26
1,001 – 10,000	343	29.59	1,296,599	1.91
10,001 – 100,000	122	10.53	4,247,007	6.25
100,001 to 3,398,776 *	41	3.54	22,527,800	33.14
3,398,777 and above **	2	0.17	39,717,821	58.43
<b>Total</b>	<b>1,159</b>	<b>100.00</b>	<b>67,975,525</b>	<b>100.00</b>

### Notes:

\* Less than 5% of issued Warrants A

\*\* 5% and above of issued Warrants A

## DIRECTORS' INTEREST IN WARRANTS A ACCORDING TO THE REGISTER OF DIRECTORS' WARRANT HOLDINGS

Directors	Direct Interest		Indirect Interest	
	No. of Warrants A held	Percentage (%)	No. of Warrants A held	Percentage (%)
Lim Chern Yuan	-	-	-	-
Lim Chern Wooi	-	-	-	-
Farina binti Farikhullah Khan	-	-	-	-
Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar	-	-	-	-
Captain Adarash Kumar A/L Chranji Lal Amarnath	-	-	-	-

## ANALYSIS OF WARRANT HOLDINGS FOR WARRANT A AS AT 30 MARCH 2026

### DIRECTORS' INTEREST IN WARRANTS A ACCORDING TO THE REGISTER OF DIRECTORS' WARRANT HOLDINGS (CONT.)

Directors	Direct Interest		Indirect Interest	
	No. of Warrants A held	Percentage (%)	No. of Warrants A held	Percentage (%)
Dato' Mohamed Sabri bin Mohamed Zain	-	-	-	-
Puteri Liza Elli Sukma	-	-	-	-
Ginny Yeow Mei Ying	-	-	-	-

### THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS (WARRANTS A)

No.	Warrant holders	No. of Warrants A held	Percentage (%)
1.	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. - CIMB ISLAMIC TRUSTEE BERHAD FOR AHAM MULTI-ASSET FUND	30,217,821	44.45
2.	RHB CAPITAL NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR TAN KAK SENG	9,500,000	13.98
3.	HLB NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR YEOH POH CHOO	3,054,100	4.49
4.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR TAN KAK SENG (7003247)	2,500,000	3.68
5.	VICTOR LIM FUNG TUANG	1,930,000	2.84
6.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR DANIEL LIM HWA YEW (MY1618)	1,231,000	1.81
7.	MD NOR BIN MANSOR	905,880	1.33
8.	HLIB NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR YEOH ENG HUA	880,000	1.30
9.	HLIB NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR NGAM KEY SHENG	770,000	1.13
10.	HLIB NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR YEOH POH CHOO	750,000	1.10
11.	YAP MING HUI	750,000	1.10
12.	NGAM KEY SHENG	670,000	0.99
13.	PHILLIP NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR YEOH POH CHOO	657,300	0.97
14.	NG MUN ON	650,000	0.96

## ANALYSIS OF WARRANT HOLDINGS FOR WARRANT A AS AT 30 MARCH 2026

### THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS (WARRANTS A) (CONT.)

No.	Warrant holders	No. of Warrants A held	Percentage (%)
15.	HOW KOK SENG	600,000	0.88
16.	TEN THAI SUN	577,000	0.85
17.	CHUAH GUAT GNOH	536,200	0.79
18.	PHILLIP NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR YEOH POH CHOO	523,700	0.77
19.	CHONG LAI LENG	500,000	0.74
20.	IFAST NOMINEES (TEMPATAN) SDN. BHD. - LOO KOK WENG	400,000	0.59
21.	YEOH ENG HUA	350,000	0.52
22.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - LIM PIANG NAM	300,000	0.44
23.	LIM KIT YNG	260,000	0.38
24.	KHOO XIN MI	250,800	0.37
25.	NG CHAI HOCK	240,000	0.35
26.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR HIAN BEE GEOK (015)	230,000	0.34
27.	CHAN YEN HUI	206,000	0.30
28.	CHANG JIA VERN	200,000	0.29
29.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. - RAKUTEN TRADE SDN BHD FOR LEE SIEW WAI	200,000	0.29
30.	KHOO XIN MI	200,000	0.29
<b>TOTAL</b>		<b>60,039,801</b>	<b>88.33</b>

# ANALYSIS OF WARRANT HOLDINGS FOR WARRANT B AS AT 30 MARCH 2026

Description	:	Warrants 2026/2031 (" <b>Warrants B</b> ")
Total Outstanding Warrants B	:	116,552,842
Maturity Date	:	3 February 2031
Exercise Price of Warrants B	:	RM2.03 each

## ANALYSIS BY SIZE OF WARRANT HOLDINGS FOR WARRANTS B AS PER THE RECORD OF DEPOSITORS

Size of warrant holdings	No. of warrant holders	Percentage (%) of warrant holders	No. of Warrants B held	Percentage (%)
1 – 99	4,392	68.10	49,870	0.04
100 – 1,000	1,393	21.60	570,402	0.49
1,001 – 10,000	481	7.46	1,562,691	1.34
10,001 – 100,000	126	1.95	4,037,518	3.47
100,001 to 5,827,642 *	54	0.84	43,159,638	37.03
5,827,643 and above **	3	0.05	67,172,723	57.63
<b>Total</b>	<b>6,449</b>	<b>100.00</b>	<b>116,552,842</b>	<b>100.00</b>

### Notes:

\* Less than 5% of issued Warrants B

\*\* 5% and above of issued Warrants B

## DIRECTORS' INTEREST IN WARRANTS B ACCORDING TO THE REGISTER OF DIRECTORS' WARRANT HOLDINGS

Directors	Direct Interest		Indirect Interest	
	No. of Warrants B held	Percentage (%)	No. of Warrants B held	Percentage (%)
Lim Chern Yuan	-	-	-	-
Lim Chern Wooi	-	-	-	-
Farina binti Farikhullah Khan	-	-	-	-
Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar	-	-	-	-
Captain Adarash Kumar A/L Chranji Lal Amarnath	-	-	-	-

## ANALYSIS OF WARRANT HOLDINGS FOR WARRANT B AS AT 30 MARCH 2026

### DIRECTORS' INTEREST IN WARRANTS B ACCORDING TO THE REGISTER OF DIRECTORS' WARRANT HOLDINGS (CONT.)

Directors	Direct Interest		Indirect Interest	
	No. of Warrants B held	Percentage (%)	No. of Warrants B held	Percentage (%)
Dato' Mohamed Sabri bin Mohamed Zain	-	-	-	-
Puteri Liza Elli Sukma	-	-	-	-
Ginny Yeow Mei Ying	-	-	-	-

### THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS (WARRANTS B)

No.	Warrant holders	No. of Warrants B held	Percentage (%)
1.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR LIANNEX MARITIME SDN. BHD.	26,263,633	22.53
2.	YINSON LEGACY SDN. BHD.	22,727,272	19.50
3.	YINSON OFFSHORE SERVICES SDN. BHD.	18,181,818	15.60
4.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. - CIMB FOR LIANNEX MARITIME SDN. BHD. (PB)	5,600,000	4.81
5.	MAYBANK SECURITIES NOMINEES (ASING) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR ZELL TRANSPORTATION SDN. BHD.	4,843,181	4.16
6.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. - EXEMPT AN FOR AIA BHD	3,404,810	2.92
7.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - MAYBANK PRIVATE WEALTH MANAGEMENT FOR LIANNEX MARITIME SDN. BHD. (12027143) (463835)	3,400,000	2.92
8.	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. - PAMB FOR PRULINK EQUITY FUND	3,211,800	2.76
9.	YINSON LEGACY SDN. BHD.	2,522,727	2.16
10.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD - EXEMPT AN FOR AHAM ASSET MANAGEMENT BERHAD (TSTAC/CLNTT)	2,213,430	1.90
11.	RHB CAPITAL NOMINEES (TEMPATAN) SDN. BHD. - LIM SOON FOO	2,030,000	1.74
12.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. - URUSHARTA JAMAAH SDN. BHD. (2)	1,903,770	1.63

## ANALYSIS OF WARRANT HOLDINGS FOR WARRANT B AS AT 30 MARCH 2026

### THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS (WARRANTS B) (CONT.)

No.	Warrant holders	No. of Warrants B held	Percentage (%)
13.	HSBC NOMINEES (TEMPATAN) SDN. BHD. - HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT SHARIAH PROGRESS FUND	1,683,520	1.44
14.	RHB NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR LIM SOON FOO	1,500,000	1.29
15.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. - EXEMPT AN FOR AIA PUBLIC TAKAFUL BHD.	1,233,680	1.06
16.	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. - CIMB ISLAMIC TRUSTEE BERHAD FOR AHAM MULTI-ASSET FUND	620,000	0.53
17.	MALACCA SECURITIES SDN. BHD. - IVT(006) TEAM MK01	424,620	0.36
18.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - NATIONAL TRUST FUND (IFM AHAM) (410195)	372,900	0.32
19.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD - DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG VALUE FUND	350,000	0.30
20.	RHB NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR LIM SOON FOO	350,000	0.30
21.	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. - PAMB FOR PARTICIPATING FUND	340,000	0.29
22.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - MAYBANK PRIVATE WEALTH MANAGEMENT FOR LIM KOK KEONG (PW-M01156) (424968)	335,000	0.29
23.	RHB NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR CHAI JIA JUN	334,000	0.29
24.	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. - TMF TRUSTEES MALAYSIA BERHAD FOR AFFIN HWANG WHOLESALE EQUITY FUND 2	315,000	0.27
25.	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. - PAMB FOR PRULINK DANA UNGGUL	303,900	0.26
26.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR CHAI JIA JUN (3139509)	269,000	0.23
27.	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. - CIMB COMMERCE TRUSTEE BERHAD FOR AHAM MULTI-ASSET FUND 2	259,490	0.22

## ANALYSIS OF WARRANT HOLDINGS FOR WARRANT B AS AT 30 MARCH 2026

### THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS (WARRANTS B) (CONT.)

No.	Warrant holders	No. of Warrants B held	Percentage (%)
28.	UOBM NOMINEES (ASING) SDN. BHD. - UOB ASSET MANAGEMENT (MALAYSIA) BERHAD FOR FWD STRATEGIC FUND	252,980	0.22
29.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - MEDICAL FUND ESG (IFM UOBAM) (447428)	250,800	0.22
30.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. - KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (MYBK AM SC E)	250,000	0.21
<b>TOTAL</b>		<b>105,747,331</b>	<b>90.73</b>

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Fourteenth Annual General Meeting (“AGM”) of Lianson Fleet Group Berhad (“LFG” or “the Company”) will be held at The Gardens Ballroom, Level 5, St. Giles Mid Valley Kuala Lumpur, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Monday, 29 June 2026 at 10:00 a.m. for the following purposes:

## AGENDA

### ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and the Auditors thereon. **[Please refer to Explanatory Note (i)]**
- To re-elect the following Directors who retire pursuant to Clause 107 of the Company’s Constitution and being eligible, have offered themselves for re-election:
  - Mr Lim Chern Yuan **Ordinary Resolution 1**
  - Dato’ Mohamed Sabri bin Mohamed Zain **Ordinary Resolution 2**
  - Ms Ginny Yeow Mei Ying **Ordinary Resolution 3**
  - Puan Puteri Liza Elli Sukma **Ordinary Resolution 4**
- To re-elect Dato’ Syed Naqiz Shahabuddin bin Syed Abdul Jabbar, who retires by rotation pursuant to Clause 124 of the Company’s Constitution and being eligible, has offered himself for re-election. **Ordinary Resolution 5**
- To approve the payment of the Directors’ fees of RM729,719 for the financial year ended 31 December 2025. **Ordinary Resolution 6**
- To approve the payment of benefits payable to the Non-Executive Directors up to an amount of RM168,000 from 30 June 2026, a day after the Company’s Fourteenth AGM until the next AGM of the Company to be held in 2027 pursuant to Section 230(1)(b) of the Companies Act 2016. **Ordinary Resolution 7**
- To re-appoint PricewaterhouseCoopers PLT as Auditors of the Company until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 8**

## NOTICE OF ANNUAL GENERAL MEETING

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### SPECIAL BUSINESS

To consider and, if thought fit, with or without any modification, to pass the following Ordinary and Special Resolutions:

7. **ORDINARY RESOLUTION**  
**- AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS**

**Ordinary  
Resolution 9**

**“THAT** subject to the Companies Act 2016, the Constitution of the Company, and the approvals of Bursa Malaysia Securities Berhad and any other governmental/regulatory authorities, the Directors of the Company be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company at any time to such persons and upon such terms and conditions and for such purposes as the Directors of the Company may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares) for the time being;

**THAT** in connection with the above, pursuant to Section 85(1) of the Companies Act 2016, read together with Clause 58 of the Company’s Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from any issuance of the new shares pursuant to the exercise of authority granted pursuant to Sections 75 and 76 of the Companies Act 2016;

**THAT** such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company;

**AND THAT** the Directors of the Company, whether solely or jointly, be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Main Market of Bursa Malaysia Securities Berhad and be hereby authorised to do all such acts and things including executing all relevant documents as he/she/they may consider expedient or necessary to complete and give full effect to the abovesaid mandate.”

8. **ORDINARY RESOLUTION**  
**- PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE”)**

**Ordinary  
Resolution 10**

**“THAT** subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Companies Act 2016, the Company’s Constitution and all other applicable laws, guidelines, rules and regulations, the Company

## NOTICE OF ANNUAL GENERAL MEETING

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### SPECIAL BUSINESS (CONT.)

and/or its subsidiaries ("**the Group**") be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature ("**Recurrent Related Party Transactions**") with the related party as set out in Part A, Section 2.5 of the Circular/Statement to Shareholders dated 30 April 2026, provided that the Recurrent Related Party Transactions are:

- (i) necessary for the day-to-day operations;
- (ii) undertaken on an arm's length basis;
- (iii) carried out in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public; and
- (iv) not detrimental to the minority shareholders of the Company.

**THAT** such approval shall take effect upon the passing of this resolution and shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company following this AGM at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (c) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier.

**AND THAT** the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give full effect to the Proposed Renewal of Existing Shareholders' Mandate."

9. **ORDINARY RESOLUTION**  
**- PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")**

**Ordinary  
Resolution 11**

**"THAT** subject always to the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and all other applicable laws, guidelines, rules and regulations for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given for the Company, to purchase such number of ordinary shares in the Company as may be determined by the

## NOTICE OF ANNUAL GENERAL MEETING

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### SPECIAL BUSINESS (CONT.)

Directors of the Company from time to time through Bursa Malaysia Securities Berhad, upon such terms and conditions as the Directors in their discretion deem fit and expedient in the interest of the Company, provided that:

- (i) the aggregate number of ordinary shares to be purchased and/or held by the Company shall not exceed ten per centum (10%) of the total number of issued ordinary shares of the Company at any point in time; and
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements (where applicable) available at the time of the purchase.

**THAT** upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares purchased in their absolute discretion in the following manner:

- (i) cancel all or part of the shares so purchased; and/or
- (ii) retain the shares so purchased in treasury for distribution as a dividend to the shareholders and/or resell on the market of Bursa Malaysia Securities Berhad; and/or
- (iii) retain part thereof as treasury shares and cancel the remainder; and/or
- (iv) transfer the treasury shares, or any of the said shares for the purposes of or under an employees' share scheme; and/or
- (v) transfer the shares, or any of the shares as purchase consideration; and/or

in any other manner as prescribed by the Companies Act 2016, rules, regulations, and orders made pursuant to the Companies Act 2016 and the requirements of Bursa Malaysia Securities Berhad and any other relevant authority for the time being in force.

**THAT** such authority conferred by this resolution shall commence immediately upon the passing of this resolution and shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company, at which time the said authority will lapse, unless by a resolution passed at the general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions;
- (b) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (c) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first.

## NOTICE OF ANNUAL GENERAL MEETING

### SPECIAL BUSINESS (CONT.)

**AND THAT** the Directors of the Company be authorised to give effect to the Proposed Renewal of Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities and to take such steps, and do all such acts and things as they may deem fit and expedient in the best interest of the Company."

#### 10. SPECIAL RESOLUTION

#### Special Resolution

##### - PROPOSED AMENDMENT TO THE CONSTITUTION OF THE COMPANY ("PROPOSED AMENDMENT")

**"THAT** the proposed amendment to Clause 139 of the Constitution of the Company in the following manner, be and is hereby approved and adopted with immediate effect:

Existing Clause 139	Proposed Amendment
<p><b>Resolution in writing binding.</b> A resolution in writing signed or approved by all Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly recalled and constituted. All such resolutions shall be described as "Directors' Circular Resolution(s)" or "Directors' Resolution(s) in Writing" and may consist of several documents in like form each signed by one (1) or more Directors or their alternates and shall be forwarded or otherwise delivered to the Secretary without delay, and shall be recorded by him in the minutes book of proceedings of the Directors. A Directors' Circular Resolution or Director's Resolution in Writing shall be inoperative if it shall purport to authorise or to do any act which a meeting of the Directors has decided shall not be authorised or done, until confirmed by a meeting of the Directors. The expressions of "in writing" or "signed" include approval by legible confirmed transmission by facsimile or other forms of electronic communications.</p>	<p><b>Resolution in writing binding.</b> A resolution in writing signed or approved by <b>a majority of the</b> all Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly recalled and constituted. All such resolutions shall be described as "Directors' Circular Resolution(s)" or "Directors' Resolution(s) in Writing" and may consist of several documents in like form each signed by one (1) or more Directors or their alternates and shall be forwarded or otherwise delivered to the Secretary without delay, and shall be recorded by him in the minutes book of proceedings of the Directors. A Directors' Circular Resolution or Director's Resolution in Writing shall be inoperative if it shall purport to authorise or to do any act which a meeting of the Directors has decided shall not be authorised or done, until confirmed by a meeting of the Directors. The expressions of "in writing" or "signed" include approval by legible confirmed transmission by facsimile or other forms of electronic communications.</p>

## NOTICE OF ANNUAL GENERAL MEETING

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### SPECIAL BUSINESS (CONT.)

**AND THAT** the Directors be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by any relevant authorities and to do all acts and take all such steps as may be considered necessary to give effect to the Proposed Amendment, for and on behalf of the Company."

11. To transact any other business of which due notice has been given in accordance with the Companies Act 2016 and the Constitution of the Company.

By Order of the Board

**CHUA SIEW CHUAN (SSM PC NO. 201908002648) (MAICSA 0777689)**

**CHIN MUN YEE (SSM PC NO. 201908002785) (MAICSA 7019243)**

Company Secretaries

Kuala Lumpur

30 April 2026

### EXPLANATORY NOTES TO ORDINARY BUSINESS/SPECIAL BUSINESS:

- (i) Item 1 of the Agenda - Audited Financial Statements for the financial year ended 31 December 2025

This agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require formal approval for the Audited Financial Statements from the shareholders. Therefore, this agenda item is not put forward for voting.

- (ii) Item 2 of the Agenda – Re-election of Directors pursuant to Clause 107 of the Company's Constitution

Clause 107 of the Company's Constitution provides that the Directors shall have power at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board of Directors ("**Board**"), but so that the total number of Directors shall not be increased beyond the maximum number hereinbefore prescribed. Any Director so appointed shall hold office only until the next AGM and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at the meeting.

Mr Lim Chern Yuan was appointed on 15 December 2025, while Dato' Mohamed Sabri bin Mohamed Zain, Ms Ginny Yeow Mei Ying ("**Ms Ginny**") and Puan Puteri Liza Elli Sukma ("**Puan Puteri**") were appointed on 19 August 2025 (collectively referred as "**the Retiring Directors**"). In accordance with Clause 107 of the Company's Constitution, the Retiring Directors will retire at the Fourteenth AGM of the Company and, being eligible, have offered themselves for re-election.

In assessing the re-election of the Retiring Directors, the Nomination and Remuneration Committee ("**NRC**") and the Board had considered the outcome of the 2025 Board Evaluation Assessment ("**BEA**") as well as the suitability and fitness of the Retiring Directors, in accordance with the Company's Fit and Proper Policy.

## NOTICE OF ANNUAL GENERAL MEETING

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### EXPLANATORY NOTES TO ORDINARY BUSINESS/SPECIAL BUSINESS: (CONT.)

The evaluation covered key criteria such as integrity, professional competence, experience, independence, commitment, and effectiveness in discharging their duties as Directors.

Based on the outcome of the above assessment, all individual Directors (including the Retiring Directors) were assessed to have demonstrated satisfactory performance and met the standards expected of effective and high-performing Directors. The NRC and the Board were satisfied that the Retiring Directors possess the necessary qualifications, relevant industry knowledge, leadership capabilities, and ethical standards expected of Directors. In addition, Ms Ginny and Puan Puteri continue to fulfil the independence requirements as set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and have demonstrated objectivity and independence in their views and participation in Board deliberations and decision-making. Accordingly, the NRC and the Board recommended the Retiring Directors for re-election at the Fourteenth AGM of the Company.

Details of the Retiring Directors are provided in the Directors' Profile section of the Company's Annual Report 2025.

(iii) Item 3 of the Agenda – Re-election of Director pursuant to Clause 124 of the Company's Constitution

Clause 124 of the Company's Constitution stipulates that at the AGM where one-third (1/3) of the Directors for the time being or if the number is not three (3) or a multiple of three (3) then the number nearest to one-third (1/3) shall retire from office provided always that all Directors including a Managing Director shall retire from office once at least in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar ("**Dato' Syed Naqiz**"), who retires by rotation in accordance with Clause 124 of the Company's Constitution, being eligible, has offered himself for re-election at the Fourteenth AGM of the Company.

In assessing the re-election of Dato' Syed Naqiz, the NRC and the Board considered the outcome of the BEE, which included an assessment of his individual performance, as well as his suitability and fitness, in accordance with the Company's Fit and Proper Policy. The evaluation covered key criteria such as integrity, professional competence, experience, independence, and commitment to his role as a Director.

The NRC and the Board were satisfied that Dato' Syed Naqiz has demonstrated effective performance and possesses the requisite qualifications, relevant industry knowledge, leadership qualities, and ethical standards expected of a Director. He continues to fulfil the independence requirements as set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and has demonstrated objectivity and independence in expressing his views and contribution to Board deliberations and decision-making. Accordingly, the NRC and the Board recommended his re-election at the Fourteenth AGM of the Company.

Details of Dato' Syed Naqiz are provided in the Directors' Profile section of the Company's Annual Report 2025.

## NOTICE OF ANNUAL GENERAL MEETING

### EXPLANATORY NOTES TO ORDINARY BUSINESS/SPECIAL BUSINESS: (CONT.)

(iv) Items 4 and 5 of the Agenda

Pursuant to Section 230(1) of the Companies Act 2016, the fees and any benefits payable to the Directors of a listed company and its subsidiaries must be approved at the general meeting.

(a) Payment of Directors' fees of RM729,719 for the financial year ended 31 December 2025

The payment of Directors' fees, inclusive of Board Committee fees, is determined based on the fee structure set out below, which remains unchanged.

	<b>Board (RM/annum)</b>	<b>Audit and Risk Management Committee (RM/annum)</b>	<b>Nomination &amp; Remuneration Committee (RM/annum)</b>
Chairperson	180,000	15,000	10,000
Member	120,000	10,000	7,500

(b) Payment of benefits payable to the Non-Executive Directors ("**NEDs**") up to an amount of RM168,000 from 30 June 2026, a day after the Company's Fourteenth AGM until the next AGM of the Company.

Based on the outcome of the BEA exercise, the Board agreed to the proposed increase in the meeting allowances for attendance at Board, Board Committee and General Meetings, as set out below:

<b>Meeting Attendance</b>	<b>Current (RM)</b>	<b>Proposed (RM)</b>
Board Meeting/General Meeting	1,500/per meeting	2,000/per meeting
Board Committee Meeting	1,000/per meeting	1,500/per meeting

The proposed increase reflects the fact that the meeting allowance structure has remained unchanged for the past 12 years notwithstanding the increased time commitment required of the Board and Board Committees to oversee and support the Group's growth in scale and operational complexity. Accordingly, the revision is intended to ensure that meeting allowances remain fair and commensurate with the Directors' duties and commitment.

In addition to the above increase, the total estimated amount is based on various factors, including the anticipated number of scheduled Board and Board Committee meetings, as well as any unscheduled meetings that may be convened as necessary, from 30 June 2026 until the next AGM in 2027.

The payment of the Directors' fees for the financial year 2025 will be made upon the shareholders' approval. As for the benefits payable to the NEDs for the period commencing from 30 June 2026 until the next AGM in 2027, they will be paid as and when they are incurred.

(v) Item 6 - Re-appointment of Auditors

Based on the results of the External Auditors' Evaluation for the financial year ended 31 December 2025, the Board, at its meeting held on 27 April 2026, approved the Audit and Risk Management Committee's recommendation for shareholders' approval to be sought at the Fourteenth AGM for the re-appointment of PricewaterhouseCoopers PLT ("**PwC**") as Auditors of the Company. The Board was satisfied that PwC had performed the audit satisfactorily and had discharged its professional responsibilities in accordance with the applicable rules on professional conduct and ethics.

## NOTICE OF ANNUAL GENERAL MEETING

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### EXPLANATORY NOTES TO ORDINARY BUSINESS/SPECIAL BUSINESS: (CONT.)

(vi) Item 7 of the Agenda - Authority to issue shares pursuant to the Companies Act 2016 and waiver of pre-emptive rights

The Company wishes to renew the mandate on the authority to issue and allot shares pursuant to the Companies Act 2016 at the Fourteenth AGM of the Company (hereinafter referred to as the **"General Mandate"**).

The Company had been granted a general mandate by its shareholders at the Thirteenth AGM of the Company held on 26 June 2025 (hereinafter referred to as the **"Previous Mandate"**). As of the date of this notice, no new shares in the Company have been issued pursuant to the Previous Mandate.

The proposed resolution, if passed, will provide flexibility to the Directors of the Company to undertake any potential fundraising activities, including but not limited to the placement of shares, for the purpose of funding Company's current and/or future investment projects, working capital, repayment of banking facilities, acquisitions, or issuance of shares as consideration for the acquisition of assets, or for such other purposes as the Directors may deem fit, without having to convene a general meeting, provided that the aggregate number of the shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares). This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

Pursuant to Section 85(1) of the Companies Act 2016 be read together with Clause 58 of the Company's Constitution, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities.

The proposed Ordinary Resolution 9, if passed, will exclude your pre-emptive rights to be offered new shares and/or convertible securities to be issued by the Company pursuant to the said resolution.

(vii) Item 8 of the Agenda – Proposed Renewal of Existing Shareholders' Mandate

The proposed Ordinary Resolution 10, if passed, will provide a renewal mandate for the Group to enter into the recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. This mandate shall lapse at the conclusion of the next AGM unless authority for the renewal is obtained from the shareholders of the Company at a general meeting.

Please refer to the Circular/Statement to Shareholders dated 30 April 2026 for further information.

(viii) Item 9 of the Agenda – Proposed Renewal of Share Buy-Back Authority

The proposed Ordinary Resolution 11, if passed, will empower the Directors to purchase the Company's shares of up to a maximum of ten per centum (10%) of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the retained profits of the Company.

## NOTICE OF ANNUAL GENERAL MEETING

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### EXPLANATORY NOTES TO ORDINARY BUSINESS/SPECIAL BUSINESS: (CONT.)

This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM, or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

Please refer to the Circular/Statement to Shareholders dated 30 April 2026 for further information.

(ix) Item 10 of the Agenda – Proposed Amendment

The proposed Special Resolution is to enhance administrative efficiency.

The Proposed Amendment shall take effect once it has been passed by a majority of not less than seventy-five percent (75%) of the members who are entitled to attend and vote and do vote in person or proxy at the Fourteenth AGM of the Company.

#### Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 22 June 2026 (General Meeting Record of Depositors) shall be eligible to attend, speak, and vote at the Fourteenth AGM of the Company or appoint proxy(ies) to attend, participate, speak and vote in his/her stead.
2. A member who is entitled to participate and vote at the Fourteenth AGM of the Company is entitled to appoint up to two (2) proxies to participate and vote in his/her stead. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
3. A proxy may, but does not need to be a member of the Company. Notwithstanding this, a member entitled to participate and vote at the Fourteenth AGM of the Company is entitled to appoint any person as his/her proxy to participate and vote instead of the member at the Fourteenth AGM of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate and vote at the Fourteenth AGM of the Company shall have the same rights as the member to speak at the Fourteenth AGM of the Company.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("**SICDA**") ("**authorised nominee**"), it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds to which ordinary shares of the Company standing to the credit of the said securities account.
5. Where an authorised nominee appoints two (2) proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
6. Where a member is an exempt authorised nominee that holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**") ("**exempt authorised nominee**"), there is no limit to the number of proxies that the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where an exempt authorised nominee appoints two (2) or more proxies to attend

## NOTICE OF ANNUAL GENERAL MEETING

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### EXPLANATORY NOTES TO ORDINARY BUSINESS/SPECIAL BUSINESS: (CONT.)

and vote at the same meeting, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy. An exempt authorised nominee refers to an authorised nominee defined under the SICDA, which is exempted from compliance with the provisions of subsection 25A(1) of the SICDA.

7. The appointment of a proxy may be made by electronic means or in a hard copy form in the following manner and must be received by the Company not less than 48 hours before the time and date fixed for holding the Fourteenth AGM of the Company or adjourned general meeting at which the person named in the appointment proposes to vote:
  - (a) By electronic form - The form of proxy can be electronically lodged with the share registrar of the Company via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> (applicable to individual members, corporate shareholders, authorised nominee, and exempt authorised nominee). Kindly refer to the Administrative Guide on the procedures for electronic lodgement of the form of proxy via the Boardroom Smart Investor Portal.
  - (b) In hard copy form - In the case of an appointment made in hard copy form, the form of proxy must be deposited with the share registrar of the Company at Boardroom Share Registrars Sdn. Bhd. at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan.
8. All the resolutions set out in this Notice of Meeting will be put to vote by poll.

### STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

- A. The profiles of the Directors standing for re-election pursuant to Agenda Items Nos. 2 and 3 of the Notice of the Fourteenth AGM are set out in the Directors' Profile Section of the Company's Annual Report 2025.

There are no individuals standing for election as director (other than the Directors standing for re-election) in accordance with Appendix 8A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

- B. Details on the authority to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in Explanatory Note 6 of the Notice of the Fourteenth AGM.

## FORM OF PROXY

<b>CDS Account No.</b>	
<b>No. of shares held</b>	
<b>Contact no.</b>	

I/We, \_\_\_\_\_ NRIC/Passport/Registration/Company No.: \_\_\_\_\_  
(Full name in block letters)

of \_\_\_\_\_  
(Full address)

being a \*member/members of **Lianson Fleet Group Berhad ("Company")**, hereby appoint the following person(s):

Proxy	Full Name (in Block Letters) as per NRIC/Passport	Tel. No.	NRIC/Passport No.	No. of shares	%
1					
	Email Address: _____				
*and/or failing him/her (delete as appropriate)					
2					
	Email Address: _____				

or failing \*him/her, the Chairman of the Meeting as \*my/our proxy to vote for \*me/us on \*my/our behalf at the Fourteenth Annual General Meeting ("**AGM**") of the Company to be held at The Gardens Ballroom, Level 5, St. Giles Mid Valley Kuala Lumpur, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Monday, 29 June 2026 at 10:00 a.m. or at any adjournment thereof.

The proxy is to vote on the business before the Fourteenth AGM of the Company as indicated below (if no indication is given, the proxy will vote as he/she thinks fit or abstain from voting):

Item	Agenda	Ordinary Resolution	For	Against
1.	To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and the Auditors thereon.			
<b>Ordinary Business</b>				
2(a).	To re-elect Mr Lim Chern Yuan, who retires pursuant to Clause 107 of the Company's Constitution and, being eligible, has offered himself for re-election.	Resolution 1		
2(b).	To re-elect Dato' Mohamed Sabri bin Mohamed Zain, who retires pursuant to Clause 107 of the Company's Constitution and, being eligible, has offered himself for re-election.	Resolution 2		
2(c).	To re-elect Ms Ginny Yeow Mei Ying, who retires pursuant to Clause 107 of the Company's Constitution and, being eligible, has offered herself for re-election.	Resolution 3		
2(d).	To re-elect Puan Puteri Liza Elli Sukma, who retires pursuant to Clause 107 of the Company's Constitution and, being eligible, has offered herself for re-election.	Resolution 4		
3.	To re-elect Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar, who retires pursuant to Clause 124 of the Company's Constitution and, being eligible, has offered himself for re-election.	Resolution 5		
4.	To approve the payment of the Directors' fees of RM729,719 for the financial year ended 31 December 2025.	Resolution 6		
5.	To approve the payment of benefits payable to the Non-Executive Directors up to an amount of RM168,000 from 30 June 2026, a day after the Company's Fourteenth AGM until the next AGM of the Company to be held in 2027 pursuant to Section 230(1)(b) of the Companies Act 2016.	Resolution 7		
6.	To re-appoint PricewaterhouseCoopers PLT as Auditors of the Company until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration.	Resolution 8		
<b>Special Business</b>				
7.	Authority to issue shares pursuant to sections 75 and 76 of the Companies Act 2016 and waiver of pre-emptive rights.	Resolution 9		
8.	Proposed Renewal of Existing Shareholders' Mandate.	Resolution 10		
9.	Proposed Renewal of Share Buy-Back Authority.	Resolution 11		
10.	Proposed Amendment to the Constitution of the Company.	Special Resolution		
11.	To transact any other business of which due notice has been given in accordance with the Companies Act 2016 and the Constitution of the Company.			

\* Strike out whichever is not applicable

As witness \*my/our hand this ..... day of ..... 2026

.....  
Signature/Common seal

**Notes:**

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 22 June 2026 (General Meeting Record of Depositors) shall be eligible to attend, speak, and vote at the Fourteenth AGM of the Company or appoint proxy(ies) to attend, participate, speak and vote in his/her stead.
2. A member who is entitled to participate and vote at the Fourteenth AGM of the Company is entitled to appoint up to two (2) proxies to participate and vote in his/her stead. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
3. A proxy may, but does not need to be a member of the Company. Notwithstanding this, a member entitled to participate and vote at the Fourteenth AGM of the Company is entitled to appoint any person as his/her proxy to participate and vote instead of the member at the Fourteenth AGM of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate and vote at the Fourteenth AGM of the Company shall have the same rights as the member to speak at the Fourteenth AGM of the Company.
7. The appointment of a proxy may be made by electronic means or in hard copy form either and must be submitted in the following manner the Company not less than 48 hours before the time appointed for holding the Fourteenth AGM of the Company or adjourned general meeting at which the person named in the appointment proposes to vote:
  - (a) By electronic form - The form of proxy can be electronically lodged with the share registrar of the Company via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> (applicable to individual members, corporate shareholders, authorised nominee, and exempt authorised nominee). Kindly refer to the Administrative Guide which is available on the Company's website at [www.lianson.com](http://www.lianson.com) on the procedures for electronic lodgement of the form of proxy via the Boardroom Smart Investor Portal.

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**SHARE REGISTRAR**  
**Boardroom Share Registrars Sdn. Bhd.**  
[Registration No. 199601006647 (378993-D)]

11<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan

AFFIX  
STAMP

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4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("**SICDA**") ("**authorised nominee**"), it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds to which ordinary shares of the Company standing to the credit of the said securities account.
5. Where an authorised nominee appoints two (2) proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
6. Where a member is an exempt authorised nominee that holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**") ("**exempt authorised nominee**"), there is no limit to the number of proxies that the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where an exempt authorised nominee appoints two (2) or more proxies to attend and vote at the same meeting, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy. An exempt authorised nominee refers to an authorised nominee defined under the SICDA, which is exempted from compliance with the provisions of subsection 25A(1) of the SICDA.
- (b) In hard copy form - In the case of an appointment made in hard copy form, the form of proxy must be deposited with the share registrar of the Company at Boardroom Share Registrars Sdn. Bhd. at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan.
8. All the resolutions set out in this Notice of Meeting will be put to vote by poll.

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**LIANSON FLEET GROUP BERHAD**

Suite 28.01, Level 28, Menara Southpoint,  
Mid Valley City, Lingkaran Syed Putra,  
59200 Kuala Lumpur, Malaysia

T: +6019 764 3940

W: [www.lianson.com](http://www.lianson.com)