

MELEWAR INDUSTRIAL GROUP BERHAD

196901000102 (8444-W)

ANNUAL REPORT 2026



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CHAIRMAN'S STATEMENT



Tunku Dato' Yaacob Khyra

Executive Chairman

On behalf of the Board of Directors, I am pleased to present the Annual Report of Melewar Industrial Group Berhad and its group of companies ("the Group") for the financial year ended 30 June 2026 ("FY2026").

Our Business and Operations

The Group's core operations remain anchored in the steel industry, principally through its 74.13% stake in its listed subsidiary, Mycron Steel Berhad ("Mycron"). Mycron's principal activities comprise the manufacturing of Cold Rolled Coil ("CRC") steel sheets and Steel Tubes and Pipes ("Steel Tube"), serving customers across domestic and export markets.

Beyond steel, the Group continues to develop selected non-steel businesses through its two wholly owned subsidiaries:

- 3Bumi Sdn Bhd ("3Bumi"), which is engaged in the importation, processing and distribution of food products; and
- Ausgard Quick Assembly Systems Sdn Bhd ("AQAS"), which develops commercial and residential structures for niche property markets using its own Industrialised Building System ("IBS").

Revenue

RM769.0 MILLION

FY2025 : RM728.9 million

Net Profit

RM5.8 MILLION

FY2025 Net Loss : RM8.4 million

Financial Performance

FY2026 was characterised by a challenging operating environment, with geopolitical tensions, commodity price volatility and persistent cost pressures affecting businesses globally. In Malaysia, the expansion of the Sales and Services Tax ("SST"), stricter enforcement of commercial vehicle weight regulations and electricity tariff adjustments added to the cost of doing business.

Against this backdrop, the Group delivered a significant turnaround, recording a net profit of RM5.8 million compared with a net loss of RM8.4 million in FY2025. Group revenue increased by 6% to RM769.0 million from RM728.9 million, driven principally by stronger domestic steel sales. Steel sales volume grew by 19% year-on-year, while unit margins remained broadly stable.

Resilient domestic demand, particularly from the electrical and electronics, automotive and metal fabrication segments, helped offset weaker export demand, especially for CRC products.

The improved earnings performance was accompanied by a strengthening financial position. As at 30 June 2026, shareholders' equity increased to RM424.1 million from RM419.0 million at the previous financial year end, while net asset value per share improved from RM1.17 to RM1.18. The Group also closed FY2026 with a net cash position of RM17.2 million, providing greater financial flexibility to meet working capital requirements, support selective investments and enhance the resilience of its businesses.



Steel Division

The Steel Division remains the principal contributor to the Group and operates through three subsidiaries within Mycron:

- Mycron Steel CRC Sdn Bhd ("MCRC"), which operates in the midstream segment, converting Hot Rolled Coil ("HRC") into thinner-gauge CRC steel sheets;
- Melewar Steel Tube Sdn Bhd ("MST"), which operates in the downstream segment, manufacturing Steel Tubes from HRC or CRC; and
- Silver Victory Sdn Bhd ("SV"), which is principally engaged in the trading of steel-related products.

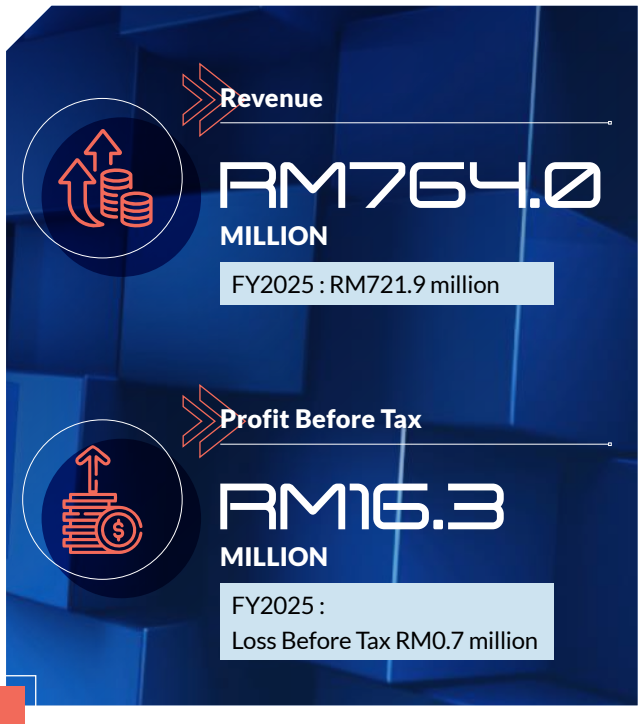
The Steel Division navigated fluctuating demand, steel prices and input costs throughout FY2026. Despite these challenges, the Division maintained operational resilience and ended the year on a stronger footing, supported by robust domestic demand and improved activity in the final quarter.

Steel Division (Cont'd)

The Division recorded revenue of RM203.1 million and Profit Before Tax ("PBT") of RM5.6 million in the first quarter, supported by strong domestic order intake and higher plant utilisation. Domestic demand helped cushion the impact of weaker CRC exports, although increasing trade barriers and tariff uncertainties in the United States continued to exert pressure on margins.

In the second quarter, revenue moderated by approximately 8% quarter-on-quarter to RM187.4 million, mainly due to a 16% decline in CRC sales volume, partly offset by a 9% increase in Steel Tube volume. Selling prices also softened modestly across both segments. Despite the lower revenue, operating profit remained broadly stable at RM5.7 million. PBT and net profit were RM5.0 million and RM3.8 million respectively, with the quarter also affected by a mark-to-market loss on investment holdings compared with a gain in the preceding quarter.

The third quarter proved more challenging, with revenue declining by 16% to RM157.6 million, partly due to the shorter operating period arising from the festive holiday calendar. Sales volumes across both CRC and Steel Tube declined by double digits, while selling prices remained under pressure. Operating profit consequently declined to RM0.4 million, resulting in a marginal Loss Before Tax ("LBT") of RM0.1 million.



The Division subsequently staged a strong recovery in the fourth quarter, with revenue increasing by 37% quarter-on-quarter to RM215.9 million. CRC and Steel Tube sales volumes increased by 46% and 24%, respectively, supported by the normalisation of operating days and stronger market activity. Operating profit correspondingly improved to RM6.1 million from RM0.4 million in the preceding quarter.

Throughout the year, the Division also continued to address import competition and evolving trade conditions through engagement with the Ministry of Investment, Trade and Industry ("MITI"), including pursuing anti-dumping proceedings and other appropriate trade remedy measures.

Overall, the Steel Division demonstrated resilience amid a challenging operating environment, with the strong fourth-quarter recovery providing positive momentum heading into FY2027.

Food Division

The Food Division, managed under 3Bumi, remains a relatively new and small component of the Group's overall portfolio. The division's main activities involve:

(a) the importation of food products including beef, lamb and turkey meat, value-added processing and packaging, and their subsequent sale to Malaysian supermarkets and retail outlets;
(b) the bottling of palm oil and its domestic and export sales, as cooking oil; and
(c) the manufacturing and sale of pet food domestically.

During FY2026, the Division faced subdued market conditions amid higher input and logistics costs, increased price volatility and cautious purchasing behaviour.

Geopolitical developments and disruptions to international trade added to supply chain pressures, while higher energy, transportation and raw material costs continued to weigh on operating conditions. Against this backdrop, revenue declined by 29% year-on-year to RM4.8 million.

Despite the lower revenue, LBT improved modestly from RM4.9 million in FY2025 to RM4.6 million in FY2026, reflecting continued efforts to manage costs, improve operational efficiency and exercise greater discipline in the prevailing market conditions.





Commitment to Good Corporate Governance

The Board of Directors recognises that strong corporate governance is fundamental to maintaining stakeholder confidence and supporting the long-term sustainability of the Group. We remain committed to conducting our business with integrity, accountability and transparency, in line with established corporate governance principles and best practices.

The Board and senior management are committed to upholding high standards of corporate governance and business ethics across the Group's operations. Our governance framework is supported by, among others, the Board Charter, Terms of Reference for Board Committees, Anti-Fraud and Anti-Corruption Policy, Fit and Proper Policy, Communication Policy, Conflict of Interest Policy, and Corporate Disclosure Policies and Procedures.

Sustainability Strategy and Progress

Sustainability remains integral to the Group's long-term strategy, supporting business resilience and competitiveness amid evolving climate-related risks, regulatory requirements and stakeholder expectations. The Board retains ultimate responsibility for the Group's sustainability and climate-related risks and opportunities, supported by the Risk and Sustainability Committee.

In FY2026, the Steel Division established a climate transition pathway towards Net Zero carbon emissions by FY2050, supported by interim emissions reduction targets. This commitment reflects the Division's efforts to contribute to the objectives of the Paris Agreement and applicable national net-zero ambitions. The Group's sustainability priorities also take into account Malaysia's broader transition towards a more sustainable and competitive economy, including the National Energy Transition Roadmap ("NETR"), the New Industrial Master Plan 2030 ("NIMP 2030") and the Circular Economy Policy Framework.

During the year, the Steel Division further strengthened its environmental transparency through the completion and verification of Life Cycle Assessments ("LCA") and Environmental Product Declarations ("EPD") for MCRC and MST. These assessments provide independently verified information on the environmental impacts of steel products throughout their life cycles, enhancing the Group's ability to respond to growing customer and supply-chain expectations for greater transparency on product-level environmental performance.

This progress is particularly relevant as regulatory developments, including the European Union's Carbon Border Adjustment Mechanism ("CBAM"), place increasing emphasis on the carbon intensity of steel products. Strengthening carbon transparency and environmental performance will therefore remain important to the Group's market access and long-term competitiveness.

Further details on the Group's sustainability strategy, performance, targets and governance are set out in the Sustainability Statement.

Prospects for the New Financial Year

As the Group enters FY2027, the global economic environment is expected to remain challenging. Geopolitical tensions, evolving US trade measures, monetary policy uncertainty, trade fragmentation and energy security concerns may continue to influence commodity prices, supply chains and business costs, while weather-related disruptions could add further volatility.

In Malaysia, domestic demand, exports and investment are expected to remain important drivers of economic activity, supported by relatively moderate inflation and interest rates. The country also continues to benefit from the China+1 strategy, particularly in the electrical and electronics sector. Nevertheless, external uncertainties and rising business costs underscore the importance of strengthening domestic manufacturing capabilities, technological capacity and participation in higher-value segments of global supply chains.

Prospects for the New Financial Year (Cont'd)

Steel Outlook

The domestic steel sector entered the second half of 2026 on a relatively stable footing, supported by resilient manufacturing activity and improving new orders. The Malaysia's Manufacturing Purchasing Managers' Index ("PMI") stood at 50.2 points in August 2026, signalling a return to expansion, while new orders recorded their fastest growth in eight months. However, subdued business confidence, geopolitical uncertainties and persistent cost pressures continue to temper the outlook.

Domestic steel demand is expected to benefit from infrastructure and industrial development under the 13th Malaysia Plan ("13MP") and the Johor-Singapore Special Economic Zone ("JS-SEZ"). The continued expansion of hyperscale data centres and advanced manufacturing facilities, particularly in the southern and central regions, may also create opportunities for the Group.

However, regional steel oversupply and potential trade diversion remain key challenges, with competition from foreign producers likely to exert further pressure on domestic steel prices and operating margins. Globally, measures to address steel overcapacity and protect domestic manufacturing are reshaping trade flows. In Europe, the implementation of the CBAM and the strengthened tariff rate quota ("TRQ") framework from July 2026 have added to the challenges facing the Group's exports to the region.

Against this backdrop, the Group will focus on strengthening its market diversification, operational efficiency and cost competitiveness to navigate changing trade conditions and mitigate its exposure to external market risks.

Food Outlook

The Food Division is expected to continue facing challenges from elevated food and operating costs, adverse weather conditions and supply chain disruptions. The Group will focus on diversifying sourcing channels, strengthening supply resilience and enhancing domestic supply capabilities to better manage these pressures.

Strategic Priorities

In FY2027, the Group will focus on sustaining the recovery achieved in FY2026 and strengthening the underlying performance of its businesses. Key priorities include disciplined financial management, prudent cost control, improved operational efficiency and the selective pursuit of opportunities aligned with the Group's capabilities and long-term objectives.

Through these efforts, the Group aims to reinforce its resilience, navigate market uncertainties and deliver sustainable long-term value to stakeholders.

Appreciation

Over the past year, our people have demonstrated resilience, determination and commitment in navigating a challenging and evolving market environment. On behalf of the Board, I would like to express my sincere appreciation and gratitude to all our employees across the Group for their dedication and contributions throughout FY2026. Their hard work, capabilities and unwavering commitment have been instrumental in enabling the Group to navigate the challenges of the year and deliver on our priorities.

I would also like to extend my appreciation to my fellow Board members for their invaluable counsel, guidance and continued support throughout the year.

Finally, on behalf of the Board and Management, I wish to express our sincere gratitude to our shareholders, business partners, customers and suppliers for their continued confidence and steadfast support of the Group. Your trust remains an important source of encouragement as we move forward.

MANAGEMENT DISCUSSION & ANALYSIS STATEMENT

This Statement presents management's analytical overview of the Group's operations and financial performance for the financial year ended 30 June 2026 ("FY2026"), complementing other sections of this Annual Report, including the Chairman's Statement, Statement on Risk Management and Internal Controls and the audited Financial Statements.

The analysis is based on available management information, which may not have been independently audited, and is disclosed only to the extent that it does not compromise competitively sensitive information. This section may also contain management's opinions, judgments and forward-looking views and should therefore be read with appropriate consideration of the inherent uncertainties associated with such information.



Revenue

RM768.99 MILLION

FY2025 : RM728.85 million

Net Profit

RM5.75 MILLION

FY2025 : Net Loss RM8.39 million

Equity

RM424.06 MILLION

FY2025 : RM419.00 million

Net Asset Per Share

RM1.18

FY2025: RM1.17



Overview

Global Economic and Trade Environment

The financial year under review was characterised by continued global economic fragmentation, with geopolitical tensions, changes in international tariff measures and evolving cross-border trade policies affecting investment confidence, capital flows and global supply chains. These developments contributed to greater uncertainty across key markets and reinforced the importance of operational agility, cost discipline and supply chain resilience.

China's steel market remained challenging amid subdued domestic demand and continued weakness in the property sector. Although China's economy grew by approximately 4.70% year-on-year in the first half of 2026, supported by manufacturing and exports, domestic consumption remained relatively weak. The introduction of a new steel export licensing system in January 2026 resulted in some short-term disruption but did not materially reduce overall export volumes. International steel markets consequently remained highly competitive.

Malaysia's Domestic Economic Environment

Against the challenging external backdrop, Malaysia's economy remained supported by domestic activity and household spending. Gross domestic product ("GDP") grew by 5.70% year-on-year in the first half of 2026, supported by continued expansion across several sectors.

Low unemployment, relatively stable headline inflation and government measures to support household purchasing power also provided support to domestic consumption. These conditions were particularly relevant to the Group's food trading, distribution and retail activities, which are exposed to demand for essential food and staple consumer products.

Growth, however, remained uneven across sectors. Electrical and electronics ("E&E"), transportation and logistics, information and communications technology, artificial intelligence and tourism continued to provide support to economic activity, while the construction sector expanded by 6.50% and remained an important source of steel demand.

At the same time, parts of the manufacturing sector continued to face elevated operating costs and margin pressures, resulting in consolidation, relocation or capacity adjustments among certain industry participants.

Overview (Cont'd)

Domestic Cost and Supply Chain Pressures

Notwithstanding the supportive domestic environment, businesses continued to face elevated operating costs. The expanded Sales and Service Tax ("SST"), higher electricity tariffs, increased port storage and handling charges, higher minimum wages and mandatory Employees Provident Fund contributions for foreign workers contributed to higher operating expenses.

For the steel industry, these cost pressures were compounded by intense competition from imported steel products amid subdued global steel prices. The strengthening of the Ringgit provided some benefit through lower costs for imported inputs, but also reduced export competitiveness and affected the Group's foreign currency exposures, including hedging positions and the value of export contracts. These exposures continued to be managed in accordance with the Group's foreign exchange hedging policy.

Supply chain conditions also remained challenging. The nationwide enforcement of regulations on overloaded commercial vehicles by the Ministry of Transport from October 2025 reduced haulage availability in certain areas, contributing to higher transportation costs and affecting delivery schedules for both inbound and outbound goods, with a significant impact on the Group's steel operations.

Within the food trading, distribution and retail businesses, higher freight and fuel costs, logistical disruptions and tighter availability of imported food products increased procurement and distribution costs. Precautionary stockpiling amid supply constraints also contributed to higher food prices and supply chain costs.

Against these conditions, the Group continued to focus on cost discipline, operational efficiency, market diversification and supply chain resilience.

Group Financial Performance

For FY2026, the Group's revenue increased by 5.51% from RM728.85 million to RM768.99 million, primarily driven by stronger domestic sales in the Steel Division. Revenue from the Steel Tube and Cold Rolled Coil ("CRC") segments increased by 13.65% and 1.82%, respectively, while total Group steel sales volume rose by 18.92% year-on-year.

Domestic steel demand remained resilient, supported by the construction activities, particularly non-residential buildings and specialised construction, as well as selected manufacturing activities including E&E, automotive and metal fabrication.

Steel prices, which had been on a declining trend since 2022, broadly stabilised during the financial year before recovering towards the end of FY2026. However, the benefit from higher sales volumes and improved steel prices was partly offset by elevated production and operating costs, including higher SST, energy, utility and transportation costs, as well as continued price competition from imported steel products.

Despite these pressures, the Group returned to profitability, recording a Profit Before Tax ("PBT") of RM9.49 million in FY2026 compared with a Loss Before Tax ("LBT") of RM7.76 million in FY2025. After tax, the Group recorded a net profit of RM5.75 million, reversing from a net loss of RM8.39 million in the preceding year.

The Group recognised a net revaluation surplus of RM2.36 million in Other Comprehensive Income on property, plant and equipment and right-of-use assets, compared with RM11.90 million in FY2025. Total comprehensive income consequently increased to RM8.89 million from RM4.01 million the year before.

As at 30 June 2026, the Group's shareholders' equity increased to RM424.06 million from RM419.00 million a year earlier. The increase was mainly attributable to the positive asset revaluation reserve of RM1.68 million, net foreign currency translation gain of RM0.78 million and net profit attributable to owners of RM2.60 million. Accordingly, net asset value per share increased marginally to RM1.18 from RM1.17 in FY2025.

Group Financial Performance (Cont'd)

Key Financial Indicators

Table 1		FY 2026	FY 2025
Profitability and Returns			
a)	Operational Return on Average Capital Employed (EBIT/Ave Cap)	2.34%	0.16%
b)	Return on Equity (Net Earnings/Equity)	0.42%	-1.33%
Liquidity and Financial Leverage			
c)	Current Ratio (Current Assets/ Current Liabilities)	3.37	2.52
d)	Interest Cover Ratio (EBITDA/Net Interest Expense)	12.86	3.28
e)	Debt to Equity Ratio (includes all interest bearing debt)	0.08	0.13
Capital and Shareholder Value			
f)	Weighted Average Cost of Capital (Cost of Equity assumed at 6.7%)	6.33%	6.07%
g)	Net Tangible Asset per Share (RM/share)	1.36	1.34
h)	Enterprise Value to Total Comprehensive Income Ratio	3.12	20.60
i)	Price-to-Book Ratio	0.07	0.10

The Group's key financial indicators improved during FY2026, reflecting the return to profitability, stronger liquidity and lower financial leverage.

Operational Return on Average Capital Employed increased to 2.34% from 0.16%, while Return on Equity turned positive at 0.42% from negative 1.33%.

Liquidity strengthened, with the Current Ratio improving to 3.37 times from 2.52 times and the Interest Cover Ratio increasing to 12.86 times from 3.28 times. The Debt-to-Equity Ratio also declined to 0.08 times from 0.13 times, reflecting lower financial leverage.

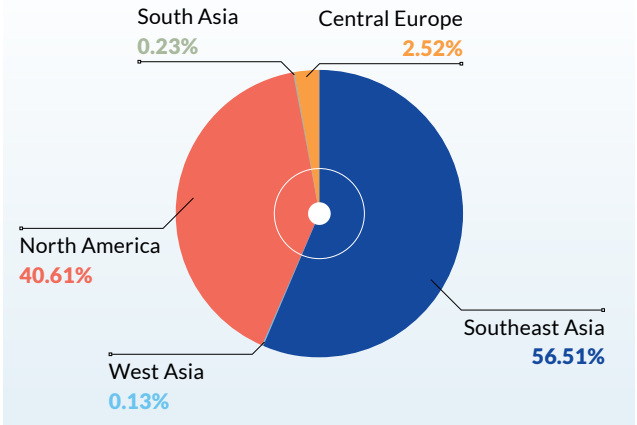
Meanwhile, NTA per share increased modestly to RM1.36 from RM1.34, reflecting a modest improvement in the Group's net asset position.

Segments' Performance

The Steel Tube and CRC segments remained the principal contributors to the Group's financial performance in FY2026. Combined revenue increased by 5.83% to RM764.00 million from RM721.88 million, supported by higher production and sales volumes and improved raw material-to-selling price spreads following the recovery in steel prices towards the end of the financial year.

Despite the improvement in overall revenue, export markets remained challenging. The CRC segment was particularly affected by the United States' increase in steel tariffs to 50% and Mexico's removal of Malaysia and Vietnam from its approved exporter list. Combined export sales from the two steel-related segments consequently declined by 56.41% from RM168.38 million to RM73.40 million, with North America's contribution to total export sales decreasing from 81.72% to 40.61%.

EXPORT SALES BY REGION FY2026



Segments' Performance (Cont'd)

The Group responded by strengthening its domestic market coverage, diversifying export markets and pursuing appropriate trade remedy measures to address import competition and trade conditions.

Notwithstanding the weaker export performance, the two steel-related segments recorded combined net profit of RM29.39 million, an increase of 79.54% from RM16.37 million in FY2025. The improvement was supported by higher production and sales volumes and better spreads, although margins remained constrained by relatively low average selling prices following the prolonged weakness in global steel prices.

The Investment Holding segment, which comprises the Group's investment holding companies, recorded a net loss of RM17.20 million in FY2026, compared with RM19.02 million in FY2025. Revenue and assets within this segment are primarily associated with intercompany activities, which are eliminated upon consolidation.

The Others segment, comprising the Group's UK operations, food trading, distribution and retail activities, modular structure operations and metal scrap trading, recorded a net loss of RM6.44 million compared with RM5.74 million in FY2025.

A summary of the performance of the Group's reportable segments is set out in Table 2 below.

Table 2	Steel Tube		Cold Rolled Coil		Investment Holding		Others	
RM'million	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025
External Revenue	278.42	244.98	485.58	476.90	-	-	5.00	6.97
Net Profit/ (Loss)	11.88	4.92	17.51	11.45	(17.20)	(19.02)	(6.44)	(5.74)

A) Steel Tube and CRC Segments

Operating Performance

Both the Steel Tube and CRC segments continued to operate in a challenging market environment during FY2026, characterised by persistent steel price weakness, aggressive imports, elevated operating costs and tighter trade restrictions in key export markets.

Against this backdrop, resilient domestic demand provided an important source of support. Demand from data centre developments and other foreign direct investment-related construction activities contributed to stronger domestic sales. Enforcement initiatives by Malaysian authorities under Ops Padu and Ops Metal also supported efforts to strengthen compliance and improve discipline within the domestic metal and steel trade.

The Group secured new customers during the year, helping to expand domestic sales and partially offset the decline in export demand.

Overall, the CRC segment recorded a 15.85% increase in sales volume during the year, driven primarily by stronger domestic demand, despite a 77.00% decline in its export sales value. The Steel Tube segment likewise recorded a 25.39% increase in sales volume. Further details are presented in Charts 1 and 2.

Chart 1

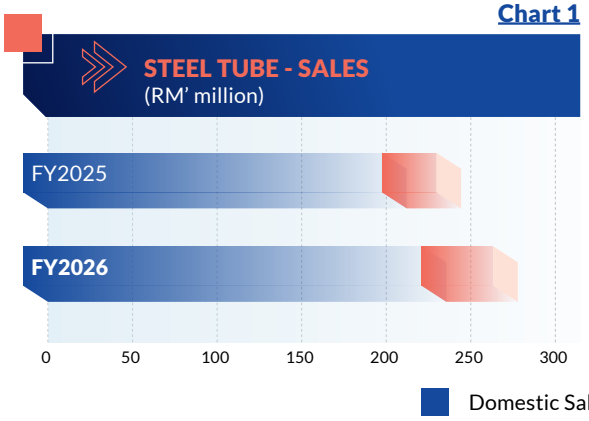
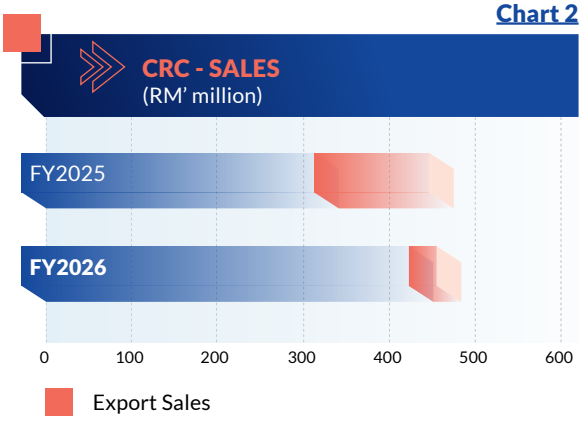


Chart 2



Domestic Sales Export Sales

A) Steel Tube and CRC Segments (Cont'd)

Operating Performance (Cont'd)

Both segments recorded positive earnings before interest, tax depreciation and amortisation ("EBITDA") in FY2026, with a modest improvement from the preceding year, as illustrated in Charts 3 and 4. The CRC segment continued to generate approximately twice the EBITDA of the Steel Tube segment.

Chart 3

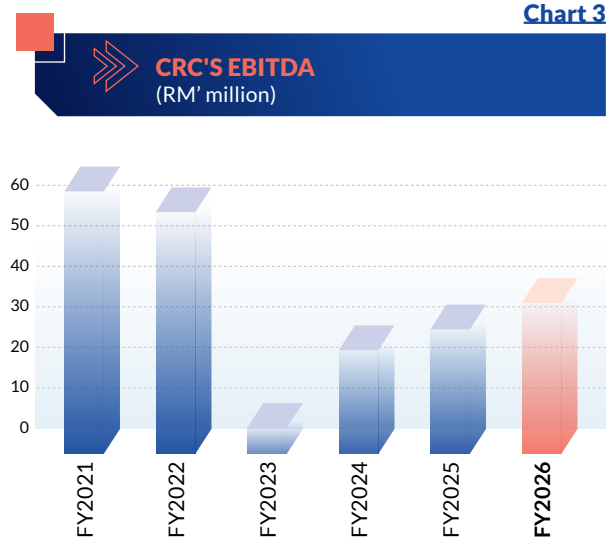
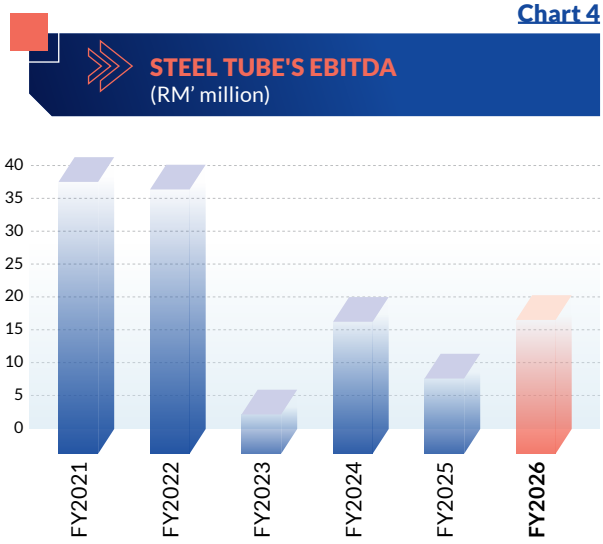


Chart 4



Market Diversification and Export Development

The CRC segment successfully secured export orders to Central European markets during the year, marking its first exports to the European market. This opened a new export market for the segment, supported by the exemption of Malaysian-origin CRC from the European Union's anti-dumping duties.

The Group also completed the pre-verification process for Carbon Border Adjustment Mechanism ("CBAM") reporting for both Steel Tube and CRC products. This enhanced the Group's preparedness for applicable environmental reporting and carbon-related requirements associated with exports to the European Union.

In addition, product origin traceability was strengthened in response to requirements for Mill Test Certificates to disclose the country of "melt and pour" of the steel. This supports compliance with export documentation requirements and strengthens controls against transshipment and the misuse of country-specific quotas.

Cost and Operational Challenges

The segments continued to face higher costs arising from the expanded SST and increased regulatory requirements, together with sustained competition from steel imports originating from China.

The Steel Tube segment was additionally affected by an Immigration Department verification exercise at one of its factories in April 2026. The exercise resulted in production disruption, higher production costs and lost production and sales opportunities.

B) Others Segment

The Other Segment primarily comprises the Group's UK operations and its Food Trading, Distribution and Retail activities under the 3Bumi umbrella.

(i) UK Operations

The Group's UK operations comprise three principal activities: wholesale distribution of steel tubes, container storage services, and the retail and distribution of Malaysian food products.

Demand for the steel tube business remained limited, particularly for non-galvanised tubes used in scaffolding applications. In view of the prolonged subdued market conditions, the Group has commenced the progressive winding down of its remaining steel tube activities and exit from the wholesale steel tube market. The exit process remains ongoing.

B) Others Segment (Cont'd)

(i) UK Operations (Cont'd)

The container storage business maintained an occupancy rate of 54.29%, unchanged from FY2025, and contributed 62.57% of total UK revenue (FY2025: 64.04%). However, lower rental rates across the UK market resulted in a 5.19% decline in rental revenue from RM0.135 million to RM0.128 million. The Group will continue to strengthen its marketing and promotional efforts to improve occupancy and revenue generation.

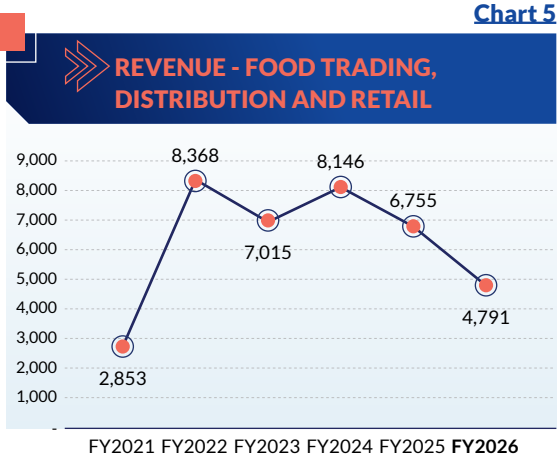
The Group also ceased operations of its UK retail outlet for Malaysian food products at the end of April 2026, after approximately one year of operations, as revenue generated remained insufficient to cover the associated overheads. The Group is evaluating alternative approaches for the UK food business, including operating as an importer supplying third-party distributors on an order-to-order basis from Malaysia, continuing as a distributor supplying local supermarkets while developing additional retail channels, or exiting the UK food business entirely. The appropriate strategy remains under assessment.

Overall, the UK operations recorded a net loss of RM1.41 million in FY2026, an improvement from the net loss of RM1.51 million in FY2025.

(ii) Food Trading, Distribution and Retail Operations

The Group's Food Trading, Distribution and Retail operations under the 3Bumi umbrella recorded revenue of RM4.79 million in FY2026, a 29.14% decline from RM6.76 million in FY2025 (refer Chart 5). Despite the lower revenue, the operations' net loss narrowed by 5.36% to RM4.59 million, compared with RM4.85 million in the previous year.

Chart 5



Revenue was principally generated from two businesses: the "Frozen Meat & Seafood" trading business, which contributed RM3.20 million, and the "Edible Oil" bottling and distribution business, which contributed RM1.55 million in FY2026. The remaining RM0.04 million was attributable to the Group's Cambodia business, which was fully exited as at 30 June 2026.

"Frozen Meat & Seafood" Trading Business

During the year, the "Frozen Meat & Seafood" trading business secured the exclusive right to import and introduce halal-certified turkey from Russia into Malaysia, with certification recognised by the Department of Islamic Development Malaysia ("JAKIM"). This marked an important milestone in expanding the Group's food trading portfolio and strengthened its participation in the halal food market.

The Russian turkey received encouraging market acceptance following its introduction. With marketing support from the Russian Embassy and the Russian supplier, the business continued to build product awareness and establish its market presence in Malaysia.

The trading business also expanded its product portfolio into pet food, which was introduced through selected pet supply retailers and Shopee, a digital retail platform. Initial market response was encouraging, and the Group will continue to assess opportunities to expand its distribution channels and product range.





Launch of JAKIM-Certified Halal Russian Turkey at Bangsar Fine Foods

B) Others Segment (Cont'd)

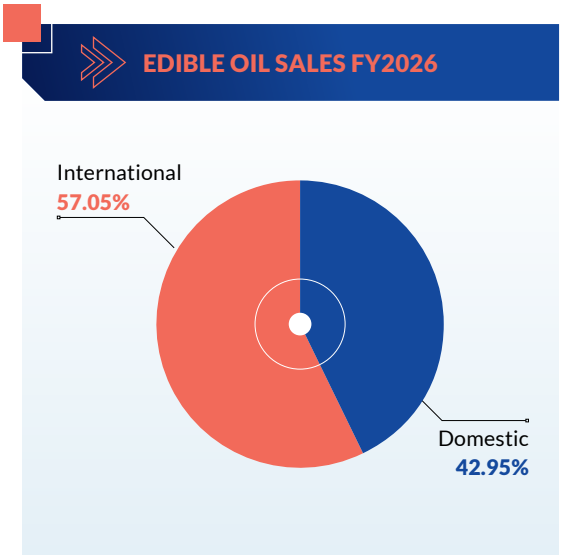
(ii) Food Trading, Distribution and Retail Operations (Cont'd)

"Edible Oil" Bottling and Distribution Business

The "Edible Oil" business faced higher crude palm oil ("CPO") prices and freight costs during the year, partly reflecting geopolitical developments in West Asia. These cost pressures, coupled with weaker market demand, contributed to a significant decline in sales of 45.80%, from RM2.86 million in FY2025 to RM1.55 million in FY2026.

Domestic and international sales declined by 49.11% and 42.56%, respectively. International markets nevertheless remained the larger contributor, accounting for 57.05% of total sales compared with 54.06% in FY2025.

To broaden its market reach and respond to changing consumer purchasing behaviour, the business expanded its distribution channels through digital retail platforms, including Shopee and TikTok. The initial response to online sales was encouraging, providing an additional avenue to improve product accessibility and market reach.



Outlook Ahead

Global Economic Outlook

The global economy has remained relatively resilient despite the impact of the West Asia conflict. An interim agreement between the United States and Iran in mid-June 2026 had raised expectations of de-escalation and greater stability in energy markets and regional shipping routes. However, the subsequent resumption of hostilities highlighted the continuing fragility of the geopolitical environment.

Energy supplies, shipping routes and global trade therefore remain exposed to disruption, while commodity prices remain elevated relative to pre-conflict levels.

Geopolitical and policy uncertainty is expected to remain elevated through 2027. Global growth is projected to moderate to 3.0% in 2026 before recovering to 3.4% in 2027 amid gradually tighter fiscal conditions across advanced and emerging economies.

For the Group, volatility in energy and commodity prices, freight costs and supply chain conditions will remain important factors influencing operating costs, market demand and overall performance.

Steel Industry Outlook

(a) International Trade and Market Access

Global steel markets are expected to remain challenging as major economies continue to strengthen trade protection measures in response to persistent overcapacity and trade diversion.

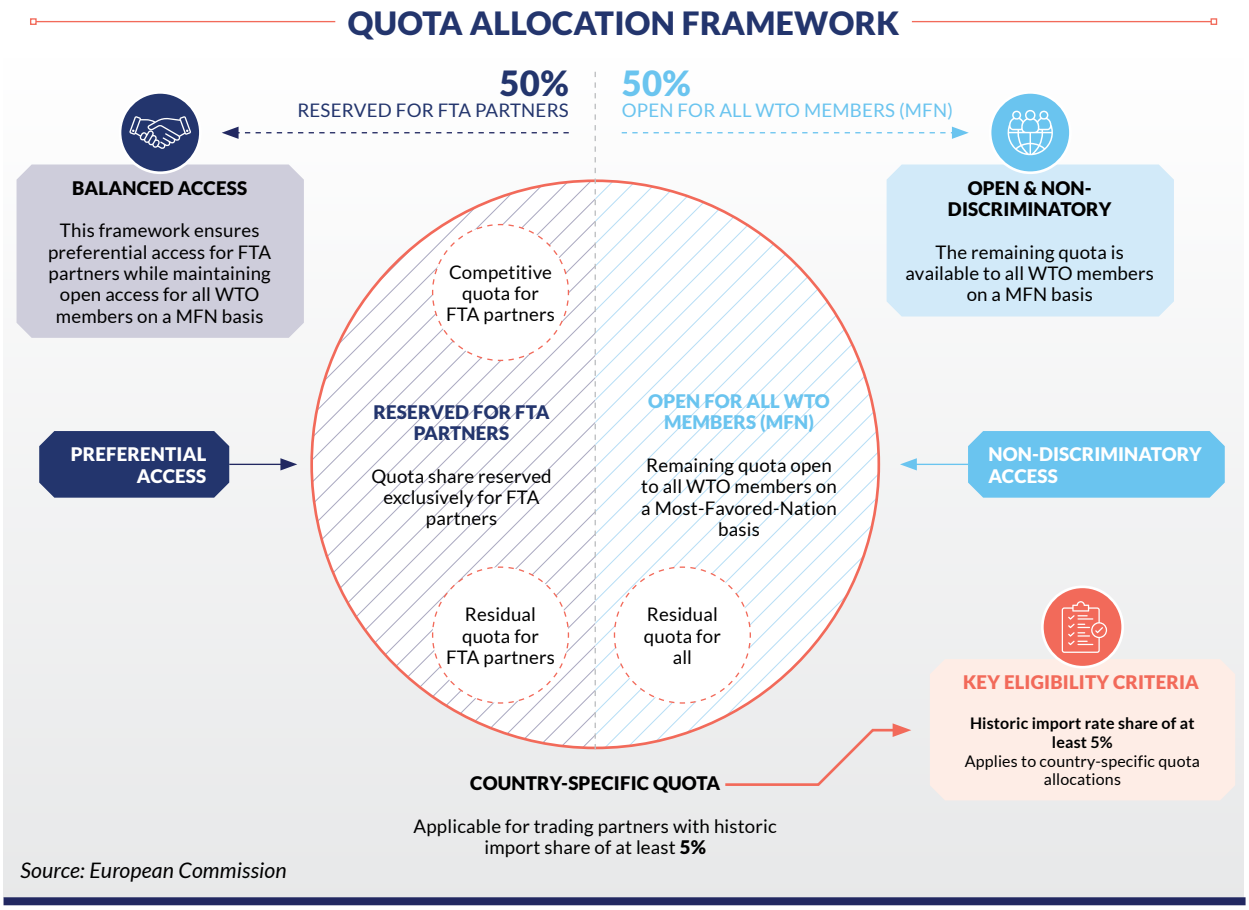
Effective 1 July 2026, the European Union ("EU") further tightened its steel safeguard measures and import quotas to protect domestic producers from the effects of global overcapacity and trade diversion, while supporting higher capacity utilisation within the bloc. Under the revised regime, annual tariff-free steel import quotas have been reduced by approximately 47%, while imports exceeding the applicable quotas are subject to a 50% tariff across 26 categories of steel products, compared with the previous safeguard rate.

Malaysia has been allocated a country-specific quota only for non-alloy and other alloy wire rod. For other steel products, Malaysian exporters must compete for the residual "Other Countries" quota on a first-come, first-served basis. In the absence of a free trade agreement ("FTA") between Malaysia and the EU, Malaysian exporters are also not eligible for the more favourable quota allocations available to FTA partners. These arrangements may constrain market access and increase the competitive pressure on Malaysian steel exporters to the EU.

Outlook Ahead (Cont'd)

Steel Industry Outlook (Cont'd)

(a) International Trade and Market Access (Cont'd)



The Malaysian Government continues to engage with the EU to strengthen Malaysia's trade position through the ongoing Malaysia-EU Free Trade Agreement ("MEUFTA") negotiations, which are targeted for completion in 2027. The outcome of these negotiations, together with the European Commission's scheduled review of the EU steel safeguard arrangements by 30 June 2027, will be important developments for future market access.

In the United States, Malaysian steel remains subject to the 50% Section 232 tariff, while access to the Mexican market continues to be affected by registration and classification requirements, despite the market access objectives of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

Following the recent delisting of the Group's CRC segment from Mexico's catalogue of global steel mills subject to stringent import requirements, the Group is exploring opportunities to resume selected business in Mexico. The CRC segment is working with an approved Hot Rolled Coil melt-and-pour manufacturer to facilitate compliant market entry and support the potential resumption of exports to Mexico.

(b) Domestic Steel Market

Domestic steel demand is expected to remain supported by ongoing economic and infrastructure activity, although growth may moderate in the near term.

The first half of FY2027 may face softer demand and margin pressure amid renewed declines in steel prices, cautious purchasing behaviour and heightened competition. Trade diversion following tighter market access in major Western economies may also result in greater penetration of imported steel into the domestic market. Increased competition from regional producers with comparatively lower production costs could place further pressure on domestic pricing and margins.

Against these conditions, the Group will remain focused on production efficiency, cost management, product competitiveness and disciplined market positioning to manage near-term volatility.

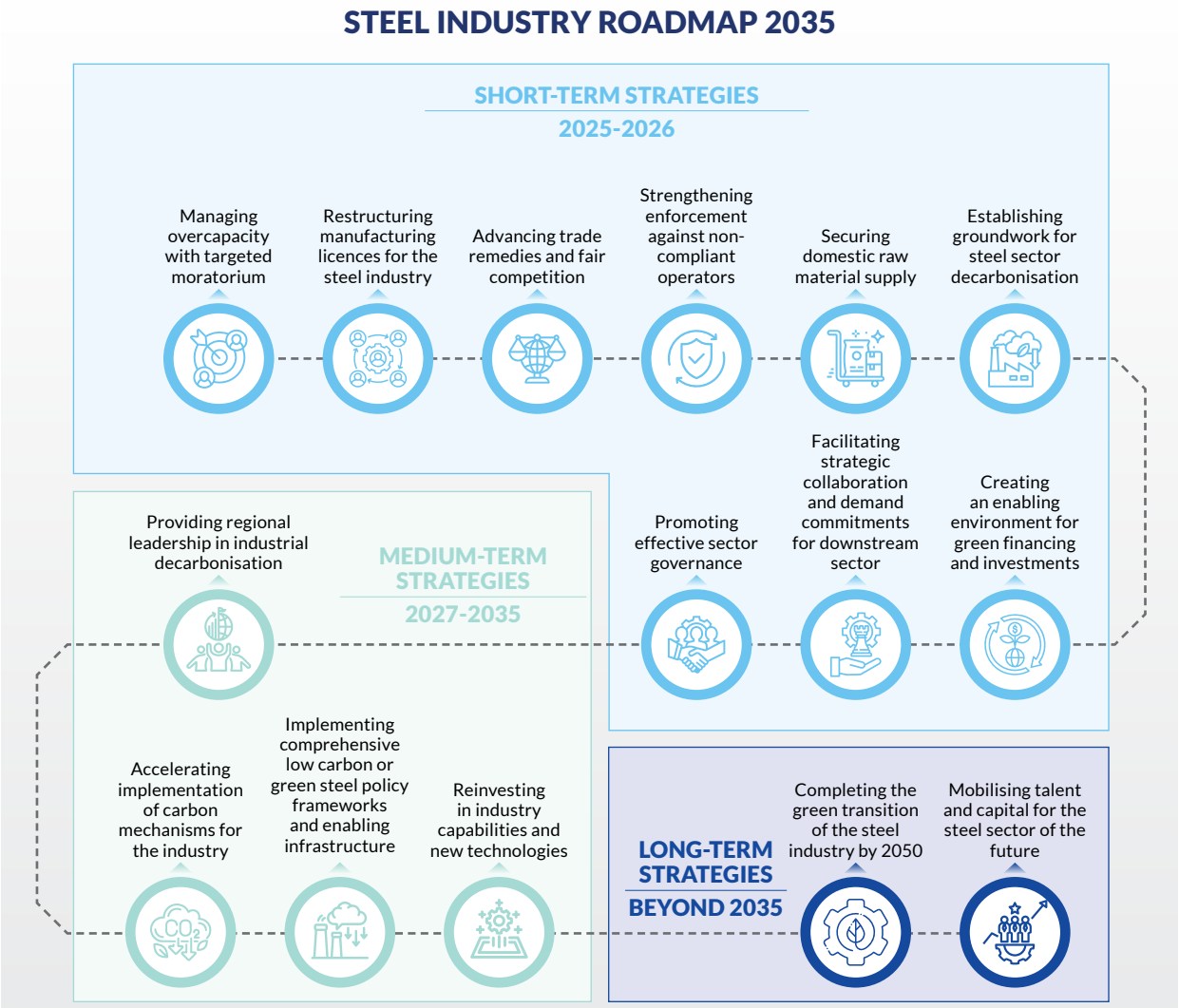
Outlook Ahead (Cont'd)

Steel Industry Outlook (Cont'd)

(c) Steel Industry Roadmap 2035

The launch of the Steel Industry Roadmap 2035 ("SIR2035") by the Ministry of Investment, Trade and Industry ("MITI") provides a clearer policy direction for strengthening the competitiveness, resilience and sustainability of Malaysia's iron and steel industry.

The SIR2035 sets out 15 strategies across three phases, with the near-term focus on managing overcapacity, restructuring manufacturing licences, strengthening trade remedies and enforcement, and establishing the foundation for industry decarbonisation.



Source: Ministry of Investment, Trade and Industry

From 2027 onwards, the focus is expected to progressively shift towards industrial decarbonisation, low-carbon technologies, green infrastructure and enhanced industry capabilities, with the longer-term objective of supporting the industry's transition towards 2050.

For the Group, SIR2035 is expected to shape the operating environment for the steel industry through measures relating to capacity discipline, fair competition, regulatory requirements and the transition towards lower-carbon production. The Group will continue to monitor policy developments and align its operations with the evolving regulatory and market environment.

Outlook Ahead (Cont'd)

Food Business Outlook

(a) Frozen Meat & Seafood Trading Business

Food inflation remains a key consideration for ASEAN economies as higher input costs and adverse weather conditions may continue to feed through to consumer prices.

The potential development of a strong El Niño could intensify weather-related disruptions to agricultural production, logistics and marine activities. At the same time, renewed escalation of the West Asia conflict could also add pressure to energy, shipping and food costs.

In Malaysia, food price pressures may be partly cushioned by the country's commodity exports. Nevertheless, higher transportation costs, financial market volatility and potential disruptions to food supply chains could continue to affect the trading environment. Hotter and drier conditions, particularly from late 2026 into early 2027, may also increase electricity consumption and disrupt supply chains.

The Group will therefore continue to strengthen sourcing and supply chain resilience through diversified import sources, reliable supplier relationships and greater procurement flexibility. These measures are intended to improve the Group's ability to manage supply disruptions, input cost volatility and changes in market demand while maintaining service reliability and competitiveness.

(b) Edible Oils Market

The Malaysian cooking and edible oils market is projected to grow at a compound annual growth rate ("CAGR") of approximately 4.7% through 2031, supported by population growth, urbanisation, evolving dietary preferences and the continued expansion of the food manufacturing and processing sector.

Rising health consciousness and the growing consumption of processed and plant-based foods may also support demand for healthier, sustainable and value-added edible oil products.

Malaysia's strategic location and established palm oil supply chain position the country as an important regional hub for edible oil production and distribution. Nevertheless, the industry remains exposed to international trade policies, evolving sustainability and environmental requirements, global commodity price movements, transportation costs and foreign exchange fluctuations.

CPO prices remain a key cost driver and are expected to remain elevated in the near term before moderating over the medium term. Sustained higher CPO prices could increase raw material costs and place pressure on margins, while affecting the competitiveness of Malaysian palm-based oils against alternative vegetable oils in price-sensitive export markets.



The Group will remain focused on managing commodity price exposure, improving operational efficiency and responding to changing market and consumer requirements. Continued attention to cost management, sourcing flexibility and market responsiveness will remain important to maintaining competitiveness as the edible oils market evolves.

Conclusion

The Group enters FY2027 against a backdrop of continued geopolitical and trade uncertainty, commodity and energy price volatility, supply chain disruptions and changing market demand.

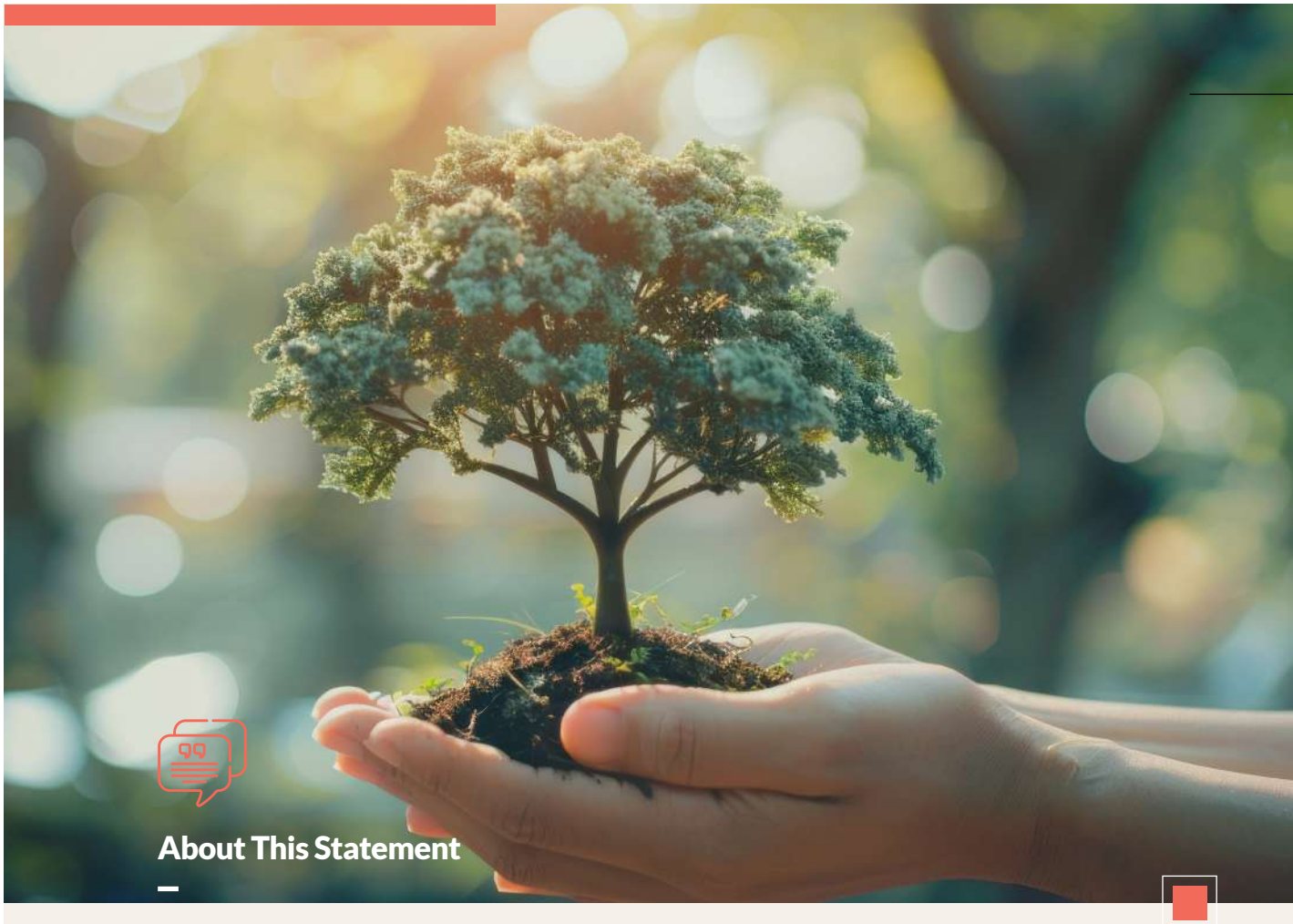
The Steel Division will continue to navigate international trade barriers, domestic competitive pressures and the industry's transition towards more sustainable and lower-carbon production. The Food Division, meanwhile, remains exposed to fluctuations in food, commodity and logistics costs.

Against these conditions, the Group will maintain its focus on operational resilience, cost and capital discipline, supply chain flexibility and prudent market positioning. Management will continue to monitor external developments closely, adapt strategies where necessary and pursue opportunities aligned with the Group's capabilities.

These efforts are directed towards sustaining the improvement achieved in FY2026, strengthening the Group's competitive position and delivering sustainable long-term value to stakeholders.



SUSTAINABILITY STATEMENT



About This Statement

This Sustainability Statement has been prepared in accordance with the Bursa Malaysia Main Market Listing Requirements, including Appendix 9C, Paragraph 29, and Practice Note 9, Paragraph 6. The Group has also applied the relevant principles and guidance set out in the 3rd Edition of Bursa Malaysia's Sustainability Reporting Guide in preparing this Statement.

The Statement is further informed by the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") and references the International Financial Reporting Standards ("IFRS") S1 and S2 issued by the International Sustainability Standards Board ("ISSB"), as well as the Global Reporting Initiative ("GRI") Standards, where relevant. The Group's sustainability initiatives and contributions are also guided by the United Nations Sustainable Development Goals ("UN SDGs").

The Group continues to enhance its sustainability reporting practices and progressively align its disclosures with applicable sustainability reporting requirements and recognised reporting frameworks.

Scope and Content

This Sustainability Statement provides an overview of the Group's environmental, social and governance ("ESG") commitments, priorities, initiatives and performance for the financial year ended 30 June 2026 ("FY2026"), together with comparative information for the preceding financial year, where applicable.

The Statement focuses on the Group's material sustainability matters, including relevant climate-related risks and opportunities, and describes the Group's approach to managing these matters, together with selected performance indicators and progress against relevant targets.

To avoid duplication, information relating to the Group's operations, corporate governance and risk management practices is presented in other sections of this Annual Report. This Statement should therefore be read together with the Chairman's Statement, Management Discussion and Analysis, Corporate Governance Overview, and Statement on Risk Management and Internal Control to provide a comprehensive understanding of the Group's business, sustainability performance, governance and risk management approach.

Reporting Boundary

Unless otherwise stated, the disclosures in this Statement cover the Group's operations and entities within the reporting boundary for FY2026. Where specific data or disclosures relate only to selected operations or business segments, the relevant scope is clearly indicated.

Data Integrity and Use of External Sources

The Group endeavours to ensure that the sustainability information and performance data presented in this Statement are accurate, complete and consistent with the information used internally for management and monitoring purposes.

Certain sustainability information may involve estimates, assumptions, management judgement, industry data or information obtained from external sources. Where relevant, the Group applies appropriate measurement methodologies, conversion factors and estimation techniques. Changes in methodologies, assumptions or data availability may affect the comparability of certain information and may result in differences from previously reported figures.

External sources and references used in preparing this Statement are considered by management to be reliable based on the information available at the time of preparation. However, not all information obtained from external sources is independently verified by the Group.

Forward-looking information, estimates and assumptions are subject to inherent uncertainties and actual results or future outcomes may differ. Readers are therefore advised to consider such information in the context of the underlying assumptions and limitations disclosed.

Statement of Assurance

The Board of Directors and management are responsible for the preparation and presentation of this Sustainability Statement and for establishing appropriate processes and controls to support the reliability of the sustainability information and performance data disclosed.

The sustainability information presented is based, where applicable, on data and information used internally by the Group to monitor performance and assess progress against its sustainability objectives and targets.

To enhance the credibility and reliability of the Sustainability Statement for FY2026, selected sustainability indicators have been subject to independent limited assurance in accordance with the applicable recognised assurance standards. The scope, subject matter and conclusion of the independent assurance are set out in Appendix I of this Sustainability Statement.

This Sustainability Statement has been reviewed and approved for issuance by the Board of Directors, upon the recommendation of the Risk & Sustainability Committee.

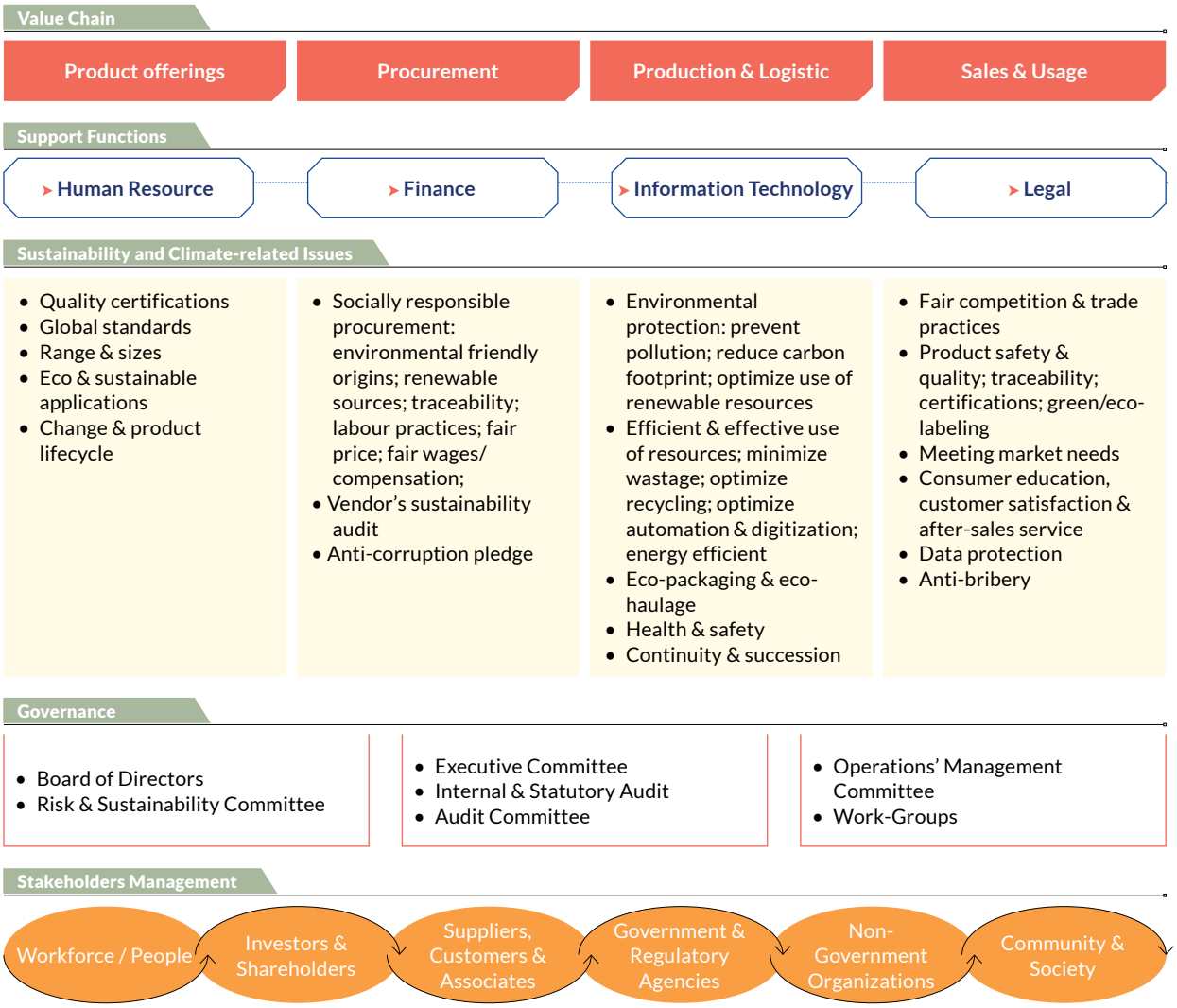
Overview

The Group is committed to conducting its business responsibly by balancing economic, environmental and social considerations and taking into account the interests of its stakeholders, including investors, customers, employees, suppliers and local communities.

Long-term value creation depends on sustainable business performance, responsible management of environmental and social impacts and constructive stakeholder relationships. Accordingly, the Group focuses on managing material sustainability and climate-related risks and opportunities ("CRROs"), strengthening resilience and responding to evolving stakeholder expectations.

An overview of the Group's sustainability approach and value chain is illustrated in **Illustration 1**.

ILLUSTRATION 1



Sustainability Framework

Sustainability is embedded in the way the Group creates and protects long-term value. It informs how the Group manages risks and opportunities, allocates resources, operates its businesses and engages with stakeholders and communities.

SUSTAINABILITY FRAMEWORK

Environment	Social	Governance	Economic
Building Environmental and Climate Resilience	Empowering People and Communities	Sustainable Growth through Governance	Long-term Economic Growth and Development
• Climate Change • Energy Management • Waste Management • Water Stewardship • Pollution and Effluent Management	• Human Rights and Labour Standards • Employee Development and Well-being • Occupational Health and Safety • Community Engagement	• Corporate Governance and Business Ethics • Data Privacy and Cybersecurity • Risk Management • Regulatory Compliance	• Responsible Supply Chain Management • Product Quality and Customer Responsibility • Economic Performance

Melewar is committed to 15 United Nations Sustainable Development Goals



Sustainability Governance

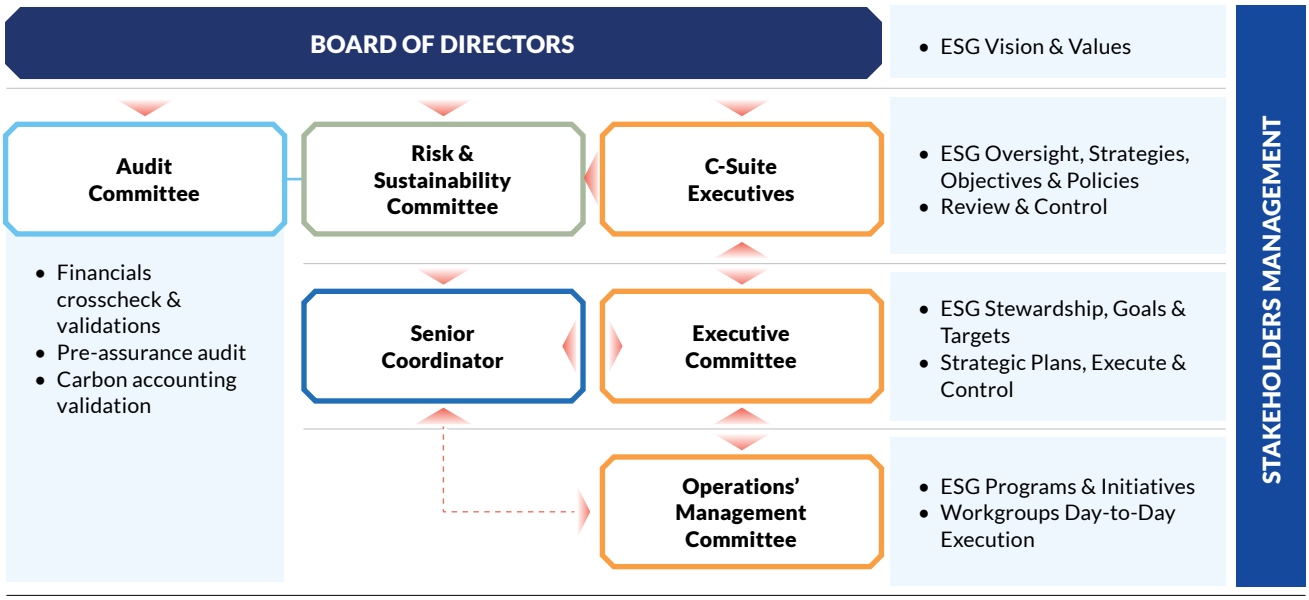
Integrity and ethical conduct underpin the Group's sustainability governance. They promote accountability, transparency and sound decision-making in the management of sustainability matters.

Sustainability governance is integrated with the Group's broader corporate governance and risk management framework. Climate-related matters are considered alongside other material environmental, social and community priorities according to their relevance and potential impact.

Sustainability Governance Structure at Melewar

Sustainability and climate-related responsibilities are embedded across the Group's management structure and apply to all business operations, including Steel Manufacturing and Food Processing and Trading. Management at all levels is expected to identify, assess and manage sustainability and climate-related matters relevant to their respective areas of responsibility.

For the Steel Manufacturing operations, environmental and climate-related considerations have long formed part of operational management and regulatory compliance, given the nature and energy intensity of the manufacturing activities. The Group continues to strengthen its approach through initiatives relating to emissions reduction, energy efficiency, renewable energy, resource efficiency, climate resilience and operational continuity.



For the Food Processing and Trading operations, management focuses on sustainability and climate-related matters relevant to the nature of the business, including energy and water use, food safety and quality, waste management, supply chain resilience, resource availability and potential physical climate impacts on processing and distribution activities.

At Group level, the Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), Chief Operating Officers ("COOs") and Head of Departments ("HODs") are accountable for sustainability and climate-related matters within their respective areas of responsibility. They are supported by the Group's management committees and a designated senior manager responsible for coordinating sustainability, climate-related and risk management activities and reporting.

Sustainability Governance (Cont'd)

Sustainability Governance Structure at Melewar (Cont'd)

This shared accountability enables matters to be managed according to the characteristics and risk profile of each business while maintaining consistent Group-level oversight, coordination and escalation. The responsibilities of the respective governance bodies are set out below.

Governance Body	Primary Responsibility	Key Responsibilities	Frequency
Board of Directors	Ultimate oversight and accountability	• Approves the Group's sustainability and climate-related direction, policies and key commitments. • Oversees the Group's exposure to material sustainability and climate-related matters. • Ensures appropriate governance and accountability are in place.	Quarterly/ As required
Risk & Sustainability Committee ("RSC")	Strategic oversight and monitoring	• Reviews the Group's sustainability and climate strategies, objectives and performance. • Oversees material ESGs and CRROs. • Monitors progress against sustainability and climate-related targets and key initiatives. • Reports significant matters to the Board, where appropriate.	Quarterly
Executive Committee ("EXCO")	Management direction and coordination forum	• Deliberates on Group-level sustainability and climate-related priorities and their strategic and financial implications. • Coordinates cross-functional implementation priorities and resources. • Reviews significant sustainability and climate-related matters requiring management attention or escalation.	Monthly
Operations' Management Committee ("MANCO")	Operational management and implementation forum	• Deliberates on operational sustainability and climate-related matters. • Reviews implementation progress, operational KPIs and action plans. • Coordinates corrective actions and addresses operational issues arising from sustainability and climate-related initiatives. • Escalates significant operational matters to EXCO.	Monthly
Audit Committee ("AC")	Reporting integrity and assurance oversight	• Oversees the reliability and integrity of sustainability and climate-related reporting. • Reviews the adequacy of relevant internal controls and reporting processes. • Oversees internal and external assurance matters relating to sustainability disclosures, where applicable.	Quarterly
C-Suite Executives • **CEO** • **CFO** • **COOs & HODs**	Individual accountability and delivery	• **CEO**: Provides executive leadership and ensures sustainability and climate considerations are reflected in overall business priorities. • **CFO**: Oversees sustainability and climate-related reporting requirements and financial governance of ESG-related investments and initiatives. • **COOs & HODs**: Own and implement relevant action plans within their respective areas, monitor assigned KPIs, and manage related risks and opportunities. • Collectively, management ensures agreed actions are implemented, performance is monitored and significant matters are escalated through the appropriate governance channels.	Ongoing
Senior Coordinator	Coordination and reporting	• Coordinates Group-wide sustainability, climate and risk management activities. • Consolidates sustainability and climate-related performance information for management and governance reporting. • Facilitates cross-functional coordination and stakeholder communications. • Tracks implementation and follow-up actions arising from governance forums.	Ongoing

Sustainability Governance (Cont'd)

Sustainability Governance Structure at Melewar (Cont'd)

How Management Does It

ESG AND CLIMATE-RELATED RISKS & OPPORTUNITIES

Identification	Assessment & Prioritization	Strategies, Goals & Targets	Initiatives & Programs	Measure & Control
• Global & Domestic Climate Events & Trends • Emerging Laws & Regulations • Emerging Technologies • Scenario Analysis • Value-Chain • Procurement & Investments	• Business & Financial Impact • Importance to Stakeholders • Cost vs Benefit Trade-offs	• Short, Medium & Long Term • Win-Win Strategies • SMART Goals • Global & National Targets • Metrics & Methods • Benchmarks	• Technical & Financial Feasibility • High Impact & Low Hanging Fruits • Short, Medium & Long Term	• Reports & Monitoring • Adjustments & Realignment • Effectiveness & Optimization

"Climate & other ESG factors" is a foremost criterion we consider in our procurement and investment decisions



Strategy – Approach to Stakeholder Engagement

Stakeholder engagement supports the Group's understanding of material sustainability and climate-related matters and helps shape appropriate responses. The Group engages investors, employees, customers, suppliers, regulators and communities through channels suited to their respective needs and interests.

The Group promotes two-way communication to ensure that stakeholder perspectives are heard and considered throughout its sustainability journey. Stakeholder insights enable the Group to anticipate emerging challenges, identify opportunities, understand evolving expectations and strengthen its sustainability and climate-related strategies. The table below summarises the Group's key stakeholder groups and the principal modes of engagement.

Stakeholder Groups	Focus Areas	Engagement Channels	Our Response
Investors, shareholders and financiers	• Business strategies and future plans • Return on investment • Financial and operational performance • Strong management and corporate governance • Sustainability initiatives	• Annual general meeting • Annual report • Quarterly financial reports • Announcements • Press releases • Corporate website	• Uphold sound governance practices across the Group • Provide timely updates on the Group's strategy and financial performance through official announcement
Employees	• Occupational health and safety • Business growth and strategic direction • Inclusive and supportive workplace • Remuneration and benefits • Career development and upskilling opportunities	• Workshop discussions / townhall • Induction training • Learning & development programmes • Annual performance appraisals	• Ensure full compliance with the Occupational Safety and Health Act ("OSHA") • Promote transparent and consistent communication across all levels • Provide equal employment opportunities and a non-discriminatory work environment • Offer competitive remuneration and benefits packages • Support career growth through relevant upskilling and training
Customers	• Safe and quality products • Customer experience (i.e. speed of service response, on time delivery) • Regulatory compliance • Third party food certifications • Data privacy	• Feedback survey • Face-to-face interactions • Online platform (Facebook)	• Deliver affordable and high-quality products • Maintain adherence to strict food safety and quality standards • Comply with the Personal Data Protection Act 2010 to safeguard customer information
Business associates and suppliers	• Business continuity • Transparency in procurement process • Timely payment	• Face-to-face interactions & meetings • Supplier assessment • Food safety and quality audits	• Ensure transparent and fair procurement practices • Make timely payments in accordance with agreed credit terms

Strategy – Approach to Stakeholder Engagement (Cont'd)

Stakeholder Groups	Focus Areas	Engagement Channels	Our Response
Government, regulators and Non-Governmental Organizations (NGOs)	• Regulatory compliance • Responsible business practices • Industry trends & standards	• Compliance reports • Meetings • Site inspections and/or audits	• Implement strict food safety controls including Hazard Analysis and Critical Control Point ("HACCP") • Adopt best practices in accordance with the Malaysian Code on Corporate Governance • Regularly review and monitor operations to ensure full compliance with applicable regulations
Community & Society	• Direct & indirect economic contribution • Responsible environmental management & contributions to society	• Corporate philanthropy activities • Corporate website	• Invest in initiatives that enhance community well-being

Stakeholder feedback is reviewed and, where relevant, incorporated into strategic planning, decision-making and sustainability management. These insights inform materiality assessments, sustainability priorities and areas for improvement.

Ongoing stakeholder engagement also provides insight into emerging climate-related concerns and helps the Group refine its climate priorities and responses. Through continued dialogue, the Group seeks to strengthen transparency, accountability and long-term stakeholder relationships.

Strategy – Materiality Assessment

Materiality assessment helps the Group focus its sustainability strategy on matters that are most significant to the Group and its stakeholders.

In FY2026, the Group conducted a full materiality reassessment to reaffirm the relevance and significance of sustainability matters across its operating segments. The assessment considered financial materiality and stakeholder importance in determining matters requiring management attention and disclosure.

Financial materiality considers the potential effects of sustainability-related matters on the Group's business model, strategy, financial position, financial performance, cash flows, access to finance and long-term value creation. Stakeholder importance considers the significance and relevance of sustainability matters to the Group's key stakeholders, including employees, customers, suppliers, regulators, communities and other relevant stakeholders.

Strategy – Materiality Assessment (Cont'd)

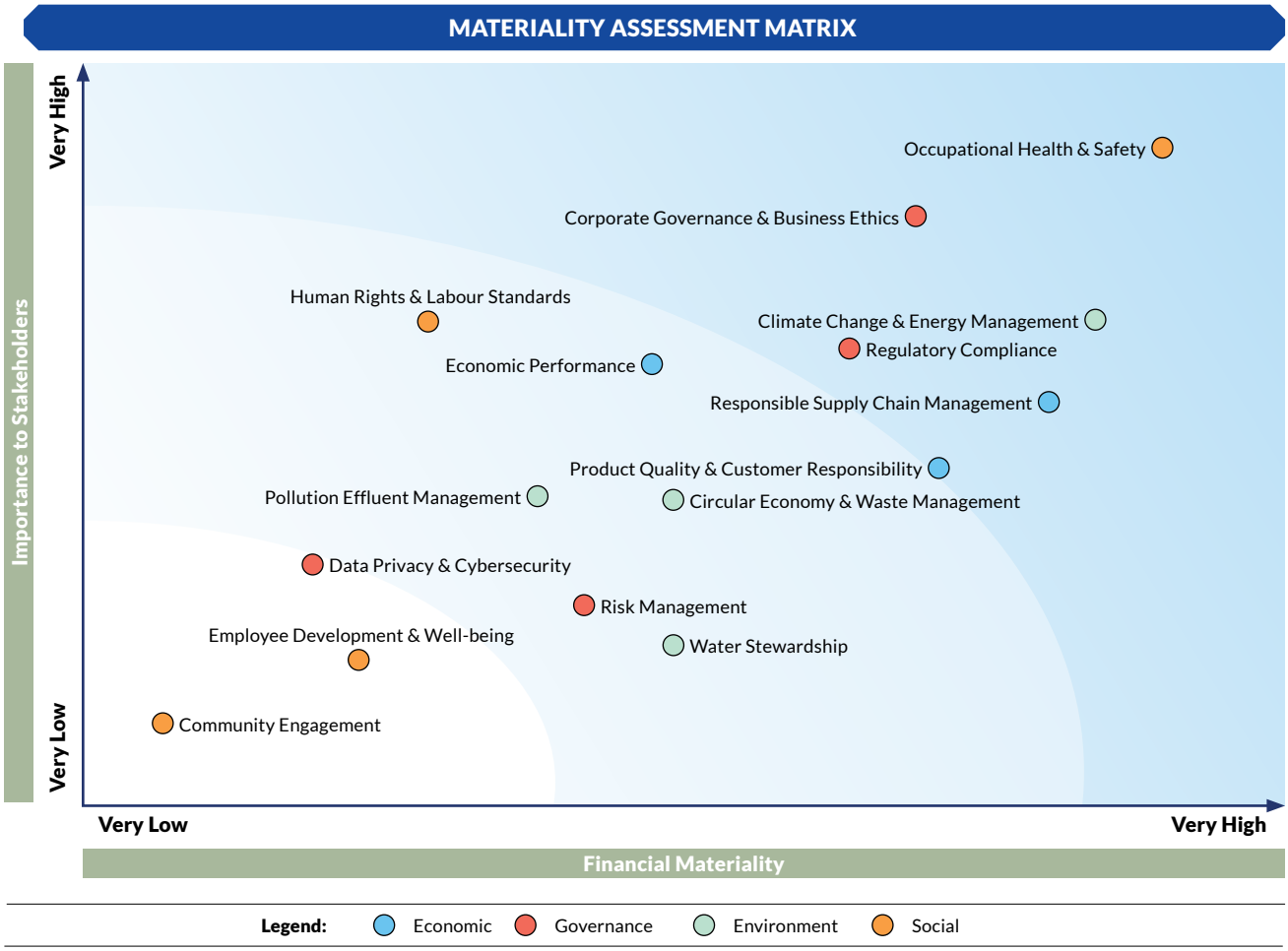
Key Outcomes of the Materiality Assessment – Operating Segments

The Group's material sustainability matters reflect the differing nature, scale and risk profiles of its operating segments. The Steel Manufacturing operations, being predominantly manufacturing-based, have comparatively greater direct environmental and operational significance due to their energy intensity, resource consumption, emissions profile and exposure to related environmental and climate-related risks.

In contrast, the Group's Non-steel operations generally have a lower direct environmental footprint. Within this segment, the Food Division, which is involved in the processing, trading and distribution of food products, also has a relatively lower direct environmental impact compared with the Group's overall environmental footprint during the reporting period. Nevertheless, sustainability matters remain relevant to these businesses, particularly in areas such as product quality and safety, supply chain management, business ethics, employee-related matters and other operational and stakeholder considerations.

Accordingly, the Group's materiality assessment takes into consideration the different characteristics, activities, impacts and stakeholder expectations of each operating segment. The resulting key sustainability focus areas are presented separately for Steel Manufacturing operations in **Illustration 2(a)** and Non-steel operations in **Illustration 2(b)**.

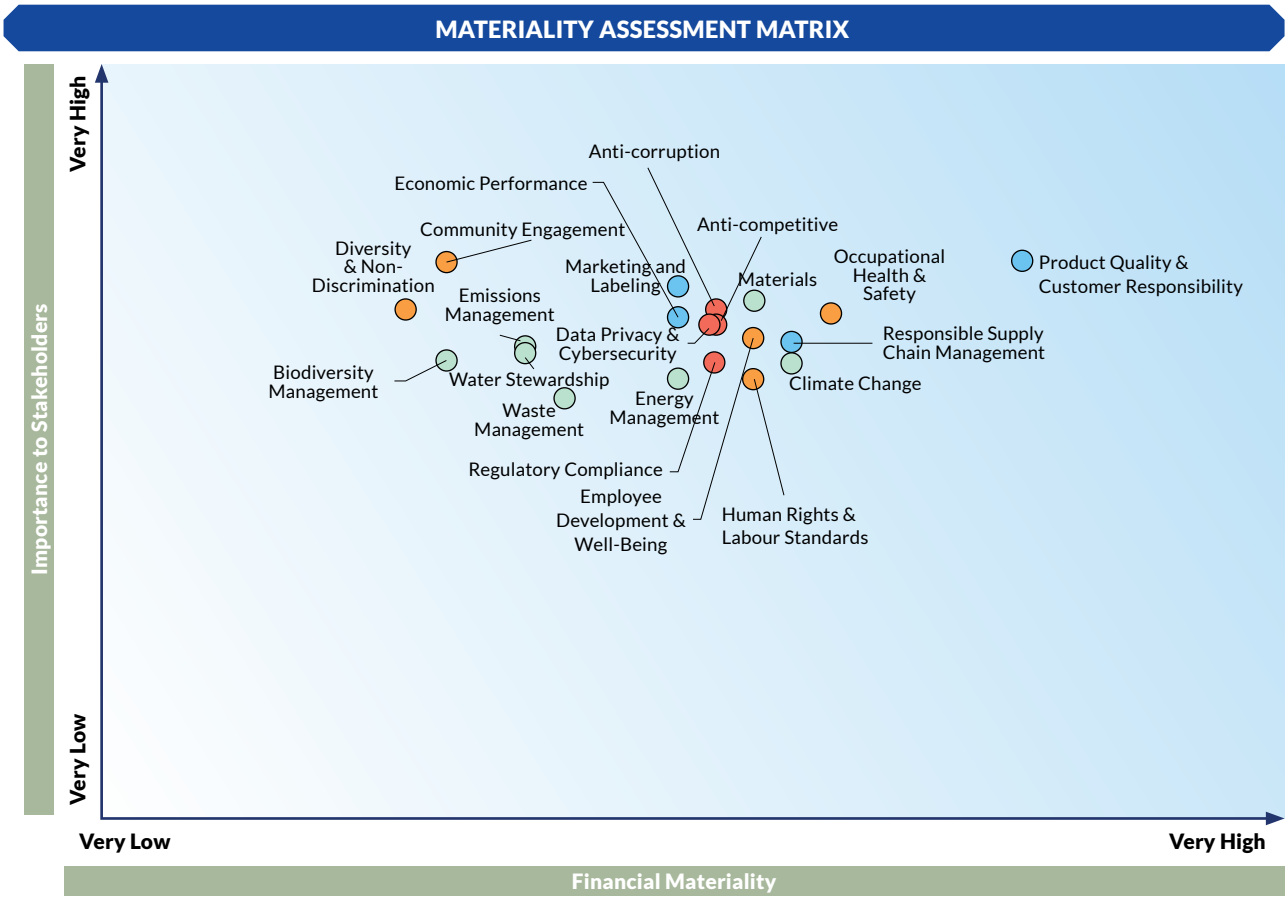
ILLUSTRATION 2(A) – STEEL MANUFACTURING OPERATIONS



Strategy – Materiality Assessment (Cont'd)

Key Outcomes of the Materiality Assessment – Operating Segments (Cont'd)

ILLUSTRATION 2(B) – NON-STEEL OPERATIONS



Pursuant to the materiality assessment process, the Group identified the following material sustainability matters:

Pillar	Material Sustainability Matters	
Environment	• Climate Change • Energy Management • Pollution and Effluent Management	• Waste Management • Water Stewardship
Social	• Human Rights and Labour Standards • Employee Development and Well-being	• Occupational Health and Safety • Community Engagement
Governance	• Corporate Governance and Business Ethics • Data Privacy and Cybersecurity	
Economic	• Responsible Supply Chain Management • Product Quality and Customer Responsibility	• Economic Performance

Strategy – Materiality Assessment (Cont'd)

Key Outcomes of the Materiality Assessment – Operating Segments (Cont'd)

Materiality is dynamic and may change with market conditions, stakeholder expectations, regulatory developments, business activities and climate-related impacts. The Group therefore reviews its materiality framework annually, taking into account emerging trends, stakeholder feedback and performance against established targets.

The outcomes of the materiality assessment provide an important input to the Group's identification and assessment of sustainability-related risks and opportunities ("SRROs"). Material sustainability matters identified through the assessment are considered within the Group's risk management processes to identify associated risks and opportunities, assess their potential implications to the Group and determine appropriate responses. Conversely, significant developments and emerging risks identified through ongoing risk management and monitoring are considered in subsequent materiality reviews. This creates a continuous feedback loop between the Group's materiality assessment, risk management and sustainability strategy.

Risk Management

The Group manages sustainability-related matters, including SRROs and CRROs, through its established Enterprise Risk Management ("ERM") framework. The process covers identification, assessment, prioritisation, response, monitoring and performance measurement, with climate-related matters integrated into the broader risk management process.

01 IDENTIFICATION & ASSESSMENT	02 PRIORITIZATION, STRATEGIES & MEASURE	03 MONITORING, REVIEW & VALIDATION
• Benchmarks on ESG standards & indices • ESG news & developments (e.g. markets, regulatory, authorities) • Industry & business specific (ESG laws & regulations) • Stakeholders' wants (engagement if needed)	• Industry context & expert knowledge • Issues weightage • Management consensus • SMART targets	• Periodic review at operation & functional levels • Approval & validation by the Board/RSC • Bi-annual review & adjustment on assessment process
PERIODIC REVISITS		
• New & emerging sustainability and climate-related issues (SRROs & CRROs)	• Review emerging trends & refresh inputs from stakeholders • Re-prioritize materiality	• Update approval & validation

Risk management is embedded in the Group's operations and decision-making. Senior management provides direction within the Group's risk appetite and strategic priorities, while employees are responsible for identifying, escalating and managing risks relevant to their roles. This shared responsibility supports a consistent and timely response to emerging risks.

Risk Management (Cont'd)

Identification & Assessment

The Group identifies SRROs across relevant ESG matters. For climate change, the Group further identifies and assesses climate-related physical and transition risks and opportunities based on their potential impacts on the Group and its key stakeholders.

The identification of risks and opportunities is undertaken in an integrated manner, recognising that emerging risks may also present potential opportunities. The Group periodically engages relevant internal and external stakeholders, including key personnel, suppliers, customers and relevant authorities, to obtain insights on emerging developments and considerations. These insights are incorporated into the Group's risk assessment and inform the development or refinement of appropriate responses.

The Group assesses SRROs across short-, medium- and long-term time horizons, taking into consideration their potential impacts on the Group's business model, operations, financial performance and long-term value creation. The assessment also considers relevant factors such as the nature, magnitude and likelihood of potential impacts, where applicable.

For all SRROs except climate-related matters, the Group applies the following time horizons:

Time Horizon	Period	Alignment
Short-term	1 year	In alignment with the budgeting cycle
Medium-term	2-5 years	In alignment with the business planning cycle
Long-term	More than 5 years	In alignment with ERM assessment timeframes

For CRROs, the Group applies strategic decision-making time horizons that are distinct from those used for other SRROs, reflecting the longer-term nature and potential persistence of climate-related impacts. Further details on the climate-related time horizons are provided on Page 35, Climate Strategy of this Statement.

Prioritization, Strategies & Measure

The prioritization of SRROs and CRROs is an ongoing process rather than a one-off exercise and is conducted through the Group's established governance and risk management processes. Relevant risks and opportunities are reviewed at least monthly, with prioritization generally undertaken through consensus among the relevant management committees.

In determining the appropriate response, the Group considers factors including the urgency and time horizon of the risk or opportunity, potential impact, available resources, effectiveness of the proposed response and the expected strategic and business outcomes. Based on the prioritization, appropriate mitigation, adaptation or opportunity-enablement strategies are developed and implemented.

Where applicable, objectives, targets and performance measures are established for strategic responses and monitored through regular management reporting. Progress against these measures is reviewed monthly to support timely corrective action and continuous improvement.

Monitoring, Review & Validation

Monitoring and review form a continuous feedback loop across operational, management and Board levels. Management regularly monitors the status and effectiveness of risk responses, while significant developments, risk crystallisation, control failures and emerging risks are escalated for review and appropriate action.

The Group's key ESG policies and strategies are subject to the appropriate management and Board-level oversight, with relevant matters escalated to the Board through the RSC. The RSC provides oversight of the Group's sustainability-related risk management and performance.

Sustainability-related and climate-related risks are also considered in conjunction with the Group's internal audit and assurance processes. Where relevant, identified risks and control considerations are incorporated into risk-based audit planning to support independent review and validation by the Internal Audit function and, where applicable, the statutory auditors.

This continuous monitoring, review and validation process enables the Group to update its risk assessments, strategies and measures in response to changes in the operating environment, emerging risks, stakeholder expectations and the Group's business strategy.

Climate Report

MATERIAL MATTER – CLIMATE CHANGE

UN SDGs aligned:



Effective climate management is critical to the resilience and long-term sustainability of the Group. The Group recognises that its Steel Manufacturing and Food Processing and Trading operations, together with their respective value chains, are exposed to CRROs.

Climate change may affect the Group through physical impacts and the transition towards a lower-carbon economy, with potential implications for operations, supply chains, resource availability, energy and operating costs, asset resilience, market dynamics, revenue, profitability, cash flows, access to finance and cost of capital.

In response, the Group integrates climate considerations into its governance, strategy and ERM processes. The Group is committed to progressing towards its long-term ambition of achieving net zero emissions by FY2050, supported by initiatives to reduce greenhouse gas ("GHG") emissions, improve operational and resource efficiency, and strengthen the resilience of its businesses.

MANAGEMENT APPROACH

The Group's climate management approach is guided by the principles of IFRS S2 Climate-related Disclosures. CRROs are identified, assessed, prioritized and monitored through the Group's governance, strategic planning and ERM processes.

Climate considerations are incorporated, where relevant, into business planning, capital expenditure decisions, operational resilience measures and risk management. The Group also considers the potential implications of CRROs for its business model, strategy, financial performance, cash flows and access to capital across relevant time horizons.

As the Steel Manufacturing operations account for approximately 99% of the Group's GHG emissions, climate-related efforts are primarily focused on reducing emissions from steel manufacturing, improving energy and operational efficiency, strengthening physical resilience and supporting the transition towards lower-carbon operations.

CLIMATE-RELATED GOVERNANCE

Climate-related matters are integrated into the Group's broader sustainability governance framework and overseen by the RSC, comprising members of the Board.

The RSC oversees material CRROs, the Group's strategic responses and progress against relevant climate-related targets and initiatives. Further details of the Group's sustainability governance framework are set out on Page 24, Sustainability Governance of this Statement.

Linking ESG to Remuneration

At the Steel Manufacturing operations level, senior management is responsible for implementing climate-related initiatives and monitoring performance against relevant sustainability and climate-related key performance indicators ("KPIs").

Selected sustainability metrics and targets are incorporated into the performance evaluation of relevant senior management. For FY2026, climate-related KPIs accounted for approximately 3% to 10% of the applicable performance assessment of key senior executives, depending on their respective roles, responsibilities and areas of influence. These KPIs include GHG emissions intensity, energy consumption, lost time incident cases and other relevant sustainability priorities.

For the Food Processing and Trading operations, the Group is progressively developing appropriate climate-related KPIs that reflect the nature and scale of these businesses. The integration of relevant climate-related KPIs into performance evaluation and remuneration frameworks will be considered as the Group's climate management practices continue to mature.

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

CLIMATE RISK MANAGEMENT

Climate risk assessment is integrated into the Group's ERM framework, enabling climate-related risks to be identified, assessed, prioritized and managed alongside other material business risks.

The Group considers both:

- **Physical risks,** including extreme weather events, changes in temperature and water availability; and
- **Transition risks,** including regulatory developments, carbon pricing, technological changes, energy-price volatility, changing market expectations and the transition towards a lower-carbon economy.

CRROs are assessed based on their potential likelihood, magnitude and duration, together with their potential implications for the Group's operations, value chain, financial performance, cash flows, access to finance and cost of capital. The assessment considers short-, medium- and long-term time horizons and is informed by changes in the Group's operating environment, regulatory requirements, technology, market conditions and broader climate-related developments.

The Group reviews its assessment at the end of each reporting period and when significant changes occur in its operations, risk profile or external environment. Material CRROs are incorporated into the Group's broader risk management and strategic planning processes.

Climate Scenario Analysis

In FY2026, the Steel Manufacturing operations assessed physical climate risks using the Intergovernmental Panel on Climate Change ("IPCC") Shared Socioeconomic Pathways ("SSPs"), namely SSP2-4.5 and SSP5-8.5. These scenarios provide a basis for assessing the potential resilience of the operations under intermediate and very high-emissions pathways.

SSP2 – 4.5	Represents an intermediate climate pathway with continued reliance on fossil fuels and inconsistent policy implementation.
SSP5 – 8.5	Represents a very high-emissions pathway characterised by slower adoption of climate mitigation and adaptation measures, and is used to assess the resilience of the Steel Manufacturing operations to more severe physical climate impacts.

For transition risks, the Steel Manufacturing operations considered two scenarios from the International Energy Agency's ("IEA") World Energy Outlook 2024:

IEA Stated Policies Scenario ("STEPS")	Represents a future in which the energy transition progresses broadly in line with current and stated government policies. It provides a basis for assessing risks associated with a more gradual transition as regulations, technologies and market conditions evolve.
IEA Net Zero Emissions by FY2050 Scenario ("NZE")	Represents a more rapid and ambitious transition towards a net zero energy system by FY2050. It provides a basis for assessing the potential implications of stronger climate policies, accelerated adoption of low-carbon technologies and increasing market demand for lower-carbon products.

The detailed scenario analysis currently focuses on the Steel Manufacturing operations, which represent the Group's primary exposure to climate-related risks and approximately 99% of the Group's GHG emissions.

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

CLIMATE RISK MANAGEMENT (CONT'D)

Climate Scenario Analysis (Cont'd)

The Food Processing and Trading operations are assessed through the Group's broader ERM and climate risk assessment processes, taking into consideration their operational characteristics, physical locations, value chain dependencies and exposure to relevant physical and transition risks. A dedicated scenario-based assessment for these operations has not yet been undertaken.

The Group currently applies a predominantly qualitative approach to climate scenario analysis. The assessment considers how different physical and transition pathways may affect the resilience of the Group's operations, assets and value chain, and supports the identification of exposures, evaluation of existing mitigation and adaptation measures, and development of climate-related strategies and targets.

Based on the current assessment, the Group's financial exposure to identified physical risks remains relatively limited, while potential increases in energy costs arising from regulatory and market developments represent a more significant transition-related consideration.

The Group will continue to enhance the scope and depth of its climate scenario analysis as relevant climate-related data, methodologies and internal capabilities develop.

Further details on the Group's broader risk management processes are set out on Page 31, Risk Management of this Statement.

CLIMATE STRATEGY

The Group's climate strategy focuses on three interconnected priorities:

(i) reducing GHG emissions and improving energy and resource efficiency;
(ii) strengthening operational and physical resilience; and
(iii) supporting the long-term transition towards a lower-carbon business model.

These priorities are implemented across relevant time horizons, taking into consideration the Group's operating environment, technological developments, regulatory requirements, market conditions and the availability of viable decarbonisation solutions.

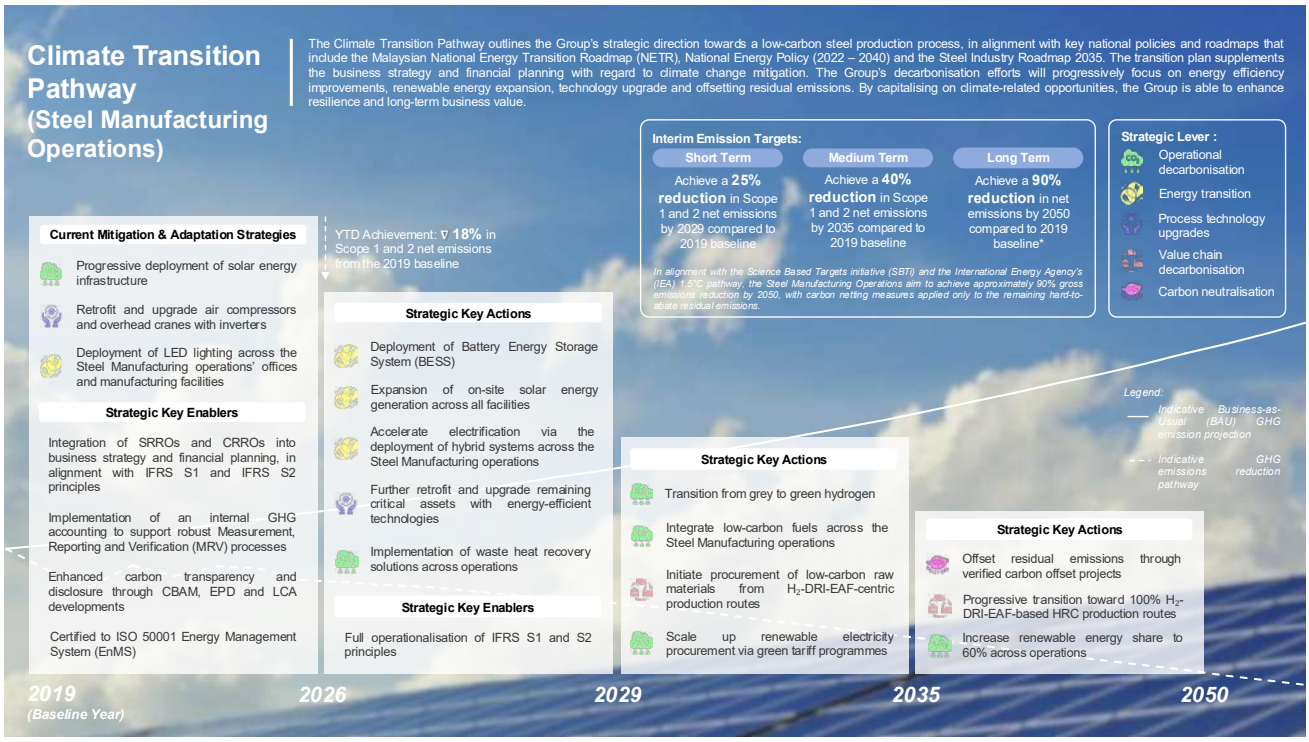
Climate-related Time Horizons

Time Horizon	Period	Strategic Focus
Short-term	FY2026 - FY2029	Implement practical measures to drive GHG emissions reductions and improve operational efficiency, while responding to changing market dynamics, energy and commodity price volatility, evolving regulatory requirements and stakeholder expectations.
Medium-term	FY2030 - FY2035	Accelerate decarbonisation initiatives in line with industry developments, national policies and relevant national and global climate objectives, while strengthening operational resilience.
Long-term	FY2036 - FY2050	Advance the Group's Climate Transition Pathway towards its ambition of achieving net zero emissions by FY2050 through continued emissions reduction, technological advancement and other viable decarbonisation solutions.

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

MELEWAR CLIMATE TRANSITION PATHWAY



In FY2026, the Group's Steel Manufacturing operations developed a Climate Transition Pathway to guide its decarbonisation journey and support the Group's long-term ambition of achieving net zero emissions by FY2050. The pathway identifies key decarbonisation levers, initiatives and interim milestones to progressively reduce GHG emissions while maintaining operational resilience and business competitiveness.

The Steel Manufacturing operations have established the following interim Scope 1 and Scope 2 emissions reduction targets:

- **25% reduction in Scope 1 and Scope 2 emissions by FY2029**, against the FY2019 baseline;
- **40% reduction by FY2035**; and
- **90% reduction by FY2050**.

Residual emissions remaining after feasible direct emissions reduction measures have been implemented are intended to be addressed through appropriate carbon removal or credit measures, where applicable and in accordance with relevant standards and guidance.

Since establishing the FY2019 baseline, the Steel Manufacturing operations have achieved a 18% reduction in Scope 1 and Scope 2 emissions. This progress reflects operational and energy-efficiency initiatives, including the deployment of Solar Photovoltaic ("PV") systems, upgrading air compressors and overhead cranes with inverter technology, replacing conventional lighting with LED lighting and continuous process optimisation.

The Climate Transition Pathway will be reviewed periodically to reflect technological developments, regulatory requirements, market conditions and the availability of viable decarbonisation solutions. Progress against the interim targets will also be monitored to identify additional measures required to support the Group's long-term net zero ambition.

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

MELEWAR CLIMATE TRANSITION PATHWAY (CONT'D)

Key Assumptions and Dependencies

The Climate Transition Pathway is underpinned by assumptions and dependencies relating to policy and regulatory developments, market conditions, technological advancement, energy availability and stakeholder expectations. These factors may influence the pace, feasibility and cost of the Group's transition.

Key Assumptions	Key Dependencies
• Malaysia's regulatory and policy landscape is expected to continue supporting the transition towards a low-carbon economy, guided by its net-zero aspiration by 2050 and key frameworks such as the National Energy Transition Roadmap ("NETR"). • Carbon pricing and other climate-related regulatory measures are expected to be introduced and progressively strengthened, providing greater policy certainty for long-term transition planning and investment. • Low-carbon technologies, including hydrogen-based direct reduced iron and electric arc furnace (H2-DRI-EAF) technologies, as well as potential carbon capture and storage ("CCS") solutions, are expected to become increasingly commercially viable and scalable over the transition period. • The national electricity grid is expected to progressively decarbonise through greater renewable energy availability, corporate power purchase agreements ("PPAs"), renewable energy certificates ("RECs") and continued improvements to energy infrastructure, while maintaining reliable energy supply.	• Progressive decarbonisation of Steel Manufacturing operations' upstream supply chain, particularly the transition of key Hot Rolled Coil suppliers towards low-carbon technologies, including EAF and hydrogen-based DRI. • Continued access to reliable and competitively priced renewable energy. • Continued availability of green financing at viable terms to support decarbonisation investments. • A stable and supportive policy and regulatory environment that facilitates long-term investment and implementation of the Group's initiatives.

Planned Use of Carbon Credits

The Steel Manufacturing operations may use carbon credits to address residual emissions that remain after the implementation of feasible direct emissions reduction measures, including hard-to-abate emissions.

The operations intend to prioritise high-integrity carbon removal credits, including nature-based solutions such as reforestation, afforestation and ecosystem restoration. Technology-based carbon removal solutions may also be considered as these technologies mature and become commercially viable.

Any carbon credits used will be subject to appropriate due diligence, including consideration of recognised third-party verification or certification standards, registry traceability, additionality, permanence and the risk of double counting. The specific crediting programme, type and volume of carbon credits will be determined as the Group progresses along its Climate Transition Pathway and in accordance with applicable standards and guidance.

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

PHYSICAL RISKS, OPPORTUNITIES AND STRATEGIES

Physical climate risks may be acute, arising from event-driven occurrences such as extreme weather events, or chronic, resulting from longer-term changes in climate patterns.

These risks may affect the Group through direct damage to assets, operational disruption, increased operating and maintenance costs, resource constraints and supply chain disruption.

The Group considers physical climate risks across its Steel Manufacturing and Food Processing and Trading operations and assesses their potential likelihood, magnitude and duration across short-, medium- and long-term horizons.

The assessment also informs the Group's adaptation and resilience measures, including water security, workforce protection, asset resilience, business continuity and supply chain preparedness.

Type	Nature	Impact to Business and Value Chain	Strategies	Opportunities	Time Horizon
Physical risks • Acute • Chronic	**Extreme Heat, Drought and Water Stress**	During FY2026, the Group experienced an increase in days with extreme midday temperatures ranging between 36°C and 39°C. No climate-related incidents or operational disruptions were recorded during the reporting period. In the short to medium-term, the Group does not anticipate significant threats or disruptions arising from high temperatures. However, under a higher-emissions scenario, where ambient temperatures exceed 40°C for prolonged periods, the likelihood of water scarcity and heat-related health impacts on employees may increase.	Overall, the Group maintains appropriate insurance coverage against potential financial losses arising from extreme weather and other climate-related events, where commercially available and appropriate. This forms part of the Group's broader approach to managing the financial implications of climate-related physical risks and supporting business continuity.	**Renewable Energy and Energy Efficiency** The transition towards a lower-carbon economy provides opportunities for the Group to reduce its exposure to energy price volatility and improve long-term cost competitiveness. Greater use of renewable energy and energy-efficient technologies may also enhance energy security and support the Group's decarbonisation objectives. **Resource Efficiency and Water Resilience** Increasing water efficiency and strengthening water resilience may reduce the Group's exposure to water availability constraints while improving resource productivity and supporting business continuity. These measures may also generate longer-term cost savings through more efficient use of natural resources.	**Short to Medium-Term**

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

PHYSICAL RISKS, OPPORTUNITIES AND STRATEGIES (CONT'D)

Type	Nature	Impact to Business and Value Chain	Strategies	Opportunities	Time Horizon
Physical risks (Cont'd) • Acute • Chronic	**Extreme Heat, Drought and Water Stress (Cont'd)**	**Steel Manufacturing Operations** The Group's Cold Rolled Coil ("CRC") manufacturing operations are highly water-dependent, with existing on-site reserves able to sustain production for approximately 24 hours during supply interruptions. While the facilities are not air-conditioned, they are designed with adequate ventilation to promote air circulation. Prolonged or recurring heatwaves may increase workforce fatigue and the risk of heat-related illness, potentially affecting productivity and absenteeism. Extended periods of high temperatures may also affect equipment performance, increase maintenance requirements and accelerate wear and tear on temperature-sensitive machinery. Where high temperatures coincide with limited water availability, production continuity may be affected and cooling, maintenance and other operating costs may increase. Under a severe heat scenario resulting in a production halt, the Group estimates potential financial losses of up to RM160,000 per factory per day, based on current operating levels.	**Steel Manufacturing Operations** The Group continues to strengthen the resilience of its Steel Manufacturing operations through measures focused on energy resilience, water security and workforce protection. **Water security** To reduce the risk of production disruption arising from water shortages, the Group is progressively increasing water storage capacity, particularly within the CRC division. The additional capacity provides greater operational buffer during periods of water stress and enables the capture and retention of rainwater for operational use. The CRC division has also installed an underground water storage system with a current supply capacity of approximately 60 m^3 per day. These measures are complemented by water-efficiency practices and employee training on responsible water use and water-related contingency planning, supporting the continuity of water-dependent manufacturing processes.	**Sustainable Food Products and Market Differentiation** For the Edible Oil Bottling business, changing consumer preferences and increasing expectations for sustainably produced, traceable and responsibly sourced products may create opportunities for product differentiation and portfolio expansion. The Group may explore resource-efficient technologies, closed-loop cleaning systems and enhanced product traceability where commercially viable and aligned with customer expectations. **Potential Business and Financing Benefits** Effective management of climate-related risks and opportunities may contribute to: • reducing operating and resource costs through improved energy, water and resource efficiency; • enhancing operational resilience and productivity; • strengthening competitiveness through improved sustainability performance and product differentiation; and • potentially improving access to sustainability-linked financing and other sources of capital that consider climate and sustainability performance. The Group will continue to evaluate these opportunities based on their potential climate benefits, operational impact, technological feasibility, financial viability and alignment with its long-term Climate Transition Pathway.	**Short to Medium-Term**

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

PHYSICAL RISKS, OPPORTUNITIES AND STRATEGIES (CONT'D)

Type	Nature	Impact to Business and Value Chain	Strategies	Opportunities	Time Horizon
Physical risks (Cont'd) • Acute • Chronic	**Extreme Heat, Drought and Water Stress (Cont'd)**	**Steel Manufacturing Operations (Cont'd)** **Risk Level** **IPCC SSP2-4.5:** Low **IPCC SSP5-8.5:** Low to Medium	**Steel Manufacturing Operations (Cont'd)** **Heat stress and workforce resilience** Recognising the potential effects of rising temperatures on workforce health, safety and productivity, the Group continues to provide training and awareness programmes on the prevention and management of heat-related illnesses. Workplace adaptation measures include improved ventilation and roof cooling systems to reduce indoor heat build-up. The Group also plans to enhance green landscaping and shaded rest areas and implement heat stress management protocols aligned with applicable Department of Occupational Safety and Health ("DOSH") and Department of Environment ("DOE") guidelines and ISO 45001:2018 requirements. These measures are intended to reduce employees' exposure to heat stress and support workforce resilience during prolonged or extreme heat. **Energy resilience** The Group's installed Solar PV renewable energy systems have demonstrated reliable performance during periods of extreme heat, supporting the resilience of the Group's energy supply while reducing reliance on grid electricity and contributing to lower GHG emissions. The Group plans to progressively expand Solar PV coverage across suitable facilities, subject to technical and economic feasibility.  *Installation of Solar PV*		**Short to Medium-Term**

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

PHYSICAL RISKS, OPPORTUNITIES AND STRATEGIES (CONT'D)

Type	Nature	Impact to Business and Value Chain	Strategies	Opportunities	Time Horizon
Physical risks (Cont'd) • Acute • Chronic	**Extreme Heat, Drought and Water Stress (Cont'd)**	**Food Processing and Trading Operations** **(a) Meat Processing** The Group's meat processing centre faces physical climate risks primarily associated with water scarcity, rising temperatures and increased humidity. Water is critical for cleaning, processing and cooling, and prolonged water shortages or rationing could disrupt production and, in severe circumstances, require temporary shutdowns. Higher temperatures and humidity may also increase pressure on temperature-controlled processing and storage areas, resulting in higher refrigeration requirements and increased risk of product spoilage, deterioration and inventory write-offs. Potential impacts include higher energy and maintenance costs, increased wastage and write-offs, production and delivery disruptions, and potential impacts on revenue, food safety and customer confidence. Under a severe heat scenario resulting in a production halt, the operation estimates potential financial losses of up to RM1,000 per day, based on current operating levels. **(b) Edible Oil Bottling** Periodic water shortages or disruptions in municipal supply directly affect bottling and cleaning processes. Interruptions in water availability may reduce production throughput, delay deliveries, and diminish operational efficiency. Sustained high temperatures present a long-term challenge to product quality management during both storage and transportation. Prolonged heat exposure may accelerate oxidation in edible oils, leading to reduced shelf life, quality degradation, and potential food safety concerns. Such conditions could also adversely impact brand reputation and customer confidence if not effectively managed. The potential financial consequences include increased operational costs from additional cooling and quality control measures, higher wastage and product write-offs, and potential revenue losses arising from production delays or reputational impacts. Under a severe heat scenario resulting in a production halt, the operation estimates potential financial losses of up to RM250 per day, based on current operating levels.	**Food Processing and Trading Operations** At the meat processing centre, temperature and humidity control systems with built-in redundancy have been installed to minimise the risk of product spoilage and operational disruption arising from temperature and humidity fluctuations. These measures enhance the resilience of temperature-sensitive production processes and support product quality, food safety and business continuity.		**Short to Medium-Term**

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

PHYSICAL RISKS, OPPORTUNITIES AND STRATEGIES (CONT'D)

Type	Nature	Impact to Business and Value Chain	Strategies	Opportunities	Time Horizon
Physical risks (Cont'd) • Acute • Chronic	**Tropical Storm, Flash Floods and Landslides**	During FY2026, the Group experienced periods of high daytime temperatures followed by intense thunderstorms, particularly in the late afternoon and evening. No significant incidents or operational calamities were reported. Flash floods remain a potential climate-related hazard in the short to medium-term. Over the longer term, this risk may intensify under a high-emissions scenario due to changes in precipitation patterns, extreme rainfall events and rising sea levels. **Steel Manufacturing Operations** The Group's four steel manufacturing facilities are located within an 18 km radius of the seaport, with site elevations ranging from approximately 8 to 22 metres above sea level. Based on site assessments and past experience, the lowest-lying facility has some exposure to flash flooding, particularly if existing drainage and other mitigation measures are overwhelmed or prove inadequate. Climate projections indicate that this exposure may increase under the very high-emissions SSP5-8.5 scenario. A significant flood event could damage inventory, machinery and other assets, disrupt access to the affected facilities and temporarily suspend manufacturing activities.	**Steel Manufacturing Operations** The Group has established and tested flood-response protocols for its steel manufacturing facilities. Key adaptation and resilience measures include large-scale rainwater harvesting systems, water retention ponds equipped with emergency flood pumps, and regular inspection and clearing of drainage systems to minimise blockages and manage excess rainfall. The Group's four steel manufacturing facilities are located within a 15-minute drive of one another and at varying elevations. This geographic configuration provides operational flexibility to reroute goods and materials and, where required, utilise alternative facilities to support emergency response, recovery and business continuity during adverse weather conditions.	**Resource Efficiency and Water Resilience** Rainwater harvesting systems provide an opportunity to improve water efficiency while strengthening resilience against water shortages and extreme rainfall. Captured rainwater is utilised for operational purposes and provides reserve water storage, contributing to an approximately 26% reduction in the Group's annual net water consumption in FY2026. The Group will continue to evaluate opportunities to enhance water storage, water efficiency and rainwater utilisation where technically and economically viable.	**Short to Medium-Term**

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

PHYSICAL RISKS, OPPORTUNITIES AND STRATEGIES (CONT'D)

Type	Nature	Impact to Business and Value Chain	Strategies	Opportunities	Time Horizon
Physical risks (Cont'd) • Acute • Chronic	**Tropical Storm, Flash Floods and Landslides (Cont'd)**	**Steel Manufacturing Operations (Cont'd)** Based on current operating levels, a production stoppage could result in potential losses of approximately RM160,000 per day per factory, in addition to costs associated with site recovery, equipment repairs, cleaning and restoration. These estimates represent potential gross financial exposure based on current carrying values and operating levels and do not take into account potential insurance recoveries, mitigation measures or other risk-transfer arrangements. Over the longer term, changes in precipitation patterns and increased frequency or intensity of extreme rainfall events could heighten flood exposure. Where relevant to the location, changes in sea levels and associated coastal or riverine conditions may further compound these risks. **Risk Level** **IPCC SSP2-4.5:** Low **IPCC SSP5-8.5:** Low to Medium		**Supply Chain and Operational Resilience** The geographic proximity of the Group's steel manufacturing facilities provides flexibility to reroute goods and materials and, where feasible, utilise alternative facilities during disruptions. For the Food Processing and Trading operations, supplier and logistics diversification, together with enhanced contingency planning, can reduce reliance on individual suppliers and transportation routes. Backup power and redundant refrigeration capacity may further reduce the risk of product spoilage, inventory write-offs and production interruptions arising from power disruptions. For the Edible Oil Bottling and Distribution operations, improved drainage, infrastructure maintenance and other physical resilience measures may reduce potential repair costs, downtime and business interruption arising from extreme weather events.	**Short to Medium-Term**

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

PHYSICAL RISKS, OPPORTUNITIES AND STRATEGIES (CONT'D)

Type	Nature	Impact to Business and Value Chain	Strategies	Opportunities	Time Horizon
Physical risks (Cont'd) • Acute • Chronic	**Tropical Storm, Flash Floods and Landslides (Cont'd)**	**Food Processing and Trading Operations** **(a) Meat Processing** The Group's meat processing centre in Batu Caves, near Jalan Sungai Tua, is situated in a relatively elevated area and therefore has low direct exposure to flash flooding. However, flooding in surrounding lower-lying areas could indirectly disrupt operations by affecting road access and logistics routes, resulting in delays in the movement of raw materials and finished products. The surrounding area also includes hilly and mountainous terrain where prolonged or intense rainfall may increase landslide risk. Although such events may not directly affect the facility, they could disrupt transportation networks and employee access and affect inbound and outbound logistics. Severe thunderstorms, strong winds and prolonged heavy rainfall may also result in temporary power interruptions. As the operation depends on continuous refrigeration and temperature control, prolonged power interruptions could compromise product quality and food safety, resulting in spoilage, inventory write-offs and temporary production downtime. The potential financial and operational impacts include: • direct losses arising from product spoilage, disposal and inventory write-offs; • additional operating costs for emergency power generation, backup refrigeration and recovery activities; • logistics and distribution delays, potentially resulting in temporary revenue losses and customer service disruptions; and • potential reputational impacts arising from prolonged supply interruptions or product quality issues.	**Food Processing and Trading Operations** **(a) Meat Processing** The Group is evaluating further adaptation measures for its food processing centre, including: • Strengthening emergency response and logistics contingency plans; • Installing backup power systems and redundant refrigeration capacity to maintain temperature integrity and minimise the risk of product spoilage; and • Enhancing supplier and logistics diversification to reduce dependency on single routes and strengthen supply chain resilience.		**Short to Medium-Term**

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

PHYSICAL RISKS, OPPORTUNITIES AND STRATEGIES (CONT'D)

Type	Nature	Impact to Business and Value Chain	Strategies	Opportunities	Time Horizon
Physical risks (Cont'd) • Acute • Chronic	**Tropical Storm, Flash Floods and Landslides (Cont'd)**	**Food Processing and Trading Operations (Cont'd)** **(b) Edible Oil Bottling** The Group's cooking oil bottling facility in Rawang is situated in a relatively elevated area and is not classified as being within a flood-prone zone. Nevertheless, intense or prolonged rainfall could cause the overflow of nearby rivers and water bodies, including Sungai Rawang, potentially affecting access routes, surrounding infrastructure and logistics operations. Extreme weather may also damage roofing, electrical systems and external equipment, resulting in temporary operational disruptions, unplanned downtime and additional maintenance or repair requirements. The potential financial and operational impacts include: • repair and maintenance costs arising from physical, structural or electrical damage; • operational downtime and reduced production capacity, potentially resulting in temporary revenue losses; • logistics and distribution disruptions arising from restricted access or adverse road conditions; • potential increases in insurance and risk mitigation costs; and • additional capital expenditure to reinforce infrastructure and enhance climate resilience.	**Food Processing and Trading Operations (Cont'd)** **(b) Edible Oil Bottling** For the edible oil bottling and distribution business, the Group continues to strengthen physical and operational resilience through: • Preventive maintenance and structural integrity assessments for roofing, electrical systems and plant infrastructure; • Enhancement of stormwater diversion and drainage systems; and • Maintaining comprehensive insurance coverage against potential property damage and business interruption losses.		**Short to Medium-Term**

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

TRANSITION RISKS, OPPORTUNITIES AND STRATEGIES

Transitioning to a lower-carbon economy may result in changes in policies, laws, technologies, market preferences and stakeholder expectations. Depending on the nature, pace and extent of these changes, transition risks may affect the Group's operating costs, capital expenditure requirements, competitiveness, market access, reputation and long-term financial performance.

Type	Category	Risk Driver
Transition Risks	**Market**	Changes in electricity tariffs and fuel prices arising from the transition towards a lower-carbon energy system

Impact to Business and Value Chain	Strategies	Opportunities	Time Horizon
Changes in electricity tariffs and fuel prices, including potential increases arising from carbon pricing, energy-market reforms and the shift towards lower-carbon energy sources, may materially increase the Group's production and operating costs. Given the energy-intensive nature of the Steel Manufacturing operations, sustained increases in electricity and fuel costs could adversely affect production margins, product pricing and competitiveness. Volatility in energy prices may also increase uncertainty in production cost planning and capital allocation decisions. **Risk Level** **STEPS:** Medium **NZE:** High	The Group continues to implement energy-efficiency initiatives and increase the use of renewable energy to reduce its exposure to conventional energy sources and energy-price volatility. The Steel Manufacturing operations are progressively evaluating Solar PV expansion, Battery Energy Storage Systems, upgrades to compressed air systems, electrification of selected equipment and vehicles, and the adoption of more energy-efficient technologies when replacing ageing assets. The Group will also continue to monitor energy-market developments and assess opportunities to optimise energy consumption and sourcing.	Improving energy efficiency and increasing renewable energy utilisation may reduce exposure to electricity and fuel price volatility, lower long-term operating costs and improve production cost competitiveness. Investment in on-site renewable energy and energy-storage solutions may also enhance energy resilience and provide greater predictability of energy costs over the longer term.	**Short to Long-Term**

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

TRANSITION RISKS, OPPORTUNITIES AND STRATEGIES (CONT'D)

Type	Category	Risk Driver
Transition Risks	**Market**	Shift in customer preferences towards low-carbon products and services

Impact to Business and Value Chain	Strategies	Opportunities	Time Horizon
The Group recognises that demand for lower-carbon and green steel products is expected to increase as customers, investors and supply chains place greater emphasis on GHG emissions and sustainability performance. However, demand for net-zero and low-carbon steel remains at an early stage and may be constrained by price sensitivity, particularly where imported steel products are not subject to comparable carbon-related requirements. Failure to respond to changing customer expectations could affect the Group's competitiveness and market positioning over the medium to long term. **Risk Level** **STEPS:** Low to Medium **NZE:** Low	The Group continues to engage with key suppliers and customers to understand their decarbonisation strategies, market expectations and readiness for low-carbon steel products. Annual ESG audits are conducted on major steel suppliers to assess sustainability performance and promote alignment with the Group's climate objectives. The Group is also collaborating with strategic raw material suppliers and customers to develop and promote traceable, lower-carbon steel solutions.	Growing demand for green-certified and lower-carbon steel presents opportunities for product differentiation, access to new customer segments and strengthened relationships with customers pursuing their own decarbonisation objectives. The Group may also benefit from emerging green financing frameworks and increasing demand from international customers with more stringent sustainability requirements. According to World Bank's *Malaysia Country Climate and Development Report 2026*, Malaysia's climate transition offers substantial opportunities across the entire value chain. The construction and manufacturing sectors are expected to be primary beneficiaries of the low-carbon transition, as the economy moves toward more capital-intensive production.	**Medium to Long-Term**

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

TRANSITION RISKS, OPPORTUNITIES AND STRATEGIES (CONT'D)

Type	Category	Risk Driver
Transition Risks	**Policy and Legal**	Introduction and tightening of carbon pricing mechanisms (e.g. carbon tax, Emission Trading System, fuel-related taxes)

Impact to Business and Value Chain	Strategies	Opportunities	Time Horizon
Budget 2026 has indicated that a carbon tax will be introduced starting 2026 with an initial focus on the iron, steel and energy sectors. While the specific mechanism and corresponding prices remain unclear at this stage, the implementation of carbon pricing may increase the cost of carbon-intensive energy, fuels and other inputs across the Group's operations and value chain. Given the energy-intensive nature of the Steel Manufacturing operations, higher carbon costs could increase operating and production costs, potentially compress margins and affect the competitiveness of the Group's products. The financial impact may increase as carbon prices rise or the scope of carbon pricing mechanisms expands. **Risk Level** **STEPS:** Medium **NZE:** High	The Group's Climate Transition Pathway supports preparedness for potential carbon pricing by progressively reducing Scope 1 and Scope 2 emissions. Key initiatives include increasing renewable energy utilisation, improving energy efficiency, assessing Battery Energy Storage Systems, upgrading compressed air systems, electrifying selected equipment and vehicles, and incorporating lower-carbon technologies when replacing ageing assets. The Group will continue to monitor developments in carbon pricing and assess the potential financial implications as greater clarity emerges on the applicable mechanisms and rates.	Reducing GHG emissions and improving energy efficiency may lower exposure to future carbon-related costs, while progressive adoption of lower-carbon technologies can support more informed capital allocation.	**Medium to Long-Term**

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

TRANSITION RISKS, OPPORTUNITIES AND STRATEGIES (CONT'D)

Type	Category	Risk Driver
Transition Risks	**Policy and Legal**	Increasing climate-related regulatory and disclosure requirements across domestic and international markets, including the EU Carbon Border Adjustment Mechanism ("CBAM") and Product Carbon Footprint ("PCF") requirements

Impact to Business and Value Chain	Strategies	Opportunities	Time Horizon
The Group may face increasing compliance costs and resource requirements arising from evolving climate-related regulations, including enhanced climate-related reporting, GHG measurement and disclosure requirements applicable to public listed companies. Failure to meet evolving regulatory requirements or provide accurate and reliable climate-related information could result in compliance, legal and reputational risks. **Risk Level** **STEPS:** Low to Medium **NZE:** High	The Group will continue to monitor developments in climate-related legislation, Bursa Malaysia requirements and the National Sustainability Reporting Framework, and progressively enhance its climate governance, policies, data collection and internal controls. Climate-related information will be subject to appropriate management review and, where applicable, external assurance. The Group will also continue to strengthen internal capabilities through relevant training and engagement with external advisers and industry stakeholders.	Strengthening climate-related governance, data quality and reporting capabilities can improve the reliability and transparency of the Group's disclosures, enhance stakeholder confidence and support readiness for future regulatory requirements. Improved climate data may also support access to sustainability-linked or green financing.	**Short to Long-Term**

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

TRANSITION RISKS, OPPORTUNITIES AND STRATEGIES (CONT'D)

Type	Category	Risk Driver
Transition Risks	**Technology**	Rapid development and adoption of renewable energy, energy-efficiency and energy-storage technologies

Impact to Business and Value Chain	Strategies	Opportunities	Time Horizon
The transition towards lower-carbon technologies may require increased capital expenditure to upgrade or replace existing equipment and infrastructure. There is also a risk of premature obsolescence of existing technologies or assets, as well as uncertainty over the commercial viability, performance and maturity of emerging technologies. Delayed adoption of appropriate technologies could increase the Group's exposure to energy costs, carbon-related costs and changing customer expectations, potentially affecting long-term competitiveness. The Group does not currently anticipate material premature replacement of its existing assets solely as a result of climate transition requirements. However, over the next 24 years leading up to the FY2050 net-zero target, it is estimated that more than 40% of the Group's depreciable capital assets will reach the end of their useful lives. **Risk Level** **STEPS:** Medium **NZE:** Low	The Group will progressively incorporate decarbonisation and energy-efficiency considerations into asset replacement and capital expenditure planning. As existing assets approach the end of their useful lives, the Group will assess opportunities to adopt electrification, renewable energy, energy-storage solutions and other energy-efficient technologies based on technological maturity, operational requirements, expected emissions reductions and financial viability. The Group will also monitor technological developments and available financing, incentives and grants to support economically viable transition investments. In FY2026, the Steel Manufacturing operations invested RM71,927 in sustainability-related CAPEX and incurred RM537,410 in sustainability-related operating expenditure. These investments and ongoing commitments underpin initiatives focused on enhancing energy efficiency, strengthening ESG compliance, and advancing decarbonisation efforts across the Group's operations.	The planned replacement of ageing assets provides an opportunity to integrate lower-carbon and energy-efficient technologies without requiring premature replacement of existing equipment. Adoption of appropriate technologies may reduce energy consumption and GHG emissions, improve operational efficiency and resilience, and enhance the Group's long-term competitiveness. Besides, also improve access to green financing and government incentives supporting low-carbon technologies.	**Short to Long-Term**

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

CLIMATE-RELATED METRIC AND TARGETS

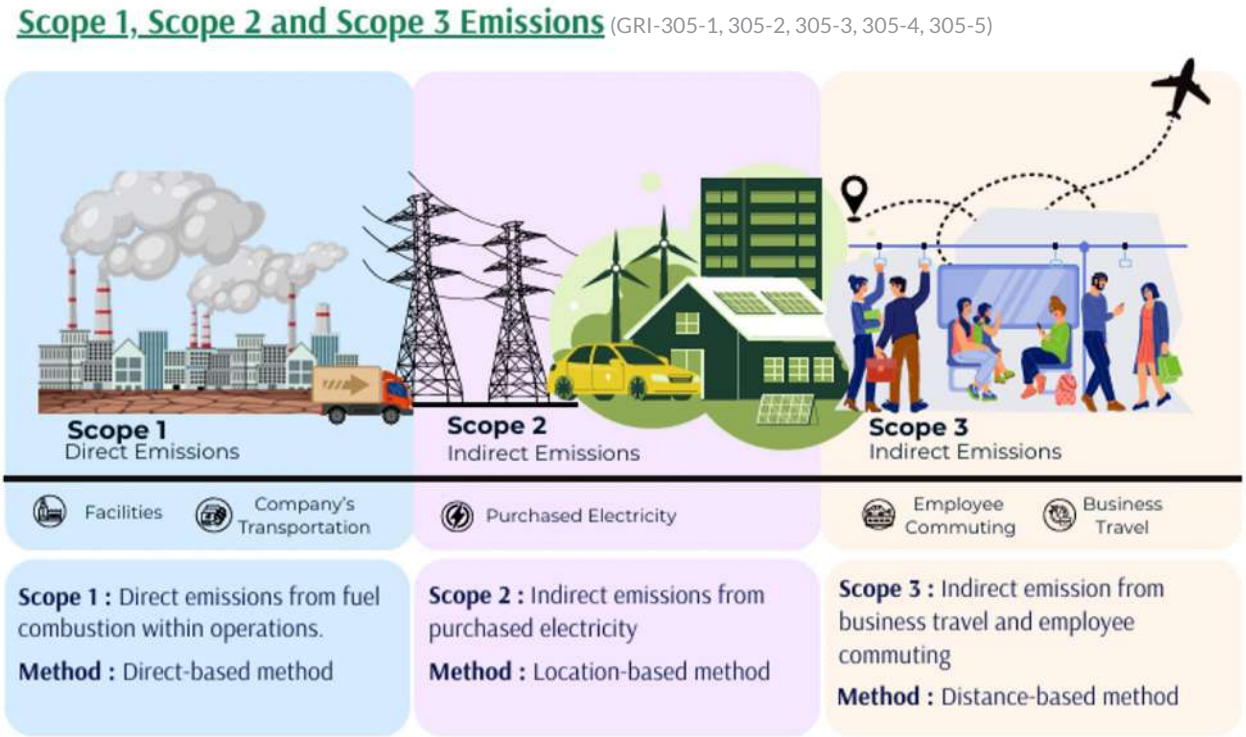
The Group monitors its GHG emissions as a key climate-related performance indicator to assess its carbon footprint and track progress towards its climate commitments. The Group's GHG inventory covers Scope 1 and Scope 2 emissions across its operations, together with selected Scope 3 categories where relevant activity data are available.

The Group measures its GHG emissions with reference to the GHG Protocol and ISO 14064. Emissions are calculated using relevant activity data, including fuel and electricity consumption, employee commuting and business travel, together with applicable emission factors. Global Warming Potentials ("GWPs") from the IPCC Sixth Assessment Report ("AR6") are applied in converting relevant greenhouse gases into carbon dioxide equivalent ("CO_2e").

The Group is committed to progressively reducing its GHG emissions and carbon footprint in support of its long-term ambition of achieving net zero emissions by FY2050. The Group will continue to strengthen its emissions measurement, monitoring and reduction initiatives to support this ambition.

(a) Emissions-Related Metrics – Calculation Boundary, Methodology and Sources of Emission Factors

The Group's GHG inventory covers its Steel Manufacturing and Non-steel operations within the established reporting boundary. Scope 1 and Scope 2 emissions are accounted for across the Group's operations, while Scope 3 currently covers Category 6: Business Travel and Category 7: Employee Commuting.



Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

CLIMATE-RELATED METRIC AND TARGETS (CONT'D)

(a) Emissions-Related Metrics – Calculation Boundary, Methodology and Sources of Emission Factors (Cont'd)

	Calculation Boundary	Calculation Methodology	Emission Factors/ Sources
Scope 1	Direct emissions from sources owned or controlled by the Group across its Steel Manufacturing and Non-steel operations. Principal sources include: • **Mobile combustion:** Company-owned or controlled on-road vehicles and mobile equipment, including forklifts. • **Stationary combustion:** Natural gas, diesel and Liquefied Petroleum Gases ("LPG") used at steel manufacturing facilities for production and other operational activities. **Exclusions** For the Food Division, process emissions associated with meat processing and edible oil bottling are currently assessed as insignificant based on the nature of the operations. Refrigerant emissions are not currently included in the Scope 1 inventory. Refrigeration represents a potential source of hydrofluorocarbons ("HFC") emissions. The Group uses low-GWP refrigerants that comply with applicable environmental and safety requirements and undertakes regular maintenance and leak testing.	Emissions are calculated based on actual fuel consumption or purchase data, where available, multiplied by the relevant fuel-specific emission factors for petrol, diesel, natural gas and LPG. For the refrigerant emissions, the Group will continue to assess the materiality of these emissions as relevant activity data become available.	**Source** / **References** **Natural Gas** — *Malaysia*: *EPA (2018), Emission Factors for Greenhouse Gas Inventories (Stationary Combustion Emission Factors)* **LPG** — *Malaysia*: *DEFRA (2021), UK Government GHG Conversion Factors for Company Reporting (Fuels)* **Diesel** — *Malaysia*: *EPA (2018), Emission Factors for Greenhouse Gas Inventories (Mobile Combustion Emission Factors)*; *United Kingdom*: *UK DEFRA (2025), Greenhouse Gas Reporting: Conversion Factors 2025 (Fuels)* **Petrol** — *Malaysia*: *EPA (2018), Emission Factors for Greenhouse Gas Inventories (Mobile Combustion Emission Factors)*; *United Kingdom*: *UK DEFRA (2025), Greenhouse Gas Reporting: Conversion Factors 2025 (Fuels)*

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

CLIMATE-RELATED METRIC AND TARGETS (CONT'D)

(a) Emissions-Related Metrics – Calculation Boundary, Methodology and Sources of Emission Factors (Cont'd)

	Calculation Boundary	Calculation Methodology	Emission Factors/ Sources
Scope 2	Indirect emissions associated with purchased electricity consumed by the Group's offices, factories and other equipments. The Group does not currently purchase other forms of energy, such as steam or chilled water.	**Location-based method:** Electricity consumption in kilowatt-hours ("kWh") is multiplied by the applicable grid emission factor for the respective country. No contractual instruments are held for market-based reporting. For FY2026, approximately 99.97% of Scope 2 emissions arose from Malaysia operations, with the remaining emissions attributable to Cambodia and the United Kingdom.	**Source** / **References** **Purchased Electricity** *Malaysia* *MGTC (2017), CDM Electricity Baseline for Malaysia* *United Kingdom* *UK DEFRA (2025), Greenhouse Gas Reporting: Conversion Factors 2025 (Electricity)* *Cambodia* *IGES (2016), Grid Emission Factors in Cambodia*
Scope 3	• **Category 6: Business Travel** Business travel undertaken by employees using transport not owned or controlled by the Group, including flights, trains, buses, taxis and rental cars. • **Category 7: Employee Commuting** Employee travel between home and the normal place of work.	• **Distance-based method:** Available activity data, such as distance travelled and mode of transport, are multiplied by the corresponding emission factors. • **Distance-based method:** Reported commuting distances and modes of transport are multiplied by the applicable emission factor for each mode.	**Source** / **References** **Passenger Car (Gasoline)** *UK DEFRA (2019), Greenhouse Gas Reporting: Conversion Factors 2019 (Business Travel)* **Passenger Car (Diesel)** *UK DEFRA (2019), Greenhouse Gas Reporting: Conversion Factors 2019 (Business Travel)* **Motorcycle (Gasoline)** *UK DEFRA (2019), Greenhouse Gas Reporting: Conversion Factors 2019 (Business Travel)* **Aviation (Jet Fuel)** *UK DEFRA (2019), Greenhouse Gas Reporting: Conversion Factors 2019 (Business Travel)* **Train** *UK DEFRA (2019), Greenhouse Gas Reporting: Conversion Factors 2019 (Business Travel)*

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

CLIMATE-RELATED METRIC AND TARGETS (CONT'D)

(b) GHG Emission Performance at Melewar

Scope 1 & 2

The Group's GHG emissions primarily arise from purchased electricity, natural gas and other fossil fuel consumption (refer **Chart 1**). In FY2026, the Group recorded total Scope 1 and Scope 2 emissions of approximately 30,361 tonnes of CO_2e, representing a 14% increase from 26,608 tonnes of CO_2e in FY2025 (see **Chart 2**). The increase was broadly in line with the 12% increase in total energy consumption, driven by a 21% increase in production output during the reporting period.

In addition to monitoring absolute emissions, the Group tracks GHG emission intensity, measured in kilograms of CO_2e per tonne of production output, as a key climate-related performance indicator. For FY2026, the Group set a target to achieve an emission intensity of below 110 kg CO_2e per tonne. The Group achieved an emission intensity of 104 kg CO_2e per tonne, representing a 5% improvement from 110 kg CO_2e per tonne in FY2025 and exceeding the annual target.

The improvement in emissions intensity reflects the Group's continued efforts to enhance energy efficiency and carbon management across its operations, supported by increased use of renewable energy and operational efficiency improvements. These include enhanced fuel efficiency and lower electricity-use intensity at the Acid Regeneration Plant ("ARP"), Batch Annealing Furnace ("BAF") and Continuous Pickling Lines ("CPLs") within the steel manufacturing process.

For its Steel Manufacturing operations, the Group further strengthened its product-level environmental performance assessment in FY2026 through the completion of Life Cycle Assessment ("LCA") and Environmental Product Declaration ("EPD") assessments and verification under the relevant ISO standards. In addition, the Group also completed a Carbon Border Adjustment Mechanism ("CBAM") pre-verification exercise covering its CRC and Hot Rolled Pickled and Oiled ("HRPO") products exported to the European Union market.

CHART 1 – CARBON PROFILE 2026

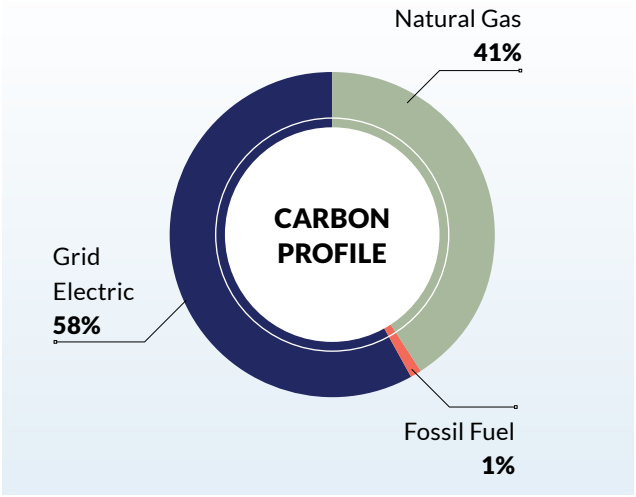
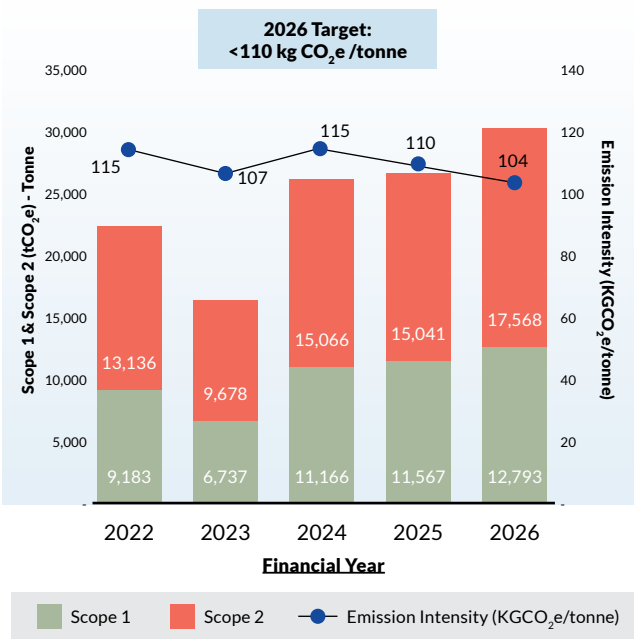


CHART 2 - CARBON EMISSIONS (SCOPE 1 & 2)



Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

CLIMATE-RELATED METRIC AND TARGETS (CONT'D)

(b) GHG Emission Performance at Melewar (Cont'd)

Scope 1 & 2 (Cont'd)

The CBAM pre-verification exercise provided independent validation of the Group's product-level embedded emissions data and demonstrated that the verified emission values for the CRC and HRPO products are significantly lower than the applicable EU default values. This provides favourable evidence of the lower carbon intensity of the Group's products and may translate into a lower CBAM cost exposure per tonne for customers, subject to the applicable CBAM methodology and prevailing carbon prices.

Together, these initiatives strengthen the Group's ability to substantiate and communicate product-level environmental and carbon performance, while enhancing its readiness to respond to evolving regulatory and customer requirements in the European Union market. They also provide potential commercial advantages, including:

- **Enhanced market competitiveness –** Verified product-level emissions data enables the Group to demonstrate the comparatively lower carbon intensity of its CRC and HRPO products, strengthening its competitive positioning in the European Union market.
- **Potential customer cost benefits –** The lower verified emissions values relative to EU default values provide a basis for customers to potentially achieve lower CBAM-related cost exposure per tonne, subject to the applicable regulatory methodology and carbon price.
- **CBAM readiness –** Completion of the pre-verification exercise strengthens the Group's preparedness for CBAM full implementation and provides greater confidence in the robustness and traceability of its product-level emissions data.
- **Improved customer transparency –** Verified emissions data enables customers to make more informed procurement decisions by considering both the environmental performance and potential carbon-related cost implications of the Group's products.
- **Reduced verification and compliance risk –** Early completion of the pre-verification exercise helps identify and address potential data gaps and strengthens the Group's processes for meeting future CBAM reporting and verification requirements.

The Group has identified several initiatives for the coming year to further reduce emissions and improve energy efficiency across its operations. These include:

(i) Heat Pump Project – To assess the feasibility of recovering and upgrading low-grade waste heat for reuse through heat pump technology, including potential collaboration with Japanese technology partners; and
(ii) Waste Heat Recovery – To identify key heat-loss hotspots and evaluate opportunities to recover and reuse waste heat, including for combustion processes and feedwater preheating, thereby reducing fuel consumption and associated Scope 1 emissions.

The Group will continue to evaluate the technical and commercial feasibility of these initiatives and prioritise measures that can deliver measurable reductions in energy consumption and GHG emissions, in support of its interim emissions reduction targets and long-term net zero ambition.

Scope 3

In FY2026, the Group reported selected Scope 3 emissions covering Category 6: Business Travel and Category 7: Employee Commuting. The Group intends to progressively expand its Scope 3 inventory to include other relevant categories, including purchased goods and services, waste management, and upstream and downstream transportation and distribution, as data availability and measurement capabilities improve.

Climate Report (Cont'd)

MATERIAL MATTER – CLIMATE CHANGE (CONT'D)

CLIMATE-RELATED METRIC AND TARGETS (CONT'D)

(b) GHG Emission Performance at Melewar (Cont'd)

Scope 3 (Cont'd)

Steel Manufacturing operations

For the Steel Manufacturing operations, other potentially material Scope 3 emission sources include upstream and downstream activities, particularly raw material procurement and transportation and logistics. However, comprehensive quantification remains challenging due to data availability limitations and the evolving nature of benchmarks and methodologies for assessing the carbon intensity of steel products.

To strengthen the management of these value chain emissions, the Group continues to enhance supplier engagement through structured ESG assessments, surveys, audits and site visits, with new suppliers subject to ESG screening where applicable. The Group is also exploring opportunities to reduce emissions associated with employee commuting and logistics through lower-carbon alternatives, route optimisation and improvements in operational efficiency.

Food Processing and Trading operations

For the Food Processing and Trading operations, relevant potentially Scope 3 emission sources include the transportation of raw materials and finished products, as well as waste management activities.

The Group is progressively strengthening its approach to these emissions through greater supplier collaboration, improved logistics efficiency and the exploration of renewable energy opportunities across its value chain. These initiatives are intended to enhance the Group's ability to measure and manage Scope 3 emissions, identify opportunities for reduction and improve the completeness and transparency of its climate-related disclosures.

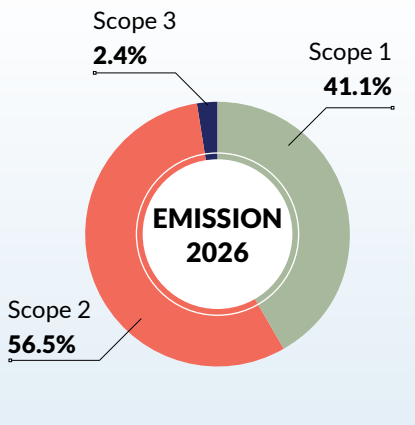
Through these efforts, the Group aims to progressively strengthen Scope 3 emissions management across its value chain and support the achievement of its broader sustainability and net zero objectives.

(c) Climate-related Target and Progress

The table below presents the Group's selected climate-related metrics for the past three financial years.

Climate-Related Metrics	Unit	Target	FY2024	FY2025	FY2026
Scope 1 [N1] Natural gas, LPG, diesel and petrol	tCO_2e	-	11,166	11,567	**12,793**
Scope 2 [N1] Purchased electricity	tCO_2e	-	15,066	15,041	**17,568**
Scope 3 [N2] Business Travel	tCO_2e	-	N/A [N3]	80	**24**
Scope 3 [N2] Employee Commuting	tCO_2e	-	N/A [N3]	521	**719**
Emission intensity [N4] (by production volume)	$kgCO_2e/t$	< 110	115	110	**104**

EMISSION



Notes:
[N1] - Scope 1 and Scope 2 emissions comprise the Group's reported direct and indirect GHG emissions respectively.
[N2] - Scope 3 emissions currently cover selected categories for which relevant activity data are available.
[N3] - N/A indicates that the respective Scope 3 category was not reported for the financial year.
[N4] - Emission intensity is calculated based on Scope 1 and Scope 2 emissions relative to production volume.

Environment Stewardship

The Group's approach to environmental stewardship is guided by four principal commitments:

- **Strict compliance** with all applicable environmental laws, regulations and other obligations;
- **Responsible resource consumption,** by improving the efficiency of energy, water and material use and minimising resource consumption where practicable;
- **Environmental protection,** through proactive management of energy, emissions, waste, and effluents, while increasing the adoption of renewable and lower-carbon solutions; and
- **Promote circular economy practices,** by reducing, reusing and recycling materials and progressing towards the Group's ambition of achieving Zero Waste to Landfill by FY2050.

MATERIAL MATTER – ENERGY MANAGEMENT *GRI 302-1, 302-3, 302-4*

UN SDGs aligned:



Key highlights:

Energy
104,281 MWh
Energy consumed
(▲ 12% from FY2025)

Renewable Energy
5,000 MWh
Solar generated
(▲ 3% from FY2025)

Energy Intensity
1,305 MJ/tonne
(▼ 8% from FY2025)

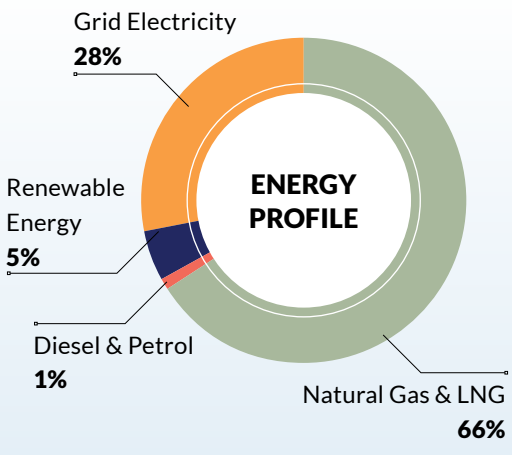
% of Renewable Energy Over Total Energy Consumption
4.8%
(▼ 0.4% from FY2025)

Energy Consumption and Sources

Natural gas remained the Group's primary energy source in FY2026, accounting for 66% of total energy consumption (refer to **Chart 3**), mainly due to its use in the gas-fired annealing processes at the CRC manufacturing plant. While natural gas remains an important energy source for the Group's current steel manufacturing processes, its continued use contributes to the Group's Scope 1 GHG emissions.

The Group therefore continues to focus on reducing energy consumption through operational efficiency, process optimisation and waste heat recovery, while progressively increasing the use of renewable and lower-carbon energy sources.

CHART 3 – ENERGY PROFILE 2026



Environment Stewardship (Cont'd)

MATERIAL MATTER – ENERGY MANAGEMENT (CONT'D) *GRI 302-1, 302-3, 302-4*

Energy Performance

The Group's non-renewable energy consumption increased to 357,413 GJ in FY2026, compared to 317,629 GJ in FY2025 (refer to **Chart 4**). The increase was primarily attributable to higher natural gas consumption, consistent with the Group's higher production output during the year.

Despite the increase in absolute energy consumption, the Group achieved an 8% improvement in energy intensity, from 1,414 MJ per tonne in FY2025 to 1,305 MJ per tonne in FY2026, exceeding the Group's target of below 1,400 MJ per tonne. The improvement was primarily driven by higher production efficiency and lower energy intensity across the Steel Manufacturing operations.

The improvement demonstrates the Group's continued efforts to decouple energy consumption from production growth through greater operational and process efficiency.

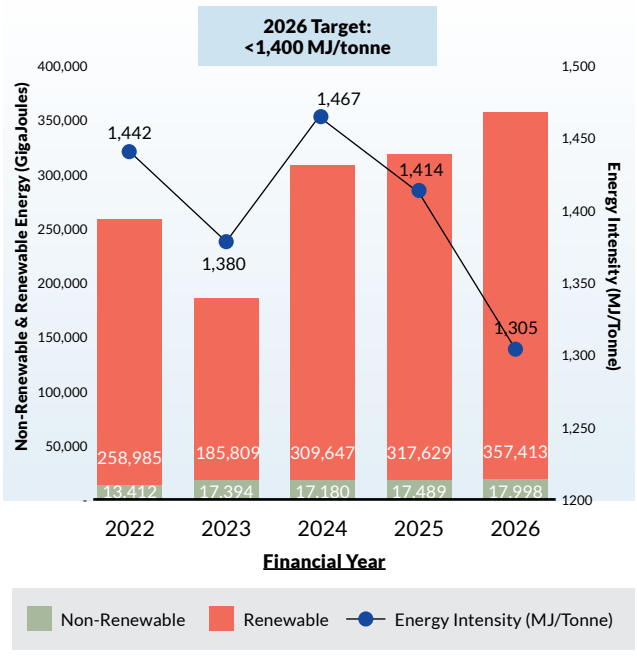
Renewable Energy

Renewable energy consumption increased to 17,998 GJ in FY2026, the highest level recorded over the past six years (see **Chart 4**). This was primarily supported by the continued contribution of the Group's Solar PV installations, which generated 5,000 MWh of renewable electricity during the year.

Approximately 70% of the Steel Manufacturing operations' facilities are equipped with Solar PV systems. The electricity generated is primarily used for operational purposes, helping to reduce reliance on grid electricity and associated Scope 2 emissions.

The Group will continue to assess opportunities to expand Solar PV capacity at suitable facilities, taking into consideration site conditions, energy demand, technical feasibility and commercial viability.

CHART 4 - ENERGY MANAGEMENT





Solar Panels Installation at MST factory (Renewable Energy)

Environment Stewardship (Cont'd)

MATERIAL MATTER – ENERGY MANAGEMENT (CONT'D) *GRI 302-1, 302-3, 302-4*

Energy Efficiency and Decarbonisation Initiatives

The Group continues to identify and evaluate initiatives that can improve energy efficiency, reduce fuel and electricity consumption and support its decarbonisation efforts. Key initiatives planned for the coming year include:

- **Heat Pump Project –** assessing the feasibility of recovering and upgrading low-grade waste heat for reuse through heat pump technology, including potential collaboration with Japanese technology partners. The initiative is intended to reduce the need for additional fuel input and associated Scope 1 emissions.
- **Waste Heat Recovery –** identifying key heat-loss hotspots and evaluating opportunities to recover and reuse waste heat, including for combustion processes and feedwater preheating, thereby improving thermal efficiency and reducing fuel consumption.
- **Battery Energy Storage System ("BESS") –** evaluating the installation of BESS to optimise electricity consumption and manage energy costs, while supporting more efficient utilisation of renewable electricity.
- **Solar PV Expansion –** exploring opportunities to expand Solar PV installations at selected Steel Manufacturing facilities to increase the Group's use of renewable energy and further reduce reliance on grid electricity and associated Scope 2 emissions.
- **STL Compressor Upgrade –** upgrading the compressor system to improve energy efficiency and reduce electricity consumption and associated Scope 2 emissions.

The Group will assess these initiatives based on their technical, operational and commercial feasibility and prioritise projects with measurable energy efficiency, renewable energy and emissions reduction benefits.

Energy Conservation Programme

The Group's operations maintain an ongoing Energy Conservation Programme to promote responsible and efficient energy use across its facilities. Internal guidelines include maintaining air-conditioning temperatures at no lower than 24°C and switching off or unplugging electrical equipment when not in use.

Regular monthly audits are conducted to monitor compliance and identify opportunities for improvement. Recognition and incentives are also provided to departments or production lines achieving the highest energy performance scores, helping to reinforce energy-conscious practices among employees.

Energy Management and Regulatory Compliance

The Group's CRC segment is certified by SIRIM and IQNet under ISO 50001:2018 Energy Management System, reflecting its systematic approach to energy management, operational efficiency and continual improvement in energy performance.

The Group's Steel Manufacturing operations are also subject to the applicable requirements of the Energy Efficiency and Conservation Act 2024 ("EECA"), as energy consumers exceeding the prescribed annual energy consumption threshold of 21,600 GJ. A Registered Energy Manager ("REM") Type 2 has been appointed to oversee energy management activities and support regulatory compliance, including the submission of annual Energy Efficiency and Conservation Reports to the Energy Commission.

Continuous improvement is supported through regular internal audits, which identify opportunities for enhancement and ensure that corrective and preventive actions are implemented and monitored to completion.

Our Progress

The table below presents the Group's energy management performance for the past three financial years.

Energy Management Metrics	Unit	Target	FY2024	FY2025	FY2026
Total energy consumption	MWh	-	90,785	93,088	**104,281**
Energy intensity (by production volume)	MJ/t	< 1,400	1,467	1,414	**1,305**
Renewable energy as a % of total energy consumption	%	>5.0	5.3	5.2	**4.8** *(Note 1)*
Renewable energy generation	MWh	-	4,772	4,858	**5,000**

Note 1 - Although renewable energy generation increased in absolute terms, its proportion of total energy consumption declined slightly to 4.8% in FY2026, reflecting the stronger increase in overall energy demand associated with higher production output.

Environment Stewardship (Cont'd)

MATERIAL MATTER – POLLUTION AND EFFLUENT MANAGEMENT *GRI 301-2, 303-1, 303-2, 303-4, 305-7*

UN SDGs aligned:





Our Approach

The Group operates within a comprehensive regulatory framework under Malaysia's Environmental Quality Act 1974 and its subsidiary regulations, which govern key aspects of environmental management. These include air emissions and air quality, noise, scheduled waste, industrial effluents, sewage treatment, radioactive materials and relevant licensing requirements applicable to the Group's Steel Manufacturing, Food Processing and Cooking Oil Bottling operations.

Within the Steel Manufacturing operations, the CRC and Steel Tube facilities are subject to environmental standards, monitoring requirements and periodic regulatory assessments. The Group has aligned its environmental management practices with the ISO 14001:2015 Environmental Management System ("EMS") standard, under which its key Steel Manufacturing operations are certified. During the reporting period, all Steel Manufacturing facilities successfully passed DOE compliance audits, with no recorded violations or fines.

The Group also maintains environmental controls across its Food Processing and Cooking Oil Bottling operations. These include appropriate sewage treatment systems, effluent monitoring and responsible management of solid waste generated from processing activities. Food and oil residues are managed through licensed waste management service providers to ensure appropriate handling, treatment and disposal.

For the financial year under review, the Group recorded zero instances of non-compliance with applicable environmental laws and regulations relating to air emissions, water discharges and waste management. The Group will continue to maintain robust environmental monitoring and compliance practices to identify potential issues proactively and minimise environmental risks.

Environment Stewardship (Cont'd)

MATERIAL MATTER – POLLUTION AND EFFLUENT MANAGEMENT (CONT'D) *GRI 301-2, 303-1, 303-2, 303-4, 305-7*

Air Emissions

The Group's Steel Manufacturing operations remain committed to managing air emissions responsibly and in accordance with the Environmental Quality (Clean Air) Regulations 2014. Production facilities are equipped with bag filters and dust collectors to capture particulate emissions, while periodic stack monitoring is conducted by laboratories accredited by the DOE.

During FY2026, all monitored air emission parameters remained below the applicable regulatory limits, and both Steel Manufacturing facilities successfully passed DOE compliance tests without any exceedances.



Galvanizing Plant Dust Collectors at Steel Tube Factory

Environmental Considerations in Urbanising Industrial Areas

All of the Group's Steel Manufacturing facilities are located within designated light industrial areas. Over time, suburbanisation has resulted in commercial and residential developments becoming increasingly closer to these long-established manufacturing facilities. This has heightened community expectations regarding environmental performance, particularly in relation to air quality, noise, water, traffic and general cleanliness.

Beyond meeting regulatory requirements, the Group recognises the importance of maintaining positive relationships with surrounding communities. Accordingly, the Group continues to invest in environmental monitoring, testing, sampling, inspections and appropriate environmental control equipment, while engaging with neighbouring communities to address environmental concerns and promote responsible environmental stewardship.



Skyline next to CRC Factory

Environment Stewardship (Cont'd)

MATERIAL MATTER – POLLUTION AND EFFLUENT MANAGEMENT (CONT'D) *GRI 301-2, 303-1, 303-2, 303-4, 305-7*

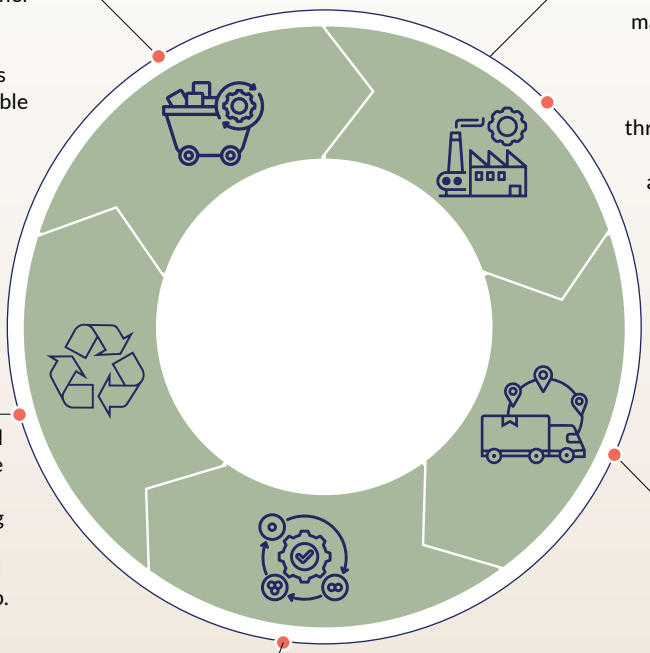
Life Cycle Perspective - Steel Manufacturing Operations

Beyond regulatory compliance, the Group's Steel Manufacturing operations also consider the environmental impacts associated with its products across their life cycle, from raw material acquisition and manufacturing through to product use and end-of-life recycling. This life cycle approach supports the Group's commitment to responsible manufacturing, resource efficiency and the advancement of circular economy practices (refer to **Chart 5**).

In FY2026, the Steel Manufacturing operations further strengthened their product-level environmental and carbon performance assessment through the completion of LCA and EPD assessments and verification under the relevant ISO standards. These assessments provide greater visibility of the environmental and carbon impacts associated with the Group's steel products across relevant stages of the product life cycle, supporting more informed decision-making on resource use, emissions reduction and product environmental performance.

The Group also seeks to embed resource recovery and material efficiency within its steel manufacturing processes. A key example is the Acid Regeneration Plant ("ARP") at the CRC manufacturing facility, which enables the recovery and reuse of hydrochloric acid used in steel pickling operations.

CHART 5 - LIFE CYCLE ASSESSMENT



Raw Material Acquisition

Sources hot-rolled coils and other materials from approved and responsible suppliers assessed against ESG criteria. Prioritises local procurement where feasible to reduce transport distances.

Production

Operates under an energy management system to enhance efficiency and reduce energy intensity across operations. Improves process efficiency through continuous optimisation in pickling, cold rolling, and annealing processes. Produces steel products certified with MyHijau and Eco-Label, demonstrating environmental performance and compliance.

End-of-Life

Both cold-rolled coils and steel tubes are 100% recyclable. We advocate for responsible end-of-life handling by encouraging customers and downstream users to return or recycle steel scrap, closing the material loop.

Distribution and Transportation

Engages approved logistics partners and adopts efficient delivery scheduling. Continuously optimises transport routes and consolidates shipments.

Use Phase

Supplies cold-rolled coils and steel tubes for downstream applications such as construction, automotive, and manufacturing sectors. Provides customised cutting and forming services to reduce on-site waste.

Through these initiatives, the Group aims to move beyond managing environmental impacts at the point of production towards a more integrated life cycle approach that promotes resource efficiency, reduces waste and supports the transition towards a more circular and lower-carbon manufacturing model.

Environment Stewardship (Cont'd)

MATERIAL MATTER – POLLUTION AND EFFLUENT MANAGEMENT (CONT'D) *GRI 301-2, 303-1, 303-2, 303-4, 305-7*

Acid Regeneration Plant ("ARP")

In line with this life cycle approach, the CRC manufacturing facility operates an ARP to reduce the environmental impacts associated with hydrochloric acid used in steel pickling operations.

The ARP recovers hydrochloric acid from waste pickle liquor generated by the Continuous Pickling Line ("CPL") through a pyrohydrolysis process using fluidised bed technology. The system is capable of regenerating up to 1,500 litres of waste acid per hour and achieves approximately 95% regeneration efficiency.

The closed-loop process enables recovered hydrochloric acid to be reused in the production process, reducing the need for virgin acid, minimising the generation of hazardous waste and improving material efficiency. By recovering and reusing materials that would otherwise require disposal, the ARP supports the Group's circular economy objectives while contributing to a lower environmental footprint across the steel manufacturing life cycle.



Acid Regeneration Plant at CRC Factory

Our Progress

The table below presents the Group's pollution and effluent management performance for the past three financial years.

Metrics	Unit	Target	FY2024	FY2025	FY2026
Number of environmental fines and penalties	Number	0	0	0	**0**
Incidents of non-compliance related to effluent Standard B discharge limits[N1]	Number	0	0	0	**0**

[N1] – *Only apply to Steel Manufacturing operations.*

Environment Stewardship (Cont'd)

MATERIAL MATTER – WASTE MANAGEMENT *GRI 301-2, 306-1, 306-2, 306-3, 306-4, 306-5*

UN SDGs aligned:

Key highlights:

Waste
18,557 MT
Total waste generated
(41% from FY2025)

Waste directed to landfills
0.8%
(1.0% in FY2025)

Waste diverted from disposal
18,364 MT
(41% from FY2025)

Waste Generation Intensity
64.5 KG/tonne
(55.6KG/tonne in FY2025)

Our Approach

Waste management remains a key environmental focus area for the Group. Guided by its Waste Minimisation Policy, the Group is committed to reducing waste generation at source and managing residual waste responsibly based on the 6R principles — *Rethink*, *Refuse*, *Reduce*, *Reuse*, *Recycle and Recover*. These principles underpin the Group's efforts to minimise disposal, maximise resource recovery and reduce its overall environmental footprint.

Waste generated across the Group's operations is systematically segregated according to its type, characteristics and disposal requirements, in accordance with applicable regulatory requirements and environmental management practices.



6R Programme & Waste Segregation

Table 1 below summarises the Group's waste classification and corresponding disposal methods.

- **Items (b) and (c)** comprise scheduled waste regulated under the Environmental Quality (Scheduled Wastes) Regulations and are managed in accordance with applicable regulatory requirements.
- **Item (b)** comprises more than ten categories of scheduled waste, which are subject to appropriate treatment, recovery or disposal by licensed third-party facilities, including incineration and chemical treatment where applicable.
- **Item (c)** comprises carbide lime, which is reused internally within the Group's water treatment facilities under the relevant DOE licensing requirements, thereby supporting resource recovery and reducing the need for external disposal.
- **Items (a), (d) and selected categories within (b)** have recoverable or commercial value and are directed to appropriate recycling or recovery channels, contributing to resource circularity and, where applicable, generating secondary revenue streams.

Environment Stewardship (Cont'd)

MATERIAL MATTER – WASTE MANAGEMENT (CONT'D) *GRI 301-2, 306-1, 306-2, 306-3, 306-4, 306-5*

Our Approach (Cont'd)

TABLE 1 – WASTE CLASSIFICATION AND DISPOSAL METHOD BY YEAR

	Waste By Type	Disposal Method	FY2024 MT	FY2025 MT	FY2026 MT
(a)	**Steel Scrap and Meat Waste**	Licensed 3rd Party - Recycle	12,827	11,752	**16,019**
(b)	**Scheduled Waste**	Licensed 3rd Party - Professional Disposal (DOE License Facilities)	1,446	940	**1,669**
(c)	**Scheduled Waste**	Licensed Own Reuse	511	330	**708**
(d)	**Segregated Waste (Box, Paper, Plastic, Aluminium)**	Licensed 3rd Party - Recycle	10	10	**8**
(e)	**General Waste**	Refuse Collection - Sanitary Landfill	175	136	**153**
		TOTAL	14,969	13,168	**18,557**

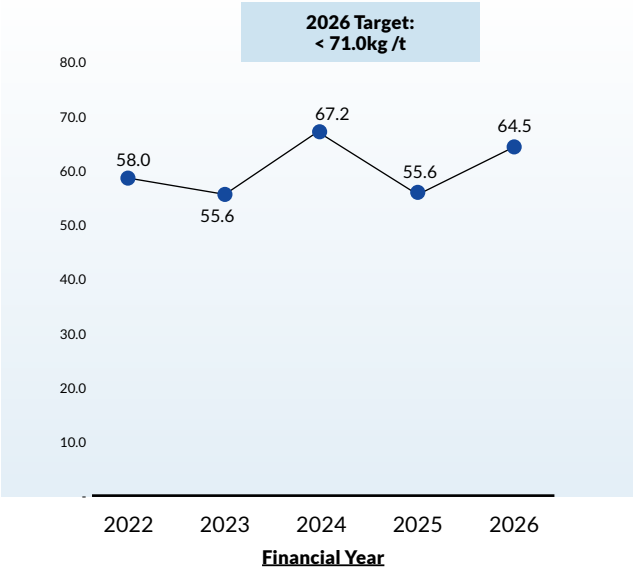
Waste Generation Intensity

In FY2026, the Group set a target to maintain waste generation intensity below 71.0 kg per tonne of production output and to limit waste directed to landfills less than 5% of total waste generated. The Group achieved both targets, recording a waste generation intensity of 64.5 kg per tonne (refer **Chart 6**) and directing 0.8% of total waste generated to landfills.

Waste generation intensity increased from 55.6 kg per tonne in FY2025 to 64.5 kg per tonne in FY2026, primarily due to a higher proportion of steel scrap generated per tonne of production output. Steel scrap generation increased to approximately 5.6% of production output, compared with 5.0% in the preceding year, mainly due to changes in product mix.

The increase in steel scrap did not result in a corresponding increase in landfill dependency, as the scrap generated was recovered and sold to recyclers. This supports resource recovery and contributes to the circularity of steel materials.

CHART 6 - WASTE GENERATION INTENSITY (KG/TONNE)



Environment Stewardship (Cont'd)

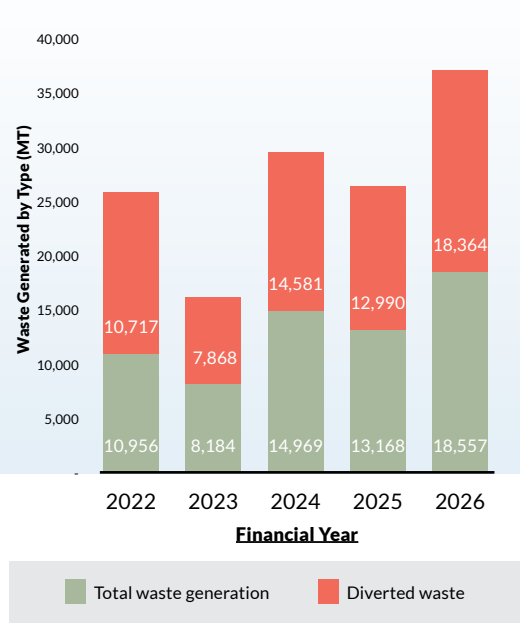
MATERIAL MATTER – WASTE MANAGEMENT (CONT'D) *GRI 301-2, 306-1, 306-2, 306-3, 306-4, 306-5*

Waste Diversion

In FY2026, the Group diverted 18,364 MT of waste from disposal, representing a 41% increase from 12,990 MT in FY2025 (refer to **Chart 7**). The majority of diverted waste comprised steel scrap and other recoverable materials, which were directed to recycling or recovery channels.

The Group continues to prioritise waste segregation, recycling and resource recovery to reduce reliance on disposal and maximise the value of materials generated from its operations. These practices support the Group's longer-term ambition to reduce waste sent to landfill and advance its circular economy objectives.

CHART 7 - DIVERTED WASTE VS TOTAL WASTE GENERATED



Our Progress

The table below presents the Group's waste management performance for the past three financial years.

Waste Management Metrics	Unit	Target	FY2024	FY2025	FY2026
Total waste generated	MT	-	14,969	13,168	**18,557**
Total waste diverted from disposal	MT	-	14,581	12,990	**18,364**
Total waste directed to disposal	MT	-	388	178	**193**
% of waste disposal to refuse or landfills over total waste generated	%	< 5.0	1.2	1.0	**0.8**
Waste generation intensity (by production volume)	KG/t	< 71.0	67.2	55.6	**64.5**

Our efforts - Textile / Fabric Recycling Program





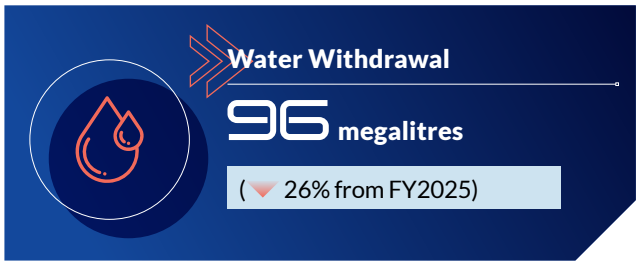
Environment Stewardship (Cont'd)

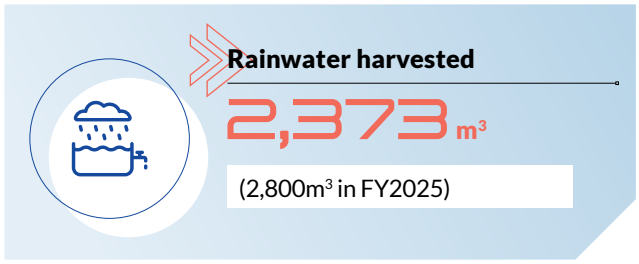
MATERIAL MATTER – WATER STEWARDSHIP *GRI 303-1, 303-2, 303-3, 303-4 303-5*

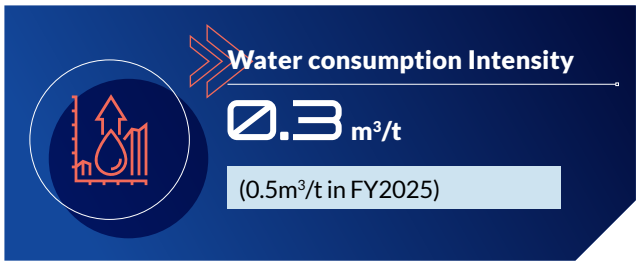
UN SDGs aligned:



Key highlights:







Our Approach

The Group is committed to responsible water stewardship by reducing freshwater withdrawals, improving water-use efficiency, increasing the beneficial use and reuse of water, and ensuring the effective treatment and compliant discharge of wastewater. The Group also implements measures to strengthen water resilience and manage water-related risks across its operations.

Water Withdrawal – Municipal Potable Water

Within the Steel Manufacturing operations, a reliable supply of freshwater is essential for key processes, including cooling towers, acid dilution, coolant preparation and process baths. While replacing freshwater with harvested rainwater is not technically feasible for most production applications due to process and quality requirements, the Group continues to implement measures to improve water efficiency and reduce reliance on utility-supplied water.

Where technically and operationally feasible, harvested rainwater is used for non-potable applications such as sanitary systems, general cleaning, landscaping and effluent treatment. These measures enable the Group to conserve freshwater while maintaining the water quality standards required for production processes.

The CRC segment remains the Group's most water-intensive operation, with the acid pickling and ARP processes collectively accounting for approximately 82% of the Group's total water consumption in FY2026. None of the Group's facilities are located in water-stressed regions, and there were no significant disruptions to water supply during the reporting period.

Environment Stewardship (Cont'd)

MATERIAL MATTER – WATER STEWARDSHIP (CONT'D) *GRI 303-1, 303-2, 303-3, 303-4 303-5*

Rainwater Harvesting

Since FY2022, the Group has progressively expanded its rainwater harvesting systems, with 333,000 litres of storage capacity currently available across the Steel Manufacturing operations. The system supports both water conservation and stormwater management by providing an alternative water source for non-potable applications while reducing surface runoff and helping to mitigate flash flood risks during periods of heavy rainfall.



Rainwater Harvesting System

Due to water quality and regulatory requirements, harvested rainwater is primarily used for ancillary and sanitary applications. Where rainfall exceeds available storage capacity, excess collected water is safely discharged into public waterways. Such discharged volumes are not included in the Group's reported water withdrawal or consumption figures.

In FY2026, the Group harvested and utilised 2,373 m^3 of rainwater across its operations, compared with 2,800 m^3 in FY2025. The year-on-year variation primarily reflects changes in rainfall patterns and operational conditions affecting the availability and utilisation of harvested rainwater.

Water Treatment and Reuse

Process effluent generated from the Steel Manufacturing operations is treated through on-site water and effluent treatment facilities before being either reused internally or discharged in accordance with applicable regulatory requirements. Water quality is continuously monitored, including parameters such as pH and total dissolved solids, to ensure that treated effluent meets the required discharge standards.

Since the commissioning of the ARP in FY2022, an increasing proportion of treated water has been diverted for reuse within production processes. This has reduced freshwater requirements and the volume of treated wastewater requiring discharge, supporting greater water circularity within the Steel Manufacturing operations.

Wastewater Discharge

Process effluent generated from the Steel Manufacturing operations is treated through on-site Industrial Effluent Treatment Systems ("IETS") before being either reused internally or discharged in accordance with applicable regulatory requirements. All Steel Manufacturing facilities are equipped with IETS designed to meet the applicable discharge standards under the Environmental Quality (Industrial Effluent) Regulations 2009.

Daily operational monitoring is conducted by a Certified Environmental Professional in the Operation of Industrial Effluent Treatment Systems ("CePIETSO") to monitor discharge parameters and ensure compliance with applicable requirements. In FY2026, all monitored water quality parameters complied with the applicable regulatory requirements.

The Food Operations do not operate IETS. Water and wastewater generated from these operations are managed in accordance with the applicable requirements for their respective premises and discharge arrangements.

Environment Stewardship (Cont'd)

MATERIAL MATTER – WATER STEWARDSHIP (CONT'D) *GRI 303-1, 303-2, 303-3, 303-4 303-5*

Water Performance

In FY2026, the Group recorded a water consumption intensity of 0.3 m^3 per tonne of output, representing a 40% reduction from 0.5 m^3 per tonne in FY2025 and the lowest level recorded since FY2022 (refer **Chart 8**). The Group therefore exceeded its internal target of maintaining water consumption intensity below 0.4 m^3 per tonne.

The improvement was supported by increased reuse of treated water, more efficient water management and optimisation of operational processes. The Group will continue to identify opportunities to further reduce freshwater dependence while maintaining operational requirements.

When indexed against the FY2019 base year (refer **Chart 9**), the Group's freshwater withdrawals in FY2026 remained below the baseline level. Similarly, treated wastewater discharge volumes remained significantly below the base-year level, primarily due to the increased reuse of treated water through the ARP since its commissioning in FY2022.

CHART 8 - WATER CONSUMPTION INTENSITY (M^3/TONNE)

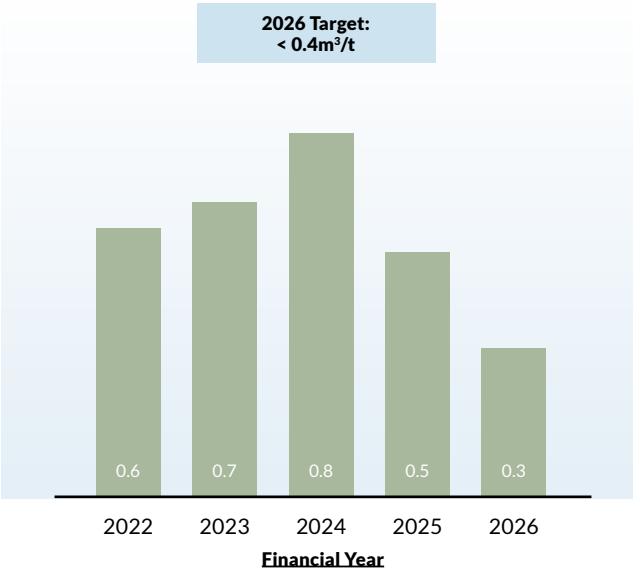
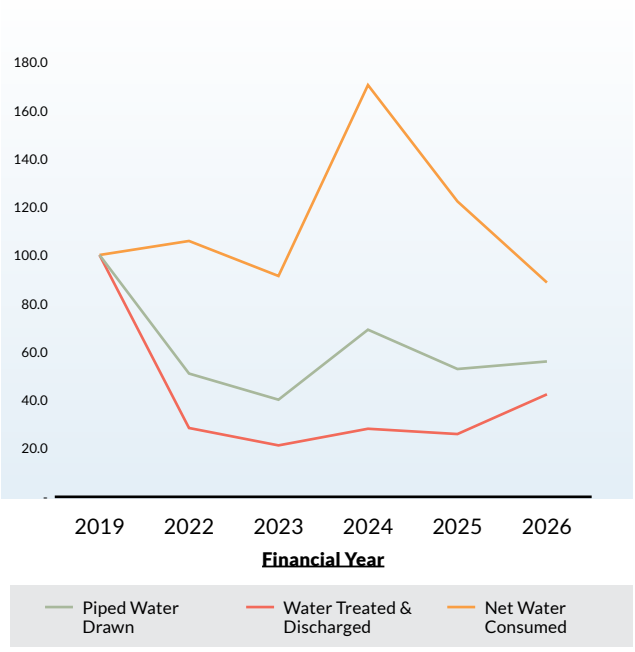


CHART 9 - WATER CONSUMPTION TREND (INDEXED 2019 BASE YEAR)



Water-related Risk Assessment

The Steel Manufacturing operations conducted a water stress assessment in FY2026 using the World Resources Institute's ("WRI") Aqueduct Water Risk Atlas. The assessment indicates that all current operating sites are located in areas of low water stress.

However, under the pessimistic SSP5-8.5 scenario, both the CRC and Melewar Steel Tube ("MST") sites are projected to experience low-to-medium water stress by FY2030. While current exposure remains limited, an increase in water stress could result in higher water procurement costs, supply constraints and potential operational disruptions.

To strengthen long-term water resilience, the Group continues to focus on reducing dependence on municipal water, increasing water reuse and expanding alternative water sources.

Environment Stewardship (Cont'd)

MATERIAL MATTER – WATER STEWARDSHIP (CONT'D) *GRI 303-1, 303-2, 303-3, 303-4 303-5*

Water-related Risk Assessment (Cont'd)

Entity	Location	Current Basin Water Stress in FY2026	Forecasted Basin Water Stress in FY2030
CRC	Shah Alam	Low (<10%)	Low-Medium (10 – 20%)
MST	Shah Alam	Low (< 10%)	Low-Medium (10 – 20%)

Note 1: Source: WRI Aqueduct Water Risk Atlas
Note 2: Assessment conducted based on the "pessimistic scenario (SSP5 - 8.5)"

Water Conservation Efforts

The Group continues to implement practical water conservation measures across its business divisions. These include the installation of self-closing and motion-sensor taps, the use of waterless urinals and regular inspections to identify and rectify water leaks.

Within the Steel Manufacturing Operations, monthly water management audits are conducted to monitor consumption trends, identify opportunities for efficiency improvements and promote responsible water use. Teams demonstrating strong water conservation performance are also recognised through internal incentive programmes.

The Group conducts awareness programmes for employees and relevant stakeholders to promote responsible water use and strengthen a culture of water stewardship across its operations.

Looking Ahead

The Group will continue to pursue measures to strengthen water efficiency and resilience. At the CRC segment, plans are underway to develop an underground water supply system for cooling tower make-up, with the objective of reducing reliance on municipal water.

In addition, the Group plans to progressively expand its rainwater harvesting system by connecting additional roof gutters to the existing rainwater harvesting tanks. This phased expansion is expected to provide an additional storage capacity of approximately 200 m^3, supporting greater utilisation of harvested rainwater for operational purposes and further reducing reliance on municipal water.

Our Performance

The table below presents the Group's water management performance over the past three financial years.

Water Management Metrics	Unit	Target	FY2024	FY2025	FY2026
Total water withdrawn	Megalitres	-	182	130	**96**
Total rainwater harvested	m^3	-	3,045	2,800	**2,373**
Water consumption intensity (by production volume)	m^3/t	< 0.4	0.8	0.5	**0.3**

Human Capital and Community Development

The Group's social ambition is guided by a commitment to creating lasting value for people and communities. Our priorities are to:

- **Provide equitable, safe, and fulfilling workplaces** for all employees;
- **Contribute positively to the communities** in which we operate; and
- **Foster a responsible and ethical supply chain** that upholds shared environmental and social values.

HUMAN RIGHTS AND LABOUR STANDARDS

GRI 2-7, 2-8, 2-30, 202-2, 401-1, 401-2, 401-3, 404-1, 404-3, 405-1, 406-1, 407-1, 408-1, 409-1

UN SDGs aligned:



Key highlights:

ZERO
Substantiated complaints relating to human rights and labour standards violations

ZERO
Human rights incidents involving indigenous peoples

11.4%
Foreign workers in the Group's workforce

88.6%
Malaysian employees in the Group's workforce

Our Approach

Respect for human rights and labour standards is fundamental to the Group's commitment to responsible and inclusive business practices. Beyond complying with the requirements of the Employment Act 1955 and other applicable Malaysian legislation, the Group is guided by the International Labour Organization ("ILO") Fundamental Principles and Rights at Work.

These principles underpin the Group's approach to freedom of association and collective bargaining, the elimination of forced and child labour, the elimination of discrimination in employment and occupation, and the provision of a safe and healthy working environment. The Group seeks to uphold these principles across its operations and, where relevant, its value chain through appropriate policies, employment practices, grievance mechanisms and stakeholder engagement.

Policy, Communication and Awareness

The Group communicates its commitment to human rights and labour standards across the organisation and, where relevant, to its business partners. Employees can access the Human Rights Policy through the internal intranet, while business partners are guided by the Code of Conduct. Both documents are available in English and Malay to support accessibility and understanding among our diverse workforce.

To further support our foreign workforce, a designated spokesperson has been appointed to facilitate communication and provide assistance in raising concerns relating to human rights and labour standards. This mechanism is intended to ensure that language or communication barriers do not prevent employees from seeking assistance or reporting concerns.

Human Capital and Community Development (Cont'd)

HUMAN RIGHTS AND LABOUR STANDARDS (CONT'D)

GRI 2-7, 2-8, 2-30, 202-2, 401-1, 401-2, 401-3, 404-1, 404-3, 405-1, 406-1, 407-1, 408-1, 409-1

Grievance Mechanism

The Group provides accessible channels for employees and relevant stakeholders to raise workplace, labour or human rights concerns. Employees may submit grievances through the formal grievance mechanism available on the Employee Intranet or raise matters directly with the designated person-in-charge ("PIC").

All grievances are handled with appropriate confidentiality, fairness and due process. The Group does not tolerate retaliation against individuals who raise concerns in good faith.

Labour Rights & Standards

(a) Freedom of Association & Collective Bargaining

The Group respects employees' rights to freedom of association and collective bargaining in accordance with applicable Malaysian laws, including the Employment Act 1955, Trade Unions Act 1959 and Industrial Relations Act 1967.

Employees are free to join or form trade unions of their choice, subject to applicable legal requirements. Collective bargaining provides an important channel for employee representation and constructive engagement on matters affecting employment terms and working conditions.

The Group has maintained a harmonious and constructive relationship with the union representing employees in the national metal industry for more than a decade. No industrial disputes or conflicts were reported during the financial year, reflecting the Group's continued emphasis on open communication, mutual respect and constructive employee relations.

(b) Prevention of Forced and Child Labour

The Group has zero tolerance for forced, bonded, trafficked or child labour across its operations. Employment must be entered into voluntarily and employees must not be subjected to coercion, threats, restriction of movement or other forms of exploitation.

The Group also expects its contractors, employment agencies and other relevant business partners to uphold applicable labour and human rights standards in their dealings with workers.

(c) Diversity, Equal Opportunity and Non-discrimination

The Group is committed to maintaining a workplace that is fair, inclusive and free from discrimination and harassment. Our policies prohibit discrimination based on factors including age, gender, race, religion, disability, marital or family status, sexual orientation or other personal attributes, subject to applicable laws.

Employees have access to confidential channels through which they may raise concerns relating to discrimination, harassment or unfair treatment. During the financial year, no substantiated cases of discrimination or harassment were recorded.

The Group continues to promote equal opportunity based on merit, qualifications, skills, experience and performance, while fostering a workplace culture built on dignity, respect and inclusion.

Human Capital and Community Development (Cont'd)

HUMAN RIGHTS AND LABOUR STANDARDS (CONT'D)

GRI 2-7, 2-8, 2-30, 202-2, 401-1, 401-2, 401-3, 404-1, 404-3, 405-1, 406-1, 407-1, 408-1, 409-1

Labour Rights & Standards (Cont'd)

(d) Responsible Employment and Ethical Recruitment

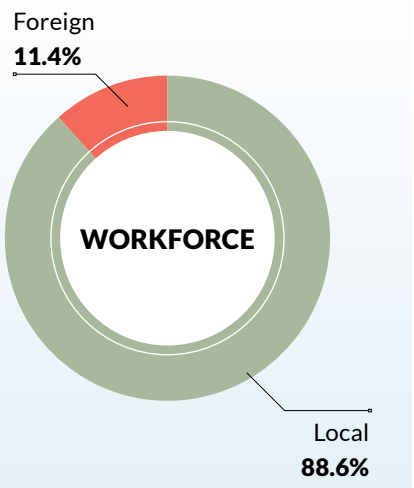
The Group is committed to fair, transparent and responsible employment and recruitment practices. All recruitment and employment practices are conducted in accordance with applicable Malaysian labour and immigration requirements and are guided by relevant international labour principles.

Foreign workers represented 11.4% of the Group's workforce in FY2026 (refer **Chart 10**). Foreign employees are recruited through licensed employment agencies and are required to hold valid work permits in accordance with applicable requirements.

The Group monitors the practices of employment agencies and contractors to reduce the risk of exploitative recruitment practices. Where accommodation is provided, it is maintained in accordance with the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990, supporting safe and dignified living conditions.

The Group does not engage in indentured labour. Employees are engaged on the basis of clear employment terms and applicable contractual and legal requirements. Migrant workers are not restricted from changing employment where permitted under applicable Malaysian laws, immigration requirements and contractual obligations.

CHART 10 – WORKFORCE 2026



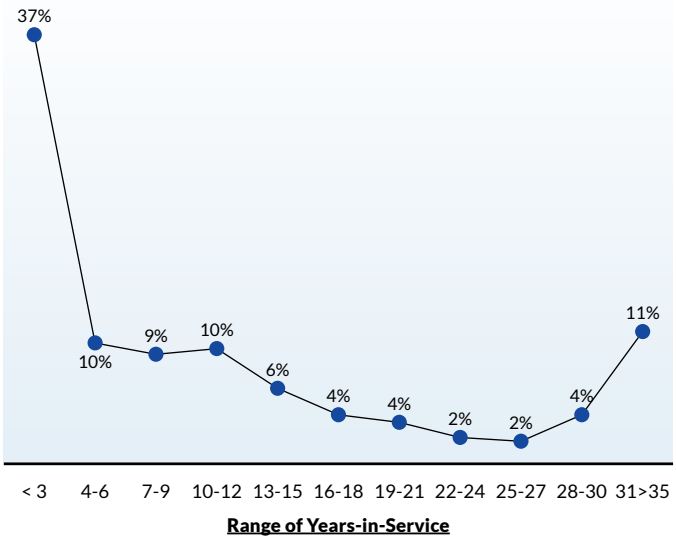
(e) Fair and Equitable Remuneration

The Group is committed to fair and equitable remuneration practices and complies with the Employment Act 1955, applicable Minimum Wages Orders and other relevant labour requirements.

Employees are remunerated based on factors including job scope, qualifications, skills, experience and performance, without discrimination based on gender, age or other personal attributes. The Group regularly reviews its remuneration and performance evaluation practices to support consistency, transparency and the principle of equal pay for equal work.

The Group's workforce also demonstrates a strong level of employee retention, with 63% of employees having served the Group for four years or more (refer **Chart 11**). This provides a foundation for organisational continuity, knowledge retention and long-term employee development.

CHART 11: EMPLOYEE YEAR OF SERVICE AS AT JUNE 2026



Human Capital and Community Development (Cont'd)

HUMAN RIGHTS AND LABOUR STANDARDS (CONT'D)

GRI 2-7, 2-8, 2-30, 202-2, 401-1, 401-2, 401-3, 404-1, 404-3, 405-1, 406-1, 407-1, 408-1, 409-1

Labour Rights & Standards (Cont'd)

(f) Employee Engagement and Consultation

The Group promotes an inclusive and participative workplace by providing opportunities for employees to share their views on matters affecting the organisation and workplace.

Where appropriate, employee feedback is sought through dialogue, consultation and surveys before significant organisation-wide decisions are made. These channels enable management to better understand employee perspectives, identify areas for improvement and incorporate relevant feedback into decision-making.

The Group believes that constructive employee engagement strengthens trust, promotes a sense of ownership and supports more informed and sustainable organisational decisions.

(g) Working Hours, Rest and Well-being

The Group takes measures to manage working hours responsibly and prevent excessive working hours beyond applicable legal requirements. Average working hours are maintained at no more than 45 hours per week, with appropriate rest periods provided in accordance with applicable employment requirements.

These practices are intended to safeguard employee well-being, support work-life balance and maintain a healthy and productive working environment.

(h) Local Employment

The Group places strong emphasis on developing and retaining local talent, contributing to employment opportunities and workforce development in the communities where it operates.

As at the reporting date, 88.6% of the Group's workforce comprised Malaysian employees (refer **Chart 10**). The Group continues to support local employment while maintaining a diverse workforce that brings together different skills, experiences and perspectives.

Our Performance

The Group continues to uphold human rights and labour standards through its policies, responsible employment practices, employee engagement channels and grievance mechanisms. During the financial year, no substantiated complaints relating to human rights or labour standards violations were recorded.

The Group also recorded no substantiated cases of discrimination or harassment, and no industrial disputes or conflicts were reported during the year. These outcomes reflect the Group's continued focus on maintaining fair, respectful and inclusive employment practices and constructive employee relations.

With regard to indigenous peoples, the Group's operations are not located in or near areas inhabited by indigenous communities. Accordingly, no significant actual or potential impacts on the human rights of indigenous peoples were identified during the reporting period. The Group will continue to consider potential impacts on indigenous communities as part of its assessment of new operations, projects or business activities, where relevant.

The Group remains committed to continuously strengthening its human rights and labour standards practices, including responsible recruitment, protection of employee rights, non-discrimination, fair remuneration, safe working conditions and accessible grievance channels. Where relevant, the Group will continue to enhance its oversight of contractors, employment agencies and other business partners to promote respect for human rights and labour standards across its value chain.

The table below presents the Group's human rights and labour standards performance over the past three financial years.

Human Rights and Labour Standards Metric	Unit	Target	FY2024	FY2025	FY2026
Percentage of employees that are contractors or temporary staff	%	-	25.61	22.37	**20.20**
Employee turnover by category					
• Management	Number	-	8	11	**10**
• Executive	Number		8	10	**19**
• Non-executive/ Technical staff	Number		7	11	**27**
• General workers	Number		27	36	**23**
Number of substantiated complaints concerning human rights violations	Number	0	0	0	**0**
Percentage of workforce that are foreign workers	%	< 30.00	20.70	14.07	**11.42**
Workforce turnover rate	%	< 24.00	11.39	16.97	**16.60**

Human Capital and Community Development (Cont'd)

EMPLOYEE DEVELOPMENT AND WELL-BEING

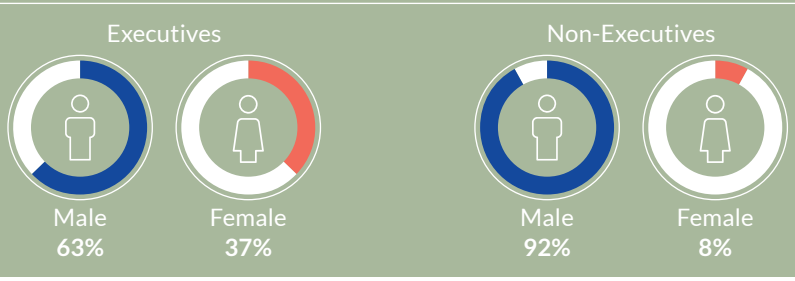
GRI 2-7, 2-8, 2-30, 202-2, 401-1, 401-2, 401-3, 404-1, 404-3, 405-1, 406-1, 407-1, 408-1, 409-1

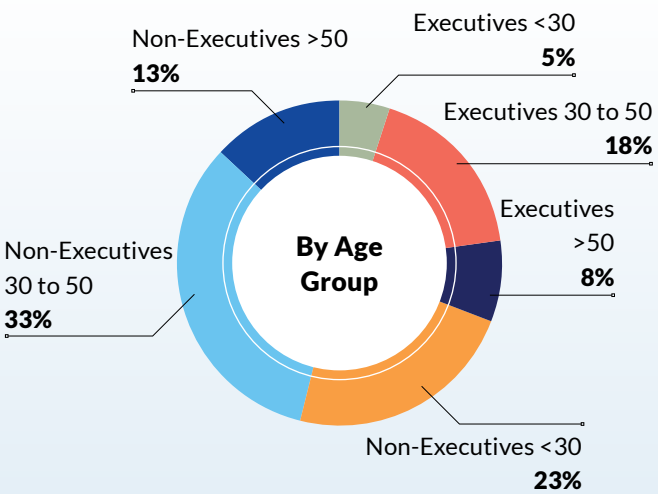
UN SDGs aligned:

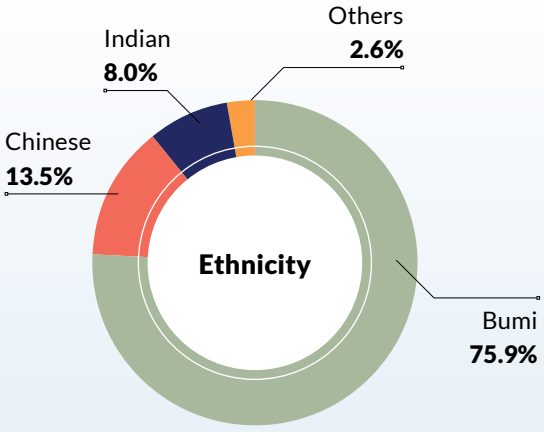


Employee Diversity (Gender, Age Group and Ethnicity)

By Gender







Training and Development

5,375 total training hours	10.97 average training hours per employee	2,469 total training hours (Non-executives)	1,803 total training hours (Executives)	1,103 total training hours (Management)

Human Capital and Community Development (Cont'd)

EMPLOYEE DEVELOPMENT AND WELL-BEING (CONT'D)

GRI 2-7, 2-8, 2-30, 202-2, 401-1, 401-2, 401-3, 404-1, 404-3, 405-1, 406-1, 407-1, 408-1, 409-1

Gender Diversity and Representation

Gender equality remains an important component of the Group's human capital strategy. The Group is committed to fostering an inclusive and equitable workplace where employees, regardless of gender, have fair opportunities to develop their capabilities, progress in their careers and take on leadership responsibilities.

In FY2026, women represented approximately 37% of the Group's management and executive workforce, compared with 39% in FY2025. Female representation at the management and executive levels has continued to strengthen, supported by fair recruitment practices, equal access to training and development, and merit-based career progression.

Female representation remains comparatively lower among non-executive employees, reflecting the predominantly factory-based nature of these roles and the current gender composition of the relevant talent pool. The Group continues to support greater gender diversity through skills development, career development and equal employment opportunities.

At Board level, women represented 17% of total Board membership in FY2026. The Group continues to recognise the importance of diverse perspectives and experiences in strengthening leadership and decision-making.

Employee Diversity

The Group's workforce comprises employees from diverse ethnicities, age groups and nationalities, reflecting the multicultural nature of Malaysia and the international composition of certain parts of our workforce.

Employees aged between 30 and 50 years accounted for approximately 51% of the total workforce in FY2026. This provides the Group with a balanced combination of experience, skills and institutional knowledge, while younger employees contribute new perspectives and support the development of the Group's future talent pipeline.

The Group also values the diversity brought by employees of different nationalities. This diversity contributes to an inclusive working environment and provides operational flexibility, including during periods of increased workforce requirements around festive seasons.

Safe and Inclusive Workplace

The Group is committed to providing a workplace where employees are treated with dignity, respect and fairness. We maintain a zero-tolerance approach towards sexual harassment and other forms of workplace harassment, whether verbal, physical or non-verbal.

Employees are encouraged to raise concerns through the established grievance channels or directly with the Group's People and Culture Department. Complaints are handled with appropriate confidentiality, fairness and due process, with appropriate action taken where misconduct is substantiated. The Group does not tolerate retaliation against employees who raise concerns in good faith.

During the financial year, no substantiated cases of discrimination or harassment were recorded.

The Group also supports employees in managing their personal and family commitments through a range of leave benefits designed to accommodate different life circumstances. These provisions support work-life balance and enable employees to attend to personal, family and well-being needs while fulfilling their professional responsibilities.

Employee Well-being and Welfare

Employee well-being is an important component of the Group's people strategy. The Group undertakes various initiatives to promote employees' physical, mental and social well-being, including health talks, health awareness campaigns, health screenings, mental health programmes, blood donation drives and team-building activities.

These initiatives are intended to encourage employees to take an active role in managing their health, build resilience and strengthen relationships and camaraderie across teams.

The Group also supports employees' professional standing and continued development by sponsoring or reimbursing professional membership fees and certification renewals for eligible employees. This recognises employees' commitment to maintaining professional competence while supporting the development of relevant technical expertise and professional networks.

Human Capital and Community Development (Cont'd)

EMPLOYEE DEVELOPMENT AND WELL-BEING (CONT'D)

GRI 2-7, 2-8, 2-30, 202-2, 401-1, 401-2, 401-3, 404-1, 404-3, 405-1, 406-1, 407-1, 408-1, 409-1

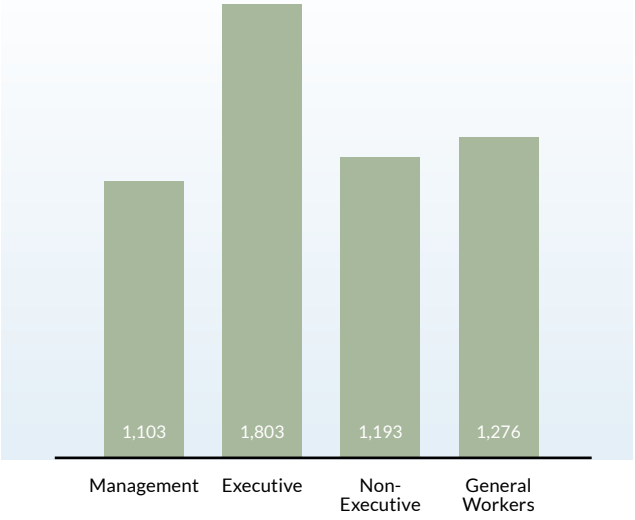
Employee Learning and Development

The Group is committed to cultivating a culture of continuous learning and development. Training and development programmes are designed to strengthen employees' technical capabilities, professional skills and personal competencies, while supporting the Group's current and future business requirements.

In FY2026, the Group provided 5,375 hours of training to 490 employees, equivalent to an average of 10.97 training hours per employee. Training was provided across management, executive and non-executive/technical employee categories, supporting capability development across different levels of the organisation.

The Group continues to assess training needs based on employees' roles, responsibilities and development requirements, with the aim of ensuring that employees have opportunities to enhance their skills and prepare for future career progression.

TOTAL TRAINING HOURS BY EMPLOYEE CATEGORY



Developing Future Talent

The Group actively supports the development of future talent through structured internship opportunities for students and fresh graduates. Interns are provided with practical exposure to the workplace, opportunities to learn from experienced employees and hands-on experience relevant to their areas of study.

Through these programmes, the Group contributes to developing industry-ready talent while providing young individuals with valuable insights into professional and operational environments. The initiative also supports the Group's longer-term talent pipeline and commitment to contributing to workforce development in Malaysia.

Human Capital and Community Development (Cont'd)

EMPLOYEE DEVELOPMENT AND WELL-BEING (CONT'D)

GRI 2-7, 2-8, 2-30, 202-2, 401-1, 401-2, 401-3, 404-1, 404-3, 405-1, 406-1, 407-1, 408-1, 409-1

Our Performance

The table below presents the Group's diversity and employee development performance over the past three financial years.

Diversity and Employee Development Metric	Unit	Target	FY2024	FY2025	FY2026
Diversity					
Percentage of employees by gender and age group, by employee category					
Age Group by Employee Category					
• Management under 30	%		2.74	1.39	**0.00**
• Management between 30-50	%		52.05	59.72	**62.67**
• Management above 50	%		45.21	38.89	**37.33**
• Executive under 30	%		27.78	34.21	**29.73**
• Executive between 30-50	%	-	54.17	47.37	**54.05**
• Executive above 50	%		18.05	18.42	**16.22**
• Non-executive under 30	%		29.29	34.05	**33.33**
• Non-executive between 30-50	%		46.80	44.98	**47.70**
• Non-executive above 50	%		23.91	20.97	**18.97**
Gender Composition by Employee Category					
• Management Male	%		69.86	66.67	**64.00**
• Management Female	%		30.14	33.33	**36.00**
• Executive Male	%		59.72	55.26	**62.16**
• Executive Female	%	-	40.28	44.74	**37.84**
• Non-executive Male	%		92.24	90.64	**91.65**
• Non-executive Female	%		7.76	9.36	**8.35**
Percentage of directors by gender					
• Male	%	At least 1 female director on the boards (17%)	83.00	83.00	**83.00**
• Female	%		17.00	17.00	**17.00**
Percentage of directors by age group					
• Under 30	%		0	0	**0**
• Between 30-50	%	-	0	0	**0**
• Above 50	%		100.00	100.00	**100.00**

Human Capital and Community Development (Cont'd)

EMPLOYEE DEVELOPMENT AND WELL-BEING (CONT'D)

GRI 2-7, 2-8, 2-30, 202-2, 401-1, 401-2, 401-3, 404-1, 404-3, 405-1, 406-1, 407-1, 408-1, 409-1

Our Performance (Cont'd)

Diversity and Employee Development Metric	Unit	Target	FY2024	FY2025	FY2026
Total training hours by employee category					
• Management	Hours	-	1,808	1,088	**1,103**
• Executive	Hours		2,841	2,485	**1,803**
• Non-executive/Technical staff	Hours		2,350	2,830	**2,469**



Merdeka & Malaysia Day Hiking – Staff Hiking Activity at Taman Tugu, Kuala Lumpur





Hari Raya Aidilfitri Celebration





Men's Health Awareness - Health Talk with Health Screening with Consultation

Human Capital and Community Development (Cont'd)

OCCUPATIONAL HEALTH AND SAFETY *GRI 403-1, 403-2, 403-4, 403-5, 403-7, 403-9*

UN SDGs aligned:



Key highlights:

Lost Time Injury Frequency Rate ("LTIFR")

1.76

(Performance target <2.11)

ONE

Work-related fatalities

(Performance target = Zero)

Employees trained on health & safety standards

335

Our commitment

The Group is committed to providing a safe, healthy and secure working environment for all employees, contractors and other workers within its operations. While the Group's steel manufacturing activities are primarily value-added downstream operations with lower inherent risks than upstream steelmaking, we recognise that manufacturing activities continue to present workplace hazards that require robust controls, continuous monitoring and strong safety awareness.

Our approach is guided by the principle of zero harm at work, supported by a comprehensive occupational health and safety management system, documented procedures, risk assessments, regular workplace inspections and continuous monitoring of safety performance.

Safety Governance and Culture

Health, Safety and Environment ("HSE") Committees are established at the operational sites and operate under the Steel Manufacturing Health and Safety Management Framework. The Group promotes a strong safety culture through the integration of 6S practices, incorporating the principles of 5S Kaizen with Safety, workplace inspections and safety audits (refer **Illustration 3**).

ILLUSTRATION 3: OCCUPATION HEALTH & SAFETY MANAGEMENT FRAMEWORK



The Group's Occupational Health, Safety and Environment ("OHSE") Policy is communicated through the Group's website, employee intranet, townhall sessions and relevant stakeholder briefings. The Group also expects employees, contractors and business partners to uphold applicable safety, health and ethical standards under its Code of Conduct.

Human Capital and Community Development (Cont'd)

OCCUPATIONAL HEALTH AND SAFETY (CONT'D) *GRI 403-1, 403-2, 403-4, 403-5, 403-7, 403-9*

Risk Identification and Prevention

The Group adopts a proactive approach to identifying and managing workplace hazards through Hazard Identification, Risk Assessment and Risk Control ("HIRARC"), supported by routine inspections, workplace audits and monitoring of safety controls.

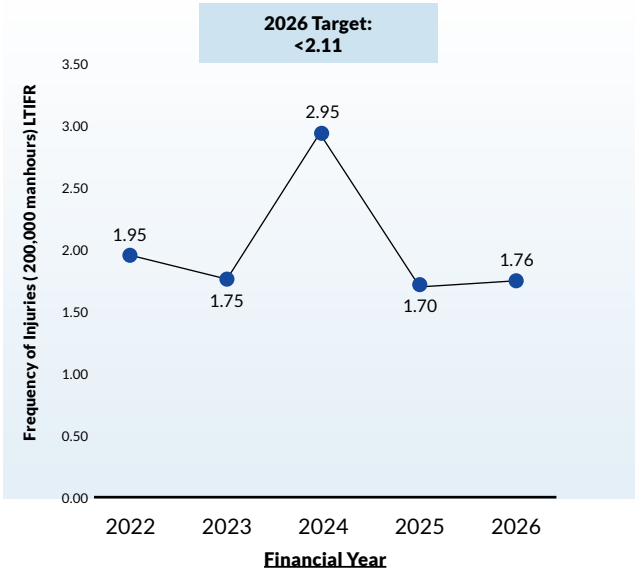
Following safety incidents, investigations are conducted to identify underlying and root causes and to determine appropriate corrective and preventive actions. These measures are intended to strengthen work methods, supervisory practices, employee awareness and the effectiveness of existing safety controls.

Incident Reporting and Learning

The Steel Manufacturing operations promote timely and transparent reporting of occupational health and safety incidents. Where an incident occurs, relevant information is communicated to affected employees and workers through factory assembly points, meetings and official communication channels, as appropriate.

Incident investigations and subsequent corrective actions are used to strengthen preventive measures and reinforce safety awareness across the operations. The Group recognises that effective incident reporting and learning are essential to preventing recurrence and continuously improving workplace safety.

LOST TIME INJURY FREQUENCY RATE (LTIFR)



Safety Performance and Continuous Improvement

During FY2026, the Group recorded one work-related fatality. The incident is treated with the utmost seriousness, and the Group has undertaken the necessary investigation and follow-up actions in accordance with applicable requirements.

The Group also recorded a Lost Time Injury Frequency Rate ("LTIFR") of 1.76 per 200,000 man-hours, compared with 1.70 in FY2025 and 2.95 in FY2024. While the LTIFR remained below the Group's target of 2.11, the Group continues to strengthen its preventive measures in response to the safety incidents recorded during the year.

The Group's review of incidents identified human factors and work-method gaps as areas requiring continued attention. Accordingly, the Group is intensifying HIRARC reviews, employee engagement, supervisory oversight and reinforcement of safe work practices.

Strengthening Systems through ISO 45001

During the reporting period, all steel manufacturing operational plants were certified to ISO 45001, demonstrating the Group's continued efforts to strengthen its occupational health and safety management systems in line with internationally recognised practices.

The certification provides a structured framework for identifying workplace hazards, managing occupational health and safety risks, improving employee participation and driving continual improvement in safety performance.



ISO 45001:2018 Occupational Health & Safety Management System Certification

Human Capital and Community Development (Cont'd)

OCCUPATIONAL HEALTH AND SAFETY (CONT'D) *GRI 403-1, 403-2, 403-4, 403-5, 403-7, 403-9*

Empowering Employees through Training and Awareness

The Group recognises that employee competence and safety awareness are critical to preventing workplace incidents. During FY2026, 335 employees received occupational health and safety-related training covering areas such as fire safety awareness, chemical spill emergency response drills and welding safety.

New employees also undergo safety induction programmes to familiarise themselves with workplace hazards, safe work procedures and relevant emergency protocols.

In addition, the Steel Manufacturing operations implemented a Safety Anchor Programme during the year to strengthen safety awareness at the operational level. The programme empowers operators through peer-to-peer mentorship, enabling experienced employees to share practical safety knowledge, reinforce safe work practices and enhance awareness of workplace hazards. Through this initiative, the Group aims to strengthen employee ownership of workplace safety and further reduce the risk of workplace incidents.



Chemical Spill Emergency Response Drills Training



Welding Safety Training

Human Capital and Community Development (Cont'd)

OCCUPATIONAL HEALTH AND SAFETY (CONT'D) *GRI 403-1, 403-2, 403-4, 403-5, 403-7, 403-9*

Employee Health and Well-being

Beyond workplace safety, the Group supports employee health and well-being through health and safety awareness programmes and access to medical benefits. All employees are covered by health and accident insurance and have access to more than 30 panel clinics and hospitals nationwide. Where necessary, employees may also seek treatment from non-panel healthcare providers outside panel operating hours, subject to the applicable arrangements.

The Group respects the confidentiality of employees' medical information and is committed to maintaining appropriate safeguards when handling personal health information.

Our Performance

The table below presents the Group's occupational health & safety performance over the past three financial years.

Occupational Health & Safety Metrics	Unit	Target	FY2024	FY2025	FY2026
Number of work-related fatalities	Number	0	0	0	**1**
Lost Time Injury Frequency Rate ("LTIFR")	Rate	2.11	2.95	1.70	**1.76**
Number of employees trained on health and safety standards	Number	-	324	300	**335**
Number of DOSH negative audit findings	Number	Zero	6	1	**1**

Note: LTIFR is calculated based on 200,000 man-hours.

The Group acknowledges the seriousness of the fatality recorded during FY2026 and remains committed to strengthening its safety culture, risk controls and preventive measures. The Group will continue to focus on hazard identification, employee competency, management oversight, incident learning and continuous improvement to reduce workplace risks and work towards its long-term aspiration of zero harm.

Human Capital and Community Development (Cont'd)

COMMUNITY ENGAGEMENT *GRI 413-1*

UN SDGs aligned:



Key highlights:

RM76,071
Contributed to local communities

2,197
Beneficiaries reached

17
Community initiatives implemented

Zero
Complaints received from local communities

We recognise the importance of maintaining meaningful relationships with the communities in which we operate. As our operations are closely connected to the surrounding communities, including through our workforce and reliance on local services and amenities, we seek to ensure that our presence contributes positively to local social and economic well-being.

Our Approach

Our approach to community engagement is guided by the principles of inclusivity, relevance and long-term value creation. We seek to understand the needs and priorities of the communities around our operations and focus our support in four key areas:

- **Supporting Neighbouring Communities** – Strengthening relationships with neighbouring communities through donations, community activities and festive programmes that foster social cohesion and contribute to local well-being.
- **Education and Health Support** – Supporting access to education and healthcare through sponsorships, outreach initiatives and contributions that promote learning opportunities and community well-being.
- **Humanitarian Support** – Providing financial assistance, essential resources and other forms of support to vulnerable individuals and communities experiencing hardship, thereby contributing to social resilience and well-being.
- **Environmental Awareness and Volunteerism** – Encouraging employees and local communities to participate in environmental and sustainability-related initiatives, while fostering greater awareness and collective responsibility for environmental stewardship.

Through these initiatives, we aim to strengthen community relationships, address relevant social needs and create positive outcomes for the communities in which we operate.

Human Capital and Community Development (Cont'd)

COMMUNITY ENGAGEMENT (CONT'D) *GRI 413-1*

Our Progress

Community engagement activities are coordinated at the operational level, enabling employees and volunteers at each location to respond to the needs and circumstances of their respective communities. This decentralised approach allows our operations to identify relevant local priorities and implement initiatives that are appropriate to the communities they serve.

The Group engages with local community leaders, association representatives, local councils and other relevant organisations to better understand local developments, community needs and areas of vulnerability. Feedback and observations gathered through these engagements help inform the Group's community initiatives and enable us to prioritise our support where it can deliver the greatest value.

During the year, the Group conducted 17 community engagement initiatives, benefiting approximately 2,197 individuals across local communities, vulnerable groups and underfunded welfare organisations, including orphanages and elderly care homes. A total of RM76,071 was invested in these initiatives during the financial year.

The Group also monitors feedback and grievances arising from its engagement with local communities. During the year, no community-related complaints were received and no confirmed or outstanding community-related issues were identified. While the absence of complaints does not preclude the possibility of indirect impacts, the Group's engagement and monitoring processes did not identify any significant adverse community impacts requiring remedial action during the reporting period.

The table below presents the Group's community engagement performance over the past three financial years.

Community Engagement Metrics	Unit	Target	FY2024	FY2025	FY2026
Total amount invested in the community	RM	-	74,176	40,210	**76,071**
Total number of beneficiaries of community investment	Number	-	2,185	3,273	**2,197**
Number of complaints received relating to community	Number	Zero	0	0	**0**
Number of confirmed and outstanding community -related issues	Number	Zero	0	0	**0**



Supporting Neighbouring Communities – Gotong Royong at KRT Pangsapuri Taman Sri Rasau

Human Capital and Community Development (Cont'd)

COMMUNITY ENGAGEMENT (CONT'D) *GRI 413-1*



Melewar Group Donation Drive







Rumah Kasih Harmoni Paya Jaras – Educational Visit to Pusat Sains Negara

Governance

CORPORATE GOVERNANCE AND BUSINESS ETHICS *GRI 2-22, 2-23, 2-24, 2-25, 2-26, 2-27, 205-1, 205-2, 205-3*

UN SDGs aligned:



Our Commitment

The Group is committed to upholding integrity, fairness and accountability across all aspects of its business operations. We adopt a zero-tolerance approach to bribery, corruption and fraud, supported by our Code of Conduct and Ethics, Anti-Corruption Policy, the Malaysian Anti-Corruption Commission Act 2009 (MACC Act), and applicable capital market requirements relating to conduct and conflicts of interest.

The Board of Directors provides oversight of the Group's anti-bribery, anti-corruption and anti-fraud framework, reinforcing accountability at the highest level of governance. The framework is designed to support the prevention and early detection of misconduct, promote ethical decision-making, and ensure that concerns are appropriately investigated and addressed.

To strengthen our governance and ethical culture, the Group has established a suite of policies, procedures and guidelines, including:

- Anti-Corruption Policy
- Anti-Fraud Policy
- Whistleblowing Policy
- Conflict of Interest Policy
- Code of Conduct and Ethics
- Supplier Code of Conduct
- Gifts and Benefits Declaration Form
- Sponsorship Declaration Form



Policy Communication and Training

The Group communicates its policies and expectations on ethical conduct to directors, senior management, employees and relevant business partners through various channels, including employee induction programmes, internal awareness initiatives and the Group's corporate website.

Mandatory anti-corruption and ethics training is provided through online learning to strengthen employees' understanding of applicable anti-bribery and anti-corruption principles, relevant regulations and their responsibilities under the Group's policies and procedures.

All employees are required to complete mandatory anti-corruption and ethics training, with refresher training conducted on a periodic basis, generally every two to three years, to reinforce awareness and understanding. Senior management personnel and employees in positions identified as having heightened exposure to corruption risks are also required to sign annual compliance pledges. During the year under review, 100% of the identified personnel completed the required compliance pledge.

Governance (Cont'd)

CORPORATE GOVERNANCE AND BUSINESS ETHICS (CONT'D) *GRI 2-22, 2-23, 2-24, 2-25, 2-26, 2-27, 205-1, 205-2, 205-3*

Grievance and Reporting Mechanisms

The Group provides accessible channels for employees to raise workplace concerns, grievances and suspected misconduct. Employees may report concerns to their immediate superior, the People & Culture Department or, where appropriate, escalate the matter directly to senior management.

Our grievance framework is designed to ensure that concerns are handled fairly, impartially and confidentially, with appropriate safeguards against retaliation. Employees may also appeal an investigation outcome where they are dissatisfied with the decision.

Grievances may be submitted through the Grievance Management Form available on the Employee Intranet, providing an accessible and documented channel for employees to raise concerns. All grievances and their outcomes are appropriately documented and reviewed to promote consistency, transparency and accountability, while confidentiality is maintained throughout the process to protect the rights and dignity of the parties involved.

For suspected corruption, fraud, unethical conduct or other serious wrongdoing, employees and relevant stakeholders may utilise the Group's Whistleblowing Policy and reporting channels. These mechanisms reinforce the Group's commitment to maintaining a speak-up culture in which concerns can be raised responsibly and addressed appropriately.

Suppliers and Business Partners

The Group extends its commitment to ethical business practices beyond its own operations. New suppliers and business partners are formally informed of the Group's anti-corruption requirements as part of the onboarding process.

In addition, suppliers and business partners are provided with a direct communication channel to the Senior Independent Director to report suspected misconduct, corruption or other unethical behaviour. This provides an additional avenue for external stakeholders to raise concerns independently of the normal operational reporting channels.

Our Performance

During the year under review, no employees were disciplined or dismissed for non-compliance with the Group's anti-corruption policies, and no confirmed incidents of bribery, corruption or fraud were identified.

The Group also assessed 100% of its operations for corruption-related risks, while 100% of senior personnel and employees in positions exposed to identified corruption risks completed the required annual compliance pledge.

The table below presents the Group's anti-corruption performance over the past three financial years.

Anti-Corruption Metrics	Unit	Target	FY2024	FY2025	FY2026
Percentage of employees who have received training on anti-corruption by employee category					
• Management	%	100	100	100	**100**
• Executive			100	100	**100**
• Non-executive			100	100	**100**
Percentage of operations assessed for corruption-related risks	%	100	100	100	**100**

Governance (Cont'd)

CORPORATE GOVERNANCE AND BUSINESS ETHICS (CONT'D) *GRI 2-22, 2-23, 2-24, 2-25, 2-26, 2-27, 205-1, 205-2, 205-3*

Our Performance (Cont'd)

Anti-Corruption Metrics	Unit	Target	FY2024	FY2025	FY2026
Confirmed incidents of corruption and action taken	Number	0	0	0	**0**
Percentage of senior personnel and employees in positions exposed to corruption risk who signed the annual compliance pledge	%	100	100	100	**100**
Percentage of employees due for refresher anti-corruption training who completed the refresher training [N1]	%	100	0	100	**0**

[N1] – *The refresher training cycle is conducted every two to three years. The most recent refresher training was completed in June 2025; accordingly, no refresher training was due during FY2026.*

DATA PRIVACY AND CYBERSECURITY *GRI 2-22, 2-23, 2-24, 2-25, 2-26, 2-27, 418-1*

UN SDGs aligned:



Cybersecurity and data protection are integral to the Group's sustainability and governance commitments. The Group recognises that safeguarding digital systems and stakeholder information is essential to maintaining trust, protecting business operations and strengthening organisational resilience. Accordingly, the Group adopts data governance practices designed to protect the confidentiality, integrity and availability of information across its operations and value chain.

Personal data is managed in accordance with the Group's Personal Data Privacy Policy and the Malaysian Personal Data Protection Act 2010 ("PDPA"), including applicable amendments. These requirements support the lawful and transparent processing of personal data and the protection of individual rights. The Group also implements cybersecurity protocols and controls to mitigate risks arising from unauthorised access, disclosure, misuse and other cyber threats, with data-related risks incorporated into the Group's SRRO management framework.

The Group extends these expectations to its suppliers through the Code of Conduct. Suppliers are required to protect the Group's private and confidential information and are prohibited from using, disclosing or sharing such information without prior written approval. Suppliers are also expected to respect intellectual property rights, comply with applicable data privacy requirements and maintain adequate safeguards to protect personal information.

In FY2026, the Group recorded zero substantiated complaints concerning breaches of customer privacy or losses of customer data. The Group will continue to strengthen its data governance and cybersecurity practices to address evolving cyber threats, protect stakeholder information and maintain business resilience.

Our Performance

The table below presents the Group's data privacy and cybersecurity performance over the past three financial years.

Data Privacy and Cybersecurity Metrics	Unit	Target	FY2024	FY2025	FY2026
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0	**0**

Economic Sustainability

RESPONSIBLE SUPPLY CHAIN MANAGEMENT *GRI 204-1, 308-1, 414-1*

UN SDGs aligned:



Our Commitment

We recognise that a responsible and resilient supply chain is fundamental to the Group's long-term sustainability, operational resilience and business continuity. We seek to work with suppliers and business partners that uphold ethical, social and environmental standards, while promoting responsible practices throughout our value chain.

Our approach focuses on establishing clear expectations, assessing relevant sustainability practices and engaging suppliers to address identified risks and encourage continuous improvement. Through these efforts, we aim to strengthen supply chain resilience, support responsible business practices and create sustainable value for the Group and its stakeholders.

Why It Matters

The practices and performance of our suppliers can have a direct or indirect impact on the Group's operational resilience, environmental footprint, regulatory compliance and reputation. Environmental considerations, such as resource use, emissions and compliance with applicable requirements, may affect the sustainability and continuity of our supply chain. Similarly, labour practices, working conditions, occupational health and safety and business ethics may give rise to social, operational and reputational risks.

Supplier due diligence and engagement therefore form an integral part of the Group's approach to managing supply chain-related risks. By incorporating relevant environmental and social considerations into supplier selection, assessment and monitoring, we seek to identify potential risks early, strengthen supplier accountability and support more resilient and responsible supply chains.

Supplier Due Diligence and Assessment

The Group establishes expectations for responsible business conduct through our Supplier Code of Conduct, which is communicated to and acknowledged by suppliers and relevant business partners prior to commencing business engagements. The Code covers key areas including ethical conduct, labour and human rights, occupational health and safety, environmental stewardship and compliance with applicable laws and regulations.

The Supplier Code of Conduct applies to suppliers, business partners, contractors, sub-contractors, consultants, distributors, agents and other parties providing goods or performing work or services for or on behalf of the Group.

In addition, approved suppliers are required to complete our Supplier ESG Assessment Survey, which enables the Group to assess relevant environmental and social practices, including environmental management, labour and human rights, occupational health and safety and business ethics.

The results of supplier assessments are used to identify potential ESG risks and areas requiring improvement. Higher-risk suppliers may be prioritised for further review and follow-up. For key suppliers, ongoing monitoring may include annual assessments and, where appropriate, physical site inspections or audits.

These measures enable the Group to strengthen supplier oversight, promote continuous improvement and identify potential supply chain risks that may affect business continuity.

Economic Sustainability (Cont'd)

RESPONSIBLE SUPPLY CHAIN MANAGEMENT (CONT'D) *GRI 204-1, 308-1, 414-1*

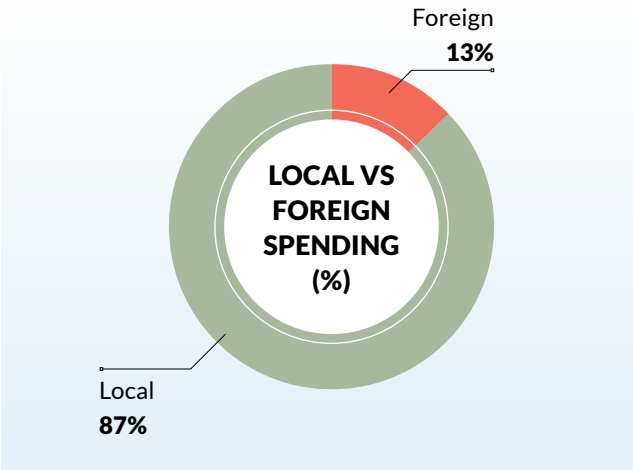
Strengthening Local Supply Chains

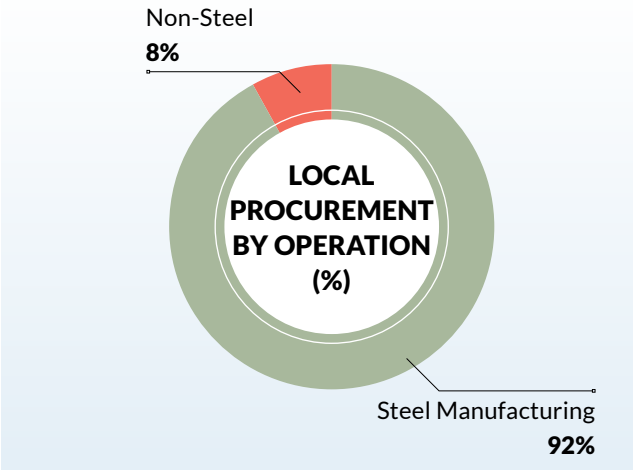
The Group prioritises local suppliers where feasible and appropriate. Local procurement contributes to domestic economic activity and supports the development of local businesses, while also helping to strengthen supply chain resilience and reduce exposure to cross-border disruptions.

In FY2026, 87% of the Group's total procurement spend was channelled to local suppliers, exceeding our target of more than 70%. Of the Group's local procurement spend, approximately 92% was attributable to the Steel Manufacturing operations, reflecting the significant scale of their domestic sourcing activities, while the remaining 8% was attributable to the Non-Steel operations.

Certain raw materials are not readily available from domestic sources. In particular, the Food Processing and Trading Division within the Non-Steel operations continues to rely on international sourcing for selected products, including turkey and lamb, to meet production requirements while maintaining product quality, food safety and supply reliability.

The Group will continue to explore opportunities to strengthen local sourcing where suitable suppliers and materials are available, while balancing considerations of quality, availability, cost, food safety and supply continuity.





Our Progress

The table below presents the Group's responsible supply chain management performance over the past three financial years.

Responsible Supply Chain Management Metrics	Unit	Target	FY2024	FY2025	FY2026
Proportion of spending on local suppliers	%	>70	84	91	**87**
Percentage of suppliers that are subjected to social and environmental impact assessment/ review (applies only to key suppliers with total transaction value > RM500k per year)	%	100	93	97	**100**

Economic Sustainability (Cont'd)

PRODUCT QUALITY AND CUSTOMER RESPONSIBILITY *GRI 416-1, 416-2, 417-1, 417-2, 417-3*

UN SDGs aligned:









Why It Matters

The Group recognises that product quality, safety and responsible customer practices are essential to maintaining customer trust, protecting our reputation and sustaining long-term business relationships. The nature of product-related risks varies across our operations.

For the Steel Manufacturing operations, key considerations include product specifications, quality consistency, technical requirements and compliance with applicable product standards. For the Food operations, particular emphasis is placed on food safety, product quality, packaging integrity and accurate product information.

The Group therefore maintains quality and safety controls appropriate to the nature of its products and operations, while monitoring customer feedback to identify areas for improvement and address emerging product-related risks.

Product Quality & Safety

a) Steel Manufacturing Operations

The Steel Manufacturing operations apply quality assurance and control procedures throughout the manufacturing process, covering raw material sourcing and inspection, production, testing and final product inspection. These controls are designed to ensure that products meet applicable customer specifications, quality requirements and relevant industry standards.

The CRC segment has obtained SIRIM product certifications confirming compliance with Malaysian Standard MS 2651:2015 and Japanese Industrial Standard JIS G3141:2011. These certifications provide assurance that CRC products meet the applicable quality parameters under the respective standards.

The Steel Tube segment maintains various product and manufacturing certifications, including UK Factory Production Control Certification, EC Factory Production Control Certification and CE Marking from LRQA. Its products also comply with relevant international and Malaysian standards and requirements, including the Perakuan Pematuhan Standard (Bahan Binaan) from CIDB Malaysia and EMAL certification from Cawangan Kejuruteraan Elektrik, Jabatan Kerja Raya Malaysia. Periodic internal and external audits support the ongoing effectiveness of its quality assurance and compliance processes.

The Group also recognises the increasing importance of product-level environmental information. The CRC and Steel Tube segments hold certifications in accordance with SIRIM ECO 032:2020 and Green Label certification under ISO 14024, enabling eligible products to carry the relevant Eco-Labelling and MyHIJAU markings. These certifications provide information on the environmental attributes of certified products and support the Group's efforts to promote more sustainable production and consumption.

Economic Sustainability (Cont'd)

PRODUCT QUALITY AND CUSTOMER RESPONSIBILITY (CONT'D) *GRI 416-1, 416-2, 417-1, 417-2, 417-3*

Product Quality & Safety (Cont'd)

b) Food Operations

The Food operations maintain food safety and quality controls across procurement, processing, packaging and distribution. Imported product suppliers are subject to defined requirements covering applicable food safety standards and, where relevant, recognised food safety certifications.

The Group's food production facilities maintain recognised food safety certifications, including Halal certification and Hazard Analysis and Critical Control Points ("HACCP"), supporting the systematic management of food safety risks across relevant operations.

In FY2026, the Group recorded zero incidents of non-compliance concerning the health and safety impacts of its products and services and zero product recalls for health and safety reasons.

Responsible Product Information and Labelling

The Group is committed to providing customers with clear, accurate and relevant product information in accordance with applicable regulatory requirements and the nature of the products supplied.

For the Food operations, product labelling is managed in accordance with the Malaysia Food Act 1983 and Food Regulations 1985, supported by internal controls to review and verify relevant product, nutritional and safety information.

For the Steel Manufacturing operations, product information and technical documentation are provided in accordance with applicable customer specifications, product requirements and relevant standards. Accurate and appropriate product information supports customers in making informed decisions and ensures the proper use and handling of our products.

Customer Satisfaction and Feedback

Customer feedback provides an important source of insight into product performance, quality and customer expectations. The Group maintains communication channels for customers to provide feedback, raise concerns and communicate their requirements. Feedback received is evaluated to identify appropriate corrective actions and opportunities for product or service improvements.

To better understand customer expectations and experience, the Steel Manufacturing operations conduct an annual Customer Satisfaction Survey covering key areas including product quality and range, order management, delivery performance, technical support, customer service and pricing. In FY2026, the operations achieved an overall Customer Satisfaction Score of 79%, slightly below the target of 80%.

For the Food operations, five negative customer feedback cases were recorded in FY2026 relating to an overseas confectionery product newly introduced into the Malaysian market, for which the Group is the sole distributor. The feedback, primarily received from key retail buyers, concerned product quality and packaging integrity, particularly sealing effectiveness and moisture control. These issues affected product freshness under Malaysia's tropical climatic conditions and contributed to reduced purchases by certain retail buyers.

Prior to entering into the distribution arrangement, the Group conducted a site visit to the overseas manufacturer's production facility to assess its manufacturing conditions and processes. The subsequent market experience highlighted the importance of assessing not only manufacturing conditions at source, but also product suitability and packaging performance under local climatic and market conditions.

In response, the Group has strengthened its consideration of product suitability and packaging performance in managing the product and its distribution arrangements. Going forward, the Group will continue to enhance product evaluation, supplier engagement and quality monitoring, particularly for products sourced from overseas markets.

Economic Sustainability (Cont'd)

PRODUCT QUALITY AND CUSTOMER RESPONSIBILITY (CONT'D) *GRI 416-1, 416-2, 417-1, 417-2, 417-3*

Building Product Quality and Safety Competence

The Group recognises that effective product quality and safety management depends on employee competence and awareness. Relevant employees receive training appropriate to their roles and operational responsibilities.

For the Food operations, training includes HACCP, food handling, hygiene management and quality assurance. For the Steel Manufacturing operations, relevant employees receive training covering manufacturing processes, technical requirements and applicable quality and safety procedures.

These programmes support the consistent application of established controls and help maintain the quality and safety standards expected across the Group's operations.

Our Performance

The table below presents the Group's product quality and customer responsibility performance over the past three financial years.

Product Quality and Customer Responsibility Metrics	Unit	Target	FY2024	FY2025	FY2026
Incidents of non-compliance concerning health and safety impacts of products and services	Number	0	0	0	**0**
Incidents of non-compliance with voluntary codes	Number	0	0 [N1]	0 [N1]	**0** [N1]
Products recalled for health and safety reasons	Number	0	0 [N2]	0 [N2]	**0** [N2]
Negative customer feedback	Number	Monitor	0 [N2]	0 [N2]	**5** [N2]

[N1] – *Only apply to Steel Manufacturing operations*
[N2] – *Only apply to Food operations*

ECONOMIC PERFORMANCE *GRI 201-1*

UN SDGs aligned:



Long-term economic sustainability underpins the Group's ability to create value for stakeholders, sustain employment, strengthen local supply chains and contribute to the economies in which it operates.

The Group focuses on building resilient businesses that generate sustainable economic value by responding to changing market conditions, managing risks, leveraging technology and employee capabilities, meeting evolving customer needs and pursuing viable growth opportunities.

In FY2026, the Group generated RM771.72 million in direct economic value, an increase from RM731.33 million in FY2025. The economic value generated was distributed primarily through operating costs, employee wages and benefits, payments to providers of capital, taxes and community investments. After these distributions, RM51.61 million of economic value was retained by the Group.

Economic Sustainability (Cont'd)

ECONOMIC PERFORMANCE (CONT'D) *GRI 201-1*

Financial Risk Management

Effective financial risk management is integral to maintaining the Group's financial resilience and supporting sustainable business operations. The Group's approach is guided by its ERM Framework, which provides a structured basis for identifying, assessing, monitoring and mitigating financial risks.

Through established governance structures, defined risk parameters and internal controls, the Group manages key financial risks, including credit, liquidity and market risks. Based on the Group's formal ERM assessment, these financial risks remained within the low to medium risk range in FY2026. The Group continues to monitor its risk exposures and implement appropriate mitigation measures to safeguard financial resilience and support its business objectives.

Cash Flow and Liquidity Management

The Group maintains a prudent approach to cash flow and liquidity management to ensure sufficient funds are available to meet operational obligations, support business activities and manage unforeseen requirements.

Cash flows, funding requirements and liquidity positions are monitored regularly to maintain adequate financial flexibility and support the Group's continuing operations and future growth.

Direct Economic Value Generated and Distributed

	FY2024 RM'000	FY2025 RM'000	FY2026 RM'000
Economic value generated:			
Revenue and other income	814,235	731,329	**771,720**
Economic value distributed:			
• Operating costs	700,417	637,637	**659,650**
• Employee wages and benefits	45,610	54,119	**56,811**
• Payment to providers of capital - dividends and financing costs	8,081	5,587	**3,898**
• Net payment to/(refund from) government - taxes	2,869	2,518	**(325)**
• Community investment	74	40	**76**
Total economic value distributed	**757,051**	**699,901**	**720,110**
Economic value retained	**57,184**	**31,428**	**51,610**

Note:
Economic value generated and distributed is calculated based on the Group's consolidated financial information and in accordance with the principles of GRI 201-1. Economic value generated comprises revenue and other relevant income, while economic value distributed comprises operating costs, employee wages and benefits, payments to providers of capital, payments to government and community investments. Economic value retained represents economic value generated less economic value distributed.

Statement of Assurance

ASSURANCE UNDERTAKEN

To enhance the credibility and reliability of the Sustainability Statement of Melewar Industrial Group Berhad ("MIGB") for the financial year ended 30 June 2026, selected sustainability information relating to the Group's Steel Manufacturing operations was subjected to independent limited assurance by SGS (Malaysia) Sdn Bhd ("SGS").

The limited assurance engagement covered selected sustainability matters and indicators relating to Energy Management, Water Stewardship, Waste Management and Emission Management for the specified operations within the Steel Manufacturing operations.

The assurance engagement was conducted in accordance with the International Standard on Assurance Engagements ("ISAE") 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and ISAE 3410, Assurance Engagements on Greenhouse Gas Statements, using the applicable criteria specified by SGS.

The Sustainability Statement, including the selected sustainability information subject to assurance, was reviewed and approved by the Board of Directors and the Risk & Sustainability Committee on 22 October 2026.

The scope of the assurance engagement and the selected sustainability matters and indicators are set out below.

Type of Assurance	Sustainability Matter	Sustainability Indicator	Scope	Conclusion
Independent limited assurance by SGS	**Energy Management**	(a) Total energy consumption (GJ)	Mycron Steel Berhad Group (including CRC and MST)	**Limited assurance conclusion:** Nothing has come to SGS's attention that causes it to believe that the selected subject matter information has not been prepared, in all material respects, in accordance with the applicable criteria.
	Water Stewardship	(a) Total volume of water used (ML)		
	Waste Management	(a) Total waste generated (tonne) (b) Total waste diverted from disposal (tonne) (c) Total waste directed to disposal (tonne)		
	Emission Management	(a) Scope 1 emissions (tCO_2e) (b) Scope 2 emissions (tCO_2e) (c) Scope 3 emissions (tCO_2e) – Business travel and employee commuting		

Note: The limited assurance engagement involved enquiries, analytical procedures, review of selected supporting documentation and records, selected recalculations, evaluation of assumptions and emission factors, and assessment of the completeness and consistency of the selected sustainability information against the applicable criteria. The assurance procedures performed were substantially less in extent than those performed for a reasonable assurance engagement.

The SGS assurance statement also notes inherent limitations associated with the use of estimates, assumptions and employee-provided activity data in the calculation of GHG emissions. In addition, Scope 2 emissions were calculated using the 2017 "CDM Electricity Baseline for Malaysia" emission factor rather than the latest emission factor published by the Energy Commission applicable to the reporting period, which may affect comparability of the resulting emissions.

SGS (Malaysia) Sdn Bhd,
QT-7, Quayside Tower, Kompleks Perniagaan Gamuda,
Persiaran Freesia, Gamuda Kemuning 25.7,
42500 Telok Panglima Garang, Kuala Langat,
Selangor, Malaysia

ASSURANCE STATEMENT

Independent Limited Assurance Statement to the Board of Directors

MYCRON STEEL BERHAD

Subject Matters and Scope of The Limited Assurance Engagement

SGS Malaysia Sdn. Bhd has been engaged by Mycron Steel Berhad to perform **Limited Assurance** engagement on selected sustainability information for the reporting period **July 2025 to June 2026,** as identified below.

Subject Matters	
Common Sustainability Matters	**Common Indicators**
Energy Management	Total Energy Consumption
Waste Management	Total Waste Generated *(Total Waste Diverted from Disposal)* *(Total Waste Directed to Disposal)*
Water	Total Volume of Water Used
Emission Management	Scope 1 emissions in tonnes of CO2e Scope 2 emissions in tonnes of CO2e Scope 3 emissions in tonnes of CO2e (Categories for business travel and employee commuting only)

Management's Responsibilities

Management of Mycron Steel Berhad is responsible for the preparation and presentation of the selected sustainability information in accordance with the applicable criteria set out on *page 2* of this report. This responsibility includes establishing and maintaining appropriate processes and internal controls, maintaining adequate records, supporting documentation, selecting appropriate measurement and calculation methods, and making estimates and judgements that are reasonable in the circumstances.

The management is also responsible for designing, implementing and maintaining internal control relevant to the preparation of the selected subject matters such that it is free from material misstatement, whether due to fraud and error.

Practitioner's Responsibility

SGS Malaysia is accountable to draw a conclusion on the selected sustainability information based on the procedures that have been obtained and performed. The engagement is in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) and International Standard and Assurance Engagements (ISAE 3410)

That Standard requires us to plan and perform the engagement to obtain limited assurance about whether the selected sustainability information is free from material misstatement.

A limited assurance engagement consists primarily of making enquiries of persons responsible for the preparation of the sustainability information, applying analytical and other procedures, and evaluating the evidence obtained. The procedures performed in a limited assurance engagement are substantially less in extent than those performed in a reasonable assurance engagement. Accordingly, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Applicable Criteria

The selected sustainability information has been prepared by management using the following criteria:

- ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. International. International Framework for Assurance Engagements and Related Conforming Amendments
- ISAE 3410, Assurance Engagements on Greenhouse Gas Statements
- GHG Protocol Corporate Accounting and Reporting Standard
- GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard

Summary of Procedures and Methodology Performed

The assurance comprised a combination procedure and methodology as below:

- Obtaining an understanding of the processes used to prepare the selected sustainability information;
- Making enquiries about relevant management and personnel responsible for sustainability data and reporting;
- Reviewing selected supporting documentation, records and source data;
- Performing analytical procedures over selected sustainability information and investigating significant movements or variances;
- Performing selected recalculations and agreeing selected reported amounts to underlying records;
- Evaluating selected assumptions, estimates, emission factors and conversion factors used in the calculations;
- Considering the completeness of the reported energy, water, waste and GHG data within the stated reporting boundaries;
- Evaluating whether the selected sustainability information has been prepared consistently with the applicable criteria.

Statement of Independence and Quality Management

SGS Group of companies is the world's leading testing, inspection, and certification, operating in more than 140 countries. SGS is recognized as the global benchmark for sustainability, quality and integrity.SGS (Malaysia) Sdn. Bhd affirms our independence from Mycron Steel Berhad being free from bias and conflicts of interest with the organization, its subsidiaries, and stakeholders.

SGS Malaysia Sdn. Bhd. have applied our firm's established system of quality management to this assurance engagement. The engagement was planned, performed, documented, reviewed and reported in accordance with our quality management policies and procedures and the applicable requirements of ISAE 3000 (Revised) and ISAE 3410.

The engagement team comprised personnel with appropriate professional competence, technical knowledge and experience relevant to the subject matter, including expertise in sustainability reporting and, where applicable, greenhouse gas emissions measurement, quantification and reporting. The verification team conducted the engagement in accordance with the SGS Code of Integrity.

Inherent Limitations

Specific inherent limitations relevant to the engagement include the use of estimates, assumptions and employee-provided activity data in the calculation of GHG emissions. In particular, there is a risk that inaccurate employee commuting mileage or commuting frequency, emission factors that are not updated, used in GHG emissions. Such limitations and uncertainties may result in the reported GHG emissions being overstated or understated compared with the actual emissions.

The Scope 2 Electricity Indirect GHG Emission were calculated by using the emission factor for year 2017 of "2017 CDM Electricity Baseline for Malaysia" prepared by MGTC instead of latest emission factor published by Energy Commission applicable to the reporting period which may affect the comparability of the resulting emissions that is used for similar reporting purposes

Limited Assurance Conclusion

Nothing has come to our attention that causes us to believe that the selected subject matter information of Mycron Steel Berhad for the reporting period July 2025 to June 2026 has not been prepared, in all material respects, in accordance with the applicable criteria described on page 2 of this report.

Restriction on Use

This assurance report is intended solely for the use of Mycron Steel Berhad and its intended users in connection with the Company's sustainability reporting for the reporting period July 2025 to June 2026

Naim Shaharman
Team Leader
Shah Alam
9 September 2026

APPENDIX A – Subject Matters and Indicators

Common Sustainability Matters	Common Indicators	Value (July 25 – June 26)	Unit
Energy Management	Total Energy Consumption	374,008	*GJ*
Waste Management	Total Waste Generated *(Total Waste Diverted from Disposal)* *(Total Waste Directed to Disposal)*	18,546.0 18,365.0 181.0	*Tonne* *Tonne* *Tonne*
Water	Total Volume of Water Used	93.87	*ML*
Emission Management	Scope 1 emissions in tonnes of CO2e	12,768.78	tCO_2e
	Scope 2 emissions in tonnes of CO2e	17,377 .07	tCO_2e
	Scope 3 emissions in tonnes of CO2e • Business travel • Employee commuting	649.45 10.85 638.60	tCO_2e tCO_2e tCO_2e

MELEWAR INDUSTRIAL GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-10-16 11:04:00

Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Corporate Governance and Business Ethics (Anti-Corruption)	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category (Management)	Percentage	100.00	100.00	100.00	No assurance	
Corporate Governance and Business Ethics (Anti-Corruption)	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category (Executive)	Percentage	100.00	100.00	100.00	No assurance	
Corporate Governance and Business Ethics (Anti-Corruption)	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category (Non-Executive)	Percentage	100.00	100.00	100.00	No assurance	
Corporate Governance and Business Ethics (Anti-Corruption)	Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00	No assurance	
Corporate Governance and Business Ethics (Anti-Corruption)	Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0	No assurance	
Corporate Governance and Business Ethics (Anti-Corruption)	Percentage of senior personnel and employees in positions exposed to corruption risk who signed the annual compliance pledge	Percentage	100.00	100.00	100.00	No assurance	

This report was generated on the Bursa Malaysia CSI Platform on 2026-10-16 11:04:00

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MELEWAR INDUSTRIAL GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-10-16 11:04:00

Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Corporate Governance and Business Ethics (Anti-Corruption)	Percentage of employees due for refresher anti-corruption training who completed the refresher training	Percentage	100.00	0	100.00	No assurance	The refresher training cycle is conducted every two to three years. The most recent refresher training was completed in June FY2025. Accordingly, no refresher training was due during FY2026.
Data Privacy and Cybersecurity	Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	Zero complaints	No assurance	
Human Rights and Labour Standards	Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	22.37	20.20	-	No assurance	
Human Rights and Labour Standards	Bursa C6(c) Total number of employee turnover by employee category (Management)	Number	11.00	10.00	-	No assurance	
Human Rights and Labour Standards	Bursa C6(c) Total number of employee turnover by employee category (Executive)	Number	10.00	19.00	-	No assurance	
Human Rights and Labour Standards	Bursa C6(c) Total number of employee turnover by employee category (Non-Executive/Technical Staff)	Number	11.00	2700	-	No assurance	
Human Rights and Labour Standards	Bursa C6(c) Total number of employee turnover by employee category (General Workers)	Number	36.00	23.00	-	No assurance	

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Human Rights and Labour Standards	Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	Zero complaints	No assurance	
Human Rights and Labour Standards	Percentage of workforce that are foreign workers	Percentage	14.07	11.42	< 30.00	No assurance	
Human Rights and Labour Standards	Workforce turnover rate	Percentage	16.97	16.60	< 24.00	No assurance	
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by age group for each employee category (Management under 30)	Percentage	1.39	0.00	-	No assurance	
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by age group for each employee category (Management between 30-50)	Percentage	59.72	62.67	-	No assurance	
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by age group for each employee category (Management above 50)	Percentage	38.89	37.33	-	No assurance	
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by age group, for each employee category (Executive under 30)	Percentage	34.21	29.73	-	No assurance	
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by age group for each employee category (Executive between 30-50)	Percentage	47.37	54.05	-	No assurance	

MELEWAR INDUSTRIAL GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-10-16 11:04:00

Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by age group for each employee category (Executive above 50)	Percentage	18.42	16.22	-	No assurance	
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by age group for each employee category (Non-Executive under 30)	Percentage	34.05	33.33	-	No assurance	
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by age group for each employee category (Non-Executive between 30-50)	Percentage	44.98	47.70	-	No assurance	
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by age group for each employee category (Non-Executive above 50)	Percentage	20.97	18.97	-	No assurance	
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by gender group for each employee category (Management male)	Percentage	66.67	64.00	-	No assurance	
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by gender group for each employee category (Management female)	Percentage	33.33	36.00	-	No assurance	
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by gender group for each employee category (Executive male)	Percentage	55.26	62.16	-	No assurance	

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by gender group for each employee category (Executive female)	Percentage	44.74	37.84	-	No assurance	
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by gender group for each employee category (Non-Executive male)	Percentage	90.64	91.65	-	No assurance	
Employee Development and Wellbeing	Bursa C3(a) Percentage of employees by gender group for each employee category (Non-Executive female)	Percentage	9.36	8.35	-	No assurance	
Employee Development and Wellbeing	Bursa C3(b) Percentage of directors by gender (Male)	Percentage	83.00	83.00	-	No assurance	
Employee Development and Wellbeing	Bursa C3(b) Percentage of directors by gender (Female)	Percentage	17.00	17.00	At least 1 female director on the boards (17%)	No assurance	Total number of board members = 6 persons
Employee Development and Wellbeing	Bursa C3(b) Percentage of directors by age group (Under 30)	Percentage	0	0	-	No assurance	
Employee Development and Wellbeing	Bursa C3(b) Percentage of directors by age group (Between 30-50)	Percentage	0	0	-	No assurance	
Employee Development and Wellbeing	Bursa C3(b) Percentage of directors by age group (Above 50)	Percentage	100.00	100.00	-	No assurance	
Employee Development and Wellbeing	Bursa C6(a) Total hours of training by employee category (Management)	Hours	1,088.00	1,103.00	-	No assurance	

MELEWAR INDUSTRIAL GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-10-16 11:04:00

Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Employee Development and Wellbeing	Bursa C6(a) Total hours of training by employee category (Executive)	Hours	2,485.00	1,803.00	-	No assurance	
Employee Development and Wellbeing	Bursa C6(a) Total hours of training by employee category (Non-Executive/Technical Staff)	Hours	2,830.00	2,469.00	-	No assurance	
Occupational Health and Safety	Bursa C5(a) Number of work-related fatalities	Number	0	1	Zero work-related fatalities	No assurance	
Occupational Health and Safety	Bursa C5(b) Lost time incident rate ("LTIR")	Rate	1.70	1.76	< 2.11	No assurance	
Occupational Health and Safety	Bursa C5(c) Number of employees trained on health and safety standards	Number	300	335	-	No assurance	
Community Engagement	Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	40,210.00	76,071.00	-	No assurance	
Community Engagement	Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	3,273	2,197	-	No assurance	
Community Engagement	Number of complaints received relating to community	Number	0	0	Zero complaints	No assurance	
Community Engagement	Number of confirmed and outstanding community--related issues	Number	0	0	Zero outstanding community-related issues	No assurance	

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Emission Management	Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes of carbon dioxide equivalents (tCO2e)	11,567.00	12,793.00	-	External (Limited)	External assured by SGS (Malaysia) Sdn. Bhd., with the assurance report provided in Appendix I of the statement. The scope of assurance covers only the Group's steel manufacturing operations.
Emission Management	Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes of carbon dioxide equivalents (tCO2e)	15,041.00	17,568.00	-	External (Limited)	External assured by SGS (Malaysia) Sdn. Bhd., with the assurance report provided in Appendix I of the statement. The scope of assurance covers only the Group's steel manufacturing operations.
Emission Management	Bursa C11(c) Scope 3 emissions in tonnes of CO2e (for Category 6: Business travel and Category 7: Employee commuting)	Metric tonnes of carbon dioxide equivalents (tCO2e)	600.86	742.73	-	External (Limited)	External assured by SGS (Malaysia) Sdn. Bhd., with the assurance report provided in Appendix I of the statement. The scope of assurance covers only the Group's steel manufacturing operations.
Emission Management	Total Scope 1 & Scope 2 emissions of CO2e per tonne of output (KG/Tonne)	Kilograms/Tonne	110.00	104.00	< 110.00	No assurance	

MELEWAR INDUSTRIAL GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-10-16 11:04:00

Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Energy Management	Bursa C4(a) Total energy consumption	Megawatt	93,088.23	104,280.79	-	External (Limited)	External assured by SGS (Malaysia) Sdn. Bhd., with the assurance report provided in Appendix I of the statement. The scope of assurance covers only the Group's steel manufacturing operations.
Energy Management	Net energy consumption per tonne output	Megajoules/Tonne	1,414.00	1,305.00	< 1,400.00	No assurance	
Energy Management	Percentage of renewable energy over total energy consumption	Percentage	5.22	4.79	> 5.00	No assurance	
Waste Management	Bursa C10(a) Total waste generated	Metric tonnes	13,168.00	18,557.00	-	External (Limited)	External assured by SGS (Malaysia) Sdn. Bhd., with the assurance report provided in Appendix I of the statement. The scope of assurance covers only the Group's steel manufacturing operations.
Waste Management	Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	12,990.00	18,364.00	-	External (Limited)	External assured by SGS (Malaysia) Sdn. Bhd., with the assurance report provided in Appendix I of the statement. The scope of assurance covers only the Group's steel manufacturing operations.

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Waste Management	Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	178.00	193.00	-	External (Limited)	External assured by SGS (Malaysia) Sdn. Bhd., with the assurance report provided in Appendix I of the statement. The scope of assurance covers only the Group's steel manufacturing operations.
Waste Management	Percentage of waste disposal to refuse or landfills over total waste generated	Percentage	1.03	0.82	< 5.00	No assurance	
Waste Management	Total waste generated per tonne of output (KG/Tonne)	Kilograms/Tonne	55.58	64.49	< 71.00	No assurance	
Water Stewardship	Bursa C9(a) Total volume of water used	Megalitres	129.88	95.54	-	External (Limited)	External assured by SGS (Malaysia) Sdn. Bhd., with the assurance report provided in Appendix I of the statement. The scope of assurance covers only the Group's steel manufacturing operations.
Water Stewardship	Net water consumption per tonne output	Cubic meters/Tonne	0.55	0.33	< 0.40	No assurance	
Responsible Supply Chain Management	Bursa C7(a) Proportion of spending on local suppliers	Percentage	90.69	8739	> 70.00	No assurance	

MELEWAR INDUSTRIAL GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-10-16 11:04:00

Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Responsible Supply Chain Management	Percentage of suppliers that are subjected to social and environmental impact assessment-/review (applies only to key suppliers with total transaction value > RM500k per year)	Percentage	96.77	100.00	100.00	No assurance	

CORPORATE INFORMATION

DOMICILE

Malaysia

LEGAL FORM & PLACE OF INCORPORATION

A public listed company incorporated in Malaysia under the Companies Act 1965 and limited by shares

BOARD OF DIRECTORS

TUNKU DATO' YAACOB KHYRA
Executive Chairman

AZLAN BIN ABDULLAH
Non-Independent
Non-Executive Director

TUNKU YAHAYA @ YAHYA BIN TUNKU TAN SRI ABDULLAH
Non-Independent
Non-Executive Director

KWO SHIH KANG
Senior Independent
Non-Executive Director

DATIN SERI RAIHANAH BEGUM BINTI ABDUL RAHMAN
Independent
Non-Executive Director

DATO' DR. KILI GHANDHI RAJ A/L K R SOMASUNDRAM
Independent
Non-Executive Director

SECRETARY

Lily Yin Kam May
MAICSA 0878038
CCM PC No.: 201908001210

AUDIT AND GOVERNANCE COMMITTEE

Kwo Shih Kang
Chairman

Dato' Dr. Kili Ghandhi Raj A/L K R Somasundram
Member

Datin Seri Raihanah Begum Binti Abdul Rahman
Member

REGISTRAR & TRANSFER OFFICE

Trace Management Services Sdn Bhd
(Reg. No. 197901004366 (48646-M))
Suite 11.05, 11th Floor
No. 566 Jalan Ipoh
51200 Kuala Lumpur
Tel. No. : 03-6252 8880
Fax No. : 03-6252 8080
Email : lily@crestcorp.com.my
prabu@crestcorp.com.my

REGISTERED OFFICE

Suite 11.05, 11th Floor
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51200 Kuala Lumpur
Tel. No. : 03-6252 8880
Fax No. : 03-6252 8080
Email : lily@crestcorp.com.my

PRINCIPAL PLACE OF BUSINESS

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51200 Kuala Lumpur
Tel. No. : 03-6250 6000
Fax No. : 03-6257 1555

SOLICITORS

Arief & Iskandar
A1-02-05, Arcoris Mont Kiara
No. 10, Jalan Kiara
50480 Kuala Lumpur
Tel. No. : 03-6419 2913
Fax No. : 03-6419 2914

AUDITORS

Messrs KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants
Level 10, KPMG Tower
8, First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
Tel. No. : 03-7721 3388
Fax No. : 03-7721 3399

PRINCIPAL BANKERS (IN ALPHABETICAL ORDER)

- Ambank (M) Berhad
- Bangkok Bank Berhad
- CIMB Islamic Bank Berhad
- HSBC Amanah Malaysia Berhad
- Malayan Banking Berhad
- OCBC Bank (Malaysia) Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Code : 3778

WEBSITE

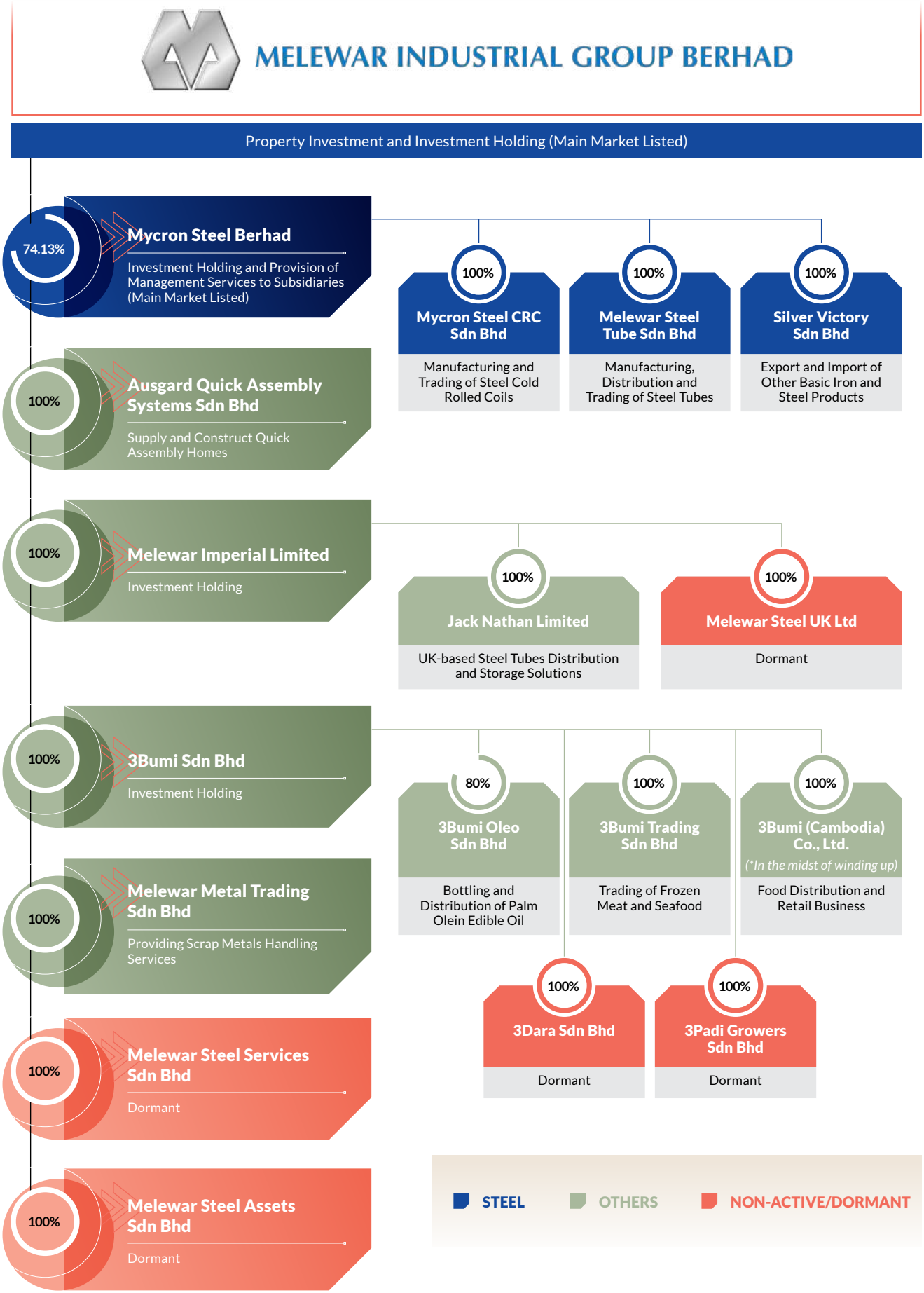
www.melewar-mig.com

E-MAIL

enquiry@melewar-mig.com

CORPORATE GROUP STRUCTURE

As at 22 October 2026



QUALITY RECOGNITION

Melewar Industrial Group Berhad, through its food trading and steel segments, remains steadfast in its commitment to operational excellence and exceeding customer expectations. This commitment is reflected in the Group's continuous pursuit of quality enhancement, ensuring that its products, processes, and services consistently meet high industry, regulatory and environmental standards.

Through its food trading segment, 3Bumi Oleo Sdn Bhd ("3BO") is Halal-certified by the Islamic Religious Department of Selangor (JAIS). 3BO holds a Halal Certificate of Authentication for its cooking oil and vegetable oil products. This certification affirms compliance with Islamic law and the Malaysian Halal Standard (MS1500), ensuring consistent product quality and reinforcing consumer confidence in both domestic and export markets.

In January 2025, 3BO further strengthened its food safety management standards by obtaining MS 1480:2019 certification from SIRIM, recognising its adherence to the Hazard Analysis and Critical Control Point (HACCP) System. This certification underscores the company's commitment to maintaining high standards of food safety, hygiene and quality assurance across its production processes.

In April 2026, 3BO obtained the Malaysian Goods Logo Certificate of Recognition from the Ministry of Domestic Trade and Cost of Living (KPDN) for four Kamariah cooking oil products.



The Group's steel segment comprises two principal operating subsidiaries, namely Mycron Steel CRC Sdn Bhd ("MCRC") and Melewar Steel Tube Sdn Bhd ("MST"). MCRC achieved its first ISO 9001 certification from SIRIM and IQ Net in 1996, followed by MST in 1997. Over the years, both MCRC and MST have established and maintained robust and efficient Quality Management Systems, continuously evolving to meet the latest global standards, customer requirements, and industry challenges.



QUALITY RECOGNITION

In September 2016, MCRC attained product certification from SIRIM, validating the compliance of its products with the Malaysian Standard (MS 2651:2020) and Japanese Industrial Standard (JIS G 3141:2017). These certifications confirm that MCRC's products meet stringent quality parameters, providing customers with confidence in both the reliability and performance of the products. The certifications are not only advantageous for MCRC, but also beneficial to the industry, reinforcing the company's mission to be the leading manufacturer of high-quality Cold Rolled Steel Sheets in Malaysia.



LESEN PENSIJILAN BARANGAN
Product Certification Licence

SIRIM QAS International Sdn. Bhd. dengan ini menganugerahkan kepada
SIRIM QAS International Sdn. Bhd. hereby grants to

MYCRON STEEL CRC SDN. BHD.
LOT 717, JALAN SUNGAI RASAU
SEKSYEN 16
40200 SHAH ALAM
SELANGOR, MALAYSIA

Lesen untuk menggunakan Tanda Pensijilan di atas barangan
a licence to use the Certification Mark on

COLD-REDUCED CARBON STEEL SHEET AND STRIP OF COMMERCIAL AND DRAWING QUALITIES

Please refer to detail in the SCHEDULE

sebagai mematuhi keperluan
as complying with

MS 2651 : 2020

Tk. Md. Adha bin Kalmi @ Rahmat
Ketua Pegawai Eksekutif
Chief Executive Officer
SIRIM QAS International Sdn. Bhd.



LESEN PENSIJILAN BARANGAN
Product Certification Licence

SIRIM Berhad dengan ini menganugerahkan kepada
SIRIM Berhad hereby grants to

MYCRON STEEL CRC SDN. BHD.
LOT 717, JALAN SUNGAI RASAU
SEKSYEN 16
40200 SHAH ALAM
SELANGOR, MALAYSIA

Lesen untuk menggunakan Tanda Pensijilan di atas barangan
a licence to use the Certification Mark on

COLD REDUCED CARBON STEEL STRIP

Please refer to detail in the SCHEDULE

sebagai mematuhi keperluan
as complying with

JIS G 3141 : 2017

FAUZIAH BINTI FADZIL
Pemangku Ketua Pegawai Penilaian Pematuhan
Covering Chief Conformity Assessment Officer
Bahagian Penilaian Pematuhan
Conformity Assessment Division
SIRIM Berhad

On the environmental front, both MCRC and MST are proactive in enhancing their environmental performance, embedding sustainable practices throughout their operations. MCRC first achieved ISO 14001:2004 Environmental Management System certification in June 2014, followed by the updated ISO 14001:2015 certification in June 2017. In 2020, MCRC was further recognised with the SIRIM Eco-Label Licence, and since February 2021, has proudly held the right to display the MyHIJAU Mark on its products. Similarly, MST earned the SIRIM Eco-Label Licence for its three manufacturing plants in August 2022, followed by the MyHijau Mark in September 2022 as well as the ISO 14001:2015 Environmental Management System certification in December 2023. Adding to its environmental accolades, MCRC also obtained the ISO 50001:2018 Energy Management System certification from SIRIM and IQ NET, underscoring its commitment to energy efficiency and sustainability.



CERTIFICATE

SIRIM QAS INTERNATIONAL SDN. BHD hereby certifies that

MYCRON STEEL CRC SDN. BHD.
LOT 717, JALAN SUNGAI RASAU
SEKSYEN 16
40200 SHAH ALAM
SELANGOR DARUL EHSAN
MALAYSIA

has implemented a management system complying with

ISO 14001:2015
ENVIRONMENTAL MANAGEMENT SYSTEMS - REQUIREMENTS WITH GUIDANCE FOR USE

Scope of Certification
MANUFACTURE OF COLD ROLLED STEEL SHEET IN COIL AND HOT ROLLED STEEL PICKLED & OILED IN COIL.

Issue date 01 July 2020
Original certification date 30 June 2014
Expiry date 29 June 2023
Certificate no. EMS 00678

MALAYSIA

Tk. Md. Adha Bin Kalmi @ Rahmat
Chief Executive Officer
SIRIM QAS INTERNATIONAL SDN. BHD



IQNET

Certificate

SIRIM QAS International has issued an IQNet recognized certificate that the organization:

MYCRON STEEL CRC SDN. BHD.
Lot 717, Jalan Sungai Rasau
Seksyen 16
40200 Shah Alam
Selangor Darul Ehsan
Malaysia

has implemented and maintains an
Environmental Management System

for the following scope:
Manufacture of cold rolled steel sheet in coil and hot rolled steel pickled & oiled in coil.

which fulfils the requirements of the following standard:

ISO 14001:2015

Issued on: 01 July 2020
First issued on: 30 June 2014
Expires on: 29 June 2023

Registration Number: MY — EMS 00678

Tk. Md Adha Kalmi @ Rahmat
Chief Executive Officer of SIRIM QAS International Sdn. Bhd.



LESEN PENSIJILAN EKO-LABEL
Eco-Label Licence

SIRIM QAS International Sdn. Bhd. dengan ini menganugerahkan kepada
SIRIM QAS International Sdn. Bhd. hereby grants to

MYCRON STEEL CRC SDN. BHD.
LOT 717, JALAN SUNGAI RASAU
SEKSYEN 16
40200 SHAH ALAM
SELANGOR, MALAYSIA

Lesen untuk menggunakan Tanda Eco-Label di atas barangan
a licence to use the Eco-Label Mark on

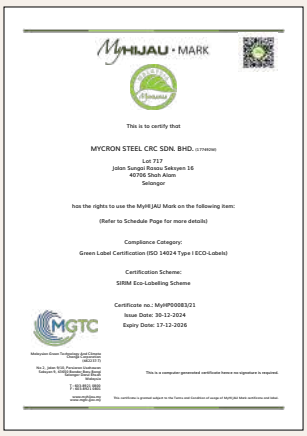
STEEL PRODUCTS

Please refer to detail in the SCHEDULE

sebagai mematuhi keperluan
as complying with

SIRIM ECO 032 : 2020

Nur Fadhilah binti Muhammad
Ketua Pegawai Eksekutif
Chief Executive Officer
SIRIM QAS International Sdn. Bhd.



MyHIJAU MARK

This is to certify that

MYCRON STEEL CRC SDN. BHD.

Lot 717
Jalan Sungai Rasau Seksyen 16
40706 Shah Alam
Selangor

has the rights to use the MyHIJAU Mark on the following item:

(Refer to Schedule Page for more details)

Compliance Category:
Green Label Certification (ISO 14024 Type I ECO-Labels)

Certification Scheme:
SIRIM Eco-Labelling Scheme

Certificate no.: MyHP00083/21
Issue Date: 30-12-2024
Expiry Date: 17-12-2026

MGTC

This is a computer-generated certificate hence no signature is required.

QUALITY RECOGNITION



LESEN PENSIJILAN EKO-LABEL
Eco-Label Licence

SIRIM Berhad dengan ini menganugerahkan kepada
SIRIM Berhad hereby grants to

MELEWAR STEEL TUBE SDN. BHD.
LOT 53, PERSIARAN SELANGOR
40300 SHAH ALAM
SELANGOR, MALAYSIA

Lesen untuk menggunakan Tanda Eco-Label di atas barangan
a licence to use the Eco-Label Mark on

STEEL PRODUCTS

Please refer to detail in the SCHEDULE

sebagai mematuhi keperluan
as complying with

SIRIM ECO 032 : 2020



LESEN PENSIJILAN EKO-LABEL
Eco-Label Licence

SIRIM Berhad dengan ini menganugerahkan kepada
SIRIM Berhad hereby grants to

MELEWAR STEEL TUBE SDN. BHD.
LOT 53, PERSIARAN SELANGOR
40300 SHAH ALAM
SELANGOR, MALAYSIA

Lesen untuk menggunakan Tanda Eco-Label di atas barangan
a licence to use the Eco-Label Mark on

STEEL PRODUCTS

Please refer to detail in the SCHEDULE

sebagai mematuhi keperluan
as complying with

SIRIM ECO 032 : 2020



LESEN PENSIJILAN EKO-LABEL
Eco-Label Licence

SIRIM Berhad dengan ini menganugerahkan kepada
SIRIM Berhad hereby grants to

MELEWAR STEEL TUBE SDN. BHD.
LOT 53, PERSIARAN SELANGOR
40300 SHAH ALAM
SELANGOR, MALAYSIA

Lesen untuk menggunakan Tanda Eco-Label di atas barangan
a licence to use the Eco-Label Mark on

STEEL PRODUCTS

Please refer to detail in the SCHEDULE

sebagai mematuhi keperluan
as complying with

SIRIM ECO 032 : 2020



MALAYSIA'S GREEN RECOGNITION SCHEME
MyHIJAU MARK
Certificate

This is to certify that

MELEWAR STEEL TUBE SDN. BHD.

has the rights to use the MyHIJAU Mark on the following item:
(Refer to Schedule Page for more details)

MALAYSIAN GREEN TECHNOLOGY AND CLIMATE CHANGE CORPORATION



MALAYSIA'S GREEN RECOGNITION SCHEME
MyHIJAU MARK
Certificate

This is to certify that

MELEWAR STEEL TUBE SDN. BHD.

has the rights to use the MyHIJAU Mark on the following item:
(Refer to Schedule Page for more details)

MALAYSIAN GREEN TECHNOLOGY AND CLIMATE CHANGE CORPORATION



MALAYSIA'S GREEN RECOGNITION SCHEME
MyHIJAU MARK
Certificate

This is to certify that

MELEWAR STEEL TUBE SDN. BHD.

has the rights to use the MyHIJAU Mark on the following item:
(Refer to Schedule Page for more details)

MALAYSIAN GREEN TECHNOLOGY AND CLIMATE CHANGE CORPORATION



SIRIM QAS
CERTIFICATE

SIRIM QAS International hereby certifies that

MELEWAR STEEL TUBE SDN. BHD.
LOT 53, PERSIARAN SELANGOR
40300 SHAH ALAM
SELANGOR DARUL EHSAN
MALAYSIA

has implemented an Environmental Management Systems complying with

ISO 14001 : 2015

Scope of Certification:

MANUFACTURE OF COLD-ROLLED, HOT-ROLLED AND ALUMINIZED PIPES, SQUARE AND RECTANGULAR HOLLOW SECTIONS, PIPES, CHANNELS, U-CHANNELS AND GATE CHANNELS; SLITTING AND SALE OF SLIT COILS.

Issue date : 29 December 2023
Original certification date : 29 December 2023
Expiry date : 28 December 2026
Certificate no. : EMS 01033



IQNET
Building trust together

Certificate

MELEWAR STEEL TUBE SDN. BHD.
Lot 53, Persiaran Selangor
40300 Shah Alam
Selangor Darul Ehsan
Malaysia

has implemented and maintains an Environmental Management System

for the following scope:
Manufacture of cold-rolled, hot-rolled and aluminized pipes, square and rectangular hollow sections, tapped channels, u-channels and gate channels slitting and sale of slit coils.

Certification structure – Multi-site
Total number of sites including main site = 2

which fulfils the requirements of the following standard

ISO 14001:2015

Issued on : 29 December 2023
First issued on : 29 December 2023
Expires on : 28 December 2026

Registration Number: MY – EMS 01033



SIRIM QAS
CERTIFICATE

SIRIM QAS International hereby certifies that

MELEWAR STEEL TUBE SDN. BHD.
LOT 26, JALAN UTAS
40300 SHAH ALAM
SELANGOR DARUL EHSAN
MALAYSIA

has implemented an Environmental Management Systems complying with

ISO 14001 : 2015

Scope of Certification:

MANUFACTURE OF STEEL PIPES, SQUARE AND RECTANGULAR HOLLOW SECTIONS, TUBE AND CHANNELS (BLACK AND GALVANISED) AND ELECTRICAL CONDUIT TUBES.

Issue date : 29 December 2023
Original certification date : 29 December 2023
Expiry date : 28 December 2026
Certificate no. : EMS 01033-S1



IQNET
Building trust together

Certificate

MELEWAR STEEL TUBE SDN. BHD.
Lot 26, Jalan Utas
40300 Shah Alam
Selangor Darul Ehsan
Malaysia

has implemented and maintains an Environmental Management System

for the following scope:
Manufacture of steel pipes, square and rectangular hollow sections, tube and channels (black and galvanised) and electrical conduit tubes.

Certification structure – Multi-site
The validity of this certificate depends on the validity of the main site certificate.

which fulfils the requirements of the following standard

ISO 14001:2015

Issued on : 29 December 2023
First issued on : 29 December 2023
Expires on : 28 December 2026

Registration Number: MY – EMS 01033-S1



SIRIM QAS
CERTIFICATE

SIRIM QAS International hereby certifies that

MELEWAR STEEL TUBE SDN. BHD.
LOT 19, PERSIARAN SELANGOR
40300 SHAH ALAM
SELANGOR DARUL EHSAN
MALAYSIA

has implemented an Environmental Management Systems complying with

ISO 14001 : 2015

Scope of Certification:

MANUFACTURE OF BLACK STEEL PIPES, SQUARE AND RECTANGULAR HOLLOW SECTIONS.

Issue date : 23 December 2023
Original certification date : 23 December 2023
Expiry date : 22 December 2026
Certificate no. : EMS 01033-S2



IQNET
Building trust together

Certificate

MELEWAR STEEL TUBE SDN. BHD.
Lot 19, Persiaran Selangor
40300 Shah Alam
Selangor Darul Ehsan
Malaysia

has implemented and maintains an Environmental Management System

for the following scope:
Manufacture of black steel pipes, square and rectangular hollow sections.

Certification structure – Multi-site
The validity of this certificate depends on the validity of the main site certificate.

which fulfils the requirements of the following standard

ISO 14001:2015

Issued on : 23 December 2023
First issued on : 23 December 2023
Expires on : 22 December 2026

Registration Number: MY – EMS 01033-S2



SIRIM QAS International
CERTIFICATE

SIRIM QAS International Sdn. Bhd. hereby certifies that

MYCRON STEEL CRC SDN. BHD.
LOT 717, JALAN SUNGAI RAMAI
KAWASAN 16
42600 SHAH ALAM
SELANGOR
MALAYSIA

has implemented a management system complying with

ISO 50001:2018

ENERGY MANAGEMENT SYSTEMS - REQUIREMENTS WITH GUIDANCE FOR USE

Scope of Certification

OPERATION OF A PLANT FOR THE MANUFACTURE OF COLD ROLLED STEEL, STEEL PIPES AND PROFILES & COILS.

Issue date : 05 April 2023
Original certification date : 10 April 2020
Expiry date : 09 April 2026
Certificate no. : EnMS 00131

MALAYSIA

Ts. Md. Adha Bin Kalsi @ Rahmat
Chief Executive Officer
SIRIM QAS International Sdn. Bhd.



IQNET
Building trust together

Certificate

SIRIM QAS International Sdn. Bhd. has issued an IQNET recognized certificate that the organization:

MYCRON STEEL CRC SDN. BHD.
LOT 717, JALAN SUNGAI RAMAI
KAWASAN 16
42600 SHAH ALAM
SELANGOR
MALAYSIA

has implemented and maintains a

ENERGY MANAGEMENT SYSTEM - REQUIREMENTS WITH GUIDANCE FOR USE

for the following scope

OPERATION OF A PLANT FOR THE MANUFACTURE OF COLD ROLLED STEEL, STEEL PIPES & COILS.

which fulfils the requirement of the following standard

ISO 50001:2018

Issued on : 05 April 2023
First issued on : 10 April 2020
Expires on : 09 April 2026

Registration Number: MY - EnMS 00131

QUALITY RECOGNITION

MST continues to elevate the quality of its products and processes, holding various prestigious certifications including the UK Factory Production Control Certification, EC Factory Production Control Certification and CE Marking from LRQA. MST's products comply with a wide range of international standards, reinforcing its commitment to quality. It also holds the Perakuan Pematuhan Standard (Bahan Binaan) from CIDB Malaysia and the EMAL certification from Cawangan Kejuruteraan Elektrik, Jabatan Kerja Raya Malaysia. These certifications, alongside periodic internal and external audits, ensure that MST's products conform to the highest standards. In 2019, MST received the MALAYSIAN MADE certification from the Ministry of Domestic Trade and Cost of Living for its AURORA Conduits and cold rolled products, which has been reclassified in April 2025 as MALAYSIAN PRODUCT.

INTERNATIONAL STANDARDS:


LESEN PENSIJILAN BARANGAN
Product Certification Licence

British Standard
BS EN 10255:2004
for Welded Steel Tube


LESEN PENSIJILAN BARANGAN
Product Certification Licence

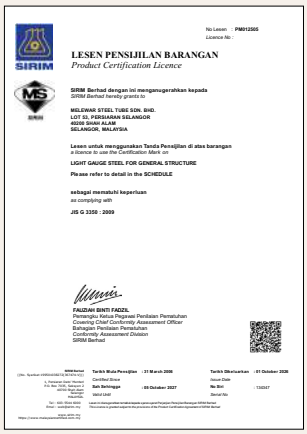
British Standard
BS 31:1940
for Steel Conduit
for Electrical Wiring


LESEN PENSIJILAN BARANGAN
Product Certification Licence

British Standard
BS EN 39:2001
for Loose Steel Tubes
for Tube and Coupler Scaffolds


LESEN PENSIJILAN BARANGAN
Product Certification Licence

American Standard
ASTM A 500/A 500M:2013
for Cold Formed Welded Carbon Steel Structural Tubing in Round and Shape


LESEN PENSIJILAN BARANGAN
Product Certification Licence

Japanese Standard
JIS G 3350:2009
for Light Gauge Steel
for General Structure


LESEN PENSIJILAN BARANGAN
Product Certification Licence

Japanese Standard
JIS G 3444:2015
for Carbon Steel Tube
for General Structure


LESEN PENSIJILAN BARANGAN
Product Certification Licence

Japanese Standard
JIS G 3445:1988
for Carbon Steel Tube
for Machine Structural Purpose


LESEN PENSIJILAN BARANGAN
Product Certification Licence

Japanese Standard
JIS G 3452:2010
for Carbon Steel Pipe for Ordinary Piping

MALAYSIAN STANDARDS:



MS 61386-21:2010
for Rigid Steel
Conduit for Cable
Management



MS 863:2010
for Welded Steel Pipe



SPAN TS 21827:
PART2:2013 for
Non Alloy Steel
Tube for Water and
Sewerage



MS EN 10219-1:2015
for Cold Formed
Welded Structural
Hollow Sections of
Non-alloys Steel



MS 1462-2-1:2010
for Steel Tubes for
Tubular Scaffolding

OTHER CERTIFICATIONS



CIDB Registered Products
- Light Gauge Steel For General Purpose



CIDB Registered Products
- Cold Formed Welded Structural Hollow Sections



CIDB Registered Products
- Rigid Steel Conduit for Cable Management
- Steel Pipes for Water and Sewerage
- Steel Tube for Metal Scaffolding
- Welded Steel Pipes



Ministry of Domestic
Trade and Cost of Living
LOGO BARANGAN MALAYSIA
Certificate for Cold Rolled products



Ministry of Domestic
Trade and Cost of Living
LOGO BARANGAN
MALAYSIA
Certificate for AURORA
Conduits



UK Factory Production
Control Certificate EN
10219-1:2006 for Cold
Formed Welded Structural
Hollow Sections of Non-
Alloy Steels



EC Factory Production
Control Certificate EN
10219-1:2006 for Cold
Formed Welded Structural
Hollow Sections of Non-
Alloy Steels



BC1:2023 Factory Production
Control Certificate
- EN 10219-1:2006 for Cold Formed Welded Structural Hollow Sections of Non-Alloy Sheets
- JIS G 3350:2021 for Light Gauge Steel For General Structure



Malaysia
Electrical Material
Approval (EMA)
JKR MS 61386-21:2010
Galvanised Steel Conduit

PROFILE OF DIRECTORS



Tunku Dato' Yaacob Khyra

Executive Chairman

Date of Appointment(s):
- 7 October 2002
- 26 August 2008 (Redesignated as Executive Chairman)

Age: 66 | **Gender:** Male | **Nationality:** Malaysian

Membership of Board Committees
- Chairman of the Executive Committee

Tunku Dato' Yaacob currently holds the position of Executive Chairman of MAA Group Berhad ("MAAG") and Mycron Steel Berhad ("MSB").

Tunku Dato' Yaacob graduated with a Bachelor of Science (Hons) Degree in Economics and Accounting from City University, London. An accountant by training, he is a Fellow of the Institute of Chartered Accountants in England & Wales and a member of the Malaysian Institute of Accountants.

Tunku Dato' Yaacob started his career as an Auditor with Price Waterhouse in London from 1982 to 1985 and subsequently, employed by the same firm in Kuala Lumpur from 1986 to 1987. Tunku Dato' Yaacob joined Malaysian Assurance Alliance Berhad (now known as Zurich Life Insurance Malaysia Berhad) in 1987 until October 2006.

Currently, Tunku Dato' Yaacob is a Board Member of MAAG, MSB, Melewar Group Berhad, KNM Group Berhad, Khyra Legacy Berhad ("KLB"), Yayasan Khyra, MAA Bancwell Trustee Berhad, Ithmaar Holding B.S.C. (listed in Bahrain), Ithmaar Bank B.S.C. (Closed) and several other private limited companies.

Tunku Dato' Yaacob is the Chairman of the Board of Trustees of Yayasan Amal Maaedicare, The Budimas Charitable Foundation and Registered Trustees of the Joseph William Yee Eu Foundation.

Tunku Dato' Yaacob is the brother to Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah. Tunku Dato' Yaacob is deemed interested in the Company by virtue of him being one of the beneficiaries of a trust known as KLB, being the holding company of Melewar Equities (BVI) Ltd and Melewar Khyra Sdn Bhd who are the major shareholders of the Company. Tunku Dato' Yaacob is also deemed to have interest in Avenue Serimas Sdn Bhd ("ASSB") by virtue of KLB being the ultimate holding company of ASSB.



Azlan Bin Abdullah

Non-Independent Non-Executive Director

Date of Appointment(s):

- 23 September 2002 (Independent Non-Executive Director)
- 10 June 2003 (Executive Director)
- 1 June 2011 (Redesignated as Managing Director/ Group Chief Executive Officer)
- 11 August 2018 (Redesignated as Managing Director)
- 11 February 2019 (Redesignated as Non-Independent Non-Executive Director)

Age: 68 | **Gender:** Male | **Nationality:** Malaysian

Membership of Board Committees

- Member of the Executive Committee

En Azlan holds a Bachelor of Science Degree in Business Administration from Trinity University, San Antonio, Texas, USA and a Masters Degree in Business Administration from Morehead State University, Kentucky, USA.

He started his career in 1983 with Citibank N A and in 1987, he joined United Asian Bank ("UAB") where he started and headed the Treasury Marketing Unit. After UAB merged with Bank of Commerce, he was subsequently promoted to Head of Priority Banking Division and Branch Manager of the KL Main Branch in 1992. In 1994, he rejoined Citibank Berhad as Vice President and Head of Public Sector Division. En Azlan was the Deputy President of the Malaysian Iron and Steel Industry Federation ("MISIF") from 2008 until October 2018 and was one of MISIF's representatives on the ASEAN Iron and Steel Council from 2012 until May 2018.

En Azlan served on the Board of HSBC Amanah Bank Berhad as an Independent Non-Executive Director from 2012 to 2019. During his tenure, he was also a member of the Credit Committee, Audit Committee, and Nomination and Remuneration Committee.

From 2019 until February 2026, he served as the Executive Director of the Royal Langkawi Yacht Club ("RLYC"). In February 2026, he was redesignated as a Non-Executive Non-Independent Director of RLYC, a position he currently holds.

En Azlan currently sits on the Boards of the Company's subsidiaries, Mycron Steel Berhad, Langkawi Yacht City Bhd and several other private limited companies.



Tunku Yahaya @ Yahya Bin Tunku Tan Sri Abdullah

Non-Independent Non-Executive Director

Date of Appointment(s):
- 18 December 2003 (Non-Independent Non-Executive Director)

Age: 65 | **Gender:** Male | **Nationality:** Malaysian

Membership of Board Committees
- Member of the Executive Committee

Tunku Yahaya currently sits on the Boards of MAA Group Berhad, Khyra Legacy Berhad, Melewar Group Berhad, MAA Credit Berhad, MAA Bancwell Trustee Berhad, Mithril Berhad and several other private limited companies.

He also sits on the Board of Trustees of Yayasan Amal Maaedicare and The Budimas Charitable Foundation.

Tunku Yahaya graduated in 1983 with a Bachelor of Science (Hons) Degree in Economics and Accountancy from City University, London. Upon completion, he joined Peat Marwick Mitchell & Co in London that same year. In 1986, he obtained his Masters of Science in Economics from Birkbeck College, University of London.

Upon returning to Malaysia in 1986, he joined the advertising company, MZC-Saatchi & Saatchi. In 1988, he joined the management of the refurbished Central Market (KL) as Executive Director. In 1994, he was appointed to put into operation and manage the television station, Metro Vision as Managing Director. In 1997, he started the music recording label, Melewar Parallax Sdn Bhd.

Tunku Yahaya is the brother to Tunku Dato' Yaacob Khyra, the Executive Chairman of the Company.



Kwo Shih Kang

Senior Independent Non-Executive Director

Date of Appointment(s):
- 23 August 2019 (Independent Non-Executive Director)

Age: 66 | **Gender:** Male | **Nationality:** Malaysian

Membership of Board Committees
- Chairman of the Audit and Governance Committee
- Chairman of the Risk and Sustainability Committee
- Member of the Nomination and Remuneration Committee

Mr Kwo is a qualified actuary with more than 30 years of experience in the insurance industry which include stints in various South East Asian countries, in positions such as Chief Executive Officer, Appointed Actuary and Chief Financial Officer in a number of multinational insurers, such as AXA Affin Life Insurance Berhad, Allianz Life Insurance Malaysia Berhad, Aetna Universal Insurance Berhad, Gibraltar BSN Life Berhad and American International Assurance Berhad. Mr Kwo was also the Chief Operating Officer of Malaysian Assurance Alliance Berhad.

Mr Kwo was the President of the Life Insurance Association of Malaysia from 2012 to 2015. He was also the President of the Malaysian Financial Planning Council and was the President of the Actuarial Society of Malaysia.

Mr Kwo holds a Bachelor's degree in Actuarial Science from City University London and a Master of Business Administration, majoring in Finance, from CASS Business School, London. He is a Fellow of the Society of Actuaries, USA, and is also a Registered Financial Planner.

Mr Kwo Shih Kang currently sits on the Boards of Mycron Steel Berhad and several other private limited companies.



Datin Seri Raihanah Begum Binti Abdul Rahman

Independent Non-Executive Director

Date of Appointment(s):
- 8 April 2019 (Independent Non-Executive Director)

Age: 64 | **Gender:** Female | **Nationality:** Malaysian

Membership of Board Committees
- Member of the Audit and Governance Committee
- Member of the Risk and Sustainability Committee
- Member of the Nomination and Remuneration Committee

Datin Seri Raihanah currently sits on the Boards of MAA Group Berhad, Mycron Steel Berhad, Tuju Setia Berhad and several other private limited companies.

Datin Seri Raihanah is an Associate of the Chartered Insurance Institute (UK) and the Malaysian Insurance Institute. As a scholar of American Malaysian Insurance Sdn Bhd (later known as CIMB Bank Insurance) she started her insurance career with the company immediately after successfully completing her course in 1984 and has held various positions in the Underwriting and Marketing Departments before leaving in 1988 to join Malene Insurance Brokers Sdn Bhd ("Malene").

During her 10-year service at Malene, she was exposed to various aspects of the oil and gas industry and was involved in the insurance programmes for Petronas, Shell, Exxon-Mobil and various other oil and gas-related companies such as Gas Malaysia Sdn Bhd and MISC Berhad. Her experience also included an attachment with a London-based Lloyds broker.

She left Malene in 1997 when she was the Acting Chief Executive Officer, to dedicate more time in bringing up her three young children. To ensure that she was in touch with the insurance industry and coupled with her experience and knowledge in insurance underwriting and broking, she made time, from 1998 to 1999, while being a homemaker, to be a part-time lecturer with the Malaysian Insurance Institute for insurance industry practitioners to obtain a more in-depth knowledge of the business.

In August 2005, Datin Seri Raihanah was appointed as a Non-Executive Director to the board of a public-listed fibre-based manufacturing company called Wang Zheng Berhad ("Wang Zheng"). She served as an active board member at Wang Zheng for 8 years.

She was also appointed as a member of the Board of Trustees for the Malaysian Medical Association ("MMA") Foundation for a three-year term from 2007. MMA Foundation is a non-profit organization which provides financial assistance for undergraduate medical students, continuing professional development, public health education and donations to charities.



Dato' Dr. Kili Ghandhi Raj A/L K R Somasundram

Independent Non-Executive Director

Date of Appointment(s):
- 3 September 2019 (Independent Non-Executive Director)

Age: 71 | **Gender:** Male | **Nationality:** Malaysian

Membership of Board Committees
- Chairman of the Nomination and Remuneration Committee
- Member of the Audit and Governance Committee
- Member of the Risk and Sustainability Committee

Dato' Dr. Ghandhi is the Chairman of Medical Advisory Committee of MAA Medicare Cardiac Diagnostic Centre at Kuala Lumpur. He is also a member of the Board of Trustees of Yayasan Amal Maaedicare and a member of the Malaysian Alliance of Corporate Directors.

Dato' Dr. Ghandhi holds a MBBS degree from Mysore University, India. In addition, he was trained and accredited in Cardiothoracic surgery in the United Kingdom. He was also trained in the University of Vienna, Austria and had received a Diploma in Cardiovascular Surgery. He has worked as a Consultant Cardiothoracic Surgeon in the UK before returning to Malaysia. Dato' Dr. Ghandhi also holds a Primary Fellowship from the Royal College of Surgeons of Edinburgh and a Diploma of Fellowship from the Royal College of Surgeons of Glasgow. In addition to his credentials, he holds a Certificate of Achievement in Improving Global Health awarded by Harvard University, and also holds a Certificate of Specialist Training in Cardiothoracic Surgery (U.K.).

In the past he has served as Chairman of the Medical and Dental Advisory Committee of Gleneagles Hospital and as the Clinical Director at Prince Court Medical Centre, Kuala Lumpur to establish the cardiac services.

He has also served in the past as a Committee member of the Editorial Board of the Asian Cardiovascular and Thoracic Annals and continues to be an active reviewer of manuscript publications in the reputed peer-reviewed journal.

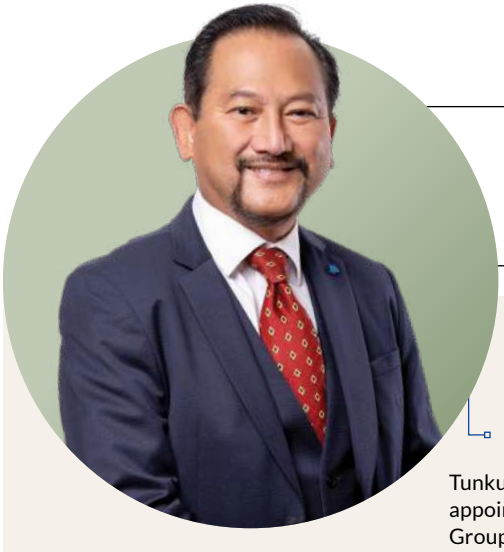
Dato' Dr. Ghandhi currently sits on the Boards of Mycron Steel Berhad, MAA Group Berhad and several other private limited companies.

Dato' Dr. Ghandhi is currently a Senior Consultant Cardiothoracic Surgeon for Prince Court Medical Centre and Head of Department of Cardiothoracic Surgery of Gleneagles Hospital Kuala Lumpur. He is also a recognised member of the Society of Thoracic Surgeons of U.S.A., European Association for Cardiothoracic Surgery, Association of Thoracic and Cardiovascular Surgeons of Asia and the Malaysian Association for Thoracic and Cardiovascular Surgery.

Notes to Directors' profile:

1. **Family Relationships**
   Save for Tunku Dato' Yaacob Khyra and Tunku Yahaya @ Yahya Bin Tunku Tan Sri Abdullah, none of the Directors have any family relationships with any Director and/or major shareholders of the Company.
2. **Conflict of Interest**
   Save for Tunku Dato' Yaacob Khyra and Tunku Yahaya @ Yahya Bin Tunku Tan Sri Abdullah, none of the Directors have any conflict of interest or potential conflict of interest, including interest in any competing business or any business arrangement involving the Company and the Group.
3. **Conviction of Offences**
   None of the Directors have any conviction for offences other than traffic offences (if any) within the past 5 years. There is no sanction or penalty imposed on the Directors by relevant regulatory bodies during the financial year end.
4. **Attendances at Board Meetings**
   The details of the Directors' attendance at Board Meetings are set out on page 143 of this Annual Report.
5. **Shareholdings**
   The details of the Directors' shareholdings in the Company are provided in the Analysis of Shareholdings section in this Annual Report.

PROFILE OF KEY SENIOR MANAGEMENT



Tunku Dato' Yaacob Khyra

Executive Chairman

Age: 66 | **Gender:** Male | **Nationality:** Malaysian

Tunku Dato' Yaacob Khyra is the Executive Chairman of the Company and was appointed to the Board of Directors of the Company on 7 October 2002. He was the Group Managing Director/Chief Executive Officer of the Company since 11 October 2002 before being re-designated as the Executive Chairman on 26 August 2008. His personal profile is listed in the Profile of Directors on page 118 of this Annual Report.



Chan Loo Ling

Chief Financial Officer

Age: 44 | **Gender:** Female | **Nationality:** Malaysian

Ms Chan Loo Ling was appointed as the Chief Financial Officer of Melewar Industrial Group Berhad on 1 October 2021. With over 19 years of extensive experience in finance, auditing, and risk management, Ms Chan brings a wealth of knowledge to her role.

Ms Chan began her career as an auditor, progressing through various capacities in audit firms, with her last position at PricewaterhouseCoopers (PwC) before transitioning into the commercial sector in 2011. From 2011 to 2015, she served as Senior Finance and Risk Manager for Sapura Energy Berhad. Following that, she held the position of Assistant Financial Controller at Yinson Holdings Berhad from 2015 to 2019. Prior to joining the Company, Ms Chan was the Group Finance and Accounting Manager for Shangri-La Hotels (Malaysia) Berhad, where she further honed her financial management expertise.

Ms Chan holds a Bachelor of Business in Accounting and Finance from the University of Technology Sydney, Australia. She is a member of the Institute of International Auditors (IIA) with Certification in Risk Management Assurance (CRMA), a chartered member of the Malaysian Institute of Accountants (MIA), and a member of the Certified Public Accountants, Australia (CPA).

Ms Chan has no family ties with any of the Directors and/or major shareholders of the Company nor any shareholding in the Company.

Ms Chan does not have any personal interest in any business arrangements involving the Company.

Ms Chan does not have any conflict of interest with the Company and has had no conviction for any offences within the past five (5) years, other than traffic offences, if any and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



Mohd Silahuddin bin Jamaluddin

Chief Business Development Officer

Age: 66 | **Gender:** Male | **Nationality:** Malaysian

Encik Silahuddin has been with Melewar Industrial Group Berhad since 1 April 2008 and currently serves as the Chief Business Development Officer.

In his role, Encik Silahuddin leads a team focused on trading and distribution in selected international markets through Melewar Imperial Limited (Labuan) and 3Bumi Sdn Bhd, both wholly owned subsidiaries of Melewar Industrial Group Berhad. He also spearheads the Group's venture into steel modular structures through Ausgard Quick Assembly Systems Sdn Bhd, a subsidiary aimed at revolutionising the construction industry with efficient, cost-effective modular building solutions. Both companies are in the early stages of executing their business models. Additionally, Encik Silahuddin is actively involved in identifying and developing new business opportunities for the Group spanning various industries, including mining, infrastructure, renewable energy, and food.

Encik Silahuddin brings more than 30 years of experience in business development within the local corporate landscape, which began in 1994 following his return to Malaysia from the United States. His early career included regional management roles in the retail and medical insurance industries in the U.S. before transitioning to the building materials sector. In this sector, he gained valuable experience in the brick and timber industries before joining the steel industry and Melewar Industrial Group Berhad.

Encik Silahuddin holds a Bachelor of Business Administration in Information Systems from Georgia State University, USA. Throughout his career, he has also acquired numerous certificates in marketing, management, and strategic planning.

Encik Silahuddin has no family ties with any of the Directors and/or major shareholders of the Company and currently has a minor shareholding in the Company.

Encik Silahuddin does not have any personal interest in any business arrangements involving the Company.

Encik Silahuddin does not have any conflict of interest with the Company and has had no conviction for any offences within the past five (5) years, other than traffic offences, if any and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

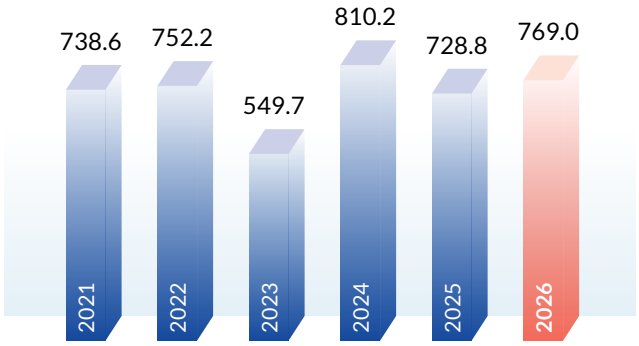
GROUP FINANCIAL HIGHLIGHTS

	2021	2022	2023	2024	2025	2026
Results of Operations						
Revenue (RM mil)	738.6^	752.2	549.7	810.2	728.8	**769.0**
Profit/(Loss) Before Tax (RM mil)	71.9^	60.9	(18.5)	13.9	(7.8)	**9.5**
Profit/(Loss) After Tax Attributed to Shareholders (RM mil)	44.7*^	35.0*	(13.3)*	5.2*	(8.1)*	**2.6***
Balance Sheet						
Share Capital (RM mil)	250.2	250.2	250.2	253.8	253.8	**253.8**
Shareholders' Fund (RM mil)	370.8	410.0	409.6	416.3	419.0	**424.1**
Total Assets (RM mil)	780.0	889.0	751.6	862.8	764.4	**734.8**
Financial Ratio						
Return on Equity (%)	12.1^	8.5	(3.2)	1.2	(1.9)	**0.6**
Debts#/Equity (Times)	0.24	0.28	0.32	0.42	0.19	**0.11**
Current Assets/Current Liabilities (Times)	1.8	1.8	2.4	1.9	2.5	**3.4**
Pre-Tax Profit/(Loss)/Average Shareholders' Fund (%)	20.7^	15.6	(4.5)	3.4	(1.9)	**2.3**
Pre-Tax Profit/(Loss)/Revenue (%)	9.7^	8.1	(3.4)	1.7	(1.1)	**1.2**
Per Share						
Gross Earnings/(Loss) Per Share (Sen)	20.0^	17.0	(5.1)	3.9	(2.2)	**2.6**
Net Earnings/(Loss) Per Share (Sen)	12.4^	9.8	(3.7)	1.4	(2.2)	**0.7**
Net Assets Per Share (RM)	1.03	1.14	1.14	1.16	1.17	**1.18**
Dividends						
Ordinary Dividend (Sen)	2.23	-	-	-	-	**-**

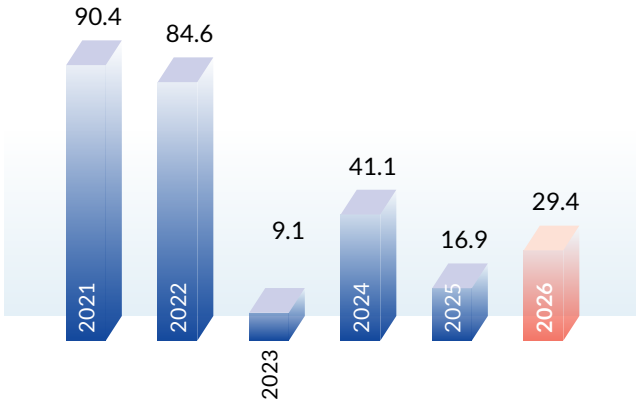
* *Profit After Tax and After Non-Controlling Interests*
^ *Include both continuing and discontinued operations*
\# *Debts include interest bearing trade payables*

GROUP FINANCIAL HIGHLIGHTS

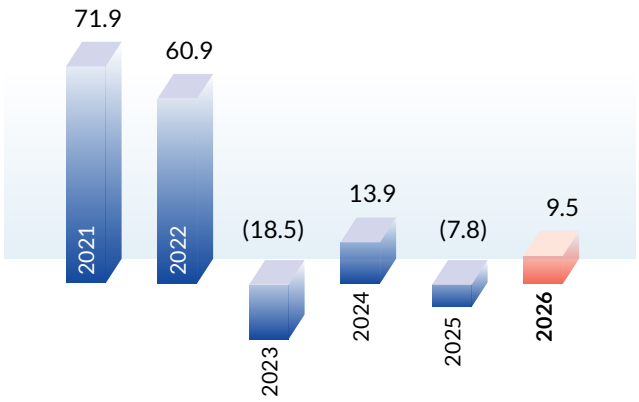
REVENUE
(RM' million)



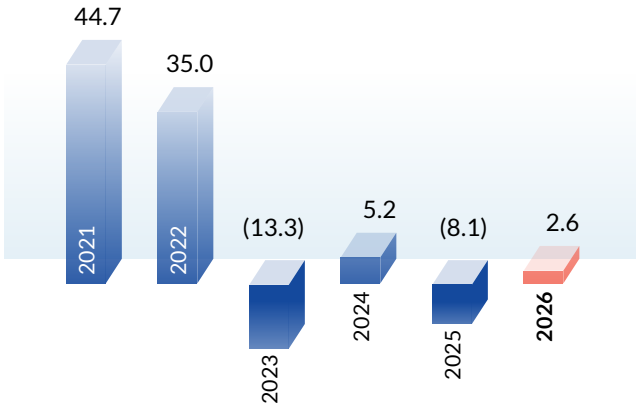
EBITDA
(RM' million)



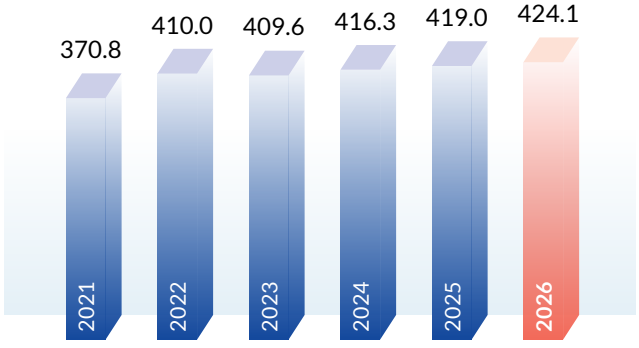
PROFIT/(LOSS) BEFORE TAX
(RM' million)



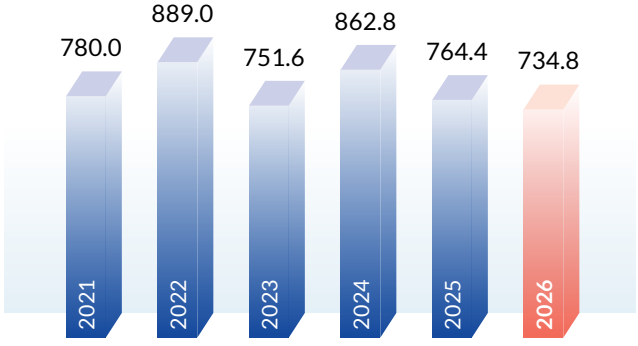
PROFIT/(LOSS) AFTER TAX
(RM' million)



SHAREHOLDERS' FUND
(RM' million)



TOTAL ASSETS
(RM' million)



ANALYSIS OF SHAREHOLDINGS

As at 1 October 2026

Total Number of Issued Shares - 359,456,103
Class of Shares - Ordinary Shares
No. of Shareholders - 7,945
Voting Rights - One (1) vote per ordinary share

No. of Size of Holdings	No. of Holders	% of Holders	No. of Shares	% of Shares
Less than 100	951	11.97	31,702	0.01
100 - 1,000	905	11.39	525,583	0.15
1,001 - 10,000	3,712	46.72	18,583,700	5.17
10,001 - 100,000	2,061	25.94	69,204,137	19.25
100,001 and below 5% of issued shares	314	3.95	112,110,981	31.19
5% and above of issued shares	2	0.03	159,000,000	44.23
TOTAL	**7,945**	**100.00**	**359,456,103**	**100.00**

THIRTY LARGEST SHAREHOLDERS AS AT 1 OCTOBER 2026

No.	Name	No. of Shares Held	[a]% of Shares
1.	RHB Nominees (Tempatan) Sdn Bhd (OSK Capital Sdn Bhd for Melewar Khyra Sdn Bhd)	104,000,000	28.93
2.	RHB Nominees (Asing) Sdn Bhd (OSK Capital Sdn Bhd for Melewar Equities (BVI) Ltd)	55,000,000	15.30
3.	Melewar Equities (BVI) Ltd	5,379,733	1.50
4.	Quek Phaik Im	4,568,500	1.27
5.	Avenue Serimas Sdn Bhd	3,810,300	1.06
6.	UOB Kay Hian Nominees (Asing) Sdn Bhd (Exempt an for UOB Kay Hian Pte Ltd)	2,618,700	0.73
7.	AllianceGroup Nominees (Tempatan) Sdn Bhd (Pledged securities account for Sak Kam Wah)	2,400,000	0.67
8.	Public Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Yeoh Ooi Chat)	2,010,100	0.56
9.	Maybank Nominees (Tempatan) Sdn Bhd (Adrian Kueh Chin Loong)	1,756,700	0.49
10.	Prospell Enterprise Sdn Bhd	1,703,200	0.47
11.	Ho Yit Lin @ Ho Yuet Ling	1,700,000	0.47
12.	Lim Sim Kee	1,639,600	0.46
13.	Er Soon Puay	1,565,900	0.44
14.	RHB Capital Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Chan Kam Fut)	1,350,000	0.38
15.	Public Nominees (Tempatan) Sdn Bhd (Pledged securities account for Macrovention Sdn Bhd)	1,320,000	0.37
16.	AllianceGroup Nominees (Tempatan) Sdn Bhd (Pledged securities account for Chong Yiew On)	1,314,500	0.37
17.	CIMB Group Nominees (Asing) Sdn Bhd (Exempt an for DBS Bank Ltd)	1,246,300	0.35
18.	Public Nominees (Tempatan) Sdn Bhd (Pledged securities account for Tay Chor Teck)	1,195,000	0.33
19.	Ting Siik Siew	1,087,400	0.30

THIRTY LARGEST SHAREHOLDERS AS AT 1 OCTOBER 2026 (CONT'D)

No.	Name	No. of Shares Held	[a]% of Shares
20.	Ong Teck Peow	1,053,000	0.29
21.	Affin Hwang Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Bluebros E&C Sdn Bhd)	1,000,000	0.28
22.	RHB Capital Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Lee Kah Weng)	1,000,000	0.28
23.	Leow Soon Seng	1,000,000	0.28
24.	HLB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Baby Tjondropuro)	992,200	0.28
25.	Lim Swee Ing	960,000	0.27
26.	Cartaban Nominees (Tempatan) Sdn Bhd (Exempt an for Standard Chartered Bank Malaysia Berhad (Wealth Management)(Tempatan))	903,500	0.25
27.	Lim Joo Kiat	800,000	0.22
28.	Kingsley Lim Fung Wang	800,000	0.22
29.	Tan Tee Soo	780,000	0.22
30.	Oo Keang Meng	750,000	0.21
	TOTAL	**205,704,633**	**57.25**

Note :

[a] The percentages of thirty largest shareholders are calculated by dividing the shares held by the respective shareholders with the total number of issued shares.

LIST OF SUBSTANTIAL SHAREHOLDERS AS AT 1 OCTOBER 2026

Name	Number of Shares Held			
	Direct	%[a]	Indirect	%[a]
Khyra Legacy Berhad ("KLB")	-	-	168,572,764	46.90[1]
Tunku Dato' Yaacob Khyra ("TY")	-	-	168,572,764	46.90[2]
Melewar Equities (BVI) Ltd ("MEBVI")	60,379,733	16.8	-	-
Melewar Khyra Sdn Bhd ("MKSB")	104,382,731	29.04	-	-

DIRECTORS' SHAREHOLDINGS AS AT 1 OCTOBER 2026

Name	Number of Shares Held			
	Direct	%[a]	Indirect	%[a]
TY	-	-	168,572,764	46.90[2]
Azlan bin Abdullah	133,333	0.04	-	-

Notes :

[a] The percentages of substantial shareholders and Directors' shareholdings are calculated by dividing the shares held by the respective substantial shareholders and Directors with the total number of issued shares.

[1] Deemed indirect interest by virtue of it being the holding company of MEBVI and MKSB who are the Major Shareholders of the Company. KLB is also deemed to have indirect interest in Avenue Serimas Sdn Bhd ("ASSB") by virtue of it being the ultimate holding company of ASSB.

[2] Deemed indirect interest by virtue of TY being one of the beneficiaries of a trust known as KLB, being the holding company of MEBVI and MKSB who are the Major Shareholders of the Company. TY is also deemed to have indirect interest in ASSB by virtue of KLB being the ultimate holding company of ASSB.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of Melewar Industrial Group Berhad ("MIG" or "the Company") recognises and acknowledges the importance of the principles and recommendations as set out in the Malaysian Code on Corporate Governance. The Board is fully committed to maintaining high standards of corporate governance practices throughout the Company and its subsidiaries ("the Group") to sustain the performance and protect and enhance long-term shareholders' value and stakeholders' interest.

This Corporate Governance Overview Statement ("CG Overview Statement") describes how the Group has adopted and applied the principles and best practices as set out in the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Companies Act 2016 ("CA 2016"), and the Malaysian Code on Corporate Governance 2021 ("MCCG") for the financial year ended 30 June 2026.

This CG Overview Statement is also prepared in compliance with Paragraph 15.25(1) of the MMLR of Bursa Securities and should be read together with the Corporate Governance Report ("CG Report") of the Company which is published on the Company's website at https://www.melewar-mig.com/investorsinfo_annualrep.html as well as on Bursa Securities website. It should also be read in conjunction with other statements in this Annual Report such as the Statement on Risk Management and Internal Control and the Audit and Governance Committee Report.

The overview of the CG practices, which made reference to the three (3) key CG principles as set out in the MCCG throughout the financial year ended 2026 ("FYE 2026") are as follows:

PRINCIPLE A

Board leadership and effectiveness

- Board responsibilities
- Board composition
- Remuneration

PRINCIPLE B

Effective audit and risk management

- Audit and Governance Committee
- Risk management and internal control

PRINCIPLE C

Integrity in corporate reporting and meaningful relationships with stakeholders

- Engagement with stakeholders
- Conduct of general meetings

The Board has assessed that the Group has complied with the provisions and applied the main principles of MCCG except for:

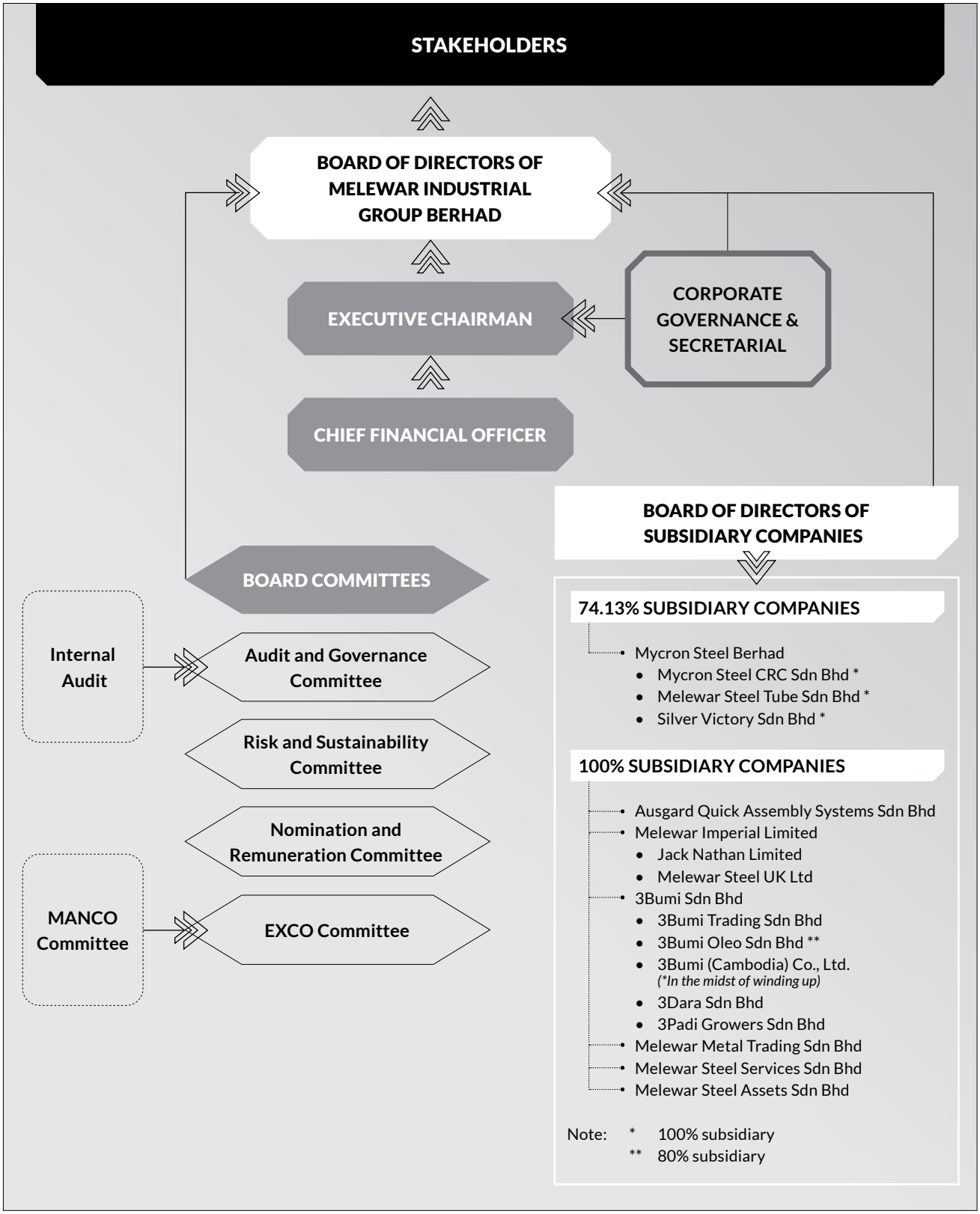
(i) Practice 1.3 (The positions of Chairman and Chief Executive Officer ("CEO") are held by same individual); and

(ii) Practice 8.2 (The Board discloses on an unnamed basis the top 2 senior management's remuneration in bands of RM50,000)

with the reasons explained in the CG Report.

MIG's Group Corporate Governance Framework

The Group Corporate Governance Framework as outlined below covers from the Stakeholders to the operating subsidiaries of the Company:



PRINCIPLE A

Board Leadership and Effectiveness

PART 1 - BOARD RESPONSIBILITIES

1.1 Effective Board Leadership and Oversight

The Board is responsible for governing, guiding and overseeing the overall management of the Group and retains full and effective control over the affairs of the Group. It reviews the Group's policies and strategies, enforces standards of accountability, actively oversees the conduct, management and business affairs of MIG and monitors the Senior Management's performance.

The Board ensures the effective discharge of its fiduciary and leadership functions, as well as sustains long-term shareholder value while safeguarding the interests of all its stakeholders. It works closely with the Senior Management to ensure that the operations of MIG are conducted prudently within the relevant laws and regulations.

All members of the Board are aware of their responsibility to take decisions objectively to promote the success of the Group and to create long-term value for shareholders and other stakeholders. In performing its duties, the Board is guided by the Board Charter that sets out amongst others its roles, composition, responsibilities, powers, Board Committees and Board meeting procedures including division of responsibilities between the Board, the Board Committees and the Executive Chairman who currently assumes the role of Managing Director ("MD") as well. The key elements of governance principles embedded in the Board Charter regulate the Board's conduct and guide the strategic initiatives of the Group.

Management's role is to implement and execute the strategies adopted by the Board and has delegated authority to manage the business on a day-to-day basis. The limits of Management's authority are embedded in the Internal Control Procedure ("ICP") document, known as the Transaction Authority Limits ("TAL") which sets out the delegation of authority to the senior leadership, generally covering approvals for operational and capital expenditure, execution of contracts, procurement and investments up to a certain monetary threshold. Any commitments outside the TAL will require the prior approval of the Board and any changes to the TAL is also subject to Board's approval.

To provide effective oversight and leadership and to facilitate the discharge of the Board's responsibility and oversight role, the Board is assisted by various Board Committees namely:

- Audit and Governance Committee ("AGC");
- Risk and Sustainability Committee ("RSC"); and
- Nomination and Remuneration Committee ("NRC").

The respective Board Committees operate within clearly defined Terms of Reference ("TOR") setting out their duties and responsibilities. All deliberations, recommendations and decisions of the Board Committees are recorded and minuted and subsequently confirmed by the Board Committees at the next Board Committee meetings. During Board meetings, the Chairman of the various Board Committees provide reports of the decisions and recommendations made at the Committee meetings and highlight to the Board any issue that requires further deliberation at Board level. The ultimate responsibility for decision making, however, lies with the Board.

These Board Committees are chaired by Independent Non-Executive Directors.

The Board will review the TOR of Board Committees from time to time to ensure that they are relevant and updated in line with the new policies or regulatory requirements.

1.1 Effective Board Leadership and Oversight (Cont'd)

The Board recognises the importance of identifying and retaining talent as key factor to the Group's continued growth and success. The Succession Planning Policy adopted by the Group is intended to provide a general method to help the Group develop and implement its own succession planning process. The Succession Planning Policy is also to ensure continuity of key management positions that exert critical influence on organisational activities, either operationally, strategically or both. There is a formal organisation structure for the Group with delineated lines of authority, responsibility and accountability. It fosters and promotes the continual development of key employees and ensures that key positions maintain some measure of continuity, thus enabling the Group to ensure that it is able to achieve its business objectives. The succession planning of the Group is enhanced by the policies and standard operating procedures as well as job descriptions established for key business processes within the Group.

1.2 Separation of Roles and Responsibilities of the Chairman and the Chief Executive Officer ("CEO")

(i) Chairman and CEO

The Board has established clear roles and responsibilities in discharging its fiduciary and leadership functions. The roles of the Chairman and CEO of the Company are separately held by different individuals, and each has clearly accepted division of responsibilities and accountability to ensure a balance of power and authority.

Currently the Group does not have a CEO/MD and as such Tunku Dato' Yaacob Khyra as the Executive Chairman of the Company is assuming the role as the MD.

(ii) Chairman

The Chairman of the Board is not an Independent Director and he holds an executive position. The Board has elected Tunku Dato' Yaacob Khyra as the Company's Chairman whose main role is to provide leadership and guidance to the Board as well as to achieve the Group's strategic vision and also lead the Board in its collective oversight of Management. He is to also ensure effectiveness of the Board by encouraging active participation of all Board members and allowing dissenting views to be freely expressed.

Given that the Chairman, Tunku Dato' Yaacob Khyra who has a wealth of experience in the business operations of the Group, the history of the Group, its structure, business environment and the territories globally in which the Group operates, he also assumes the position of an Executive Chairman for continuing leadership.

(iii) Managing Director

With the re-designation of En Azlan bin Abdullah from MD of the Company to Non-Independent Non-Executive Director on 11 February 2019, the roles and responsibilities of the MD is carried out by the Executive Chairman.

(iv) Chairman of the Board in Board Committees

The Company has adopted Practice 1.4 of the MCCG as Tunku Dato' Yaacob Khyra is not a member of any of the Board Committees.

1.2 Separation Roles and Responsibilities of the Chairman and the CEO (Cont'd)

(v) Suitably Qualified and Competent Company Secretary

During the financial year and up to the date of this Annual Report, there was a change in the Company Secretary, with Ms Lily Yin Kam May appointed as Company Secretary following the resignation of the previous Company Secretary, Ms Ng Lai Yee, with effect from 14 August 2026.

Ms Lily Yin Kam May is a qualified company secretary and holds a Practising Certificate issued by the Companies Commission of Malaysia.

All Directors have access to the advice and services of the Company Secretary. The Company Secretary consistently participates in relevant training programs, conferences, and seminars organised by regulatory authorities and professional bodies to keep herself abreast of the latest developments in corporate governance and changes in regulatory requirements relevant to her role, thereby enabling her to provide valuable advisory support to the Board.

During the FYE 2026, all Board and Board Committees meetings were properly convened. Proper records of the proceedings and resolutions passed were taken and maintained in the statutory records of the Company.

Overall, the Board is satisfied with the performance and support rendered by the Company Secretary who is assisted by the company secretarial team.

1.3 Access to Information and Meeting Materials

To facilitate the Directors' planning, an annual meeting calendar is prepared in advance of each new year by the company secretarial team. The meeting calendar provides the Directors with scheduled dates for meetings of the Board and Board Committees as well as the Annual General Meeting ("AGM").

All Board and Board Committees are also provided with the agenda and relevant board papers, reports including matters arising, financial, operational and regulatory compliance matter, at least five (5) days prior to the meetings to ensure that they have sufficient time to review and evaluate the matters to be deliberated and obtain further information, if needed, prior to the meeting to expedite decision-making during meetings. Actions on all matters arising from any previous meeting are reported at the following meeting.

The Directors, whether as full Board collectively or in their personal capacity, may seek independent professional advice, where necessary and under appropriate circumstances, in furtherance of their duties and to enable them to discharge their duties, at the Company's expense. The Company has in place internal procedures for the application and appointment process for the services of independent professional parties in the Board Charter.

The deliberations and conclusions of matters discussed in the Board or Board Committees meetings are duly recorded in the minutes of meetings. The draft minutes are circulated for the Board or Committees review within a reasonable timeframe after the meetings. The minutes of meetings accurately captured the deliberations and decisions of the Board and/or the Board Committees, including whether any Director abstains from voting or deliberating on a particular matter. All the records of proceedings and resolutions passed are kept at the registered office of the Company. For matters which require the Board's decision on an urgent basis outside of Board Meetings, relevant supporting documents along with the Directors' Written Resolution will be circulated for the Board's consideration. All written resolutions approved by the Board will be tabled for notation at the next Board Meeting.

Technology is also utilised for Directors who are unable to attend Board and Board Committee meetings physically. Directors receive agendas and meeting materials electronically and may participate in meetings via audio or video conferencing to facilitate effective communication with the Board.

1.4 Group Corporate Governance Framework ("CG Framework")

To ensure prudent and effective control of the operations in the Group, the Board adheres to the Group's CG Framework and works to ensure that the Group's CG Framework continues to remain appropriate and is reviewed when necessary.

The CG Framework of the Group sets out the manner in which the Company manages the Group's businesses to achieve its objectives. It also explains how the organisational structure facilitates the roles and functions at each level, with two-way interaction between the Board, the Board Committees, the Executive Chairman, down to the management and operational level. The actions, execution of plans, reporting and accountability will flow back to the Board for further evaluation and decision.

The CG Framework further sets out various fundamental corporate governance principles, values and standards that shall guide the Board and Management teams within the Group and to describe the governance arrangements in place between MIG and its subsidiary companies so as to deliver efficiency, effectiveness, prudent governance and alignment across the Group which are based on the evolving corporate governance requirements instituted by the authorities. This is in line with the best practices laid out in the MCCG.

The CG Framework also acts as a source of reference and primary induction literature to Board members and Senior Management as it contains the Group CG Framework, the Board Charter, the TOR of the various Committees and the other Policies adopted by the Company.

This CG Framework will be reviewed and updated in accordance with the needs of the Company and/or if required by any new regulations. Any amendments to the CG Framework shall be approved by the Board.

- **Board Charter**

  The Board Charter sets out the roles and responsibilities, composition and balance, operation and processes of the Board. It serves as a reference point for Board activities and is designed to provide guidance and clarity to Directors and Senior Management with regard to the respective roles and responsibilities of the Board, Board Committees, Executive Chairman and Group MD/Group CEO (where relevant) as well as issues and decisions reserved for the Board, the Board's governance structure and Board's authority. This is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities, and the legislations and regulations affecting their conduct.

  The Board Charter will be reviewed as and when need arises to reflect changes to the Company's policies, procedures as well as to comply with the latest regulations and legislations. The Board Charter and TOR of the Board Committees can be viewed on the Company's website at www.melewar-mig.com.

- **Code of Conduct and Ethics**

  The Board recognises the importance of having in place a Code of Conduct and Ethics ("Code"), setting out the standards of conduct expected from Directors, management and employees of the Group, to cultivate and promote good corporate behaviour. Through its Code, the Board strives to adhere to the highest ethical standards in discharging its responsibilities and continues to promote integrity and ethical conduct among its members, employees and third parties in all aspects of the Company's business operations, including confidentiality of information, conflicts of interest, insider trading as well as establishing whistleblowing policy among others. The Company's Code of Conduct is available on the Company's website.

1.4 Group Corporate Governance Framework ("CG Framework") (Cont'd)

- **Whistleblowing Policy**

The Board has in place a standalone Whistleblowing Policy and Procedures which provides an avenue for employees, public, contractors, suppliers and other business associates to raise concerns and to disclose allegations, suspicions, wrongdoings or improper conducts on a confidential basis, without fear of any form of victimization, harassment or retaliation. Any enquiries and complaints can be made through the following channels via email or letter as set out below:

Level of Disclosure		Designated Recipient	Appointed Officer
1	Disclosure against mid-level management and below	Anti-Corruption Managing Committee	Member of Anti-Corruption Managing Committee
	Email: acmc@melewar-mig.com		
2	Disclosure against senior management and above	Audit & Governance Committee	Appointed by the Designated Recipient (as the case may be)
	Email: agc@melewar-mig.com		

For financial year 2026, the Company did not receive any report or complaint of misconduct from employees, Management, public or stakeholders.

- **Conflict of Interest and Related Party Transactions**

A well established process is in place whereby the Board, through the AGC, at each quarterly meeting reviews and monitors conflicts of interest or potential conflicts of interest, including interests in any competing businesses. Directors holding significant commitments outside of MIG Group are required to disclose them prior to appointment and on an ongoing basis whenever changes occur. Actual and potential conflicts of interest (if any) are documented in a register, which is maintained by the Company Secretary.

The Group has also established related party transactions ("RPT") and recurrent related party transactions ("RRPT") Policy to provide clear guidance on the identification, disclosure and reporting of RPT and/or RRPT. This policy applies to all Directors and Employees of the Group to ensure that such transactions are conducted fairly, at arm's length and in compliance with the MMLR and good CG practices.

The Company Secretary notifies Directors and principal officers of the open and closed periods for dealings per Chapter 14 of MMLR on a quarterly basis. During FY2026, there were no dealings in the shares of our Company by any Director and principal officer during closed periods.

- **Anti-Fraud/Corruption Policy**

The Board had established an Anti-Fraud/Corruption Policy that sets out the Group's principles and stance and adequate procedures against corruption and/or bribery activities in the conduct of its businesses. The Anti-Fraud/Corruption Policy applies to all individuals working at all levels and grades, including Directors, Senior Management, Managers, employees (whether full-time, part-time, contract or temporary), consultants, contractors, trainees, interns, suppliers, customers, any third parties and any other person associated with the Group.

This Anti-Fraud/Corruption Policy is to outline the responsibilities of the Group and its employees and to provide guidance in observing and upholding the Group's position on bribery and corruption. The Anti-Fraud/Corruption Policy will be reviewed periodically in alignment with the Group's needs.

1.4 Group Corporate Governance Framework ("CG Framework") (Cont'd)

- **Anti-Fraud/Corruption Policy (Cont'd)**

  The details of the Group Anti-Fraud/Corruption Policy are available on the Company's website at www.melewar-mig.com.

  The External Auditors, Messrs KPMG PLT, lodged a report dated 24 September 2024 with the Companies Commission of Malaysia ("CCM") regarding certain matters which they considered might involve irregularities by certain officers of the Company. The matter remains under review by the relevant authorities, including the police and the CCM. The Group continues to cooperate with the relevant authorities and provide information as requested. There have been no material developments in respect of the matter since the previous reporting period.

  Other than the above, there was no other incident of bribery and corruption that were reported to the Group during the financial year 2026.

1.5 Strategic Management of Sustainability Matters

The Board has oversight responsibility to deliver sustainable value to stakeholders through the principles, policies, objectives and strategies of the Group. The Company has adopted a Sustainability Policy to guide the integration of environmental, social and governance ("ESG") considerations into its business operations, strategic planning and decision making. The Group also embraces sustainability in its operations.

To reinforce accountability, the Group has embedded ESG-related Key Performance Indicators (KPIs) into the performance management system for senior management. This ensures that sustainability commitments are directly tied to leadership performance and business outcomes.

For continuous oversight, Management provides quarterly updates on sustainability matters, including performance against established ESG indicators and targets, to both the RSC and the Board. These updates support data-driven decision-making and enable timely recalibration of sustainability strategies.

A Working Committee, which is headed by the Chief Financial Officer ("CFO") and comprises members from the key business units of the Group is tasked to look into sustainability issues of the Group.

The CFO, Ms Chan Loo Ling was nominated by the Board to provide dedicated focus to managing sustainability strategically, including the integration of sustainability considerations into the operations of the Company. The CFO provides leadership over implementation of sustainability strategy and oversee departments in ensuring robustness of system of sustainability management.

The Management Committee ("MANCO"), which comprises heads of the Company's business units and divisions, will oversee all aspects of operational and sustainability risks with the initiation and identification of the risk issues. Material matters are then escalated to the Executive Committee on a monthly basis for further deliberation and action, with key risks captured in the Risk Report and reported to the RSC.

To support effective Board oversight, Directors are encouraged to participate in sustainability-related programmes, conferences, seminars and training to enhance their understanding of evolving sustainability and climate-related matters, including developments in sustainability reporting and disclosure requirements. The Company also leverages relevant guidance and capacity-building resources to support continuous improvement in its sustainability management and reporting capabilities.

To further strengthen its ESG performance and reporting capabilities, the Group has participated in the Bursa Malaysia Securities Berhad Centralised Sustainability Intelligence ("CSI") platform. This initiative enhances ESG data management, supports carbon emissions tracking, and facilitates alignment with evolving sustainability disclosure standards. It also reinforces transparency across the Group's operations and supply chain.

The details of the Group's sustainability strategies, priorities and performance against targets are set out in the Sustainability Statement of this Annual Report.

PART 2 - BOARD COMPOSITION

2.1 Composition

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

The Company's Constitution stipulates that the minimum and maximum number of Directors on the Board shall not be less than two (2) nor more than twelve (12).

As at the date of this CG Overview Statement, the Board, consists of six (6) members as follows:

- one (1) Executive Chairman;
- two (2) Non-Independent Non-Executive Directors; and
- three (3) Independent Non-Executive Directors.

The Board is therefore, in compliance with Paragraph 15.02 of the MMLR of Bursa Securities, which requires that at least two (2) directors or one-third (1/3) of the board of directors of a listed issuer, whichever is the higher, are independent directors and is also in compliance with Practice 5.2 of the MCCG which recommended at least half the Board to comprise independent directors. A brief profile of the Board members is set out on pages 118 to 123 of this Annual Report.

The current composition of the Board is as set out below:

Directors	Designation
Tunku Dato' Yaacob Khyra	Executive Chairman
Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah	Non-Independent Non-Executive Director
Azlan bin Abdullah	Non-Independent Non-Executive Director
Kwo Shih Kang	Senior Independent Non-Executive Director
Datin Seri Raihanah Begum binti Abdul Rahman	Independent Non-Executive Director
Dato' Dr. Kili Ghandhi Raj A/L K R Somasundram	Independent Non-Executive Director

The Board comprising of Executive Director and Non-Executive Directors brings valuable perspectives and expertise from various sectors. The Independent Non-Executive Directors of the Company are independent of Management and free from any business relationship which could materially interfere with the exercise of their judgement. They provide guidance, unbiased, fully balanced and independent views, advice and judgement to many aspects of the Group's strategy so as to safeguard the interests of minority shareholders and to ensure that the highest probable standards of conduct and integrity are maintained by the Group.

All Independent Non-Executive Directors do not participate in the day-to-day management of the Group and do not engage in any business dealing or other relationship with the Group in order to uphold their objectivity and fulfil their responsibility to provide check and balance to the Board.

Overall, the Board is satisfied with the current number and composition of its members and is of the view that the members represent a diverse set of academic background, skills, knowledge and experience that are necessary to support the Group's growth and success.

2.2 Tenure of Independent Director

Pursuant to Practice 5.3 of the MCCG, the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine-year period, an Independent Director may continue to serve on the Board as a Non-Independent Director. In the event the Board intends to retain an Independent Director beyond nine years in an independent capacity, the Board must provide justification and seek shareholders' approval through a two-tier voting process.

In this regard, the Board has adopted a policy to limit the tenure of its Independent Directors to nine (9) years. Upon completion of the nine (9) years, the Independent Director will have to resign unless he is retained by the Board as a Non-Independent Director.

Presently, none of the Independent Directors has exceeded a cumulative term of more than nine (9) years in the Company as at 30 June 2026.

2.3 Appointment of Board and Senior Management

Appointment of Board and Senior Management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender. The Profile of Directors and the Senior Management Team are set out in this Annual Report.

2.4 Fit and Proper Policy

The Company has in place a Fit and Proper Policy ("the Policy") for Directors and key senior management to ensure a formal and transparent process for the appointment and re-election of Directors and key senior management of the Group.

This Policy is to ensure that the Directors possess the character, integrity, relevant range of skill, knowledge, competence, experience and time commitment to carry out their roles and responsibilities effectively in the best interest of the Company and its stakeholders.

This policy also serves as a guide for the NRC and the Board in their review and assessment of candidates that are to be appointed as well as Directors who are seeking for re-election.

The Fit and Proper Policy for Directors and key senior management is available on the Company's website.

2.5 Utilisation of Various Sources in Identification of Potential Candidates

The Group has in place a formal and transparent procedure for the appointment of new directors to the Board. The NRC is responsible for identifying, assessing and recommending to the Board suitably qualified candidates for directorship on the Board as well as members of the Board Committees.

In making its recommendation, the NRC will undertake an evaluation and assessment of the candidates in accordance with the criteria as set out in the Directors' Fit and Proper Policy adopted by the Group. The NRC shall ensure that the Board has the right balance of skills, experience, independence and business knowledge necessary to discharge its responsibilities in keeping with the highest standards of governance.

The NRC acknowledges that the selection and recommendation of suitable candidates to be appointed to the Board may also be from referrals from external independent sources available, such as Director's registry or independent search firms when necessary.

2.6 NRC

The Board merged the Nomination Committee and Remuneration Committee and renamed the Committee as the Nomination and Remuneration Committee since 27 February 2013.

The NRC comprises of three (3) members, all of whom are Independent Non-Executive Directors, which complies with the requirements of the MMLR of Bursa Securities.

As of the date of this report, the composition of the NRC is as follows:

Chairman : Dato' Dr. Kili Ghandhi Raj A/L K R Somasundram
– Independent Non-Executive Director

Members : Datin Seri Raihanah Begum binti Abdul Rahman
– Independent Non-Executive Director

Kwo Shih Kang
– Senior Independent Non-Executive Director

The NRC is governed by its TOR which is available on the Company's website at www.melewar-mig.com.

2.7 Diversity Policy

The Board has established a Diversity Policy, which also forms part of the Board Charter to strictly adhere to the practice of non-discrimination of any form, whether based on race, age, religion and gender throughout the organisation, which includes the selection of Board members and senior management.

Currently, Datin Seri Raihanah Begum binti Abdul Rahman is the only female Director on the Board. Her presence complies with Paragraph 15.02(1)(b) of the MMLR, which requires a listed corporation to have at least one (1) woman Director on its Board.

The Board, through the NRC, will continue to observe the female participation in the Board and the Board will strive to meet the objective of the recommendation of the MCCG.

The Diversity Policy can be found on the Company's website at www.melewar-mig.com.

2.8 Annual Evaluation of the Directors, Board as a whole and Board Committees

The Board recognises the importance of assessing the effectiveness of individual Directors and the Board on an annual basis. The NRC had conducted the Performance Evaluation of the Board, Board Committees and Individual Director for the financial year ended 30 June 2026 via questionnaires which were completed by each Director on a confidential basis. The questionnaires comprised a Board and Board Committees Performance Evaluation, an Individual Director Self Evaluation and an Independent Director's Self-Assessment for Annual Declaration of Independence.

The effectiveness of the Board was assessed in the areas of composition, operations, roles and responsibilities, addressing the Company's material sustainability risks and opportunities and performance of the Chairman.

In the evaluation of each Board Committee, its effectiveness was assessed in terms of its composition, level of assistance to the Board, fulfilment of the roles by each member of the Committee and effectiveness of its Chairman.

2.8 Annual Evaluation of the Directors, Board as a whole and Board Committees (Cont'd)

Meanwhile, the individual Director was assessed based on his/her contribution to interaction, quality of input, understanding of his/her role and fit and proper criteria to ensure that each of the Directors possesses the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to discharge his/her role and responsibilities as a Director.

The Board evaluation questionnaire also includes an assessment of ESG and sustainability-related matters as part of the Board's annual evaluation process.

In accordance with the Company's Constitution, newly appointed Directors shall hold office until the next following AGM. They shall then be eligible for re-election which would be put to a vote by shareholders in the next AGM subsequent to their appointment. The Constitution also provides that one-third (1/3) of the Board are required to retire at every AGM and be subjected to re-election by shareholders and all Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

Summary of Activities Undertaken by the NRC in respect of Financial Year Ended 30 June 2026

The NRC undertook, inter-alia, the following matters in respect of financial year ended 30 June 2026:

(a) Conducted annual assessment on the effectiveness of the individual directors, the Board and Committees covering areas such as Board structure and operation, Management relationship with the Board, Board's role and responsibilities, the required mix of skills and experience of the Directors, time commitments, characters, experiences, integrity and competencies to effectively discharge the role as a Director for the financial year ended 30 June 2026 and reported the findings at the Board meeting.

In this context, the annual assessment forms were reviewed and, as such these revised forms were used for this year's assessment, which was based on :

(i) Board Evaluation;
(ii) Board Skill Matrix;
(iii) Director's Self Evaluation;
(iv) Board ESG / Sustainability Evaluation;
(v) Audit & Governance Committee Self Evaluation; and
(vi) Audit & Governance Performance Evaluation.

Based on the above assessments, the NRC had concluded the following:

- The Board and Board Committees had been able to discharge their duties and responsibilities professionally and effectively.
- Each of the Directors continued to perform, contribute and devote sufficient time in fulfilling his/her role and responsibility towards an effective Board.
- All the Independent Directors complied with the definition of Independent Director as defined in the MMLR of Bursa Securities.
- All the Independent Directors had remained objective and independent in expressing their views and in exercising their decision-making.

2.8 Annual Evaluation of the Directors, Board as a whole and Board Committees (Cont'd)

Summary of Activities Undertaken by the NRC in respect of Financial Year Ended 30 June 2026 (Cont'd)

(b) Reviewed, considered and recommended to the Board for approval, the re-election of Directors, Tunku Dato' Yaacob Khyra and Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah, who will be retiring by rotation under Article 96(1) of the Company's Constitution at the forthcoming 57th AGM.

The profile of the retiring Directors, including their nature of interest with the Company, if any, are set out at the Directors' Profile section of the Annual Report.

(c) Reviewed the terms of office and performance of the AGC and its members to determine whether the AGC and its members have carried out their duties in accordance with their terms of reference.

(d) Reviewed the remuneration policies applicable to Directors and Senior Management and recommended the same to the Board for approval.

(e) Reviewed the Service Contract of the Executive Chairman.

(f) Deliberated on the remuneration packages of the Executive Chairman for FYE 2026 and recommended the same to the Board for approval.

(g) Reviewed the Directors' fees payable to the Directors of the Company and the Group for the FYE 2026 and recommended the same to the Board for approval.

(h) Reviewed the benefits payable to the Directors of the Company for the period from 1 January 2027 to 31 December 2027 and recommended the estimated quantum to the Board for approval.

(i) Reviewed attendance of Directors at Board/Board Committees, to ensure compliance to minimum attendance requirement of Board meetings of not less than fifty percent (50%) of the total meetings held during the financial year.

(j) Reviewed the Service Contract of Key Senior Management.

(k) Reviewed and recommended the Policy on Time Commitment and Succession Plan Policy for the Executive Chairman.

(l) Evaluated the performance of the External and Internal Auditors based on the requisite criteria set out in the respective Evaluation Forms.

2.9 Time Commitment of the Board

The Board meets at least once on a quarterly basis to consider all matters relating to the overall control, business performance and strategy of the Company. Additional meetings will be called when and if necessary.

2.9 Time Commitment of the Board (Cont'd)

The Board met five (5) times during the financial year ended 30 June 2026. The attendance of each Director at the Board Meetings held during the financial year ended 30 June 2026 was as follows:

Executive Director	**No. of Attendance**	**%**
1. Tunku Dato' Yaacob Khyra (Chairman)	5/5	100
Non-Independent Non-Executive Directors	**No. of Attendance**	**%**
1. Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah	5/5	100
2. Azlan bin Abdullah	5/5	100
Independent Non-Executive Directors	**No. of Attendance**	**%**
1. Datin Seri Raihanah Begum binti Abdul Rahman	4/5	80
2. Kwo Shih Kang	5/5	100
3. Dato' Dr. Kili Ghandhi Raj A/L K R Somasundram	5/5	100

Each Director does not hold more than five (5) directorships in public listed companies to ensure that they have sufficient time to focus and discharge their duties and responsibilities. The Board is satisfied with the level of the time commitment given by the Non-Executive Directors towards fulfilling their roles and responsibilities as Directors of the Company.

None of the Directors was absent for more than 50% of the total Board meetings held during the financial year under review, hence complying with Paragraph 15.05(3) of the MMLR of Bursa Securities.

2.10 Continuing Education and Training of Directors

Directors are committed to devote sufficient time to carry out and to regularly update their responsibilities, develop their knowledge and enhance their skills through appropriate continuing education and life-long learning to sustain their active participation in Board deliberations and effectively execute their duties.

The Directors are also encouraged to continuously evaluate their own training needs and determine the relevant programmes, seminars, briefings or dialogues that would best enable them to enhance their knowledge and contributions to the Board as well as stay abreast with and understand the sustainability issues relevant to the Group and its business, including climate-related risks and opportunities.

All Board members have completed the Mandatory Accreditation Programme Part II: Leading for Impact ("MAP II"), conducted by the Institute of Corporate Directors Malaysia. All Directors have also complied with the Continuous Training Programme prescribed by Bursa Securities.

During the financial year ended 30 June 2026, the following training programmes and seminars were attended by the Directors:

Members of the Board	**List of Training Programmes/ Seminars/ Conferences Attended**
Tunku Dato' Yaacob Khyra	1. Corporate Training on Sustainability Reporting. 2. Future-Ready Boards: Mastering Strategic Leadership in a Disruptive World. 3. Provision of Financial Assistance: A Complete Guide.
Azlan bin Abdullah	Going Public: Board & C-Suite Responsibilities in an IPO.

2.10 Continuing Education and Training of Directors (Cont'd)

During the financial year ended 30 June 2026, the following training programmes and seminars were attended by the Directors: (Cont'd)

Members of the Board	List of Training Programmes/ Seminars/ Conferences Attended
Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah	1. Enterprise Risk Management Awareness Session. 2. Going Public: Board & C-Suite Responsibilities in an IPO.
Datin Seri Raihanah Begum binti Abdul Rahman	1. Seminar, Historical Themes: Current Policy Challenges. *(organised by the Economic History of Malaysia (EHM) Project under the Patronage of His Royal Highness Sultan Nazrin Shah of Perak.)* 2. Enterprise Risk Management Awareness Session. 3. Financial Acumen for Directors: From Statements to Stewardship.
Kwo Shih Kang	1. Enhanced COI Framework (Updated Edition). 2. Going Public: Board & C-Suite Responsibilities in an IPO.
Dato' Dr. Kili Ghandhi Raj A/L K R Somasundram	1. Leading for Impact (LIP) Alumni Sharing and Networking Session. 2. Enterprise Risk Management Awareness Session. 3. From Curiosity to Control: Board Intelligence in the Age of AI. 4. Going Public: Board & C-Suite Responsibilities in an IPO. 5. RPTs & Conflict of Interest: What Every Leader Must Get Right.

In addition, the Directors are briefed/updated by the Senior Management, the Company Secretary, the External Auditors and Internal Audit Consultants on any changes to the statutory, corporate and regulatory requirements relating to Directors' duties and responsibilities or the discharge of their duties as Directors at Board and AGC Meetings. The External Auditors had also briefed the Board on the changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements.

PART 3 – REMUNERATION

3.1 Remuneration Policy

In compliance with Practice 7.1 of the MCCG, the Board has adopted a Remuneration Policy. The Group's Remuneration Policy sets out the procedure of determining the remunerations of Directors (Executive and Non-Executive), Group Managing Director/Group CEO and Key Senior Officers which takes into account the demands, complexity and performance of the Group as well as skills and experience required for the position.

The objectives of this Remuneration Policy are to ensure that the Directors and Senior Management are offered an appropriate level and composition of remuneration and other benefits by taking into account the Group's desire to attract and retain the right talent and expertise with the aim to motivate the Directors and Senior Management to achieve the Group's long-term business objectives.

The remuneration package also takes into account the scope of duty and responsibilities; the conditions and experience required; the ethical values and strategic targets of the Company; the corporate and individual performances; and the current market rate within the industry and in comparable companies.

3.2 Remuneration of Directors and Senior Management

The Board recognises that a competitive, comprehensive and equitable remuneration package is essential for attracting and retaining talented, high performing Directors and Senior Management of the Group. A Policy of Remuneration for Directors and Senior Management is in place to guide compensation structuring to ensure competitiveness and appropriateness.

The NRC reviews the remuneration policies and packages to ensure that they are competitive, appropriate and commensurate with the individual's experience, skills and level of responsibilities, and are aligned to industry benchmarks. The aggregate remuneration paid or payable to all Directors of the Company for FYE 2026 is listed on a named basis along with a detailed breakdown in the CG Report under Practice 8.1.

In compliance with the provisions of the CA 2016, the fees and any benefits payable to Directors are subject to annual approval at General Meetings. The process of reviewing and recommending matters relating to the remuneration of the Board is undertaken by the NRC.

The Non-Executive Directors are remunerated based on fixed annual Director's fees and fixed meeting allowances. All Non-Executive Directors are paid Directors' Fees of RM60,000 per annum each for serving as members of the Board. The Directors who serve on the AGC and RSC will also receive additional RM6,000 per annum for each committee that they serve in, in recognition of their commitment and additional time contributed. The Directors' fees are appropriate to their contribution, taking into consideration the effort, commitment and time spent as well as the responsibilities of the Directors.

The Non-Executive Directors are paid a meeting allowance of RM500 for each meeting attended. The Executive Directors are not entitled to any meeting allowance.

Each of the Executive Director abstained from deliberating and voting on his/her own remuneration. For the FY2026, the NRC had performed its duty to assess the remuneration package of its Executive Director and Senior Management.

Remuneration packages for Senior Management/Executive Directors are structured so as to link rewards to corporate and individual performance. The remuneration of Senior Management/Executive Directors includes salary, bonus, allowance and benefits-in-kind.

In addition, the Directors are covered under the Directors' & Officers' Liability Insurance in respect of liabilities arising from acts committed in their capacity as Directors and Officers of the MIG Group as their benefit, provided that such Director or Officer has not acted negligently, fraudulently or dishonestly, or is in breach of his/her duty of trust.

The relevant resolutions in relation to the Directors' fees and benefits payable to the Directors will be presented to the shareholders for approval at the forthcoming 57th AGM.

The Company notes that payments made to Executive Director pursuant to a service contract need not be approved by shareholders as it is governed by Section 231 of the CA 2016. As such, the Company will not be tabling any resolution on payment to Executive Chairman at the AGM of the Company.

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

The remuneration of the individual Directors of the Company, including the remuneration for services rendered to the Group and the Company for the FYE 2026 are as follows: -

Received from Company

Name	Salary (RM'000)	Bonus (RM'000)	Benefits-in Kind* (RM'000)	Fees (RM'000)	Meeting Allowance (RM'000)	Other Emoluments** (RM'000)	Total (RM'000)
Executive Director							
Tunku Dato' Yaacob Khyra	720	60	13.8	-	-	117	910.8
Non-Independent Non-Executive Directors							
Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah	-	-	2.8	60	3	-	65.8
Azlan bin Abdullah	-	-	2.8	60	3	-	65.8
Independent Non-Executive Directors							
Datin Seri Raihanah Begum binti Abdul Rahman	-	-	2.8	72	7.5	-	82.3
Kwo Shih Kang	-	-	2.8	72	9	-	83.8
Dato' Dr. Kili Ghandhi Raj A/L K R Somasundram	-	-	2.8	72	8.5	-	83.3

Received from Group

Name	Salary (RM'000)	Bonus (RM'000)	Benefits-in Kind* (RM'000)	Fees (RM'000)	Meeting Allowance (RM'000)	Other Emoluments** (RM'000)	Total (RM'000)
Executive Director							
Tunku Dato' Yaacob Khyra	2,880	420	31.3	-	-	495	3,826.3
Non-Independent Non-Executive Directors							
Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah	-	-	2.8	60	3	-	65.8
Azlan bin Abdullah	-	-	2.8	120	6	-	128.8
Independent Non-Executive Directors							
Datin Seri Raihanah Begum binti Abdul Rahman	-	-	2.8	144	16.5	-	163.3
Kwo Shih Kang	-	-	2.8	144	18	-	164.8
Dato' Dr. Kili Ghandhi Raj A/L K R Somasundram	-	-	2.8	144	15.5	-	162.3

* Benefits-in-kind include company car, driver, club membership subscription and medical insurance benefits.
** Others emoluments include car allowance, provision for Directors' leave pay, travelling allowances and EPF.

3.3 Remuneration of Top Two (2) Senior Management

The remuneration of the Senior Management (excluding the Executive Chairman) in bands of RM50,000 is disclosed below:

Remuneration Bands	Number of Key Senior Management
RM400,001 to RM450,000	1
RM450,001 to RM500,000	1

The Board acknowledged the need for transparency in the disclosure of remuneration as recommended under the MCCG.

Nonetheless, the Board takes the view that there is no necessity for the Group to disclose the remuneration package of the top two (2) Key Senior Management. Such disclosure could be detrimental to its business interests given the highly competitive human capital environment in which the Group operates where there is intense headhunting for personnel with the right expertise, knowledge and relevant working experience is prevalent. As such, disclosure of specific remuneration information could give rise to recruitment and talent retention issues going forward.

The Board will ensure that the remuneration of the Key Senior Management personnel commensurate with the level of responsibilities, with due consideration given to attact, retain and motivate Key Senior Management to lead and run the Company successfully.

The Board will continuously undertake a robust internal process to ensure that the remuneration of Senior Management is competitive and fair. The Company noted that the non-disclosure of the remuneration package of the top two (2) Senior Management is a departure from Practice 8.2 of the MCCG but nevertheless will consider the application of both practices when the Company is satisfied that there are adequate rules and regulations set in place by the authorities to protect the Company from losing its invaluable human assets/talents.

PRINCIPLE B — Effective Audit and Risk Management

PART 1 - AUDIT AND GOVERNANCE COMMITTEE

1.1 The Chairman of the AGC is not the Chairman of the Board

The AGC is chaired by an Independent Non-Executive Director, Mr Kwo Shih Kang, who is not the Chairman of the Board which therefore is in compliance with Practice 9.1 of the MCCG. The profile of the Chairman of the AGC is set out in the Profile of Directors of this Annual Report.

1.2 Former Key Audit Partner

The AGC's TOR require a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the AGC. To date, the Company has not appointed any former key audit partner as a Director of the Company.

1.3 Assessment of Suitability and Independence of External Auditors

The AGC has assessed the suitability, objectivity and independence of the External Auditors to safeguard the quality and reliability of audited financial statements. This assessment is conducted on a yearly basis by the AGC, using the prescribed External Auditors Evaluation Form, with emphasis on evaluation based on competence, adequacy of experience and resources, quality of the audit performances, independence and objectivity of the External Auditors, reasonableness of audit fees and comparison of audit and non-audit fees.

1.3 Assessment of Suitability and Independence of External Auditors (Cont'd)

The annual evaluation of the External Auditors, Messrs KPMG PLT, for FY2026 was conducted in August 2026. Overall, no major concern had arisen from the assessment and the AGC was satisfied with the performance of the External Auditors in terms of their quality of service provided as well as their exercise of audit independence. Written assurance was obtained from the External Auditors confirming that they are, and have been, independent throughout the audit engagement under the terms of all relevant professional and regulatory requirements. The AGC had also considered that the provision of non-audit services by the External Auditors and their affiliates during FY2026 was not in conflict with the External Auditors' audit services and did not compromise their independence and objectivity.

The Board has accepted the recommendation of the AGC for the re-appointment of Messrs KPMG PLT as External Auditors of the Company for the ensuing financial year at the upcoming AGM of the Company.

Details on the audit and non-audit fees paid or payable to the External Auditors for FY2026 are set out in the AGC Report of this Annual Report.

The AGC had also reviewed the information presented in the Annual Transparency Report 2025 of Messrs KPMG PLT.

During the financial year, the AGC met the External Auditors twice without the Executive Board members and Management being present. In compliance with Malaysian Institute of Accountants ("MIA") by-laws, the Audit Partners are rotated every seven (7) years to ensure objectivity, independence and integrity of the audit opinions. Such assurance was also given by the External Auditors in the Audit Plan and Audit Report presented to the AGC.

1.4 Composition of Audit and Governance Committee

The AGC comprises solely Independent Non-Executive Directors. Details on the AGC composition and key activities undertaken during FYE 2026 are set out in the AGC Report in this Annual Report.

This is in compliance with Paragraph 15.09 (1)(b) of the Listing Requirements, which stipulates that "all the audit committee members must be Non-Executive Directors, with a majority of them being Independent Directors".

1.5 Qualification of the Audit and Governance Committee

The AGC conducts self-evaluation annually to assess the performance and skill sets of the individual AGC members and their peers. During FYE 2026, the AGC members had completed the assessment on an individual basis and the results were compiled by the Company Secretary and tabled for the AGC's review. Based on the results of the assessment, the AGC members are financially literate and understand the Group's business. The AGC as a whole, has the necessary skills and knowledge to discharge their duties.

Their performance are reviewed by the NRC annually and recommended to the Board for approval.

The qualification and experience of the individual AGC members are disclosed in the Directors' Profiles on pages 121 to 123 of this Annual Report.

The composition and summary of activities of the AGC during the financial year under review are disclosed in the AGC Report as set out on pages 167 to 173 of this Annual Report.

PART 2 - RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

2.1 Establishment of Risk Management and Internal Control Framework

The Board is fully aware of its overall responsibility of continually maintaining a sound system of internal control, which covers not only financial controls but also operational and compliance controls as well as risk management, and the need to review its effectiveness regularly in order to safeguard shareholders' investments and the Group's assets. The internal control system is designed to identify the risks to which the Group is exposed and mitigate the impacts thereof to meet the particular needs of the Group. In view of this, the RSC has adopted a Risk Management Framework for the Group in 2005.

The Group has engaged Messrs Crowe Governance Sdn Bhd ("Crowe"), an independent internal audit firm ("Internal Audit Consultants") to assist the AGC and the Board to review the existing risk management process and internal control systems in place within the various business operations, to ensure that all the policies and procedure that established by the Group are being followed and internal control processes are operating effectively.

This function also acts as a source to assist the AGC and the Board to strengthen and improve current management and operating style in pursuit of best practices.

2.2 Features of its Risk Management and Internal Control Framework

The Group has in place an on-going process and has established a framework for identifying, evaluating, monitoring, and managing the significant risks affecting the Group. The Board reviews the adequacy and integrity of the Group's system of internal controls on a continuous basis. The RSC and AGC assist the Board in discharging its roles and responsibilities to oversee the effectiveness and adequacy of the risk management and internal control system of the Group.

The Statement on Risk Management and Internal Control which provides an overview of the Group's risk management and internal control framework is set out on pages 158 to 166 of this Annual Report.

2.3 Effective Governance, Risk Management and Internal Control Framework

The Board acknowledges its responsibility for establishing a sound risk management framework and system of internal control to safeguard shareholders' investment and the Group's assets, and to provide reasonable assurances on the reliability of the financial statements. In addition, equal priority is given to financial controls, operational and compliance controls as well as risk management. While the internal control system is devised to cater to the particular needs of the Group and the risk, such controls by their nature can only provide reasonable assurance but not absolute assurance against unintended material misstatement or loss.

The internal audit activities of the Group are carried out according to an annual internal audit plan approved by the AGC.

Crowe reports directly to the AGC to provide assurance on the adequacy and effectiveness of risk management, internal control and governance systems. In carrying out its activities, Crowe has unrestricted access to the relevant records, personnel and physical properties.

The internal audit function is expected to meet the standard set by internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

None of the internal audit personnel have any relationship or conflict of interest that could impair their objectivity and independence in conducting their internal audit functions.

2.3 Effective Governance, Risk Management and Internal Control Framework (Cont'd)

The Internal Audit Consultants adopt a risk based approach towards the planning and conduct of audits, which are consistent with the Group's framework in designing, implementing and monitoring its internal control system.

The internal audit function is guided by Internal Audit Charter which was approved by the AGC and Board of Directors on 30 May 2017. Audit engagement is focused on areas of priority according to their risk assessment and in accordance with the annual audit plans approved by the AGC.

Details of the Company and the Group's internal control system and framework are set out in the Directors' Statement of Risk Management and Internal Control and the AGC Report contained in this Annual Report.

PRINCIPLE C — Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

PART 1 - ENGAGEMENT WITH STAKEHOLDER

1.1 Effective, Transparent and Regular Communication with its Stakeholders

The Company has in place a Corporate Disclosure Policies and Procedures ("CDPP") which sets out clear procedures on corporate disclosure, designated corporate disclosure officer and appointed spokespersons for the Company to ensure that material information disclosed by the Company is accurate, timely and complete. Clear roles and responsibilities of Directors, Management and employees are provided together with levels of authority provided to designated persons in handling and disclosing material information.

The Group maintains its corporate website at www.melewar-mig.com for shareholders and the public to access information relating to its businesses, financial performance, operations and corporate development through annual reports, quarterly reports, circulars and various announcements on a timely manner. Stakeholders can at any time seek clarification or raise queries through the corporate website, by email or phone. Primary contact details are set out at the Company's website. Written communications are attended to within a reasonable time from the day of receipt.

The Board has identified Mr Kwo Shih Kang as the Senior Independent Director to whom queries or concerns regarding the Group may be conveyed.

(i) Mr Kwo Shih Kang can be contacted as follows:
Telephone number: +603–6250 6000
Facsimile number: +603–6257 1555
Email address: vincentkwo@melewar-mig.com

Queries or concerns regarding the Group may be also conveyed to the following persons:

(i) Ms Chan Loo Ling (Chief Financial Officer, for financial related matters)
Telephone number: +603–6250 6000
Facsimile number: +603–6257 1555

(ii) Ms Lily Yin Kam May (Company Secretary, for shareholders' enquiries)
Telephone number: +603-6252 8880
Facsimile number: +603-6252 8080

1.2 Integrated Reporting

Integrated reporting is not applicable to the Group presently as the Group does not fall within the definition of "Large Companies".

PART 2 - CONDUCT OF GENERAL MEETINGS

2.1 Notice of AGM

The Company Secretary, by order of the Board, serves a notice of AGM to all shareholders of the Company at least 28 days prior to its forthcoming AGM to provide the shareholders sufficient time to consider the proposed resolutions that will be discussed and decided at the AGM.

The notice for the 2025 AGM outlined the proposed resolutions to be tabled during the meeting and was accompanied with explanatory notes and background information where applicable to shed clarity on the matters that will be decided at the 2025 AGM.

2.2 Attendance at AGM

On 3 December 2025, the Company conducted its 56th AGM physically at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur. All members of the Board, including the Chairpersons of the respective Board Committees, together with the CFO, and other key senior management, were present at the meeting to engage with shareholders and/or their proxies and to address questions raised during the AGM.

The external auditors, Messrs KPMG PLT, were also present at the 2025 AGM to respond to queries from shareholders relating to the audit process as well as the preparation and contents of the auditors' report.

Before the proposed resolutions were put to vote, the Executive Chairman invited questions from shareholders and/or their proxies, all of which were duly addressed during the meeting. All resolutions tabled at the AGM were voted on by way of electronic poll voting. The poll results were independently verified by the scrutineer, Symphony Corporate Services Sdn Bhd, and the Chairman subsequently declared that all resolutions were duly passed. The poll results were also announced by the Company to Bursa Securities on the same day after the conclusion of the AGM.

2.3 Leveraging on Technology to Facilitate Communication with Shareholders

The Group's corporate website, www.melewar-mig.com, serves as a key platform for the timely and effective dissemination of information. It provides convenient access to essential information about the Group, including its corporate profile, profiles of key management, corporate policies, and annual reports.

The website also features a dedicated Investor Relations section, which provides relevant and up-to-date information for shareholders and the investing public. This includes, among others, the Company's announcements and press releases (if any).

The Group is committed to ensuring timely, transparent, and accurate disclosure of material information to its stakeholders, in line with applicable regulatory requirements and best practices in corporate governance.

2.4 Meaningful Engagement between Board, Senior Management and Shareholders

During the 56th AGM, the Chairman invited shareholders and proxies to raise questions and seek clarification on the Company's financial statements and the other agenda items to be considered at the meeting prior to the resolutions being put to vote. The Chairman ensured that shareholders and proxies were given sufficient opportunity to seek clarification on the Company's affairs and that adequate responses were provided to all queries raised.

The AGM is an important forum for our Board and Key Senior Management to engage with all the shareholders. At least 28 days' notice is provided prior to the AGM in accordance with Practice 13.1 of MCCG to enable adequate time for shareholders to plan their attendance or lodge proxy forms. The Notice of AGM is advertised in one nationally circulated daily newspaper.

Notifications to our shareholders (which include links to download the Annual Report 2025, Circular to Shareholders, CG Report, Notice of AGM, Proxy Form and Administrative Guide) are sent via email and if uncontactable, sent via post. Such documents are also available on the corporate website, which is updated regularly and is a useful platform for stakeholders to obtain the latest developments on our Group.

2.5 Publication of the Minutes of General Meeting

The Minutes of 56th AGM with the notation on the proceedings, as well as questions and answers posted by the shareholders and proxies were made available on the Company's website at www.melewar-mig.com within 30 business days after the conclusion of the 56th AGM, so as to provide useful information to shareholders and investors especially for the absentee shareholders in regard of the AGM.

COMPLIANCE STATEMENT

The Board has deliberated, reviewed and approved this Corporate Governance Overview Statement. The Board considers that the Statement on Corporate Governance Overview provides the information necessary to enable shareholders to evaluate how the MCCG has been applied. The Board has considered and is satisfied that the Company has fulfilled its obligation under the MCCG, the MMLR of Bursa Securities and all applicable laws and regulations throughout the financial year ended 30 June 2026.

OTHER BURSA SECURITIES COMPLIANCE INFORMATION

1. MATERIAL CONTRACTS

Other than those disclosed in the financial statements, there were no material contracts including contracts for any loans entered into by the Company and/or its subsidiaries involving the interests of the Directors or Chief Executive who is not a Director and major shareholder.

2. MATERIAL CONTRACTS RELATED TO LOAN

There were no material contracts related to loans entered into by the Company and/or its subsidiaries involving the Company's Directors and/or major shareholders' interests during the financial year under review.

3. AUDIT AND NON-AUDIT SERVICES

During the financial year, the audit fees and non-audit fees paid/payable to the Company's external auditors by the Company and by the Group incurred for services rendered are as follows:-

Type of Fees	Company (RM)	Group (RM)
Audit Fees	230,000	694,500
Non-Audit Fees	12,500	24,500

OTHER BURSA SECURITIES COMPLIANCE INFORMATION (Cont'd)

4. RECURRENT RELATED PARTY TRANSACTIONS ("RRPTs") ENTERED INTO DURING THE FINANCIAL YEAR ENDED 30 JUNE 2026

On 3 December 2025, the Company sought approval for a shareholders' mandate for MIG Group to enter into RRPTs (as defined in the Circular to Shareholders dated 30 October 2025) in their ordinary course of business with related parties ("Shareholders' Mandate") as defined in Chapter 10 of the MMLR.

The aggregate value of transactions conducted during the financial year ended 30 June 2026 in accordance with the Shareholders' Mandate obtained at the last AGM were as follows :

A. RRPTs with Trace Management Services Sdn Bhd ("Trace")

No.	Related Party	Nature of Transaction	Interested Related Parties	Manner of Relationship with the Related Parties		Value of Transaction (01/07/2025 – 30/06/2026) RM
				Director	Major Shareholder	
1.	Trace	Provision of corporate secretarial services by the Related Party to Melewar Industrial Group Berhad ("MIG") and its subsidiaries ("MIG Group")	**Interested Directors** Tunku Dato' Yaacob Khyra ("TY") and Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah ("TYY")	TY and TYY are deemed interested in Trace by virtue of their major interests in Melewar Group Berhad ("MGB"), who in turn is the holding company of Trace; MGB is the family owned investment holding company.	Nil	411,281

B. RRPTs with MAA Group Berhad ("MAAG") and its subsidiaries, collectively

No.	Related Party	Nature of Transaction	Interested RelatedParties	Manner of Relationship with the Related Parties		Value of Transaction (01/07/2025 – 30/06/2026) RM
				Director	Major Shareholder	
1.	MAA Corporation Sdn Bhd ("MAA Corp")	Office rental charged by the Related Party to MIG Group	**Interested Directors** TY **Interested Major Shareholders** Melewar Equities (BVI) Ltd ("MEBVI"), Melewar Khyra Sdn Bhd ("MKSB") and Khyra Legacy Berhad ("KLB")	TY is deemed interested in MAA Corp. TY is one of the beneficiaries of a trust known as KLB, being the holding company of MEBVI and MKSB.	MAA Corp is a wholly owned subsidiary of MAAG whose ultimate Major Shareholder is KLB.	107,098
2.	MAA Corp	Office service charged by the Related Party to MIG Group	**Interested Directors** TY **Interested Major Shareholders** MEBVI, MKSB and KLB	TY is deemed interested in MAA Corp. TY is one of the beneficiaries of a trust known as KLB, being the holding company of MEBVI and MKSB.	MAA Corp is a wholly owned subsidiary of MAAG whose ultimate Major Shareholder is KLB.	33,468
3.	Maax Factor Sdn Bhd ("Maax Factor")	Factoring and Pre-Factoring Facility provided by the Related Party to MIG Group	**Interested Directors** TY **Interested Major Shareholders** MEBVI, MKSB and KLB	TY is deemed interested in MAAG. TY is one of the beneficiaries of a trust known as KLB, being the holding company of MEBVI and MKSB.	Maax Factor is a sub subsidiary of MAA Corp who in turn is a wholly owned subsidiary of MAAG whose ultimate Major Shareholder is KLB.	4,739,235

B. RRPTs with MAA Group Berhad ("MAAG") and its subsidiaries, collectively (Cont'd)

No.	Related Party	Nature of Transaction	Interested Related Parties	Manner of Relationship with the Related Parties		Value of Transaction (01/07/2025 – 30/06/2026) RM
				Director	Major Shareholder	
4.	MAA Corp	Office rental charged by the Related Party to 3Bumi Trading Sdn Bhd ("3BT")	**Interested Directors** TY **Interested Major Shareholders** MEBVI, MKSB and KLB	TY is deemed interested in MAA Corp. TY is one of the beneficiaries of a trust known as KLB, being the holding company of MEBVI and MKSB.	MAA Corp is a wholly owned subsidiary of MAAG whose ultimate Major Shareholder is KLB.	30,528
5.	MAA Corp	Office service charged by the Related Party to 3BT	**Interested Directors** TY **Interested Major Shareholders** MEBVI, MKSB and KLB	TY is deemed interested in MAA Corp. TY is one of the beneficiaries of a trust known as KLB, being the holding company of MEBVI and MKSB.	MAA Corp is a wholly owned subsidiary of MAAG whose ultimate Major Shareholder is KLB.	9,540
6.	Trisend Logistic Technologies Sdn Bhd ("TLT")	Warehouse and office rental charged by Ausgard Quick Assembly Systems Sdn Bhd ("AQAS") to the Related Party.	**Interested Directors** TY **Interested Major Shareholders** MEBVI, MKSB and KLB	TY is deemed interested in MAAG TY is one of the beneficiaries of a trust known as KLB, being the holding company of MEBVI and MKSB.	TLT is a subsidiary of Trinidad Hospitality Sdn Bhd who in turn is a subsidiary of MAA Corp. MAA Corp is a wholly owned subsidiary of MAAG whose ultimate Major Shareholder is KLB.	39,655

C. Financial assistance between MIG Group and the classes of related parties

Type of Financial Assistance	Related Party	Interested Related Parties	Manner of Relationship with the Related Parties		Value of Transaction (01/07/2025 – 30/06/2026) RM
			Director	Major Shareholder	
Provision of financial assistance to the Group by the pooling of funds via a centralized treasury management function within the MIG Group on a short or medium term basis i.e. for a duration not exceeding three (3) years.	MIG Group	**Interested Directors** TY **Interested Major Shareholders** MEBVI, MKSB and KLB	TY is deemed interested in MIG by virtue of him being one of the beneficiaries of a trust known as KLB, being the holding company of MEBVI and MKSB who are the Major Shareholders of MIG.	Nil	Nil
Provision of corporate guarantee to financial institutions, as and when required, to secure the continuing trade facilities extended to direct and indirect subsidiaries.	MIG Group	**Interested Directors** TY **Interested Major Shareholders** MEBVI, MKSB and KLB	TY is deemed interested in MIG by virtue of him being one of the beneficiaries of a trust known as KLB, being the holding company of MEBVI and MKSB who are the Major Shareholders of MIG.	Nil	Nil

DIRECTORS' RESPONSIBILITY STATEMENT FOR THE AUDITED FINANCIAL STATEMENTS

The Directors are required to prepare financial statements which give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026, and of the financial performance and cash flows of the Group and of the Company for the financial year ended 30 June 2026, in accordance with applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards, the requirements of CA 2016 and the MMLR of Bursa Securities.

In preparing the financial statements, the Directors have:

- adopted appropriate accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent; and
- prepared the financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company keep proper accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the CA 2016.

The Directors are also responsible for taking reasonable steps to safeguard the assets of the Group and of the Company and to prevent and detect fraud and other irregularities.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board") of Melewar Industrial Group Berhad ("MIG" or "the Company") is pleased to present the Statement on Risk Management and Internal Control ("Statement") which outlines the nature and scope of risk management and internal control system of the Company and its subsidiaries ("the Group") for the financial year ended 30 June 2026. This Statement has been prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Malaysian Code on Corporate Governance ("MCCG") and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

Certain disclosures in this Statement are presented in general terms where more detailed information is considered commercially sensitive or confidential. The Board is satisfied that the disclosures provided offer stakeholders an appropriate understanding of the Group's risk management and internal control framework while safeguarding information that could be prejudicial to the Group's interests.

ROLES AND RESPONSIBILITY

The Board recognises that effective governance is underpinned by a sound risk management and internal control framework that supports the achievement of the Group's strategic objectives and safeguards its assets and stakeholders' interests as well as to ensure the reliability and integrity of financial and operational information, effectiveness and efficiency of operations. The Board oversees the establishment and maintenance of an appropriate risk management framework to identify, assess, monitor and manage risks that may affect the Group's ability to execute its strategy and business plans.

The Board acknowledges that the Group operates in an evolving business environment and therefore ensures that the risk management and internal control systems are reviewed regularly to remain relevant, responsive and effective via the independent Internal Audit function. Through the continuous assessment of principal risks and the implementation of appropriate mitigating measures, the Board seeks to strengthen the Group's resilience and support sustainable value creation.

Hence, the Board with the assurance from the Executive Director and the Management affirms its overall responsibility for the Group's risk management and internal control system. The oversight of these critical areas is carried out by the Audit and Governance Committee ("AGC") and the Risk and Sustainability Committee ("RSC") which are empowered by their respective terms of reference to provide oversight and perform regular reviews on the risk management and internal control systems to meet the Group's objectives and for continuous improvement thereof.

The Board acknowledges the limitations that are inherent in any risk management and internal control system. As such the systems designed are meant to manage and minimise the extent and severity of the risks, rather than completely eliminate the risks of failure of achieving the Group's objectives and strategies. Consequently, the Board recognises that a sound internal control system provides reasonable but not absolute assurance that the Group will not be hindered in achieving its business objectives in the ordinary course of business.

The Management is responsible for implementing the Group's policies and procedures on risk management, identify and assess the various risks faced by the Group and ensure appropriate controls are in place to mitigate, control and monitor these risks.

RISK AND SUSTAINABILITY COMMITTEE

The RSC was established by the Board on 18 December 2003. The members of the RSC as at the date of this Annual Report are as follows:

Chairman : Kwo Shih Kang
Members : Datin Seri Raihanah Begum binti Abdul Rahman
Dato' Dr. Kili Ghandhi Raj A/L K R Somasundram

During the financial year ended 30 June 2026, five (5) RSC meetings were held. The details of attendance of each Committee member are as follows:

Name of Committee Members	Total Meetings Attended
Kwo Shih Kang (Chairman, Senior Independent Non-Executive Director)	5/5
Datin Seri Raihanah Begum binti Abdul Rahman (Independent Non-Executive Director)	5/5
Dato' Dr. Kili Ghandhi Raj A/L K R Somasundram (Independent Non-Executive Director)	5/5

RISK MANAGEMENT, SUSTAINABILITY GOVERNANCE AND OVERSIGHT STRUCTURE

The main components of the Group's risk governance and structure consist of the Board, the AGC and the RSC. The adequacy and effectiveness of risk management and internal controls are reviewed by the AGC and RSC through internal audits conducted. The AGC is supported by an outsourced Internal Audit function, which is provided by Messrs Crowe Governance Sdn Bhd ("Crowe") ("the Internal Audit Consultants"). Internal control issues as well as actions taken by Management to address these issues are tabled by the outsourced service providers for deliberation during the AGC meetings.

The Sustainability Governance Structure is overseen by the Board of Directors ("BOD"), which is responsible for providing overall oversight of the Group's sustainability initiatives. This oversight is further supported by the RSC. The RSC reviews the risk and sustainability matters pertaining to the Group, primarily under the responsibility of the Chief Sustainability Officer and members of the RSC. The RSC is further supported by the Executive Committee ("EXCO") and Management Committee ("MANCO") which are responsible for the strategic management of the Group's sustainability matters and day to day implementation of material sustainability matters respectively.

The Group has also in place Standard Operating Policies ("SOP") and Internal Control Procedures ("ICP") for its main business highlighting the control objectives, policies, procedures, authority and responsibility. The Chief Business Development Officer ("CBDO"), Senior Management, Division Heads and Departmental Heads are responsible for identifying, assessing and managing the risks of their respective business units, operational units and departments. The specific business risks identified encompass risks on finance, operations, regulatory compliance and cyber security, including respective internal controls in place to manage the risks. It assures the Board that the Group's risks are effectively managed based on the Risk Management Framework adopted by the Group and that the Internal Controls Systems are operating adequately and effectively, in all material aspects. Regular management and operational meetings are held to deliberate key risks and the appropriate mitigating controls. This ongoing process is undertaken by all active subsidiaries of the Group.

On a quarterly basis, Management reports to the AGC and RSC on all risk areas faced by the Group and findings identified from the internal audit reviews conducted by the Internal Audit Consultants as well as the actions taken by the Management to address those high risks areas and audit findings. Minutes of the meetings of the AGC and RSC which recorded these deliberations were presented to the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT FRAMEWORK

Key Senior Management and Heads of Department are entrusted to identify risks and to ensure that adequate control systems are implemented to mitigate risks faced by the Group. They are also delegated with the responsibilities to manage risks within their respective areas of responsibilities, as the process of identifying, evaluating, monitoring and managing significant risks is embedded in the various work processes and procedures of the respective business and operational functions of the Group.

In the management meetings, key risks and mitigating controls are deliberated. Risks identified are prioritised in terms of likelihood of occurrence and its impact on the achievement of the Group's business objectives, to which risk control actions are designed and implemented based on the sequence of priority. Significant risks affecting the Group's strategic and business plans are escalated to the RSC/AGC at their scheduled meetings.

The Board confirms that there is an on-going process in place to identify, evaluate, monitor and manage the significant risks faced by the Group.

The Group has also put in place related policy, sustainability targets, implementation strategies and performance target/ indicators for each of the Common Sustainability Matter to drive continuous improvement.

The Chief Financial Officer ("CFO") has been designated to manage sustainability strategically including the integration of sustainability considerations in the operations of the Group as well as reporting.

The details of the Group's sustainability strategies, priorities and performance against targets are set out in the Sustainability Statement of this Annual Report.

The primary risks that the Group is currently facing in its business operations are, among others, listed below:

Principal Risks	Description	Mitigation Measures
Business Risks	Exposure to economic volatility, geopolitical developments, regulatory changes, market fluctuations and increases in material costs that may adversely affect the Group's operations and profitability.	• Foster strong, long-term customer relationships. • Maintain competitive market positioning and respond proactively to changing market conditions. • Diversify revenue sources through expansion into export and new markets.
Market Competition Risk	Market competition risk arises from increased competitive pressures, which may adversely affect the Group's customer base, revenue and profitability.	• Strengthen customer engagement to enhance customer satisfaction, loyalty and value creation. • Expand and diversify the customer base, including export markets, while continuously monitoring market trends and competitive developments.
Material Supply Risk	Material supply risk arises from shortages or disruptions in the availability of raw materials, which may adversely affect the Group's production and delivery schedules.	• Maintain strong relationships with existing suppliers while diversifying the supplier base. • Implement effective inventory management to support continuity of operations.

Principal Risks	Description	Mitigation Measures
Raw Material Price Volatility	Fluctuations in raw material prices may increase production costs and reduce profit margins.	• Strategic procurement planning. • Diversify suppliers. • Review pricing strategies where appropriate.
Financial Risks	Exposure to foreign exchange, commodity price, liquidity and credit risks may adversely affect financial performance.	• Monitor foreign exchange and commodity price movements. • Utilise natural hedging and hedging instruments where appropriate. • Maintain effective cash flow, budgeting and cost management. • Incorporate pricing strategies to manage currency fluctuations.
Operational Risk	Operational disruptions arising from equipment failure, supply chain interruptions, regulatory changes, labour issues, quality failures, utilities disruption, or environmental, health and safety incidents may affect production and business continuity.	• Implement preventive maintenance programmes. • Strengthen supply chain resilience and inventory management. • Enhance business continuity and emergency preparedness. • Maintain quality assurance, regulatory compliance and operational controls. • Improve operational efficiency through automation, equipment upgrades and process optimisation.
Occupational Health and Safety Risks	Workplace hazards associated with manufacturing operations may result in injuries, operational disruptions and regulatory non-compliance.	• Maintain a robust safety management framework. • Provide regular safety training and awareness programmes. • Monitor compliance with occupational safety and health requirements.
Inventory Overhang Risk	Excess inventory arising from ineffective inventory planning and management may result in higher storage costs, inventory obsolescence, cash flow constraints and margin pressure.	• Strengthen inventory monitoring through regular ageing analysis and defined stock level thresholds. • Align purchasing with sales forecasts, confirmed orders and market demand to minimise overstocking. • Develop action plans for slow-moving and ageing inventory, including promotions and alternative sales channels. • Conduct periodic reviews for obsolete or expired inventory and make timely provisions or write-offs where necessary.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Risk Coordinator coordinates with the risk owners to identify and document major risks, assess the potential impact and likelihood of occurrence and mitigating controls including sustainability issues through the adoption of risk management framework. Under the risk management framework, the Group aims:

(a) To provide guidance to the Group and facilitate a structured approach in identifying, evaluating and managing significant risks covering both operational and Environmental, Social and Governance ("ESG") issues.

(b) To manage and monitor the Group's day-to-day operational risks which includes those relating to supply chain, production, marketing, safety & health and compliance with laws and regulations and various certifications and quality accreditations at the business unit level and guided by standard operating procedures.

(c) To manage and monitor the Group's exposure to various financial risks relating to credit, liquidity, interest rates and foreign currency exchange rates. The Group's risk management objectives and policies, coupled with the required quantitative and qualitative disclosures relating to its financial risks are set out in Note 4 to the Financial Statements of this Annual Report.

The framework is reviewed and revised as and when necessary to ensure it remains relevant and adequate to manage the MIG Group's risks, which continue to evolve along with the changing business environment.

The following are initiatives undertaken by the RSC during the year:

- Risk review and update by the respective Heads of Departments, where key risks identified were rated in terms of likelihood of the risk occurring and its impact should the risk occur;
- Reviewed the Risk Profile of the Group and action plans to be undertaken to manage the principal risks of the Group including the ESG issues;
- Monitored the action plans derived by the "Risk Owners" to address principal risks of the Group;
- Discussed and identified other key areas of improvement to be implemented for better optimisation of the facilities, equipment and machinery used by the Group;
- Reviewed and deliberated on a potential business opportunity to assess its suitability for the Group's potential expansion, taking into consideration the associated risks, the Group's risk appetite and available resources.
- Reviewed the Statement which provides an overview of the state of internal controls and risk management within the Group which would be reviewed by the External Auditors prior to the Board's approval for inclusion in the Annual Report.

The Board is satisfied that Management has implemented appropriate processes and controls to effectively manage the significant risks faced by the Group. For the financial year under review, no major weaknesses in the system of internal controls were identified, nor have any of the reported weaknesses resulted in material losses or contingencies requiring disclosure in the Group's Annual Report. Those areas of non-compliance with the procedures and policies and those which require improvements as highlighted by the internal and external auditors during the period have been, or are being addressed.

KEY FEATURES OF THE COMPANY'S INTERNAL CONTROL SYSTEM

The key features of the Group's system of internal controls that the Board has established in reviewing the adequacy and effectiveness of the risk management and internal control system during the financial year ended 30 June 2026 are summarised as follows:

(a) Organisation Structure and Authorisation Procedures

The Board has set an organizational structure to govern and manage the decision process in the MIG Group. The Authority Limits are set out to govern the approvals and authorisation by the Board and the different levels of Management to ensure accountability, segregation of duties and control over the Group's financial commitments.

The Authority Limits and authorisation levels are built into the internal control systems to ensure proper checks and authorisation of transactions at each control area throughout the process chain.

The operating structure of the MIG Group is aligned to business requirements. It has defined lines of responsibilities to ensure that component tasks are handled by different employees. With segregation of duties, employees' accountability can be enhanced and the risk of error and fraud can be minimised.

(b) Internal Control Procedures

To ensure the uniformity and consistency of practices and controls within the Group, ICPs have been formalised and documented which were endorsed by both the Management and the Board.

The ICPs are subject to review on a need basis along with the internal audit review of the selected area of operations.

(c) External Bodies Certification

Through its operating subsidiaries, Melewar Steel Tube Sdn Bhd ("MST"), Mycron Steel CRC Sdn Bhd ("MSCRC"), 3Bumi Trading Sdn Bhd ("3BT") and 3Bumi Oleo Sdn Bhd ("3BO"), the Group remains committed to meeting internationally recognised and industry-specific standards. This commitment is reflected in its comprehensive portfolio of certifications, which supports the quality, safety and reliability of its products and operations.

MST	• ISO 14001:2015 - Environmental Management Systems • SIRIM Eco-label (SIRIM ECO 032:2020) • Obtained ISO 45001:2018 certification (Occupational Health and Safety Management Systems) • Obtained the Factory Production Control (FPC) Certificate to BC1:2023, in compliance with the requirements of the Building and Construction Authority (BCA) of Singapore • ISO 14024, Type 1 under MyHIJAU Mark • Obtained Sustainbuild Mark Certification
MSCRC	• ISO 14024, Type 1 under MyHIJAU Mark • ISO 14001:2015 - Environmental Management Systems • ISO 50001:2018 - Energy Management Systems • SIRIM Eco-label (SIRIM ECO 032:2020) • Obtained ISO 45001:2018 certification (Occupational Health and Safety Management Systems)
3BT	• Certificate of Authentication Halal for the processed food products
3BO	• Certificate of Authentication Halal for vegetable cooking oil • Certificate of Hazard Analysis and Critical Control Points (HACCP)

The Group upholds food safety and consumer confidence by ensuring its products and processes meet halal, hygiene, quality and safety requirements throughout the supply chain. 3BO's cooking oil products are halal certified in accordance with MS1500:2019 and the Halal Manual Certification requirements issued by the Department of Islamic Development Malaysia ("JAKIM"), while 3BT applies the same standards to its meat processing activities. 3BO obtained HACCP certification in the previous financial year, further strengthening its food safety practices through the systematic identification and control of potential hazards across its production processes.

(d) Human Resources

Comprehensive guidelines on the human resource management are in place to ensure the Group's ability to operate in an effective and efficient manner by employing and retaining adequate competent employees possessing necessary knowledge, skill and experience, in order to carry out their duties and responsibilities assigned effectively and efficiently. Performance evaluations are carried out annually for all levels of staff to identify performance gaps and training needs of employees on an annual basis so that relevant trainings are provided to such employees to upgrade their knowledge and skill sets.

(e) Internal Audit Function

The Group has outsourced its internal audit function to an independent professional firm to provide the AGC and the Board with independent and objective assurance on the adequacy and effectiveness of the Group's governance, risk management and internal control systems.

The Internal Audit function adopts a risk-based approach in developing the annual Internal Audit Plan, which is reviewed and approved by the AGC. Internal audit reviews are conducted in accordance with the approved audit plan to evaluate the effectiveness of key internal controls, governance processes and compliance with applicable laws, regulations, policies and procedures.

The findings, recommendations and Management's corrective action plans arising from the internal audit reviews are reported to the AGC on a regular basis. The AGC monitors the implementation of agreed action plans and reports significant matters, including principal risks and control issues, to the Board for its oversight and deliberation.

To preserve the independence and objectivity of the Internal Audit function, the AGC reviews the appointment, performance and independence of the Internal Audit Consultants annually.

(f) Managers Meeting ("MANCO")

The Managers of each business division meet on a regular basis to review, deliberate and resolve various operational issues, financial and key management issues based on the prevailing economic conditions and their potential impact and risks on the Group's business activities and to take the necessary measures on a timely basis, where possible and appropriate.

(g) Risk Management Process

As part of the Risk Management process, the Company adopted the implementation of a Risk Register with which the principal business risk is identified and regularly updated to reflect on-going changes in the risk profile.

These on-going monitoring and reviews of the risk register are undertaken on a quarterly basis by the Management to assess the continued applicability and relevance of the risks already identified and to re-rate these risks where necessary; as well as to identify emerging risks or new risk factors, if any, faced by the Group as a whole based on a consistent risk likelihood and impact criteria applied across the Group.

The other key elements of the Group's Internal Controls are as follows:

(i) The Group has set in place a Whistleblowing Policy which outlines the Group's commitment towards enabling employees and stakeholders to raise concerns in a responsible and confidential manner in regards to any wrongdoings without being subject to victimisation or discriminate treatment.

(ii) The Group has established an Anti-Fraud/Corruption Policy to provide guidance to all Directors, employees including external parties who have business dealings with the Group on matters involving bribery and corruption practices.

(iii) The operations and any significant changes in the business and external environment are reported to the Board on quarterly basis.

(iv) The Code of Conduct endorsed by the Board is communicated to all employees in the Group as an integral part of MIG's governance regime that sets out the ethical principles and expected standard of conducts in conducting business and the compliance with applicable laws and regulations for all of its Directors and employees within the Group.

(v) Training and development programs were established to ensure that staff are kept up to date with the necessary competencies to carry out their responsibilities towards achieving the Group's objectives.

(vi) Management monitors changes in the regional and global economic conditions, such as trade tensions and other global headwinds that could result in uncertainties and volatilities in the economic environment, which may have an adverse effect on the demand or components, and hence on the Group's financial performance and operations. The Group manages these economic risks through keeping itself abreast with the economic and market development, maintaining good relationship with customers and closely following latest news on customers' products performance and business.

(h) Succession Planning

Succession planning for key management staff of the Group is in place and is reviewed periodically. This is to ensure that business operations and performance will not be adversely affected by the departure of any key personnel.

(i) Personal Data Protection

The Group recognises the importance of protecting the rights and privacy of individuals and is committed to protecting the same. In this respect, the Board has in place a Personal Data Protection Policy for the Group.

(j) Sustainability Policy

The Group has established a Sustainability Policy that integrates sustainability into its governance, risk management and business operations. The Board, supported by the RSC, oversees its implementation, while the Executive Committee and MANCO manage sustainability initiatives and monitor relevant Key Performance Indicators. This approach strengthens the Group's governance and internal control framework while supporting sustainable business practices.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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. 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.

CONCLUSION

For the financial year under review and up to the date of issuance of this Statement, the Management continues to monitor all major risks affecting the Group and the necessary measures to mitigate or minimise them as well as continue to enhance the adequacy and effectiveness of the risk management and internal control system of the Group mainly focusing on strategic, financial, operational and compliance aspect.

In line with the Guidelines, the Executive Chairman, CBDO and CFO have given assurance to the Board that the Group's risk management and internal control system are operating adequately and effectively, in all material aspects, based on the risk management adopted by the Group and the declarations made by the respective Heads of each Division. To the best of their knowledge, nothing has come to the attention of the Executive Chairman, CBDO, CFO and the Management which may render the financial results presented and the information provided to be misleading in any material respect.

The Board is of the view that the risk management and internal control system of the Group are adequate and effective to safeguard the shareholders' investments, Group's assets and the interests of other stakeholders. There were no adverse compliance events or material control failures that could cause material losses to the Group. Nevertheless, taking into account the rapid changing environment and circumstances, the Board continues to evaluate and take precautionary measures and steps to further strengthen the control environment.

AUDIT AND GOVERNANCE COMMITTEE REPORT

The Board of Directors ("Board") of Melewar Industrial Group Berhad ("MIG" or "the Company") is pleased to present the Audit and Governance Committee ("AGC") Report, which provides an overview of the composition, responsibilities and activities of the AGC in discharging its duties during the financial year ended 30 June 2026 ("FY2026"), including its oversight of the Group's financial reporting, external and internal audit functions, internal controls, related party transactions, conflicts of interest and corporate governance matters.

TERMS OF REFERENCE

The Terms of Reference ("TOR") of the AGC are aligned with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Malaysian Code on Corporate Governance ("MCCG").

The TOR sets out the authority, duties and responsibilities of the AGC and is available on the Company's website at www.melewar-mig.com in accordance with Paragraph 15.11 of the MMLR.

COMPOSITION

As at the date of this Annual Report, the AGC comprises three (3) members, all of whom are Independent Non-Executive Directors.

All members of the AGC satisfy the independence requirements prescribed under the MMLR. The composition of the AGC complies with Paragraph 15.09(1)(a) and (b) of the MMLR and is in line with Step Up Practice 9.4 of the MCCG. No Alternate Director is appointed as a member of the AGC.

The composition of the AGC is as follows:

Designation	Name	Directorship
Chairman	Kwo Shih Kang	Senior Independent Non-Executive Director
Members	Datin Seri Raihanah Begum binti Abdul Rahman	Independent Non-Executive Director
	Dato' Dr. Kili Ghandhi Raj A/L K R Somasundram	Independent Non-Executive Director

The Chairman of the AGC, Mr Kwo Shih Kang, holds a Master of Business Administration majoring in Finance from CASS Business School, London and is a Fellow of the Society of Actuaries, USA. He is also a Registered Financial Planner. Accordingly, the Company complies with the requirements of Paragraph 15.09(1)(c) of the MMLR.

The Chairman of the AGC is not the Chairman of the Board, in line with Practice 9.1 of the MCCG.

FORMER KEY AUDIT PARTNER

None of the AGC members was a former key audit partner of the Company's External Auditors.

In accordance with the MCCG, the Board has adopted a provision in the AGC's TOR that a former partner of the Company's external audit firm shall not be appointed as a member of the AGC unless the former partner has observed a cooling-off period of at least three (3) years before being appointed to the AGC.

FINANCIAL LITERACY AND TRAINING

The members of the AGC possess the necessary knowledge, experience and expertise in finance and accounting to discharge their responsibilities effectively. The qualifications and experience of each AGC member are set out in the Directors' Profiles section of this Annual Report.

During FY2026, members of the AGC attended relevant training programmes to enhance and update their knowledge of statutory requirements, regulations, accounting developments, governance matters and other relevant areas to enable them to effectively discharge their responsibilities. Details of the training programmes attended are disclosed in the Corporate Governance Overview Statement of this Annual Report.

MEETINGS AND ATTENDANCE

The AGC meets at least four (4) times a year, or more frequently as circumstances dictate.

During FY2026, the AGC held five (5) meetings. The attendance of the members was as follows:

Members	No. of Meetings Attended	%
Kwo Shih Kang	5/5	100
Datin Seri Raihanah Begum binti Abdul Rahman	4/5	80
Dato' Dr. Kili Ghandhi Raj A/L K R Somasundram	5/5	100

The AGC meetings were convened with appropriate notices and agendas circulated to members in advance. The Company Secretary acts as Secretary to the AGC and ensures that the deliberations, matters considered and decisions made by the AGC are properly recorded.

The minutes of AGC meetings are tabled for confirmation at the subsequent AGC meeting and thereafter presented to the Board for notation. The Chairman of the AGC also reports to the Board on key matters deliberated and significant issues arising from the AGC meetings which require the attention, decision or approval of the Board.

The Chief Financial Officer ("CFO") attended AGC meetings by invitation to provide clarification and updates on the Group's operations, financial performance, financial reporting, risk management and internal control matters. Other Directors, members of Senior Management, the External Auditors, KPMG PLT ("KPMG") and the Internal Audit Consultants, Crowe Governance Sdn Bhd ("Crowe"), attended the meetings as and when invited by the AGC.

The AGC conducted its meetings in an open and constructive manner, encouraging focused discussions, questions and differing views.

During FY2026, the AGC also held two (2) private sessions with the External Auditors without the presence of the Executive Director and Management to facilitate candid discussions on matters arising from the audit. No major concerns were raised by the External Auditors during these sessions.

The AGC may also meet separately with the Internal Audit Consultants or relevant members of Management whenever necessary.

The Board, through the Nomination and Remuneration Committee ("NRC"), conducts an annual assessment of the performance and effectiveness of the AGC and its members.

The NRC had on 27 August 2026 assessed the performance and effectiveness of the AGC and its members through the annual Board Committee Effectiveness Evaluation. Based on the assessment, the NRC was satisfied that the AGC and its members had discharged their functions, duties and responsibilities in accordance with the AGC's TOR and had effectively supported the Board in maintaining appropriate standards of corporate governance.

The Board was satisfied with the performance and effectiveness of the AGC and its members based on the assessment undertaken.

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR 2026

During FY2026, the AGC carried out the following activities in discharging its functions and responsibilities:

Financial Reporting	The AGC: (a) Reviewed the quarterly unaudited financial results of the Company and the Group before recommending the same to the Board for approval and announcement to Bursa Securities. (b) In reviewing the quarterly financial results, considered the Group's financial performance, significant variances, cash flow position, financial position, business operations, market outlook and other matters highlighted by Management. (c) Reviewed changes in accounting standards and considered their potential impact on the Group's financial position and financial performance. (d) Sought clarification from Management, particularly the CFO, on: • the performance of key divisions and significant variances; • foreign exchange exposure; • the Group's cash flow position and compliance with financial covenants imposed by financial institutions; and • the Group's gearing position. (e) Reviewed the draft annual audited financial statements of the Company and the Group together with Management and the External Auditors prior to recommending the same to the Board for consideration and approval. (f) In reviewing the annual audited financial statements, considered the accounting principles and standards applied, significant accounting judgements and matters which could have a material impact on the financial statements. (g) Considered the compliance of the financial statements with the Companies Act 2016, the MMLR, applicable Malaysian Financial Reporting Standards ("MFRS") and other relevant legal and regulatory requirements.

External Audit	The AGC: (a) Reviewed the External Auditors' audit plan prior to commencement of the audit, including the audit scope, methodology, materiality levels, significant risks, audit timetable, proposed auditors' report and respective responsibilities of the External Auditors and Directors. (b) Discussed with the External Auditors the key areas of audit focus for FY2026 during the audit planning stage, including: • revenue recognition as a Key Audit Matter; • valuation on land and buildings, plant, machinery and electrical installation; • net realisable value of inventories; and • management override of controls. (c) Reviewed the External Auditors' audit findings and their assessment of the financial position and financial reporting of the Company and the Group. (d) Discussed the final audit findings arising from the FY2026 audit, including internal control weaknesses, their implications and Management's action plans. (e) Reviewed the assistance provided by Management and employees to the External Auditors during the audit. (f) Considered developments in financial reporting, including MFRSs issued and those early adopted by Management, with effect from 1 July 2024. (g) Received a briefing from KPMG on its Transparency Report 2025. (h) Reviewed the nature, scope and extent of non-audit services provided or proposed to be provided by the External Auditors and assessed whether the provision of such services could impair their independence or objectivity. (i) Received confirmation from the External Auditors of their independence in accordance with the applicable professional and ethical requirements, including the By-Laws of the Malaysian Institute of Accountants ("MIA") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants. (j) Conducted an annual assessment of the performance, suitability and independence of the External Auditors, taking into consideration, amongst others: • calibre, qualifications, competency and resources of the audit firm and audit team; • quality of audit planning and execution; • effectiveness of communication with the AGC and Management; • independence, objectivity and professional scepticism; • appropriateness of the audit scope and approach; and • appropriateness of the audit and non-audit fees. (k) Based on the assessment undertaken, the AGC was satisfied with the performance, suitability, competency, resources and independence of KPMG and recommended to the Board the re-appointment of KPMG as External Auditors for the financial year ending 30 June 2027, subject to shareholders' approval at the forthcoming Annual General Meeting. (l) Met privately with the External Auditors without the presence of Executive Director and Management on 27 August 2025 and 26 May 2026 to discuss audit matters and findings. No major concerns were raised during these sessions.

Internal Audit	The Group's internal audit function is outsourced to an independent professional firm, Crowe, which serves as the Internal Audit Consultant. Crowe reports directly to the AGC and undertake independent and objective reviews of the Group's governance, risk management and internal control processes. The internal audit reviews are conducted using a risk-based approach and are guided by the International Professional Practice Framework ("IPPF"). The AGC reviews and approves the annual Internal Audit Plan and receives internal audit reports on a quarterly basis. Internal audit findings and recommendations are discussed with Management and the relevant heads of departments before being presented to the AGC. The AGC monitors Management's action plans and implementation status of outstanding audit findings. **Follow-up of Internal Audit Findings** The AGC monitored the implementation of Management's corrective action plans arising from the internal audit reviews and required Management to provide updates on outstanding matters. The AGC noted that the observations raised in the respective internal audit reports had been discussed and agreed with Management, with specific action plans, responsible personnel and targeted implementation dates identified. The AGC continued to monitor the implementation of these corrective actions to ensure that identified control weaknesses were appropriately addressed within the agreed timelines. **Overall Internal Audit Assessment** Based on the internal audit reviews conducted during FY2026, the AGC noted that the areas reviewed generally had internal controls in place but that certain control lapses, procedural gaps and opportunities for improvement remained. The AGC considered the findings and Management's responses and corrective action plans and was satisfied that the matters identified were being addressed by Management. The AGC will continue to monitor the implementation of the agreed corrective actions through the internal audit follow-up process. The internal audit reviews did not identify weaknesses that resulted in any material loss, contingencies or uncertainties requiring separate disclosure in this Annual Report.
Internal Control and Risk Management	The AGC: (i) Reviewed the quarterly reports of the Internal Audit Consultants on the adequacy and effectiveness of the Group's risk management and internal control systems. (ii) Discussed significant internal audit findings with Management and the relevant heads of departments. (iii) Monitored Management's action plans and implementation status of outstanding audit findings. (iv) Reviewed the adequacy of the scope, functions, competency and resources of the internal audit function. (v) Considered recommendations made by the Internal Audit Consultants and, where appropriate, recommended improvements to the Group's internal control systems and procedures. The AGC also considered the findings arising from the Health and Safety, Data Collection Process for selected Sustainability Indicators, Asset Management, Operation and Production reviews undertaken during FY2026 in assessing areas requiring continued Management attention.

Related Party Transactions	The AGC reviewed the recurrent related party transactions ("RRPTs") entered into pursuant to the shareholders' mandate at each scheduled meeting. The AGC considered whether such transactions were: • entered into in the ordinary course of business; • undertaken on an arm's length basis; • conducted on normal commercial terms; • not more favourable to the related parties than those generally available to the public; and • not detrimental to the interests of the Company and its minority shareholders. Based on the reviews undertaken, the AGC was satisfied that the RRPTs during FY2026 were conducted in accordance with the shareholders' mandate and the applicable regulatory requirements.
Conflict of Interest	The AGC was presented with the Register of Conflict of Interest ("COI") situations within the Group on a quarterly basis, including updates on any new or potential COI situations. Save as disclosed in the Directors' Profiles section of this Annual Report, none of the Directors and Key Senior Management ("KSM") had any conflict or potential conflict of interest with the Company and its subsidiaries ("Group"), nor any interest in any competing business with the Group. The Directors and KSM are required to immediately disclose any actual or potential COI and to abstain from deliberations and decision making in relation to matters in which such conflict arises. During FY2026, the AGC reviewed the COI disclosures presented to it and was satisfied that no further action was required in respect of the matters reviewed.
Corporate Governance	During FY2026, the AGC: (i) Reviewed the following draft Circular to Shareholders and recommended the same to the Board for approval: a) proposed share buy-back of up to ten percent (10%) of the total number of issued shares of the Company subject to the Company fulfilling the conditions for the share buy-back; and b) proposed renewal and new shareholders' mandate for RRPTs of a revenue or trading nature and provision of financial assistance. (ii) Reviewed the AGC Report, Corporate Governance Overview Statement, Corporate Governance Report, Statement of Directors' Responsibility for the annual audited financial statements, Statement on Risk Management and Internal Control and other relevant corporate governance disclosures for inclusion in the Annual Report. (iii) Conducted a self-assessment of the effectiveness of the AGC in discharging its duties and responsibilities for FY2026 and submitted the results to the NRC for consideration as part of the annual Board Committee Effectiveness Evaluation. (iv) Approved the renewal of Non-Assurance Services Pre-Approval Policy.

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

During FY2026, the internal audit function completed reviews covering:

Internal Audit Review	Entities	Key Areas	Reporting Date
Health & Safety Management	Mycron Steel CRC Sdn Bhd ("MSCRC") and Melewar Steel Tube Sdn Bhd ("MST")	Health & safety management, regulatory compliance, noise, occupational air hygiene, first aid, accidents/incidents, safety and security.	26 August 2025
Data Collection Process for Selected Sustainability Indicators	MIG Group	Energy management, water, waste management, emission management, supply chain management, diversity, community/society, anti-corruption and labour practices and standard.	27 August 2025
Asset Management	MSCRC and MST	Fixed assets, inventory and scrap management.	24 February 2026
Operation Audit	Ausgard Quick Assembly Systems Sdn Bhd	Sales, billing, collection, credit control, procurement to payment, inventory management, fixed asset management and project management.	25 February 2026
Production	MSCRC and MST	Production planning, monitoring, production efficiency, downtime, output, raw material usage and wastage.	25 May 2026

The internal audit findings, recommendations and Management's responses were presented to and deliberated by the AGC. The AGC also monitored the implementation of the agreed corrective actions and required Management to provide updates on outstanding findings.

The AGC was satisfied that the internal audit function had adequate scope and resources to discharge its responsibilities during FY2026 and that the internal audit reviews provided the AGC with independent assurance on areas of the Group's governance, risk management and internal control processes.

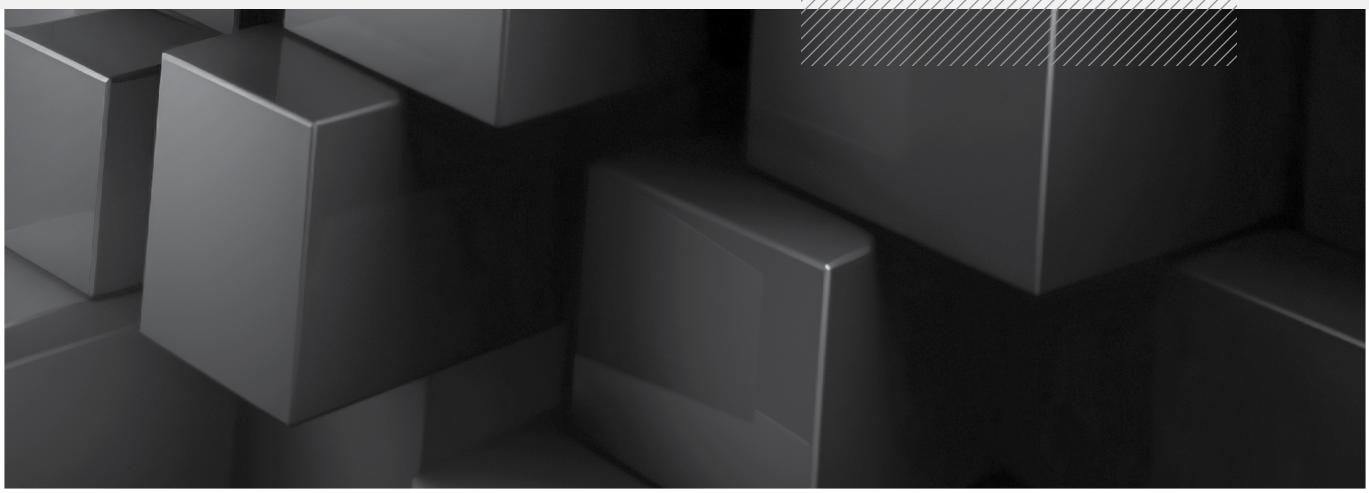
The Internal Audit Charter, approved by the Board and the Chairman of the AGC, sets out the mission and objectives, roles and responsibilities, independence, authority, audit scope, methodology and reporting arrangements of the internal audit function.

The total cost incurred for the internal audit function for FY2026 was RM111,411.94.



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DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2026.

DIRECTORS

The Directors in office during the financial year and during the period from the end of the financial year to the date of this report are as follows:

Tunku Dato' Yaacob Khyra
Azlan bin Abdullah
Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah
Datin Seri Raihanah Begum binti Abdul Rahman
Kwo Shih Kang
Dato' Dr. Kili Ghandhi Raj A/L K R Somasundram

In accordance with Article 96(1) of the Company's Constitution, Tunku Dato' Yaacob Khyra and Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah are to retire by rotation from the Board at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-election.

The directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are listed below (excluding those who are also Directors of the Company):

Tengku Datuk Seri Ahmad Shah ibni Almarhum Sultan Salahuddin Abdul Aziz Shah
Roshan Mahendran bin Abdullah
Mohd Silahuddin bin Jamaluddin
Ahmad Hamdan bin Jamaluddin
Muk Sai Tat
Kamarul Ariffin bin Mansor
Dato' Mohd Zahir bin Zahur Hussain

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of property investment and investment holding. The principal activities of its subsidiaries are disclosed in Note 16 to the financial statements.

There have been no significant changes in the nature of these activities during the current financial year.

SUBSIDIARIES

Details of subsidiaries are set out in Note 16 to the financial statements.

FINANCIAL RESULTS

	Group RM	Company RM
Net profit/(loss) for the financial year	5,751,698	(3,784,343)
Attributable to:		
- owners of the Company	2,597,991	(3,784,343)
- non-controlling interests	3,153,707	-
	5,751,698	(3,784,343)

RESERVE AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any shares or debentures for the financial year ended 30 June 2026.

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company or any of its subsidiaries is a party, being arrangements with the object of enabling the Directors of the Company or any of its subsidiaries 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 has received or become entitled to receive a benefit (other than those benefits shown under Directors' Remuneration section below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016 in Malaysia, none of the Directors who held office at the end of the financial year held any interest in shares, or debentures of, the Company, and every other body corporate, being the Company's subsidiaries or its holding company or subsidiaries of the holding company during the financial year except as follows:

	Number of ordinary shares			
	As at 01.07.2025	Acquired	Disposed	As at 30.06.2026
Melewar Industrial Group Berhad ("MIG") (the Company)				
Tunku Dato' Yaacob Khyra				
- deemed indirect interest [(i)]	168,572,764	-	-	168,572,764
Azlan bin Abdullah				
- direct interest	133,333	-	-	133,333

	Number of ordinary shares			
	As at 01.07.2025	Acquired	Disposed	As at 30.06.2026
Mycron Steel Berhad (the Subsidiary)				
Tunku Dato' Yaacob Khyra				
- deemed indirect interest [(ii)]	242,523,025	-	-	242,523,025
Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah				
- deemed indirect interest [(iii)]	62,760	-	-	62,760
Azlan bin Abdullah				
- direct interest	53,900	-	-	53,900

(i) Deemed indirect interest by virtue of Tunku Dato' Yaacob Khyra ("TY") being one of the beneficiaries of a trust known as Khyra Legacy Berhad ("KLB"), being the holding company of Melewar Equities (BVI) Ltd. ("MEBVI") and Melewar Khyra Sdn. Bhd. ("MKSB") who are the Major Shareholders of the Company. TY is also deemed to have indirect interest in Avenue Serimas Sdn. Bhd. ("ASSB") by virtue of KLB being the ultimate holding company of ASSB.

(ii) Deemed indirect interest by virtue of TY being one of the beneficiaries of a trust known as KLB, being the holding company of MEBVI and MKSB who are the Major/Substantial Shareholders of the Company, a Major Shareholder of Mycron Steel Berhad.

(iii) Deemed indirect interest by virtue of Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah being a shareholder with 12.5% shareholdings in Melewar Group Berhad ("MGB") which is the family-owned investment holding company. MGB holds 0.02% of the issued share capital of Mycron Steel Berhad.

DIRECTORS' INTERESTS (CONTINUED)

By virtue of his interests in the shares of the Company, Tunku Dato' Yaacob Khyra is also deemed to have interests in the shares of all subsidiaries during the financial year to the extent that the Company has an interest.

None of the other Directors holding office at the end of the financial year had any interest in ordinary shares in the Company and its related companies during the financial year.

DIVIDENDS

No dividend has been paid or declared since the end of the Company's previous financial year. The Directors do not recommend the payment of any dividend for the financial year ended 30 June 2026.

DIRECTORS' REMUNERATION

The aggregate amounts of emoluments received/receivable by Directors of the Company from the Company and its subsidiaries are as follows:

	Received/ Receivable from the Company RM	Received/ Receivable from subsidiaries RM	Group RM
Non-Executive Directors:			
- fees	336,000	276,000	612,000
- allowances	31,000	28,000	59,000
- estimated monetary value of benefits-in-kind	13,937	-	13,937
Executive Directors			
- salaries, bonuses and other emoluments	780,000	2,520,000	3,300,000
- estimated monetary value of benefits-in-kind	13,833	17,491	31,324
- defined contribution plan	117,000	378,000	495,000
	1,291,770	3,219,491	4,511,261

INDEMNITY AND INSURANCE COSTS

The Directors and Officers of the Group and of the Company are covered by the Directors and Officers Liability Insurance ("D&O") for any liability incurred in the discharge of their duties that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The sum insured was determined by the Company after taking into account the diversified nature of the Group's businesses. The premium borne by the Group and the Company for the D&O coverage during the financial year was approximately RM48,450 and RM28,900 (2025: RM58,500 and RM36,000) respectively.

OTHER STATUTORY INFORMATION

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

(a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of loss allowance for impairment of receivables and satisfied themselves that all known bad debts had been written-off and that adequate loss allowance for impairment of receivables had been made for doubtful debts; and

(b) to ensure that any current assets, which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company had 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 provision for doubtful debts inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

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

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

(a) any charge on the assets of the Group and of the Company which have arisen since the end of the financial year which secures the liabilities of any other person; and

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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 affect the ability of the Company and its subsidiaries to meet their obligations when they fall due.

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 of the Group and of the Company which would render any amount stated in the respective financial statements misleading.

In the opinion of the Directors:

(a) except as disclosed in the financial statements, the results of the operations of the Group and of the Company 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 of the Company for the financial year in which this report is made.

AUDITORS' REMUNERATION

Auditors' remuneration for the financial year ended 30 June 2026 is as follows:

	Group RM	Company RM
KPMG PLT		
- Statutory audit	694,500	230,000
- Non-audit services	24,500	12,500

AUDITORS

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment as auditors.

This report was approved by the Board of Directors on 22 October 2026. Signed on behalf of the Board of Directors:

TUNKU DATO' YAACOB KHYRA
EXECUTIVE CHAIRMAN

AZLAN BIN ABDULLAH
DIRECTOR

Kuala Lumpur

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Tunku Dato' Yaacob Khyra and Azlan bin Abdullah, being two of the Directors of Melewar Industrial Group Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 187 to 292 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026 and the financial performance of the Group and of the Company for the financial year ended on that date in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board 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 22 October 2026.

TUNKU DATO' YAACOB KHYRA
EXECUTIVE CHAIRMAN

AZLAN BIN ABDULLAH
DIRECTOR

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

I, Chan Loo Ling, being the Officer primarily responsible for the financial management of Melewar Industrial Group Berhad, do solemnly and sincerely declare that the financial statements set out on pages 187 to 292 are, in my opinion, 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, in Malaysia.

CHAN LOO LING
CHIEF FINANCIAL OFFICER

Subscribed and solemnly declared by the abovenamed, Chan Loo Ling (MIA No.: 32390) before me, at Kuala Lumpur in Malaysia on 22 October 2026.

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MELEWAR INDUSTRIAL GROUP BERHAD
(Registration No. 196901000102 (8444-W))
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Melewar Industrial Group Berhad, which comprise the statements of financial position as at 30 June 2026 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 187 to 292.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

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 auditors' 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.

Key audit matter

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 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.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matter (continued)

Revenue recognition	
Refer to Note 6 - Revenue	
Key audit matter	**How our audit addressed the key audit matter**
The Group's revenue is derived from sale of steel products and processing service income. The Group generally recognises revenue when the controls of the goods are transferred and processing services are provided to the customers. We identified the recognition of revenue as key audit matter due to risk that revenue may be overstated arising from pressures faced by the Group in achieving performance targets as revenue recognition has a direct impact on the results of the Group.	We performed the following audit procedures among other: • We tested the design and implementation as well as the operating effectiveness of the Group's controls relevant to recognition of revenue. • We tested sales transactions recorded to the acknowledged delivery documents as indication of transfer of control on goods to ascertain validity of sales. • We tested sales transactions either side of the statements of financial position date as well as credit notes issued after year end are recognised in the correct period. • We circularised trade receivables' confirmation for selected debtors, on sample basis, and checked to relevant sales invoices and delivery documents when debtors are unresponsive. • We identified the journal entries posted subsequent to financial year end, which relates to the reversal of revenue, enquired the reasons for such entries and compared the details of the entries with supporting documents including sales invoices and credit notes.

We have determined that there is no key audit matter in the audit of the separate financial statements of the Company to communicate in our auditors' report.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MELEWAR INDUSTRIAL GROUP BERHAD
(Registration No. 196901000102 (8444-W))
(Incorporated in Malaysia)

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 information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, 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 financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting 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 ability of the Group and of the Company 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.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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:

- 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.

- 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- 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.

- 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 gives a true and fair view.

- 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 financial statements of the Group. 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 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 MELEWAR INDUSTRIAL GROUP BERHAD
(Registration No. 196901000102 (8444-W))
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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 16 to the financial statements.

Other Matter

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.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Vengadesh A/L Jogarajah
Approval Number: 03337/12/2027 J
Chartered Accountant

Petaling Jaya, Selangor

Date: 22 October 2026

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
Revenue	6	768,990,865	728,848,861	7,920,000	8,090,000
Cost of sales/services provided		(702,127,266)	(675,803,924)	(1,474,070)	(1,424,664)
Gross profit		66,863,599	53,044,937	6,445,930	6,665,336
Other operating income		1,065,177	871,590	-	-
Net foreign currency exchange loss	7	(547,485)	(1,963,002)	-	-
Fair value (loss)/gain on investment properties	15	-	-	(3,100,000)	5,058,000
Impairment (loss)/reversal on:					
- property, plant and equipment	13	(206,022)	(702,295)	3,350	3,505
- right-of-use assets	14	(248,203)	-	-	-
- trade receivables	7	(584,212)	28,676	-	-
- other receivables	7	(80,228)	(12,477)	-	-
- contract advances	7	(1,003,117)	-	-	-
- amounts due from subsidiaries	4(c)(iv)	-	-	(3,130,823)	(3,691,361)
Selling and distribution expenses		(10,276,046)	(8,523,863)	-	-
Administrative and general expenses		(42,657,160)	(42,459,945)	(4,049,318)	(3,711,452)
Operating profit/(loss)		12,326,303	283,621	(3,830,861)	4,324,028
Fair value loss on financial assets at fair value through profit or loss	21	(545,825)	(2,893,205)	(1,145,825)	(2,093,205)
Finance income	8	1,872,060	1,635,347	1,466,634	1,540,282
Profit/(Loss) before financing and income taxes		13,652,538	(974,237)	(3,510,052)	3,771,105
Finance costs	8	(4,160,364)	(6,783,981)	(93,930)	(288,955)
Profit/(Loss) before tax	7	9,492,174	(7,758,218)	(3,603,982)	3,482,150

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
Tax expense	11	(3,740,476)	(632,826)	(180,361)	(2,395,345)
Net profit/(loss) for the financial year		5,751,698	(8,391,044)	(3,784,343)	1,086,805
Other comprehensive income/(loss) for the financial year (net of tax):					
Item that may be subsequently reclassified to profit or loss:					
Currency translation differences		780,846	507,023	-	-
Item that will not be reclassified to profit or loss:					
Assets revaluation reserve					
- Revaluation surplus/(deficit), net of tax, on:					
- property, plant and equipment	29	2,152,756	5,211,886	(103)	6,350
- right-of-use assets	29	202,078	6,683,748	-	-
Total comprehensive income/(loss) for the financial year		8,887,378	4,011,613	(3,784,446)	1,093,155
Net profit/(loss) for the financial year attributable to:					
- Owners of the Company		2,597,991	(8,068,956)	(3,784,343)	1,086,805
- Non-controlling interests		3,153,707	(322,088)	-	-
		5,751,698	(8,391,044)	(3,784,343)	1,086,805
Total comprehensive income/(loss) for the financial year attributable to:					
- Owners of the Company		5,053,957	2,653,807	(3,784,446)	1,093,155
- Non-controlling interests		3,833,421	1,357,806	-	-
		8,887,378	4,011,613	(3,784,446)	1,093,155
Earnings/(Loss) per share attributable to owners of the Company during the financial year:					
- Basic and diluted (sen)	12	0.72	(2.24)		

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
NON-CURRENT ASSETS					
Property, plant and equipment	13	300,891,808	308,494,321	622,281	675,552
Right-of-use assets	14	100,041,615	103,188,848	293,703	379,665
Investment properties	15	-	-	50,200,000	83,300,000
Investment in subsidiaries	16	-	-	88,514,865	88,514,865
Net investment in subleases	14	586,871	820,043	-	-
Deferred tax assets	17	949,564	1,005,024	-	-
		402,469,858	413,508,236	139,630,849	172,870,082
CURRENT ASSETS					
Inventories	18	178,681,265	199,410,037	-	-
Net investment in subleases	14	50,671	89,121	-	-
Receivables, deposits and prepayments	19	84,450,837	87,679,577	143,908	144,958
Financial assets at fair value through profit or loss	21	2,400,000	2,954,456	-	1,154,456
Derivative financial assets	22	1,303,514	473,723	-	-
Amounts due from subsidiaries	23	-	-	4,913	7,587
Current tax receivables		1,186,150	3,125,931	-	-
Cash and cash equivalents	24	64,255,369	57,201,704	35,579	340,423
		332,327,806	350,934,549	184,400	1,647,424
Asset classified as held for sale	20	-	-	30,000,000	-
		332,327,806	350,934,549	30,184,400	1,647,424
LESS: CURRENT LIABILITIES					
Payables and accrued liabilities	25	42,218,365	57,925,837	2,155,015	2,378,301
Contract liabilities	26	10,928,153	423,255	-	-
Amounts due to subsidiaries	23	-	-	4,219,760	4,112,648
Derivative financial liabilities	22	396,073	566,693	-	-
Borrowings	27	43,541,485	79,094,292	-	-
Lease liabilities	14	470,266	576,119	85,748	79,176
Current tax provision		942,540	899,301	925,686	889,733
		98,496,882	139,485,497	7,386,209	7,459,858
NET CURRENT ASSETS/(LIABILITIES)		233,830,924	211,449,052	22,798,191	(5,812,434)
		636,300,782	624,957,288	162,429,040	167,057,648

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
CAPITAL AND RESERVE ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Share capital	28	253,791,194	253,791,194	253,791,194	253,791,194
Retained profits/ (Accumulated losses)		64,566,319	61,968,328	(110,656,204)	(106,871,861)
Assets revaluation reserve	29	105,185,584	103,510,464	465,008	465,111
Foreign currency translation reserve		513,025	(267,821)	-	-
		424,056,122	419,002,165	143,599,998	147,384,444
Non-controlling interests		136,032,996	132,199,575	-	-
TOTAL EQUITY		560,089,118	551,201,740	143,599,998	147,384,444
NON-CURRENT LIABILITIES					
Borrowings	27	3,543,013	1,422,247	-	-
Lease liabilities	14	1,103,123	2,638,510	219,859	305,607
Deferred income on grant	30	7,408,935	7,756,435	-	-
Deferred tax liabilities	17	64,156,593	61,938,356	18,609,183	19,367,597
		76,211,664	73,755,548	18,829,042	19,673,204
		636,300,782	624,957,288	162,429,040	167,057,648

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

Group

	Attributable to owners of the Company						
	Share capital RM	Foreign currency translation reserve RM	Asset revaluation reserve RM	Retained profits RM	Total RM	Non-controlling interests RM	Total RM
At 1 July 2025	253,791,194	(267,821)	103,510,464	61,968,328	419,002,165	132,199,575	551,201,740
Net profit for the financial year	-	-	-	2,597,991	2,597,991	3,153,707	5,751,698
Other comprehensive income for the financial year, net of tax:							
Currency translation differences	-	780,846	-	-	780,846	-	780,846
Revaluation surplus, net of tax, on:							
- property, plant and equipment (Note 29)	-	-	1,577,720	-	1,577,720	575,036	2,152,756
- right-of-use assets (Note 29)	-	-	97,400	-	97,400	104,678	202,078
Total comprehensive income for the financial year	-	780,846	1,675,120	2,597,991	5,053,957	3,833,421	8,887,378
At 30 June 2026	253,791,194	513,025	105,185,584	64,566,319	424,056,122	136,032,996	560,089,118

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

Group

	Attributable to owners of the Company						
	Share capital RM	Foreign currency translation reserve RM	Asset revaluation reserve RM	Retained profits RM	Total RM	Non-controlling interests RM	Total RM
At 1 July 2024	253,791,194	(774,844)	93,294,724	70,037,284	416,348,358	130,841,769	547,190,127
Net loss for the financial year	-	-	-	(8,068,956)	(8,068,956)	(322,088)	(8,391,044)
Other comprehensive income for the financial year, net of tax:							
Currency translation differences	-	507,023	-	-	507,023	-	507,023
Revaluation surplus, net of tax, on:							
- property, plant and equipment (Note 29)	-	-	4,001,254	-	4,001,254	1,210,632	5,211,886
- right-of-use assets (Note 29)	-	-	6,214,486	-	6,214,486	469,262	6,683,748
Total comprehensive income/(loss) for the financial year	-	507,023	10,215,740	(8,068,956)	2,653,807	1,357,806	4,011,613
At 30 June 2025	253,791,194	(267,821)	103,510,464	61,968,328	419,002,165	132,199,575	551,201,740

Company

	Share capital RM	Assets revaluation reserve RM	Accumulated losses RM	Total RM
At 1 July 2025	253,791,194	465,111	(106,871,861)	147,384,444
Net loss for the financial year	-	-	(3,784,343)	(3,784,343)
Other comprehensive loss for the financial year, net of tax:				
Revaluation deficit on property, plant and equipment, net of tax (Note 29)	-	(103)	-	(103)
Total comprehensive loss for the financial year	-	(103)	(3,784,343)	(3,784,446)
At 30 June 2026	253,791,194	465,008	(110,656,204)	143,599,998

	Share capital RM	Assets revaluation reserve RM	Accumulated losses RM	Total RM
At 1 July 2024	253,791,194	458,761	(107,958,666)	146,291,289
Net profit for the financial year	-	-	1,086,805	1,086,805
Other comprehensive income for the financial year, net of tax:				
Revaluation surplus on property, plant and equipment, net of tax (Note 29)	-	6,350	-	6,350
Total comprehensive income for the financial year	-	6,350	1,086,805	1,093,155
At 30 June 2025	253,791,194	465,111	(106,871,861)	147,384,444

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
OPERATING CASH FLOWS					
Operating profit/(loss)		12,326,303	283,621	(3,830,861)	4,324,028
Adjustments for:					
Amortisation of deferred income on grant	30	(347,500)	(347,500)	-	-
Property, plant and equipment:					
- depreciation	13	15,140,299	14,784,530	76,153	82,523
- impairment loss/(reversal)	13	206,022	702,295	(3,350)	(3,505)
- loss on disposals	13	30,256	36,698	-	-
- write-offs		113,863	-	-	-
Right-of use assets:					
- depreciation	7	2,475,088	2,370,066	85,962	85,963
- gain on derecognition		(53,903)	(120,382)	-	-
- gain on lease modification	7	(123,388)	-	-	-
- loss on remeasurement	7	-	22,197	-	-
- impairment loss	7	248,203	-	-	-
Impairment loss/(reversal) on:					
- amounts due from subsidiaries	7	-	-	3,130,823	3,691,361
- trade receivables	7	584,212	(28,676)	-	-
- other receivables	7	80,228	12,477	-	-
- contract advances	7	1,003,117	-	-	-
(Reversal)/write-down of inventories	7	(169,747)	169,747	-	-
Inventories written off	7	125,030	1,069,271	-	-
Net unrealised (gain)/loss on foreign currency exchange	7	(63,054)	62,681	-	-
Provision for onerous contract	7	122,178	-	-	-
Fair value (gain)/loss on investment properties	7	-	-	3,100,000	(5,058,000)
Dividend income	6	-	-	-	(200,000)
		31,697,207	19,017,025	2,558,727	2,922,370
Changes in working capital:					
- inventories		20,722,865	67,886,348	-	-
- receivables, deposits and prepayments		607,938	21,825,269	1,050	(540,620)
- payables and accrued liabilities		(5,088,569)	(52,133,471)	726,714	743,076
- related party balances		-	-	108,043	19,690
- contract liabilities		541,873	84,450	-	-
Cash generated from operations		48,481,314	56,679,621	3,394,534	3,144,516
Tax paid		(1,659,795)	(2,706,470)	(902,790)	(1,122,685)
Tax refunded		1,985,034	188,083	-	-
Net operating cash flows		48,806,553	54,161,234	2,491,744	2,021,831

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
INVESTING CASH FLOWS					
Purchases of property, plant and equipment		(5,178,453)	(6,446,316)	(19,667)	(6,922)
Purchase of investment properties	15	-	-	-	(42,000)
Proceeds from disposal of property, plant and equipment		70,094	95,882	-	-
Interest received:					
- deposit with licensed banks and Investment funds	8	1,822,818	1,608,988	194	4,783
- net investment in subleases	14	49,242	26,359	-	-
Redemption of financial assets at fair value through profit or loss	21	8,643	550,000	8,643	550,000
Dividend received	31	-	-	-	200,000
Advances granted to subsidiaries	31	-	-	(1,373,800)	(1,867,206)
Expenses paid on behalf of subsidiaries	31	-	-	(448,486)	(842,272)
Repayment of advances granted to subsidiaries	31	-	-	160,560	549,494
Net investing cash flows		(3,227,656)	(4,165,087)	(1,672,556)	(1,454,123)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
FINANCING CASH FLOWS					
Proceeds from borrowings		224,947,269	347,059,485	-	-
Repayment of borrowings		(257,235,765)	(403,370,864)	-	-
Repayment of hire-purchase		(1,676,392)	(961,904)	-	-
Principal payment of lease liabilities		(480,082)	(491,060)	(79,176)	(73,108)
Interest paid:					
- borrowings		(3,704,723)	(5,078,003)	-	-
- lease liabilities		(157,083)	(279,775)	(27,921)	(33,989)
- shareholder's advances		(35,815)	(228,921)	(35,815)	(228,921)
Drawdown of shareholder's advances	25	-	2,000,000	-	2,000,000
Repayment of shareholder's advances	25	(950,000)	(2,550,000)	(950,000)	(2,550,000)
Advances from subsidiaries	31	-	-	2,330,000	2,505,000
Repayment to subsidiaries	31	-	-	(2,361,120)	(2,051,644)
Net financing cash flows		(39,292,591)	(63,901,042)	(1,124,032)	(432,662)
NET CHANGE IN CASH AND CASH EQUIVALENTS		6,286,306	(13,904,895)	(304,844)	135,046
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		57,201,704	70,577,623	340,423	205,377
EFFECTS OF CHANGES IN EXCHANGE RATE ON CASH AND CASH EQUIVALENTS		767,359	528,976	-	-
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	24	64,255,369	57,201,704	35,579	340,423

In the current financial year, the Group has a non-cash purchase of plant, machinery and electrical installation of RM532,848 (2025: RM3,065,259) by means of hire-purchase arrangements.

Cash-flows movement in-relation to 'changes in liabilities arising from financing activities' on a year-to-date basis is outlined below:

	Bankers' acceptance RM	Mortgage loan RM	Hire-purchase creditors RM	Factoring RM	Lease liabilities RM	Shareholder's advances RM	Total RM
Group							
At 1 July 2025	68,430,000	8,038,578	2,946,187	1,101,774	3,214,629	950,000	84,681,168
Cash flows							
Proceeds from borrowings	220,610,000	-	-	4,337,269	-	-	224,947,269
Repayment of borrowings	(253,130,000)	(2,317,760)	-	(1,788,005)	-	-	(257,235,765)
Repayment of shareholder's advances	-	-	-	-	-	(950,000)	(950,000)
Repayment of hire-purchase	-	-	(1,676,392)	-	-	-	(1,676,392)
Principal payment of lease liabilities	-	-	-	-	(480,082)	-	(480,082)
Interest paid	(2,957,876)	(401,124)	(161,258)	(184,465)	(157,083)	(35,815)	(3,897,621)
Working capital	(48,464)	-	-	(214,280)	(95,878)	-	(358,622)
Non-cash							
Additions during the year	-	-	532,848	-	89,949	-	622,797
Lease modification	-	-	-	-	(376,841)	-	(376,841)
Derecognition	-	-	-	-	(709,304)	-	(709,304)
Currency exchange differences	-	-	-	-	(69,084)	-	(69,084)
Interest charged	3,006,340	401,124	161,258	398,744	157,083	35,815	4,160,364
At 30 June 2026	35,910,000	5,720,818	1,802,643	3,651,037	1,573,389	-	48,657,887

Cash-flows movement in-relation to 'changes in liabilities arising from financing activities' on a year-to-date basis is outlined below: (continued)

	Bankers' acceptance RM	Term loan RM	Mortgage loan RM	Hire-purchase creditors RM	Factoring RM	Lease liabilities RM	Shareholder's advances RM	Total RM
Group								
At 1 July 2024	118,960,000	4,347,552	10,218,672	873,782	355,507	2,648,344	1,500,000	138,903,857
Cash flows								
Proceeds from borrowings	344,070,000	-	-	-	2,989,485	-	-	347,059,485
Proceeds from shareholder's advances	-	-	-	-	-	-	2,000,000	2,000,000
Repayment of borrowings	(394,600,000)	(4,347,552)	(2,180,094)	-	(2,243,218)	-	-	(403,370,864)
Repayment of shareholder's advances	-	-	-	-	-	-	(2,550,000)	(2,550,000)
Repayment of hire-purchase	-	-	-	(961,904)	-	-	-	(961,904)
Principal payment of lease liabilities	-	-	-	-	-	(491,060)	-	(491,060)
Interest paid	(4,268,069)	(100,353)	(542,715)	(76,733)	(90,133)	(279,775)	(228,921)	(5,586,699)
Working capital	(307,949)	-	-	(30,950)	(17,199)	-	-	(356,098)
Non-cash								
Additions during the year	-	-	-	3,065,259	-	981,115	-	4,046,374
Remeasurement	-	-	-	-	-	131,454	-	131,454
Currency exchange differences	-	-	-	-	-	(55,224)	-	(55,224)
Interest charged	4,576,018	100,353	542,715	76,733	107,332	279,775	228,921	5,911,847
At 30 June 2025	68,430,000	-	8,038,578	2,946,187	1,101,774	3,214,629	950,000	84,681,168

Cash-flows movement in-relation to 'changes in liabilities arising from financing activities' on a year-to-date basis is outlined below: (continued)

	Lease liabilities RM	Shareholder's advances RM	Amount due to subsidiaries RM	Total RM
Company				
2026				
At 1 July 2025	384,783	950,000	4,112,648	5,447,431
Cash flows				
Advances from subsidiaries	-	-	2,330,000	2,330,000
Repayment to subsidiaries	-	-	(2,361,120)	(2,361,120)
Interest paid	(27,921)	(35,815)	-	(63,736)
Proceeds from shareholder's advances	-	-	-	-
Repayment of shareholder's advances	-	(950,000)	-	(950,000)
Principal payment of lease liabilities	(79,176)	-	-	(79,176)
Non-cash				
Interest charged	27,921	35,815	30,194	93,930
Expenses paid on behalf by subsidiaries	-	-	108,038	108,038
At 30 June 2026	305,607	-	4,219,760	4,525,367
2025				
At 1 July 2024	457,891	1,500,000	3,613,557	5,571,448
Cash flows				
Advances from subsidiaries	-	-	2,505,000	2,505,000
Repayment to subsidiaries	-	-	(2,051,644)	(2,051,644)
Interest paid	(33,989)	(228,921)	-	(262,910)
Proceeds from shareholder's advances	-	2,000,000	-	2,000,000
Repayment of shareholder's advances	-	(2,550,000)	-	(2,550,000)
Principal payment of lease liabilities	(73,108)	-	-	(73,108)
Non-cash				
Interest charged	33,989	228,921	26,045	288,955
Expenses paid on behalf by subsidiaries	-	-	19,690	19,690
At 30 June 2025	384,783	950,000	4,112,648	5,447,431

The accompanying notes form an integral part of these financial statements



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1 GENERAL INFORMATION

The principal activities of the Company are that of property investment and investment holding.

The Company
- invests in assets that generate a return individually and largely independently of the Company's other resources as a main business activity; and
- invests in unconsolidated subsidiaries as a main business activity.

The principal activities of its subsidiaries are disclosed in Note 16 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of the Bursa Malaysia Securities Berhad.

The address of the registered office of the Company is:

Suite 11.05, 11th Floor
No. 566 Jalan Ipoh
51200 Kuala Lumpur

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

15th Floor
No. 566 Jalan Ipoh
51200 Kuala Lumpur

As at 30 June 2026, all monetary assets and liabilities of the Group and of the Company are denominated in Ringgit Malaysia, unless otherwise stated.

The financial statements were approved and authorised for issue in accordance with a resolution of the Board of Directors on 22 October 2026.

2 BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, except on the revaluation of 'land and buildings' and 'plant, machinery and electrical installation' which measured at 'fair value' and 'financial assets and financial liabilities' (including derivative instruments) which measured at 'fair value through profit or loss' respectively.

2 BASIS OF PREPARATION (CONTINUED)

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 reporting date, and the reported amounts of revenues and expenses during the reporting period. It also requires Directors to exercise their judgement in the process of applying the Group's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current event and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are as disclosed in Note 3 to the financial statements.

Amendments to published standards that are effective

The Group has applied the following amendments for the first time for the financial year beginning on 1 July 2025:

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

The adoption of the amendment did not have any material impact on the Group's financial statements for the current period.

Amendments to standards and interpretations that have been issued but not yet effective

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 July 2026

- Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments

- Amendments that are part of Annual Improvements – Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*

- Amendments to MFRS 9, *Financial Instruments and MFRS 7, Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 July 2027

- MFRS 18, *Presentation and disclosure in Financial Statements*

- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*

- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 July 2029

- MFRS 20, *Regulatory Assets and Regulatory Liabilities*

2 BASIS OF PREPARATION (CONTINUED)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements and MFRS 128*, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group has started a preliminary assessment on the effects of the above standards, amendments to published standards and the impact is still being assessed.

As reported in the preceding financial period, the Group has elected to early adopt MFRS 18, Presentation and Disclosure in Financial Statements (in replacement of MFRS 101, Presentation of Financial Statements effective for annual reporting period beginning on or after 1 January 2027) – for the first time in the preceding financial beginning on 1 July 2024.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Group's results and financial position are tested for sensitivity to changes in the underlying parameters. 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 outlined below.

(a) Revaluation of certain property, plant and equipment and right-of-use assets / fair value of investment properties

As disclosed in Notes 13, 14 and 15 to the financial statements, the Group carries its freehold and leasehold land (classified as right-of-use assets) and buildings, plant, machinery and electrical installation and investment properties at fair values. On an annual basis, the Group appoints independent professional firm to determine the fair values of these property, plant and equipment, right-of-use assets and investment properties which generally do not have quoted prices in active markets for identical assets. The Group also conducts annual review, as required under MFRS 116, Property, Plant and Equipment, on the assumed useful life and residual value applied on its property, plant and equipment to ensure these do not materially depart from the fair values and underlying assumptions determined by the independent valuer firm. The Directors at the advice of the appointed professional valuer exercised judgement and made assumptions in the selection and deployment of the most suitable valuation techniques in the ensuing fair value determination.

The valuation of land and building is inherently subjective due to the individual nature of each property and its location. The valuation of plant, machinery and electrical installation is inherently subjective due to the physical wear and tear and technological development of the individual assets at the point of valuation.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Impairment of non-financial assets

In assessing the impairment of the Cash-Generating Units ("CGU"), the Group and the Company compare the carrying amounts of these assets with its recoverable amount, measured at the higher of the fair value less cost to sell and the value-in-use. In measuring the value-in-use based on the CGU's discounted cash flows, certain estimates and assumptions are applied as disclosed in Notes 13 and 16 to the financial statements.

The recoverability of inventory is an area of focus due to the significant estimates involved in determining the net realisable value of the inventories, which is dependent on the expected selling price of the finished goods subsequent to the financial year end. In assessing the write-down of inventory as disclosed in Note 18, the Group compares for any deficiency in the estimated Net Realisable Value ("NRV") of finished goods against their carrying inventory value at and after the close of the current reporting period for each entity. In estimating the NRV at the close of the reporting period, the 'average selling price of contracted sales order' and 'recent selling price' are inferred as the evidence of NRV.

(c) Deferred tax assets

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which temporary differences or unutilised tax losses and tax credits (including reinvestment allowance) can be utilised. This involves judgement regarding future taxable profits of a particular entities within the Group in which the deferred tax asset has been recognised.

(d) Lease options

The Group considers all economic factors and circumstances in assuming whether renewal option and/or an early termination option under any lease/rental agreements are exercised or not in determining the lease duration. Where multiple renewal options are allowed, the management only includes the immediate next renewal period in computing the lease term- as opposed to assuming an infinite period. Management's judgements are exercised in affirming the aforementioned assumption.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The operations of the Group are subject to a variety of financial risks. The Group's overall financial risk management objective is to optimise value creation for shareholders whilst minimising potential adverse impact arising from its exposure to the various financial risks as discussed hereinafter. Financial risk management is carried out at both functional and operational levels, and is embedded into its policies, processes, and controls where appropriate. This is further reinforced with continuous assessment and improvement on the effectiveness and adequacy of its financial risk management practises by its Executive Committee, internal audit, and the Risk and Sustainability Committee which reports to the Board.

Various risk management policies that are approved by the Directors for controlling and managing financial risks in the day-to-day operations of the Group are set out below.

(a) Capital risk

The Group's capital management objectives are (i) to ensure the economic deployment of its capital for sustainable returns which in the long run would exceed the cost of capital provision; and (ii) to ensure uninterrupted and adequate supply of capital to fulfil objective (i).

The Group views its equity (total equity less intangible assets including deferred tax) plus interest bearing debts (excluding lease liabilities) totalling to RM670.4 million (2025: RM693.6 million) as capital resources, and has a policy to maintain the debt-to-equity ratio below 1.0 or in accordance with its financial covenants - whichever is lower. Capital deployment amongst the Group's subsidiaries and/or business units is at the purview of the Board, but each of its subsidiaries and/or business units is primarily responsible for the management of its allocated capital subject to the oversight by the Executive Committee and the Board.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Capital risk (continued)

The Group's external borrowings are mainly incepted at the indirectly held Cold Rolled Coil and Steel Tube subsidiaries. The Group and Company also have outstanding net advances from a shareholder amounting to RM Nil (2025: RM0.95 million). The external borrowings of the Group's steel subsidiaries are subjected to specific 'capital' covenants on minimum adjusted shareholders' funds and maximum allowable 'debt-to-equity' ratio computed at both the entity and at the consolidated levels under their respective debenture. The adjusted shareholders' fund is calculated as total equity less intangibles, whilst the 'debt-to-equity' ratio is calculated as total interest-bearing liabilities, which excludes lease liabilities, divided by the adjusted shareholders' fund.

For the reporting period, the Group's subsidiaries complied with their respective debenture-imposed capital covenants and generally have been capital-sufficient in meeting peak business needs. Over the current reporting period, working capital deployed in the Group has decreased by around RM23.2 million (from equity capital up by RM11.2 million (up by 1.8%) and interest-bearing debt capital decreased by around RM33.4 million (down by 41.5%)).

The Group's debt-equity ratio closed lower at 0.08 times for the current reporting period compared to the preceding period's close at 0.13, mainly due to lower trade facilities drawn to finance lower inventory and trade-receivables.

Overall, the Board is of the opinion that the Group's capital deployed and available for deployment has adequate headroom for the business purposes intended.

(b) Liquidity risk

Liquidity risk is the risk that the Group's and the Company's financial resources are insufficient to meet financial obligations when due or have to be met at excessive cost. The Group's liquidity risk management objective is to ensure that all its committed and foreseeable funding commitments can be met when due in a cost-effective manner.

The Group's exposure to liquidity risk arises principally from its various payables and borrowings. The Group maintains a level of cash and cash equivalents, and adequate bank facilities to meet its financial liabilities when due. The Group's liquidity risk management is largely decentralised at the respective subsidiaries/ business units for timely intervention as funding are raised at the respective subsidiaries' level. As such, each subsidiary has its own unique liquidity risk profile. Nevertheless, the Company's and subsidiaries' liquidity risk management are governed by a common set of Group's practices and policies:

- Maintain sufficient stand-by credit facilities and the continuing support from a diversified range of funding sources/credit providers
- Maintain a strict debt or financial liabilities servicing plan vis-à-vis its cash-flows generated from operations and from maturing financial assets
- Rolling cash-flow planning on weekly, monthly, and annual basis
- Manage the concentration and maturity profile of both financial and non-financial liabilities
- Manage cash conversion cycles and optimise working capital deployment

The Group's primary reliance on bank trade facilities (which are callable on demand) as a source of funding poses a degree of liquidity risk. To diversify the risk, the Cold Rolled Coil subsidiary and the Steel Tube subsidiary have suppliers' trade-credit-line denominated in Ringgit with limits of RM32.0 million and RM15.0 million (denominated in Ringgit and USD) respectively as backup. However, the subsidiaries have not drawn on any of these suppliers' credit-lines in the last 12 months due to their higher borrowing cost.

At the reporting date, the Company's exposure to liquidity risk arises from corporate guarantees issued on the Steel Tube subsidiary's trade credit lines from key suppliers of RM15.0 million (2025: RM22.3 million). The Directors are of the opinion that the default risk by the subsidiary on the aforementioned is negligible.

The total balance undrawn banking trade-line facilities for the subsidiaries at the reporting date is around RM237.5 million (2025: RM216.5 million).

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Liquidity risk (continued)

Maturity analysis

The tables below summarise the maturity profile of the Group's financial liabilities as at the current financial year's reporting date based on undiscounted contractual payments:

	Carrying amount RM	Contractual interest rate per annum	Contractual cash flows RM	Within 1 year RM	1 – 2 years RM	2 – 3 years RM	3 – 4 years RM	4 – 5 years RM	> 5 years RM
Group									
At 30 June 2026									
Non-derivative financial liabilities									
Bankers' acceptance	35,910,000	4.14 - 4.64%	36,242,576	36,242,576	-	-	-	-	-
Mortgage loan	5,720,818	5.65%	5,873,236	2,874,779	2,350,400	648,057	-	-	-
Hire-purchase creditors	1,802,643	1.75% - 2.72%	1,898,723	1,304,976	509,680	55,320	28,747	-	-
Factoring	3,651,037	15.00%	3,821,500	3,821,500	-	-	-	-	-
Payables and accrued liabilities, excluding payroll liabilities	38,065,936	-	38,065,936	38,065,936	-	-	-	-	-
Lease liabilities	1,573,389	5.80% - 9.00%	1,858,447	564,514	479,922	235,046	120,415	80,921	377,629
	86,723,823		87,760,418	82,874,281	3,340,002	938,423	149,162	80,921	377,629

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Liquidity risk (continued)

Maturity analysis (continued)

The tables below summarise the maturity profile of the Group's financial liabilities as at the preceding financial year's reporting date as comparison based on undiscounted contractual payments:

	Carrying amount RM	Contractual interest rate per annum	Contractual cash flows RM	Within 1 year RM	1 – 2 years RM	2 – 3 years RM	3 – 4 years RM	4 – 5 years RM	> 5 years RM
Group									
At 30 June 2025									
Non-derivative financial liabilities									
Bankers' acceptance	68,430,000	4.45% - 5.04%	68,941,538	68,941,538	-	-	-	-	-
Mortgage loan	8,038,578	5.91%	8,424,741	8,424,741	-	-	-	-	-
Hire-purchase creditors	2,946,187	1.75% - 2.70%	3,162,535	1,668,480	1,040,878	389,764	63,413	-	-
Factoring	1,101,774	15.00%	1,126,093	1,126,093	-	-	-	-	-
Shareholder's advances	950,000	8.00%	1,026,000	1,026,000	-	-	-	-	-
Payables and accrued liabilities, excluding payroll liabilities	54,851,135	-	54,851,135	54,851,135	-	-	-	-	-
Lease liabilities	3,214,629	5.80% - 9.00%	3,949,501	794,965	774,745	748,160	636,906	343,775	650,950
	139,532,303		141,481,543	136,832,952	1,815,623	1,137,924	700,319	343,775	650,950

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Liquidity risk (continued)

Maturity analysis (continued)

The tables below summarise the maturity profile of the Company's financial liabilities as at the current financial year's reporting date based on undiscounted contractual payments:

	Carrying amount RM	Contractual interest rate per annum	Contractual cash flows RM	Within 1 year RM	1 – 2 years RM	2 – 3 years RM	3 – 4 years RM	4 – 5 years RM
Company								
At 30 June 2026								
Non-derivative financial liabilities								
Payables and accrued liabilities, excluding payroll liabilities	1,249,229	-	1,249,229	1,249,229	-	-	-	-
Amounts due to subsidiaries	4,219,760	-	4,219,760	4,219,760	-	-	-	-
Lease liabilities	305,607	8.00%	365,918	107,098	107,098	107,098	44,624	-
Financial guarantee contracts	-	-	15,000,000	15,000,000	-	-	-	-
	5,774,596		20,834,907	20,576,087	107,098	107,098	44,624	-
At 30 June 2025								
Non-derivative financial liabilities								
Payables and accrued liabilities, excluding payroll liabilities	678,506	-	678,506	678,506	-	-	-	-
Amounts due to subsidiaries	4,112,648	-	4,112,648	4,112,648	-	-	-	-
Lease liabilities	384,783	8.00%	455,166	107,098	107,098	107,098	107,098	26,774
Shareholder's advances	950,000	8.00%	1,620,000	1,620,000	-	-	-	-
Financial guarantee contracts	-	-	22,300,000	22,300,000	-	-	-	-
	6,125,937		29,166,320	28,818,252	107,098	107,098	107,098	26,774

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk

Credit risk is the risk of financial loss resulting from counterparties' failure to discharge their contractual obligations. The Group's objectives on credit risk management are to minimise the probability of financial loss resulting from any counterparty's default.

The Group's exposure to credit risk arises primarily from cash and bank balances, receivables, deposits and prepayments and related company (outside the Group) balances.

The Group has credit-control policies on credit sales, and the exposure to credit risk is monitored on a continuous basis through periodic review of the receivables' aging. Credit evaluations are performed on all customers and are reviewed annually. Credit terms and limits are assigned based on the financial strength of the customers; and where deemed appropriate, corporate guarantees and personal indemnities are obtained from customers.

At the reporting date, the Group has significant concentration of credit risk in its trade receivables where the top 10 corporate customers' outstanding of the Cold Rolled Coil and the Steel Tube segments represent about 86% (2025: 78%) and 75% (2025: 65%) of their respective trade receivables. The Company has no significant concentration of credit risk except for amounts due from subsidiaries. At the reporting date, the Group has 2 (2025: 2) external customers that contributes to more than 10% of the respective subsidiaries' revenue. The revenue contributed by the said customers amounted to RM147 million (2025: RM179 million). To manage the credit risk, management obtains corporate guarantees and personal indemnities from trade debtors where possible in managing exposure to credit risk.

The Group's and the Company's major classes of financial assets are as disclosed in Note 35 to the financial statements.

The Group has one type of financial instrument that is subject to the ECL model under MFRS 9:

- Receivables and deposits

The Company has three types of financial instruments that are subject to the ECL model under MFRS 9:

- Receivables and deposits
- Amounts due from subsidiaries
- Financial guarantee contracts

Whilst cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the credit risks and any impetus for credit impairment has been determined to be immaterial. Credit risk measurement with regards to the mentioned categories of financial instruments are as below.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)

(i) Trade receivables using the simplified approach

The Group adopts MFRS 9 prescribed 'simplified approach' in measuring ECL which estimates a lifetime expected credit loss allowance for all trade receivables.

(ii) Other receivables, amounts due from subsidiaries and financial guarantee contracts using the general 3 stage approach

The Company uses four categories to reflect their credit risk and how the loss allowance is determined for each of those categories. A summary of the assumptions underpinning the Company's expected credit loss is as follows:

Category	Definition of category	Basis for recognition of expected credit loss allowance
Performing	Debtors have a low risk of default and a strong capacity to meet contractual cash flows.	12 months expected losses. Where the expected lifetime on an asset is less than 12 months, expected losses are measured at its expected lifetime.
Underperforming	Debtors for which there is a significant increase in credit risk due to 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 obligation.	Lifetime expected losses
Non-performing	There is evidence indicating the assets are credit-impaired.	Lifetime expected losses
Write-off	There is evidence indicating that there is no reasonable expectation of recovery based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.	Asset is written off

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)

(ii) Other receivables, amounts due from subsidiaries and financial guarantee contracts using the general 3 stage approach (continued)

Based on the above, loss allowance is measured on either 12 months ECL or lifetime ECL, by considering the likelihood that the debtor would not be able to repay during the contractual period, the percentage of contractual cash flows that will not be collected if default happens and the outstanding amount that is exposed to default risk. In addition, forward-looking information such as the macroeconomic conditions has been incorporated into the determination of expected credit losses.

Refer to Note 19 to the financial statements on the carrying amount of the other receivables presented by the categories of credit risk rating.

For the amounts due from subsidiaries that are repayable on demand, the calculation of ECL is based on the following assumptions:

- If the borrower has sufficient accessible highly liquid assets to repay the loan if demanded at the reporting date, the ECL is likely to be immaterial;
- If the borrower could not repay the loan if demanded at the reporting date, the Company considers the expected manner of recovery to measure the ECL. The recovery manner could be either through 'repayment over time' or a fire sale of less liquid assets by the borrower; and
- If the recovery strategies indicate that the Company would fully recover the outstanding balance of the loan, the ECL would be limited to the effect of the discounting of the amount due on the loan, at the loan's effective interest rates, over the period until the amount is fully recovered.

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowance was identified based on 12 months ECL.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)

(iii) The Group's collateral at the end of the reporting period is summarised as follows:

	Net exposure RM	Collateral and credit enhancement RM	Maximum exposure (net of impairment) RM
2026			
Trade receivables	25,840,027	55,649,584	81,489,611
Other receivables	1,463,128	-	1,463,128
Refundable deposits	873,797	-	873,797
Derivative financial assets	1,303,514	-	1,303,514
Deposits with licensed banks	47,011,464	-	47,011,464
Cash and bank balances	17,243,905	-	17,243,905
Financial assets at fair value through profit or loss	2,400,000	-	2,400,000
	96,135,835	55,649,584	151,785,419
2025			
Trade receivables	25,355,241	58,168,216	83,523,457
Other receivables	1,206,977	-	1,206,977
Refundable deposits	1,074,275	-	1,074,275
Derivative financial assets	473,723	-	473,723
Deposits with licensed banks	26,972,989	-	26,972,989
Cash and bank balances	30,228,715	-	30,228,715
Financial assets at fair value through profit or loss	2,954,456	-	2,954,456
	88,266,376	58,168,216	146,434,592

Certain trade receivables of the Group are secured by financial guarantees given by corporates, shareholders or directors of the receivables. There were no instances during the year whereby loss allowances were not recognised due to the utilisation of these collaterals and credit enhancements.

The Company's maximum exposure to credit risk for each class of financial assets is the carrying amount of each class of financial assets presented in the statements of financial position.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)

(iv) Financial assets that are impaired

Details of the Group's financial assets that are impaired and the reconciliation of the impairment as at the current financial year's reporting date are set out below:

	Trade receivables (Note 19) RM	Other receivables (Note 19) RM	Total RM
Group			
At 30 June 2026			
At gross amounts	82,102,035	2,186,451	84,288,486
Less: Accumulated impairment	(612,424)	(723,323)	(1,335,747)
	81,489,611	1,463,128	82,952,739
Accumulated impairment			
At 1 July	37,126	701,088	738,214
Impairment charge	584,212	83,228	667,440
Reversal of impairment during the financial year	-	(3,000)	(3,000)
Write-off	(8,914)	(57,993)	(66,907)
At 30 June	612,424	723,323	1,335,747

During the current financial year (based on the lifetime expected credit loss assessment):

- The Group's Food subsidiary made a net impairment charge on some trade receivables and other receivables as the overdue receivables were determined to be non-performing, in default and credit impaired. Accordingly, ECL allowance amounting to RM584,212 and RM83,228 were recorded respectively.
- In the current financial year, the Steel Tube subsidiary has made a reversal of impairment on other receivables of RM3,000 upon recovery of the outstanding debts.

No other major ECL was deemed required other than the abovementioned.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)

(iv) Financial assets that are impaired (continued)

Details of the Group's financial assets that are impaired and the reconciliation of the impairment as at the preceding financial year's reporting date are set out below:

	Trade receivables (Note 19) RM	Other receivables (Note 19) RM	Total RM
Group			
At 30 June 2025			
At gross amounts	83,560,583	1,908,065	85,468,648
Less: Accumulated impairment	(37,126)	(701,088)	(738,214)
	83,523,457	1,206,977	84,730,434
Accumulated impairment			
At 1 July	1,164,007	1,369,536	2,533,543
Impairment charge	27,138	24,477	51,615
Reversal of impairment during the financial year	(55,814)	(12,000)	(67,814)
Write-off	(1,098,205)	(680,925)	(1,779,130)
At 30 June	37,126	701,088	738,214

In the preceding financial year (based on the lifetime expected credit loss assessment):

- The Group's Food subsidiary made a net impairment charge on some trade receivables and other receivables as the overdue receivables were determined to be non-performing, in default and credit impaired. Accordingly, ECL allowance amounting to RM27,138 and RM24,477 were recorded respectively.
- Outstanding debts of RM1,500,830 from the Food subsidiary and RM29,999 arising from the storage rental, which have been previously impaired, were written off against the impairment allowance during the previous financial year.
- The Group's Food subsidiary and the UK subsidiary have made some reversal of impairment on trade receivables amounting to RM48,385 and RM7,429 equivalent upon settlement of outstanding debts of the said amounts. The Steel Tube subsidiary has also made a reversal of impairment on other receivables of RM12,000 upon settlement of outstanding debts of the said amount.
- In the previous financial year, assessment on the recoverability of allowance carried forward from the preceding financial year, has determined that the carrying allowance on trade receivables of RM248,301; and as such, a corresponding full write-off was made.

No other major ECL was deemed required other than the abovementioned.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)

(iv) Financial assets that are impaired (continued)

Details of the Company's financial assets that are impaired and the reconciliation of the impairment at the current financial year's reporting date are as set out below:

	Amounts due from subsidiaries (Note 23) RM
Company	
At 30 June 2026	
At gross amounts	37,527,037
Less: Accumulated impairment	(37,522,124)
	4,913
Accumulated impairment	
At 1 July	34,391,301
Impairment charge (Note 7)	3,130,823
At 30 June	37,522,124

During the current financial year (based on the expected credit loss assessment), the Company has made additional impairment charge on the advances made to its various subsidiaries totalling RM3,130,823 as these were determined to be non-performing.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)

(iv) Financial assets that are impaired (continued)

Details of the Company's financial assets that are impaired and the reconciliation of the impairment at the preceding financial year's reporting date are as set out below:

	Amounts due from subsidiaries (Note 23) RM
Company	
At 30 June 2025	
At gross amounts	34,398,888
Less: Accumulated impairment	(34,391,301)
	7,587
Accumulated impairment	
At 1 July	30,699,940
Impairment charge (Note 7)	3,691,361
At 30 June	34,391,301

In the previous financial year (based on the expected credit loss assessment), the Company has made additional impairment charge on the advances made to its various subsidiaries totalling RM3,691,361 as these were determined to be non-performing.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Interest rate risk

Interest rate risk is the risk that the future cash flows and/or fair valuations of the Group's and the Company's interest-bearing financial instruments will be negatively impacted due to fluctuation in market interest rates. The Group's objective on interest rate risk management is to achieve a balance between re-pricing risks and minimising its weighted average borrowing cost.

The Group's interest-bearing financial instruments are mainly its borrowings which comprise of both floating rate term loan instruments, and fixed rate trade and credit instruments (utilised to finance raw coil material purchases and credit sales) and hire-purchase financing. The floating rate loan instrument is subjected to the lender's revision of its cost-of-funds (usually in-line with Overnight Policy Rate ("OPR") changes) in computing the interest rate. The fixed rate trade and credit instruments are short-term (not exceeding 120 days) and subject to re-pricing upon new drawdown.

Bank Negara Malaysia has reduced the OPR in the current financial year to 2.75% (2025: 3.0%).

The Group also has interest-earning financial asset instruments which comprised mainly of fixed interest-bearing short-term deposits subject to frequent re-pricing. The Group's temporary cash holdings in banks also earned interests at rates ranging between 1.0% to 3.6% (2025: 1.0% to 4.5%).

Neither the Group nor the Company holds any interest-rate derivatives during and at the close of the current financial year.

Details of the interest-bearing financial liability instruments for the Group are as follows:

	Group	
	2026 RM	2025 RM
Current		
Fixed rate borrowings, denominated in RM	40,789,526	71,055,714
Floating rate borrowings, denominated in RM	2,751,959	8,038,578
Fixed rate advances from shareholders, denominated in RM (Note 25)	-	950,000
Non-current		
Fixed rate borrowings, denominated in RM	574,154	1,422,247
Floating rate borrowings, denominated in RM	2,968,859	-
	47,084,498	81,466,539

The risk impact for the floating rate financial liability instruments had the overall interest rates being 1.0% higher, is that the Group's profit after tax for financial year 2026 would decrease by RM43,478 (2025: loss increase by RM61,093). A 1.0% lower interest rate would have the equal but opposite effect to the aforementioned amounts. There is no interest-rate risk impact to the Company as it has no borrowings.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Foreign currency exchange risk

Foreign currency risk is the risk that the fluctuation of foreign exchange ("FX") rates may negatively impact fair value or future cash-flow of financial instruments in currencies other than its own functional currency. The Group's foreign currency risk management objective is to minimise foreign currency exposure on financial instruments that may give rise to fluctuation in fair value or future cash-flows.

The Group's revenue streams from its domestic subsidiaries are mainly denominated in Ringgit Malaysia which are their functional currencies, USD and SGD. The foreign United Kingdom ("UK") and Cambodian subsidiaries' contribution to the Group are negligible and pose little FX risks. The Group's Cold Rolled Coil (CRC) and Steel Tube segments revenue stream are mainly denominated in their Ringgit Malaysia functional currency with export sales in USD and SGD, whilst some raw material coils procurement is imported from abroad denominated in USD. The Group's 'export & trade' subsidiary undertakes the exports of its CRC and Tubes, and accept forward and spot orders from their customers denominated in USD and SGD. As a result, the Group will have FX-risk exposure arising from current and future payment-obligations in foreign currency on imports; and from current and future receivable-rights in foreign currency on exports. In-line with the Group's policy, it would seek to optimize the natural-FX-hedge positions of the aforementioned which sit in different subsidiaries. Any residue FX-risk exposures are then hedged with forward foreign currency exchange contracts (FX forwards) at between 50-80% coverage – depending on the length of the forward period and forward quotes. These are hedge-accounted (where eligible), mostly with full off-set.

Contracted rights and obligations denominated in foreign-currency earmarked for natural-hedge, crystallize on Balance Sheet at different initial recognition-dates with different FX-rate on transaction date. As a result, the Group may report some net FX-gain/(loss) on these natural-hedges due to the timing differences of transaction-date on initial recognition of its rights and obligations.

For the current financial year, the Group reported a net FX-loss of RM0.5 million (2025: net FX-loss of RM1.96 million) due unhedged receivables in the weaker USD and SGD (FY 2025: weaker USD and SGD).

Further disclosures are made in Note 22 on derivatives.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Foreign currency exchange risk (continued)

A summary of the realised and unrealised gain/(loss) from incepted hedging instruments (being foreign exchange forwards) and the hedged items (being receivables or payables in foreign currencies) over the twelve months period for the current and the preceding financial year as comparison are outlined below:

	2026			2025		
	Unrealised RM'000	Realised RM'000	Total RM'000	Unrealised RM'000	Realised RM'000	Total RM'000
FX Fair Value						
Hedge Accounted						
Hedge instruments:						
- FX forwards	907	(676)	231	90	(2,722)	(2,632)
Hedge items:						
- Financial obligations	(907)	676	(231)	(90)	2,722	2,632
	-	-	-	-	-	-
Natural Hedge						
Rights: Cash/ receivables	-	151	151	(34)	(915)	(949)
Obligations: Payables	-	(151)	(151)	34	915	949
	-	-	-	-	-	-
Not Hedged Accounted						
FX instruments	-	-	-	-	-	-
FX items	64	(611)	(548)	(63)	(1,900)	(1,963)
	64	(611)	(548)	(63)	(1,900)	(1,963)
Net FX (loss)/gain	64	(611)	(548)	(63)	(1,900)	(1,963)

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Foreign currency exchange risk (continued)

Details of the Group's foreign currencies exposure in its Ringgit Malaysia functional currency as at the reporting date (and preceding financial year's reporting date) are set out in the respective tables below.

	From USD	From SGD	From GBP	Total
Group				
As at 30 June 2026				
Financial assets				
Receivables, deposits and prepayments	53,664	9,117,261	74,074	9,244,999
Cash and bank balances	191,987	989,449	58,826	1,240,262
	245,651	10,106,710	132,900	10,485,261
Less: Financial liability				
Payables and accrued liabilities	(1,114)	-	(290,138)	(291,252)
Net financial assets/(liabilities)	244,537	10,106,710	(157,238)	10,194,009
Off balance sheet				
Contracted commitments	(108,496,581)	-	-	(108,496,581)
Group foreign currency natural hedge for contracted rights	41,292	-	-	41,292
Group foreign currency natural hedge for contracted obligations	(41,292)	-	-	(41,292)
Forward foreign currency contracts at notional value at closing rate	84,658,034	-	-	84,658,034
Net currency exposure	(23,594,010)	10,106,710	(157,238)	(13,644,538)

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Foreign currency exchange risk (continued)

Details of the Group's foreign currencies exposure in its Ringgit Malaysia functional currency as at the reporting date (and preceding financial year's reporting date) are set out in the respective tables below. (continued)

	From USD	From SGD	From GBP	Total
Group				
As at 30 June 2025				
Financial assets				
Receivables, deposits and prepayments	6,182,497	7,608,974	107,073	13,898,544
Cash and bank balances	3,888,331	828,601	96,181	4,813,113
	10,070,828	8,437,575	203,254	18,711,657
Less: Financial liability				
Payables and accrued liabilities	(6,692)	-	(302,592)	(309,284)
Net financial assets/(liabilities)	10,064,136	8,437,575	(99,338)	18,402,373
Off balance sheet				
Contracted commitments	(80,247,065)	-	-	(80,247,065)
Group foreign currency natural hedge for contracted rights	9,783,407	-	-	9,783,407
Group foreign currency natural hedge for contracted obligations	(9,783,407)	-	-	(9,783,407)
Forward foreign currency contracts at notional value at closing rate	67,074,563	-	-	67,074,563
Net currency exposure	(3,108,366)	8,437,575	(99,338)	5,229,871

Net currency exposure if positive is in long position, and if negative is in short position of the captioned foreign currency.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Foreign currency exchange risk (continued)

The Company does not have any foreign currency exposure for both current and preceding financial years.

The following table demonstrates the sensitivity of the Group's (loss)/profit after tax and equity to a reasonably possible change in the USD, SGD and Great Britain Pound ("GBP") exchange rates against RM, with all other variables in particular interest rates held constant.

	Increase/ (Decrease) in Profit and Equity 2026 RM	Increase/ (Decrease) in Profit and Equity 2025 RM
Group		
RM appreciates against USD by 2% (2025: 2%)	358,629	47,247
RM appreciates against SGD by 2% (2025: 2%)	(153,622)	(128,251)
RM appreciates against GBP by 2% (2025: 2%)	2,390	1,510

A 2% (2025: 2%) weakening of the above currencies against the RM would have the equal but opposite effect to the amount shown above, on the basis that all other variables remain constant.

5 FAIR VALUE

The carrying amounts of the following financial assets and liabilities approximate their fair values due to the relatively short-term maturity of these financial instruments: deposits, cash and bank balances, receivables and payables (including non-trade intercompany balances). The determination of the fair value for other financial assets and liabilities may require the application of certain valuation methods.

Fair value estimation

The table below analyses financial instruments carried at fair value by valuation methods. The different levels have been defined as follows:

(a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and

(c) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

5 FAIR VALUE (CONTINUED)

Fair value estimation (continued)

The following table presents the Group's financial assets/(liabilities) that are measured at fair value on reporting date:

	Note	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Group					
2026					
Financial assets					
Financial assets at fair value through profit or loss	21	2,400,000	-	-	2,400,000
Forward foreign currency exchange contracts	22	-	1,303,514	-	1,303,514
		2,400,000	1,303,514	-	3,703,514
Financial liability					
Derivative financial liabilities		-	(396,073)	-	(396,073)
2025					
Financial assets					
Financial assets at fair value through profit or loss	21	2,946,000	8,456	-	2,954,456
Forward foreign currency exchange contracts	22	-	473,723	-	473,723
		2,946,000	482,179	-	3,428,179
Financial liability					
Derivative financial liabilities		-	(566,693)	-	(566,693)

The 'financial assets at fair value through profit or loss' comprise of investment in quoted shares and investment funds (see Note 21). The investment in quoted shares is fair valued by way of marking-to-active market using the quoted closing price on Bursa Malaysia. The fair value of investment funds is determined based on independent fund valuations.

The fair value of financial instruments that are not traded in an active market, such as those forward foreign currency exchange contracts held by the Group at the close of the financial year, is determined by way of marking-to-market the underlying variable using market (forward) rates published or quoted by counterparty financial institutions. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates, and is classified under Level 2. Those forward foreign currency exchange contracts with marked-to-market positive fair value are classified as derivative financial assets, whilst those with marked-to-market negative fair value are classified as derivative financial liabilities.

The Group does not hold any financial assets or liabilities where fair values are assessed at Level 3.

5 FAIR VALUE (CONTINUED)

Fair value estimation (continued)

The following table presents the Company's financial assets that are measured at fair value on reporting date:

	Note	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Company					
2026					
Financial asset					
Financial assets at fair value through profit or loss	21	-	-	-	-
2025					
Financial asset					
Financial assets at fair value through profit or loss	21	1,146,000	8,456	-	1,154,456

The Company's 'financial assets at fair value through profit or loss' comprise of investment in quoted shares and investment funds (see Note 21). The investment in quoted shares is fair valued by way of marking-to-active market using the quoted closing price on Bursa Malaysia. The fair value of investment funds is determined based on independent fund valuations.

The Company does not hold any financial assets where fair values are assessed at Level 3.

6 REVENUE

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Revenue from contracts with customers				
Sales of goods	765,261,867	726,490,492	-	-
Processing service income	3,601,272	2,223,394	-	-
Management fees	-	-	2,880,000	2,850,000
	768,863,139	728,713,886	2,880,000	2,850,000
Revenue from other sources				
Dividend income	-	-	-	200,000
Lease rental income:				
- investment properties	-	-	5,040,000	5,040,000
- others	127,726	134,975	-	-
	127,726	134,975	5,040,000	5,240,000
Total revenue	768,990,865	728,848,861	7,920,000	8,090,000

6 REVENUE (CONTINUED)

Further disaggregation of revenue from contracts with customers by timing of recognition and sub-categories for the financial year are as follows:

	Timing of Revenue Recognition			
	At a point-in-time		Over time	Total
	Local RM	Abroad RM	Local RM	RM
Group				
2026				
Segments				
Steel tube	231,391,052	41,755,616	-	273,146,668
Cold rolled coil	442,096,151	31,653,828	-	473,749,979
Others	17,292,736	1,072,484	3,601,272	21,966,492
	690,779,939	74,481,928	3,601,272	768,863,139
Major goods and service lines				
Sales of primary goods:				
- steel tubes and pipes	231,391,052	41,755,616	-	273,146,668
- cold rolled coils	442,096,151	31,653,828	-	473,749,979
Sales of steel scraps and by-products	13,510,618	-	-	13,510,618
Trading of foods	3,782,118	1,072,484	-	4,854,602
Processing service income	-	-	3,601,272	3,601,272
	690,779,939	74,481,928	3,601,272	768,863,139
2025				
Segments				
Steel tube	210,504,652	30,796,073	-	241,300,725
Cold rolled coil	327,696,801	137,603,800	-	465,300,601
Others	19,810,598	78,568	2,223,394	22,112,560
	558,012,051	168,478,441	2,223,394	728,713,886
Major goods and service lines				
Sales of primary goods:				
- steel tubes and pipes	210,504,652	30,796,073	-	241,300,725
- cold rolled coils	327,696,801	137,603,800	-	465,300,601
Sales of steel scraps and by-products	13,083,100	-	-	13,083,100
Trading of foods	6,727,498	78,568	-	6,806,066
Processing service income	-	-	2,223,394	2,223,394
	558,012,051	168,478,441	2,223,394	728,713,886

6 REVENUE (CONTINUED)

Further disaggregation of revenue from contracts with customers by timing of recognition and sub-categories for the financial year are as follows: (continued)

	2026 RM	2025 RM
Company		
Revenue from contracts with customers		
Management fees		
- recognised over time	2,880,000	2,850,000

Revenue from contracts with customers

(i) Sale of primary goods (steel tubes and pipes, cold rolled coils, steel scraps and by-products)

The Group manufactures and sells a range of steel products to customers. Sales from the sale of steel products are recognised when control of the products has been transferred (i.e. when the products are delivered to the customer); and when the customers have the full discretion to direct the use or movement over the products and there is no unfulfilled obligation that could affect the customers' acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customers, and either the customers have accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue from sale of steel products is recognised based on terms specified in the contracts. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as the sales are made on credit terms which are consistent with market practice.

(ii) Sales of goods (Trading of foods - Wholesale trading in meat, poultry, seafood and cooking oil products)

The Group is involved in the wholesale trading of meat, poultry, seafood and cooking oil products to customers. Sales from these products are recognised when the products are delivered and accepted by the customers, and when the customers have the full discretion to direct the use or movement over the products. Delivery is deemed to have occurred once the products reach the specific location, the risks of obsolescence and loss have been transferred to the customers. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

6 REVENUE (CONTINUED)

Revenue from contracts with customers (continued)

(iii) Processing service income and management fees

The Group offers galvanising, slitting, toll-manufacturing service to its customers. Tolling-service describes an arrangement where the customers provide unfinished material for further processing (e.g. galvanisation, pipe-forming, pickling & oiling). Revenue from providing such processing service is recognised in the accounting period in which the processing activity is rendered. There is no element of financing present as any credit sales made are on terms which are consistent with industry practice.

The Company offers management services to its subsidiaries. Revenue from providing such services is recognised in the accounting period in which such services are rendered.

Revenue from other sources

(i) Dividend income (for the Company)

Dividend income is recognised when the Company's right to receive payment is established. This applies even if they are paid out of pre-acquisition profits.

(ii) Lease rental income

Lease payments received under operating leases are recognised as lease income on a straight-line basis over the lease term.

7 PROFIT/(LOSS) BEFORE TAX

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
The following expenses have been charged/ (credited) in arriving at profit/(loss) before tax:				
Auditors' remuneration:				
- statutory audit				
- KPMG PLT	694,500	677,100	230,000	225,000
- non-audit services				
- KPMG PLT	24,500	24,500	12,500	12,500
- Local affiliates of KPMG PLT	-	6,000	-	-
Changes in inventories of finished goods and work-in-progress	5,971,121	(10,353,365)	-	-
Raw materials consumed	608,941,084	583,083,320	-	-
Consumables (inventories) consumed	20,609,284	20,107,298	-	-
Property, plant and equipment (Note 13):				
- depreciation	15,140,299	14,784,530	76,153	82,523
- impairment loss/(reversal)	206,022	702,295	(3,350)	(3,505)
- loss on disposals	30,256	36,698	-	-
- write-offs	113,863	-	-	-
Right-of-use assets (Note 14)				
- depreciation [(a)]	2,475,088	2,370,066	85,962	85,963
- impairment loss	248,203	-	-	-
- gain on lease modification	(123,388)	-	-	-
- loss on remeasurement	-	22,197	-	-
- gain on derecognition	(53,903)			
Fair value loss/(gain) on:				
- investment properties (Note 15)	-	-	3,100,000	(5,058,000)
- financial assets at fair value through profit or loss (Note 21)	545,825	2,893,205	1,145,825	2,093,205
Staff costs - excluding Directors' remuneration:				
- salaries, bonuses and allowances	42,014,231	38,249,032	2,115,244	1,805,038
- defined contribution plan	5,109,930	4,682,364	277,229	261,659
- others	2,552,813	2,309,182	77,494	77,797
Rental expense [(a)]	33,468	39,816	33,468	39,816
Maintenance of plant and machinery	13,530,445	11,272,260	-	-
Impairment loss/(reversal) on:				
- amounts due from subsidiaries (Note 4(c)(iv))	-	-	3,130,823	3,691,361
- trade receivables (Note 4(c)(iv))	584,212	(28,676)	-	-
- other receivables (Note 4(c)(iv))	80,228	12,477	-	-
- contract advances	1,003,117	-	-	-

7 PROFIT/(LOSS) BEFORE TAX (CONTINUED)

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Amortisation of deferred income on grant (Note 30)	(347,500)	(347,500)	-	-
(Reversal of)/ inventories written down to net realisable value	(169,747)	169,747	-	-
Inventories written off	125,030	1,069,271	-	-
Net foreign currency exchange loss/(gain)				
- realised	610,539	1,900,321	-	-
- unrealised	(65,054)	62,681	-	-
Provision for onerous contract	122,178	-	-	-
Quit rent and assessment fees	895,494	837,988	393,002	370,116

(a) The rental expense on the rented land and buildings deemed as an operating lease is now represented through the depreciation of the right-of-use assets on the aforementioned lease and the implicit interest charge on the corresponding lease liabilities (See Note 8 and Note 14). The remaining 'rental expense' for the current financial year relates to rentals of low value assets which are exempted from lease accounting under MFRS 16.

8 FINANCE INCOME AND COSTS

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Finance income on:				
Deposits with licensed banks [a]	(1,822,806)	(1,607,738)	(182)	(3,533)
Investment funds	(12)	(1,250)	(12)	(1,250)
Intercompany advances	-	-	(1,466,440)	(1,535,499)
Net investment in subleases [b]	(49,242)	(26,359)	-	-
Total finance income	(1,872,060)	(1,635,347)	(1,466,634)	(1,540,282)
Finance costs on:				
Borrowings	3,407,464	5,219,086	-	-
Factoring	398,744	107,332	-	-
Hire-purchase	161,258	76,733	-	-
Suppliers' credit	-	872,134	-	-
Shareholder's advances	35,815	228,921	35,815	228,921
Intercompany advances	-	-	30,194	26,045
Lease liabilities [c]	157,083	279,775	27,921	33,989
Total finance costs	4,160,364	6,783,981	93,930	288,955
Finance costs/(income) - net	2,288,304	5,148,634	(1,372,704)	(1,251,327)

(a) Interest income from fixed-deposits and money-market REPO (repurchase agreement) placements with Banks for very short tenure.

(b) Interest income from net investment in subleases is an implicit income derived from lease receivables representing the discounted lease commitment streams over the remaining term of the leases, pursuant to the adoption of MFRS 16 (see Note 14).

(c) Interest expense on lease liabilities is an implicit charge on lease liabilities representing the discounted lease commitment streams over the remaining term of the leases, pursuant to the adoption of MFRS 16 (see Note 14).

9 ANALYSIS OF OPERATING EXPENSES

The Group's and the Company's operating-expenses are presented in a mixed-presentation (by function and nature) on the Income Statement. The analysis below provides disclosure of key specific operating expenses by-nature and where these are included in the operating category.

Operating expenses by nature	Depreciation RM	Employee remunerations and benefits RM	Impairment losses/ (reversals) on property, plant and equipment and right-of-use assets RM	(Reversal of)/ inventory written down to net realisable value RM
Group				
2026				
Total amount recognised in the period	17,615,387	56,810,791	454,225	(169,747)
Total amount included in:				
Cost of sales	13,656,518	28,990,793	-	(169,747)
Administrative expenses	3,958,869	27,819,998	-	-
Impairment on property, plant and equipment	-	-	206,022	-
Impairment on right-of-use	-	-	248,203	-
Total amount included in the operating category	17,615,387	56,810,791	454,225	(169,747)
2025				
Total amount recognised in the period	17,154,596	54,118,696	702,295	169,747
Total amount included in:				
Cost of sales	13,117,005	24,880,474	-	169,747
Administrative expenses	4,037,591	29,238,222	-	-
Impairment on property, plant and equipment	-	-	702,295	-
Total amount included in the operating category	17,154,596	54,118,696	702,295	169,747

9 ANALYSIS OF OPERATING EXPENSES (CONTINUED)

Operating expenses by nature	Depreciation RM	Employee remunerations and benefits RM	Impairment losses/ (reversals) RM
Company			
2026			
Total amount recognised in the period	162,115	2,469,967	(3,350)
Total amount included in:			
Administrative expenses	162,115	2,469,967	-
Impairment on property, plant and equipment	-	-	(3,350)
Total amount included in the operating category	162,115	2,469,967	(3,350)
2025			
Total amount recognised in the period	168,486	2,144,494	(3,505)
Total amount included in:			
Administrative expenses	168,486	2,144,494	-
Impairment on property, plant and equipment	-	-	(3,505)
Total amount included in the operating category	168,486	2,144,494	(3,505)

Included in cost of sales are direct material, direct overheads, direct labour, depreciation of property, plant and equipment and right-of-use assets.

Included in other operating income is amortisation of government grant.

Included in selling and distribution expenses are carriage outwards, upkeep and maintenance of motor vehicles.

Included in administrative expenses are employee remuneration and benefits, depreciation of property, plant and equipment and miscellaneous expenses.

10 DIRECTORS' REMUNERATION

The aggregate amounts of emoluments received/receivable by Directors of the Company from the Company and its subsidiaries are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Non-Executive Directors:				
- fees	612,000	571,849	336,000	336,000
- allowances	59,000	130,000	31,000	31,500
- estimated monetary value of benefits-in-kind	13,937	17,495	13,937	17,496
Executive Directors:				
- salaries, bonuses and other emoluments	3,300,000	4,080,000	780,000	840,000
- estimated monetary value of benefits-in-kind	31,324	33,105	13,833	15,614
- defined contribution plan	495,000	612,000	117,000	126,000
	4,511,261	5,444,449	1,291,770	1,366,610

The numbers of Directors of the Company whose total remuneration paid by the Company falling within certain bands are outlined below:

	Number of Directors	
	2026	2025
Executive Directors:		
RM850,001 – RM950,000	1	-
RM950,001 – RM1,000,000	-	1
Non-Executive Directors:		
RM50,001 – RM100,000	5	5

11 TAX EXPENSE

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Current Malaysia tax:				
- current year	1,729,477	1,619,802	1,010,687	1,155,984
- over accrual in the prior year	(71,696)	(586,521)	(71,944)	21,830
	1,657,781	1,033,281	938,743	1,177,814
Deferred taxation (Note 17):				
- origination and reversal of temporary differences	3,413,834	(844,192)	(752,516)	1,223,887
- (over)/under accrual in the prior year	(1,331,139)	443,737	(5,866)	(6,356)
	2,082,695	(400,455)	(758,382)	1,217,531
Tax expense	3,740,476	632,826	180,361	2,395,345

The explanation of the relationship between tax expense and profit/(loss) before tax is as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Profit/(Loss) before tax	9,492,174	(7,758,218)	(3,603,982)	3,482,150
Tax calculated at the Malaysian tax rate of 24% (2025: 24%)	2,278,121	(1,861,972)	(864,956)	835,716
Tax effects of:				
- expenses not deductible for tax purposes	2,013,230	1,592,213	1,123,127	1,606,572
- income not subject to tax	(177,698)	(107,663)	-	(62,417)
- over accrual in the prior year	(1,402,835)	(142,784)	(77,810)	15,474
- difference in tax rate	14,020	95,150	-	-
- tax losses and allowances not recognised as deferred tax	1,015,638	1,057,882	-	-
Tax expense	3,740,476	632,826	180,361	2,395,345

12 EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

	Group	
	2026 RM	2025 RM
Net profit/(loss) attributable to owners of the Company	2,597,991	(8,068,956)
Weighted average number of ordinary shares in issue (net of treasury shares)	359,456,103	359,456,103
Basic earnings/(loss) per share (sen)	0.72	(2.24)

(b) Diluted earnings/(loss) per share

The average number of ordinary shares in issue has not been adjusted to assume any dilution as the Group did not issue any financial instruments that may entitle its holders to ordinary shares. Accordingly, the diluted earnings/(loss) per share is the same as basic earnings/(loss) per share.

13 PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM	Buildings RM	Plant, machinery and electrical installation RM	Motor vehicles, furniture, fittings and equipment RM	Construction work-in-progress RM	Total RM
Group						
2026						
Cost/Valuation						
At 1 July 2025						
- cost	-	-	-	17,042,710	2,867,744	19,910,454
- valuation	80,900,000	57,909,421	198,303,634	-	-	337,113,055
	80,900,000	57,909,421	198,303,634	17,042,710	2,867,744	357,023,509
Additions	-	125,145	3,958,746	1,056,356	571,054	5,711,301
Currency translation differences	-	-	-	(64,253)	-	(64,253)
Disposals	-	-	(46,903)	(101,602)	-	(148,505)
Write-offs	-	-	(10,428)	(158,604)	-	(169,032)
Revaluation during the financial year	3,000,000	(1,017,867)	297,811	-	-	2,279,944
Transfer	-	-	2,942,540	(490,794)	(2,451,746)	-
Effects of elimination of accumulated depreciation on revaluation	-	(2,205,381)	(11,911,514)	-	-	(14,116,895)
At 30 June 2026	83,900,000	54,811,318	193,533,886	17,283,813	987,052	350,516,069
Less: Accumulated depreciation						
At 1 July 2025	-	-	-	11,405,675	-	11,405,675
Charge for the financial year (Note 7)	-	2,205,381	11,917,191	1,017,727	-	15,140,299
Currency translation differences	-	-	-	(31,029)	-	(31,029)
Disposals	-	-	(5,275)	(42,880)	-	(48,155)
Write-offs	-	-	(402)	(54,767)	-	(55,169)
Effects of elimination of accumulated depreciation on revaluation	-	(2,205,381)	(11,911,514)	-	-	(14,116,895)
At 30 June 2026	-	-	-	12,294,726	-	12,294,726

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land RM	Buildings RM	Plant, machinery and electrical installation RM	Motor vehicles, furniture, fittings and equipment RM	Construction work-in-progress RM	Total RM
Group						
2026						
Less: Accumulated impairment loss						
At 1 July 2025	-	-	37,007,717	115,796	-	37,123,513
Charge for the financial year (Note 7)	-	-	34,531	171,491	-	206,022
At 30 June 2026	-	-	37,042,248	287,287	-	37,329,535
Net book value						
At 30 June 2026	83,900,000	54,811,318	156,491,638	4,701,800	987,052	300,891,808
Representing:						
- cost	-	-	-	4,701,800	987,052	5,690,452
- valuation	83,900,000	54,811,318	156,491,638	-	-	295,201,356
	83,900,000	54,811,318	156,491,638	4,701,800	987,052	300,891,808

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land RM	Buildings RM	Plant, machinery and electrical installation RM	Motor vehicles, furniture, fittings and equipment RM	Construction work-in-progress RM	Total RM
Group						
2025						
Cost/Valuation						
At 1 July 2024						
- cost	-	-	-	16,309,272	807,353	17,116,625
- valuation	77,000,000	58,811,322	202,137,544	-	-	337,948,866
	77,000,000	58,811,322	202,137,544	16,309,272	807,353	355,065,491
Additions	-	59,222	6,517,424	874,538	2,060,391	9,511,575
Currency translation differences	-	-	-	(46,032)	-	(46,032)
Disposals	-	-	(112,921)	(105,559)	-	(218,480)
Write-offs	-	-	-	(675)	-	(675)
Revaluation during the financial year	3,900,000	1,127,620	1,100,537	11,166	-	6,139,323
Effects of elimination of accumulated depreciation on revaluation	-	(2,088,743)	(11,338,950)	-	-	(13,427,693)
At 30 June 2025	80,900,000	57,909,421	198,303,634	17,042,710	2,867,744	357,023,509
Less: Accumulated depreciation						
At 1 July 2024	-	-	-	10,152,785	-	10,152,785
Charge for the financial year (Note 7)	-	2,088,743	11,339,329	1,356,458	-	14,784,530
Currency translation differences	-	-	-	(17,372)	-	(17,372)
Disposals	-	-	(379)	(85,521)	-	(85,900)
Write-offs	-	-	-	(675)	-	(675)
Effects of elimination of accumulated depreciation on revaluation	-	(2,088,743)	(11,338,950)	-	-	(13,427,693)
At 30 June 2025	-	-	-	11,405,675	-	11,405,675

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land RM	Buildings RM	Plant, machinery and electrical installation RM	Motor vehicles, furniture, fittings and equipment RM	Construction work-in-progress RM	Total RM
Group						
2025						
Less: Accumulated impairment loss						
At 1 July 2024	-	-	36,322,217	99,001	-	36,421,218
Charge for the financial year (Note 7)	-	-	685,500	16,795	-	702,295
At 30 June 2025	-	-	37,007,717	115,796	-	37,123,513
Net book value						
At 30 June 2025	80,900,000	57,909,421	161,295,917	5,521,239	2,867,744	308,494,321
Representing:						
- cost	-	-	-	5,521,239	2,867,744	8,388,983
- valuation	80,900,000	57,909,421	161,295,917	-	-	300,105,338
	80,900,000	57,909,421	161,295,917	5,521,239	2,867,744	308,494,321

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Building RM	Plant, machinery and electrical installation RM	Motor vehicles, furniture, fittings and equipment RM	Total RM
Company				
2026				
Cost/Valuation				
At 1 July 2025				
- cost	-	-	846,545	846,545
- valuation	111,322	706,584	-	817,906
	111,322	706,584	846,545	1,664,451
Additions	-	-	19,667	19,667
Revaluation during the financial year	-	(135)	-	(135)
Write-off	-	-	(28,543)	(28,543)
Elimination of accumulated depreciation on revaluation	-	(25,215)	-	(25,215)
At 30 June 2026	111,322	681,234	837,669	1,630,225
Less: Accumulated depreciation				
At 1 July 2025	-	-	630,720	630,720
Charge for the financial year (Note 7)	-	25,215	50,938	76,153
Write-off	-	-	(28,543)	(28,543)
Elimination of accumulated depreciation on revaluation	-	(25,215)	-	(25,215)
At 30 June 2026	-	-	653,115	653,115
Less: Accumulated impairment loss				
At 1 July 2025	-	277,584	80,595	358,179
Reversal for the financial year (Note 7)	-	(3,350)	-	(3,350)
At 30 June 2026	-	274,234	80,595	354,829
Net book value				
At 30 June 2026	111,322	407,000	103,959	622,281
Representing:				
- cost	-	-	103,959	103,959
- valuation	111,322	407,000	-	518,322
	111,322	407,000	103,959	622,281

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Building RM	Plant, machinery and electrical installation RM	Motor vehicles, furniture, fittings and equipment RM	Total RM
Company				
2025				
Cost/Valuation				
At 1 July 2024				
- cost	-	-	840,298	840,298
- valuation	111,322	731,089	-	842,411
	111,322	731,089	840,298	1,682,709
Additions	-	-	6,922	6,922
Revaluation during the financial year	-	8,355	-	8,355
Write-off	-	-	(675)	(675)
Elimination of accumulated depreciation on revaluation	-	(32,860)	-	(32,860)
At 30 June 2025	111,322	706,584	846,545	1,664,451
Less: Accumulated depreciation				
At 1 July 2024	-	-	581,732	581,732
Charge for the financial year (Note 7)	-	32,860	49,663	82,523
Write-off	-	-	(675)	(675)
Elimination of accumulated depreciation on revaluation	-	(32,860)	-	(32,860)
At 30 June 2025	-	-	630,720	630,720
Less: Accumulated impairment loss				
At 1 July 2024	-	281,089	80,595	361,684
Reversal for the financial year (Note 7)	-	(3,505)	-	(3,505)
At 30 June 2025	-	277,584	80,595	358,179
Net book value				
At 30 June 2025	111,322	429,000	135,230	675,552
Representing:				
- cost	-	-	135,230	135,230
- valuation	111,322	429,000	-	540,322
	111,322	429,000	135,230	675,552

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(i) Valuation of certain property, plant and equipment and ROU assets

Fair value of the Group's land and buildings at the end of the financial year as determined by the professional valuer is within Level 3 of the fair value hierarchy. Land and buildings of the Group were revalued in June 2026 by an independent firm of professional valuer, PA International Property Consultants (KL) Sdn. Bhd. based on adjusted market comparison approach and depreciated replacement cost approach respectively. The leasehold land classified as ROU assets continues to be measured using the same revaluation model by the aforementioned valuer-firm.

Fair value of the Group's plant, machinery, and electrical installation at the end of the financial year as determined by the professional valuer is within Level 3 of the fair value hierarchy. Please refer to Note 13(iv) for the details of fair value measurements using significant unobservable input (Level 3).

The Group's revaluation surplus on property, plant and equipment of RM2,279,944 (2025: RM6,139,323) and ROU assets (Note 14) amounting to RM265,892 (2025: RM8,794,405) were credited directly to assets revaluation reserve account and its related deferred taxation arising from the revaluation was provided accordingly (Note 17). For the current financial year, the net revaluation deficit amounting to RM206,022 was recognised as impairment in profit or loss, while in the previous financial year, deficit in-relation to brought forward impairment amounting to RM702,295 was credited to profit or loss as reversal.

The Company's revaluation deficit of RM135 (2025: surplus amounting to RM8,355) was credited directly to assets revaluation reserve account and its related deferred taxation arising from the revaluation was provided accordingly (Note 17). The net revaluation surplus amounting to RM3,350 (2025: RM3,505) was taken up as impairment reversal in profit or loss.

The net book values of the revalued property, plant and equipment that would have been included in the financial statements had these assets been carried at deemed cost less accumulated depreciation are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Freehold land	31,300,000	31,300,000	-	-
Buildings	39,297,360	42,327,395	90,917	92,772
Plant, machinery and electrical installation	169,101,047	175,443,812	235,047	251,412
	239,698,407	249,071,207	325,964	344,184

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(i) Valuation of certain property, plant and equipment and ROU assets (continued)

The fair value of ROU assets and property, plant and equipment are individually determined periodically, with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date. The valuer have relied on the following methodologies:

- Freehold land and leasehold land – adjusted market comparison approach by reference to observable prices per square foot ("psf") in an active market or recent market transactions (Level 3).

- Buildings and plant, machinery and electrical installation - depreciated replacement cost approach, which is based on the current cost of replacement of an asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation (Level 3).

(ii) Assets acquired under hire-purchase arrangements

Additions to plant, machinery and electrical installation of the Group during the financial year includes those acquired by means of hire-purchase arrangements totalling RM532,845 (2025: RM3,034,310).

As at 30 June 2026, the net book value of the property, plant and equipment under hire-purchase arrangements in the Group is RM4,895,386 (2025:RM4,498,977) and in the Company is RM Nil (2025: RM Nil).

(iii) Assets pledged as securities

Property, plant and equipment amounting to RM296,742,278 (2025: RM302,949,256) of the steel subsidiaries are pledged as securities for certain banking facilities granted to the Group. Refer Note 27 to the financial statements for further details.

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(iv) Fair value measurements using significant unobservable inputs (Level 3)

	Plant, machinery and electrical installation	
	2026 RM	2025 RM
Group		
At 1 July	161,295,917	165,815,327
Additions	3,958,746	6,517,424
Disposals	(41,628)	(112,542)
Revaluation during the financial year	297,811	1,100,537
Impairment charge for the financial year	(34,531)	(685,500)
Depreciation charge for the financial year	(11,917,191)	(11,339,329)
Write-offs	(10,026)	-
Transfer from construction work-in-progress	2,942,540	-
At 30 June	156,491,638	161,295,917
Company		
At 1 July	429,000	450,000
Revaluation during the financial year	(135)	8,355
Write back for the financial year	3,350	3,505
Depreciation charge for the financial year	(25,215)	(32,860)
At 30 June	407,000	429,000

The following table presents the valuation techniques and key inputs that were used to determine the fair value of plant, machinery and electrical installation categorised under Level 3 of the fair value hierarchy.

Description	Fair value as at 30 June 2026 RM	Valuation technique	Unobservable inputs	Relationship of unobservable inputs to fair value
Plant, machinery and electrical installation	156,491,638	Depreciated replacement cost approach	Useful life of 10-18 years	The longer the useful life, the higher the fair value.

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(iv) Fair value measurements using significant unobservable inputs (Level 3) (continued)

The external valuation of the Level 3 plant, machinery and electrical installation have been performed using depreciated replacement cost approach. The external valuer, in discussion with the Group's management, has determined the unobservable input based on the useful life of the plant, machinery and electrical installation.

As at 30 June 2026, if the unobservable input based on the useful life of the plant, machinery and electrical installation increases/decreases by one year, the fair value of the plant, machinery and electrical installation will increase/decrease by approximately RM11,917,191 (2025: RM11,339,329) respectively.

	Land and buildings	
	2026 RM	2025 RM
Group		
At 1 July	135,809,421	135,811,322
Additions	125,145	59,222
Revaluation during the financial year	1,982,133	5,027,620
Depreciation charge for the financial year	(2,205,381)	(2,088,743)
At 30 June	138,711,318	138,809,421
Company		
At 1 July / 30 June	111,322	111,322

The unobservable inputs used to determine the fair value of land, which includes leasehold land classified under ROU assets, is the adjusted price per square foot ("psf") (ranging from RM109 to RM143 psf) which are adjusted by key attributes such as property size and location. The higher the price psf, the higher the fair value of the subject property.

The unobservable inputs used to determine the fair value of buildings is the adjusted depreciated building cost psf (ranging from RM24 to RM97 psf) which are adjusted by key attributes such as property size and building condition. The higher the cost psf, the higher the fair value of the subject property.

In assessing the reasonableness of the fair value of the land, building, plant, machinery and electrical installation that has been determined by the external valuer, management had separately assessed these plant, machinery and electrical installation as separate Cash-Generating Units ("CGU's") for the Group's Cold Rolled Coil (CRC) and Steel Tube segments. Management had determined the recoverable amount of these plant, machinery and electrical installation based on the discounted cash flows of the CGU's using the value-in-use ("VIU") model.

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(iv) Fair value measurements using significant unobservable inputs (Level 3) (continued)

It was determined that no impairment was necessary as the indicative recoverable amount is higher than its carrying amount.

The VIU assessments included the following key assumptions:

	2026 rates		2025 rates	
Assumption	**MCRC**	**MST**	**MCRC**	**MST**
Projection period	25 years	16 years	26 years	17 years
Pre-tax discount rate	11.5%	11.5%	11.5%	11.5%

The anticipated sales volume growth rate included in the cashflow projections are based on historical sales and expected growth rate in the industry.

The Directors and management have considered and assessed reasonable variations in the underlying key assumptions used in the computation of the recoverable amount and is satisfied with the headroom of the CGU's recoverable amount over its carrying amount.

Material accounting policy information

(a) Recognition and measurement

Property, plant and equipment are initially stated at cost. Freehold land, buildings, plant, machinery and electrical installation are subsequently shown at fair values, based on periodic valuation by external valuer, less subsequent depreciation and impairment losses, with sufficient regularity or when the fair value of the revalued assets differ materially from the carrying amounts. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Increases in the carrying amounts arising on revaluation of freehold land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserve in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. When property, plant and equipment is revalued, the carrying amount of property, plant and equipment is adjusted to the revalued amount. At the date of the revaluation, the accumulated depreciation is eliminated against the gross carrying amount of the property, plant and equipment. The revaluation surplus included in equity in respect of property, plant and equipment will be transferred directly to retained earnings when the assets are de-recognised.

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Material accounting policy information (continued)

(a) Recognition and measurement (continued)

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in profit or loss. When revalued assets are sold, the revaluation surplus included in equity is transferred directly to retained earnings when the asset is retired or disposed of.

At each reporting date, the Group assesses whether there is any indication of impairment. If such indication exists, 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.

(b) Depreciation

Freehold land is not depreciated as it has infinite life. Other property, plant and equipment are depreciated on the straight-line basis based on cost of the assets or their revalued amounts, to their residual values, over their estimated useful lives as follows:

Buildings	60 years
Plant, machinery and electrical installation	4 – 40 years
Motor vehicles, furniture, fittings and equipment	5 – 20 years

Depreciation on assets under construction commences when the assets are ready for its intended use.

In financial year 2025, the Group conducted a capital asset review of its building, resulting in revision to the expected useful life and its residual value. Following this review, management extended the remaining useful life of the buildings by 10 years, aligning it with the useful life adopted by the independent professional valuer. The effect of these changes on depreciation expense is immaterial for presentation.

14 LEASES

Information on the Group's leases and accounting changes over the current financial year are outlined below:

(A) Group

Leases as lessee

	Note	ROU assets		Lease liabilities	
		2026 RM	2025 RM	2026 RM	2025 RM
At 1 July					
Leasehold land	(a)	101,100,000	94,100,000	-	-
Rented properties	(b)	2,088,848	2,433,874	3,214,629	2,648,344
Total		103,188,848	96,533,874	3,214,629	2,648,344
Changes to ROU assets					
Revaluation during the year	(c)	265,891	8,794,405	-	-
Depreciation during the year:	(d)				
- leasehold land	7	(1,965,891)	(1,794,405)	-	-
- rented properties	7	(509,197)	(575,661)	-	-
Additions		89,949	981,115	-	-
Lease modification		(253,453)	109,257	-	-
Remeasurements	(g)	-	109,257	-	-
Derecognition #		(508,729)	(780,447)	-	-
Currency exchange difference		(17,600)	(79,290)	-	-
Impairment loss		(248,203)	-	-	-
Total		(3,147,233)	6,654,974	-	-
Changes to lease liabilities					
Lease payment	(e)	-	-	(733,043)	(770,835)
Interest expense	(f)	-	-	157,083	279,775
Currency exchange differences		-	-	(69,084)	(55,224)
Additions		-	-	89,949	981,115
Derecognition		-	-	(709,304)	-
Lease modification		-	-	(376,841)	-
Remeasurements	(g)	-	-	-	131,454
Total		-	-	(1,641,240)	566,285
At 30 June					
Leasehold land		99,400,000	101,100,000	-	-
Rented properties		641,615	2,088,848	1,573,389	3,214,629
Total	(h)	100,041,615	103,188,848	1,573,389	3,214,629

Derecognition of the ROU assets arose from the early termination of sublease agreements between Ausgard Quick Assembly Systems Sdn. Bhd. and 3Bumi Trading Sdn. Bhd. and Trisend Logistics Tech Sdn. Bhd. on 31 March 2026.

14 LEASES (CONTINUED)

(A) Group (continued)

Leases as lessee (continued)

(a) The Group's leasehold land comprise of the following properties on-which its factory plants were erected. The property lessor is the Selangor State Government with no corresponding lease liabilities to the lessor. The leasehold land under the Group's Steel Tube subsidiary is pledged against a banking facility.

Description	Registered title owner	Lease expiry date	Remaining leasehold period	Value (RM)
i. Lot 53, Persiaran Selangor	MST	22.05.2078	52	28,000,000
ii. Lot 49, Jalan Utas 15/17	MIG	13.04.2072	46	44,200,000
iii. Lot 10, Persiaran Selangor	MIG	11.05.2085	59	27,200,000
				99,400,000

The total net book value of these leasehold land that would have been included in the financial statements had these assets been carried at deemed costs less accumulated depreciation is RM33,889,080 (2025: RM34,556,218).

(b) The Group rented properties comprise of buildings for its steel segment, office space for its corporate-office, rented facilities, shop lots and outlets for food segment. As a tenant, the Group does not have ownership rights to full 'risk and reward' of the properties.

The lease liabilities are derived from the stream of fixed rent commitments over the remaining term of the tenancy with the economic assumption on whether the next renewal option is exercised, and discounted using the tenant or lessee's estimated incremental borrowing rates ranging from 5.8% to 9.0% (2025: 5.8% to 9.0%). The deposits paid are refundable and not intended to be applied against rent instalments towards termination or expiry of lease; and as such, are excluded from the discounted lease payment cash flow stream used in computing the lease liabilities.

The ROU assets comprised of these lease liabilities sum adjusted for any pre-payments and restoration cost where contractually applicable. Lease commitments relate to the Group's food trading, distribution, retail and engineering businesses. These lease liabilities or ROU assets for rental properties are excluded from any financial covenant ratios computation unless the netting effect from both is included.

(c) This amount represents the revaluation gain on the leasehold land which are subject to monthly depreciation based on its balanced lease-life, and re-measured at fair value towards the close of the financial year. The assumptions used in the valuation of ROU assets are consistent with the assumptions used for land and buildings as disclosed in Note 13(v) to the financial statements.

(d) This amount represents the depreciation of the ROU assets on straight-line basis over the term of the lease and assumed renewal period where applicable.

14 LEASES (CONTINUED)

(A) Group (continued)

Leases as lessee (continued)

(e) This amount represents the contractual rent payments for the rented properties which denotes as settlement of the amortised lease liabilities and corresponding implicit interest expense over the current financial year.

(f) This amount represents the implicit effective interest charged on the carrying amount of lease liabilities on a reducing balance monthly rest basis. This implicit interest expense, equivalent to the assumed discount rate used, is excluded from any financial covenant ratios computation.

(g) Included in remeasurement of lease liabilities were the changes in lease payment and lease term.

(h) The ROU assets are classified under non-current assets in the statements of financial position, whilst the lease liabilities are segregated into current and non-current liabilities as follows:

	2026 RM	2025 RM
Current	470,266	576,119
Non-current	1,103,123	2,638,510
	1,573,389	3,214,629

Leases as lessor

The net investment in subleases (also known as lease receivables) comprise of a few sub-tenants occupying the main lease with the terms matching the main lease. The carrying value represents the corresponding lease liability subsumed under the main lease.

	Note	2026 RM	2025 RM
At 1 July		909,164	-
Changes to assets			
Additional sublease during the year		-	900,829
Lease payments received during the year	(a)	(125,969)	(48,797)
Finance income (Note 8)	(b)	49,242	26,359
Derecognition		(146,673)	-
Currency exchange difference		(48,222)	30,773
At 30 June		637,542	909,164

14 LEASES (CONTINUED)

(A) Group (continued)

Leases as lessor (continued)

(a) This amount represents the contractual rent received from sub-leases on the rented properties which denotes as settlement of the depreciated lease receivables and corresponding implicit interest income over the current financial year.

(b) This amount represents the implicit effective interest income from the carrying sub-lease receivables on a reducing balance monthly rest basis. This implicit interest income, equivalent to the assumed discount rate used, is excluded from any financial ratio covenants computation.

(c) Net investment in subleases with carrying amount of RM637,542 are segregated into current and non-current assets as follows:

	2026 RM	2025 RM
Current	50,671	89,121
Non-current	586,871	820,043
	637,542	909,164

The following table sets out the maturity analysis of lease receivables showing the undiscounted lease payments to be received after the reporting date.

	2026 RM	2025 RM
Within one year	86,315	189,173
After one year but not more than five years	431,576	479,410
More than five years	316,489	523,210
Total undiscounted lease payments receivable	834,380	1,191,793
Unearned finance income	(196,838)	(282,629)
Net investments in leases	637,542	909,164

14 LEASES (CONTINUED)

(B) Company

Leases as lessee

	Note	ROU assets		Lease liabilities	
		2026 RM	2025 RM	2026 RM	2025 RM
At 1 July					
Rented office space	(a)	378,665	465,628	384,783	457,891
Changes to ROU assets					
Remeasurements	(e)	-	-	-	-
Depreciation during the year (Note 7)	(b)	(85,962)	(85,963)	-	-
		(85,962)	(85,963)	-	-
Changes to Lease liabilities					
Lease payment	(c)	-	-	(107,097)	(107,097)
Interest expense (Note 8)	(d)	-	-	27,921	33,989
		-	-	(79,176)	(73,108)
At 30 June					
Rented office space	(e)	293,703	379,665	305,607	384,783

(a) The Company rents an office space as its head office. As a tenant, the Company does not have ownership rights to full 'risk and reward' of the property, typical of operating lease.

The lease liability is derived from the stream of fixed rent commitments over the remaining term of the tenancy with the economic assumption whether the next renewal option is exercised, and discounted using the tenant or lessee's estimated incremental borrowing rate at 8.0% (2025: 8.0%) per annum. The ROU assets comprised of the lease liability sum adjusted for any pre-payments and restoration cost where contractually applicable.

(b) This amount represents the depreciation of the ROU assets on straight-line basis over the term of the lease and the assumed renewal period.

(c) This amount represents the contractual rent payments for the rented properties which denotes settlement of the amortised lease liabilities and corresponding implicit interest expense over the current financial year.

14 LEASES (CONTINUED)

(B) Company (continued)

Leases as lessee (continued)

(d) This amount represents the implicit effective interest charged on the carrying lease liabilities based on a reducing balance monthly rest basis. This implicit interest expense, equivalent to the assumed discount rate used is excluded from any financial ratio covenants computation.

(e) The ROU assets are classified under non-current asset in the statements of financial position, whilst the lease liabilities are segregated into current and non-current liabilities as follows:

	2026 RM	2025 RM
Current	85,748	79,176
Non-current	219,859	305,607
	305,607	384,783

The Company does not have any lease arrangement to report as a 'Lessor'.

Material accounting policy information

(a) Recognition and measurement

ROU assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Initial direct costs; and
- Decommissioning or restoration costs, if any.

ROU assets that are leasehold land properties are subsequently remeasured based on 'fair value' determination by independent certified real-estate valuers. 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 Company 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.

ROU assets are presented as a separate line item in the statement of financial position. The Company does not have ROU assets that meet the definition of investment properties.

14 LEASES (CONTINUED)

Material accounting policy information (continued)

(b) Lease and non-lease components

Contracts may contain both lease and non-lease components. The Company 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 Company 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.

(c) Recognition exemption

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

15 INVESTMENT PROPERTIES

	Company	
	2026 RM	2025 RM
Leasehold land and buildings		
At 1 July	83,300,000	78,200,000
Additions	-	42,000
Fair value (loss)/gain (Note 7)	(3,100,000)	5,058,000
Transfer to asset held for sale (Note 20)	(30,000,000)	-
At 30 June	50,200,000	83,300,000

The Company's closing fair values on their investment properties are determined based on methods within Level 3 of the fair value hierarchy. Level 3 fair values of the Company's properties were derived using the sales comparison approach in combination with other market value indicators. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is selling price per square foot. Valuation on buildings is based on depreciated replacement cost method. The fair values of the properties at the close of the current financial years have been determined by PA International Property Consultants (KL) Sdn. Bhd., an independent professional valuation firm.

15 INVESTMENT PROPERTIES (CONTINUED)

On 15 June 2026, the Company entered into a conditional sale and purchase agreement with its Steel Tube subsidiary for the disposal of a parcel of leasehold industrial land (PN 121387, Lot 10461) together with the factory buildings thereon (the "Property") for a cash consideration of RM30.0 million. The Property, currently occupied by the subsidiary for its pipe-manufacturing operations known as Factory-3 under an existing tenancy agreement, is expected to be disposed of in the second quarter of the next financial year.

At the Company level, the property was reclassified as assets held for sale as at 30 June 2026 as the criteria for classification under MFRS 5, Non-current Assets Held for Sale, were met.

The Company's investment properties comprise of one separate leasehold land with factory buildings erected thereon, which are rented out to its Steel Tube subsidiary.

Description	Lease expiry date	Remaining leasehold period	Value RM
Lot 49, Jalan Utas 15/17	13.04.2072	46	50,200,000

Direct operating expenses attributable to the rental income generated from these investment properties at Company level totalled RM503,069 (2025: RM451,746).

Minimum lease payments receivable on leases of investment properties are as follows:

	2026 RM	2025 RM
Not later than 1 year	2,100,000	5,040,000
Later than 1 year but not later than 2 years	4,025,000	9,660,000
Total	6,125,000	14,700,000

Material accounting policy information

Investment properties are measured subsequently at fair value with any changes therein recognised in profit or loss for the period in which they arise.

16 INVESTMENTS IN SUBSIDIARIES

	Company	
	2026 RM	2025 RM
Investments in subsidiaries at cost:		
- Quoted shares	87,844,865	87,844,865
- Unquoted shares	22,632,819	22,632,819
	110,477,684	110,477,684
Less: Accumulated impairment losses	(21,962,819)	(21,962,819)
	88,514,865	88,514,865
Market value of quoted shares	53,341,258	72,738,080

Investments in Mycron Steel Berhad ("MSB")

The cost of investment in MSB amounting to RM87.8 million has been assessed for impairment based on a Value in Use ("VIU") model in additions to the market value of the shares which are quoted to determine its recoverable amount. The indicative recoverable amount (based on its VIU) of the respective investments is higher than its carrying amount.

The VIU assessments were performed based on a 5-year cash flow projection extrapolated to perpetuity using a terminal growth rate which was based on the following key assumptions:

	2026 rates		2025 rates	
Assumption	MCRC	MST	MCRC	MST
Terminal growth rate	0%	0%	0%	0%
Pre-tax discount rate	16%	16%	16%	16%

The anticipated sales volume growth rate included in the cashflow projections are based on historical sales and expected growth rate in the industry.

The Directors and management have considered and assessed reasonable variations in the underlying key assumptions used in the computation of the recoverable amount and is satisfied with the headroom of the cost of investments' recoverable amount over its carrying amount.

16 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows:

Name	Principal activities	Group's effective interest	
		2026 %	2025 %
Mycron Steel Berhad ("MSB") [1]	Investment holding and provision of management services to subsidiaries	74.1	74.1
Melewar Steel Services Sdn Bhd ("MSS") [1]	Dormant	100.0	100.0
Melewar Steel Assets Sdn Bhd ("MSA") [1]	Dormant	100.0	100.0
Melewar Metal Trading Sdn Bhd ("MMT") [1]	Providing scrap metals handling services	100.0	100.0
Ausgard Quick Assembly Systems Sdn Bhd ("Ausgard") [1]	Supply and construct quick assembly homes	100.0	100.0
Melewar Imperial Limited ("MIL") [1]	Investment holding	100.0	100.0
3Bumi Sdn Bhd ("3Bumi") [1]	Investment holding	100.0	100.0
Subsidiaries of MSB			
Mycron Steel CRC Sdn Bhd ("MCRC") [1]	Manufacturing and trading of steel cold rolled coils	74.1	74.1
Melewar Steel Tube Sdn Bhd ("MST") [1]	Manufacturing, distribution and trading of steel tubes	74.1	74.1
Silver Victory Sdn Bhd ("SV") [1]	Export and import of other basic iron and steel products	74.1	74.1
Subsidiaries of MIL			
Melewar Steel UK Ltd ("MSUK") [2]	Dormant	100.0	100.0
Jack Nathan Limited ("JNL") [2][3]	UK-based steel tubes distribution and storage solutions	100.0	100.0
Subsidiaries of 3Bumi			
3Bumi Trading Sdn Bhd ("3BT") [1]	Trading of frozen meat and seafood	100.0	100.0
3Bumi Oleo Sdn Bhd ("3BO") [1]	Bottling and distribution of palm olein edible oil	80.0	80.0
3Bumi (Cambodia) Co., Ltd ("3BC") [4]	Food distribution and retail business	100.0	100.0
3Padi Growers Sdn Bhd ("3Padi") [1]	Dormant	100.0	100.0
3Dara Sdn Bhd ("3Dara") [1]	Dormant	100.0	100.0

(1) The entity's principal place of business and country of incorporation is in Malaysia and audited by KPMG PLT Malaysia.

(2) The entity's principal place of business and country of incorporation is in England and Wales which exempts it from statutory audit requirement.

(3) JNL is exempted from audit under the UK laws for small private limited companies.

(4) 3BC's principal place of business and country of incorporation is in Cambodia and exempted from audit under the Cambodian laws for small private limited companies. The entity formally submitted its winding-up notice on 14 July 2026 and is currently awaiting the completion of the tax audit to finalise the liquidation process.

16 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(a) Information relating to subsidiary with a material non-controlling interest

The summarised financial information of MSB is as follows:

	MSB Group	
	2026 RM	2025 RM
Statement of Comprehensive Income		
Revenue for the financial year	763,995,464	721,882,950
Net profit/(loss) for the financial year	12,254,905	(1,295,071)
Total comprehensive profit	14,882,713	5,199,484
Statement of Financial Position		
Current assets	332,458,967	349,503,461
Non-current assets	354,283,126	365,021,507
Current liabilities	(95,313,093)	(138,578,211)
Non-current liabilities	(59,057,633)	(58,458,105)
Net assets	532,371,367	517,488,652
Statement of Cash Flows		
Net operating cash flows	56,246,475	59,294,075
Net investing cash flows	(3,353,382)	(4,363,862)
Net financing cash flows	(45,071,494)	(68,047,421)
Net change in cash and cash equivalents	7,821,599	(13,117,207)
Non-controlling interests effective equity interest	25.9%	25.9%
Carrying amount of non-controlling interests	137,704,180	133,854,588
Net profit/(loss) for the financial year attributable to non-controlling interests of the Group	3,169,877	(334,986)
Total comprehensive income attributable to non-controlling interests of the Group	3,849,591	1,344,908

Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

17 DEFERRED TAX

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 the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Deferred tax assets	949,564	1,005,024	-	-
Deferred tax liabilities				
- deferred tax liabilities to be settled after more than 12 months	(64,156,593)	(61,938,356)	(18,609,183)	(19,367,597)
	(63,207,029)	(60,933,332)	(18,609,183)	(19,367,597)
At 1 July	(60,933,332)	(58,295,693)	(19,367,597)	(18,148,061)
Credited/(Debited) to the profit or loss (Note 11):				
- property, plant and equipment	2,355,432	1,420,812	12,753	(100,567)
- investment properties	-	-	744,000	(1,120,050)
- right-of-use assets	267,469	285,479	20,631	20,632
- net investment in sublease	(328,962)	175,952	-	-
- lease liabilities	150,191	(446,889)	(19,002)	(17,546)
- unutilised tax losses	(1,403,393)	1,349,510	-	-
- unabsorbed capital allowances	-	(834,850)	-	-
- unutilised reinvestment allowance	(3,123,432)	(1,549,559)	-	-
- reversal of deferred tax asset		-		
	(2,082,695)	400,455	758,382	(1,217,531)
(Debited)/Credited to asset revaluation reserve:				
- property, plant and equipment	(127,188)	(927,437)	32	(2,005)
- right-of-use assets	(63,814)	(2,110,657)	-	-
	(2,273,697)	(2,637,639)	(758,414)	(1,219,536)
At 30 June	(63,207,029)	(60,933,332)	(18,609,183)	(19,367,597)

17 DEFERRED TAX (CONTINUED)

The following amounts, determined after appropriate offsetting, are shown in the statements of financial position: (continued)

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Subject to income tax:				
Deferred tax assets (before offsetting):				
- lease liabilities	345,633	195,442	73,346	92,348
- unutilised reinvestment allowance	5,719,541	8,842,973	-	-
- unutilised tax losses	2,814,175	4,217,568	-	-
- unabsorbed capital allowances	-	-	-	-
	8,879,349	13,255,983	73,346	92,348
Offsetting	(7,929,785)	(12,250,959)	(73,346)	(92,348)
Deferred tax assets (after offsetting)	949,564	1,005,024	-	-
Deferred tax liabilities (before offsetting):				
- property, plant and equipment	(44,755,439)	(47,283,683)	(2,281,612)	(2,294,397)
- investment properties	-	-	(16,330,428)	(17,074,428)
- right-of-use assets	(20,206,903)	(20,410,558)	(70,489)	(91,120)
- net investment in sublease	(153,010)	175,952	-	-
	(65,115,352)	(67,518,289)	(18,682,529)	(19,459,945)
Offsetting	7,929,785	12,250,959	73,346	92,348
	(57,185,567)	(55,267,330)	(18,609,183)	(19,367,597)
Subject to real property gains tax:				
Deferred tax liabilities:				
- freehold land	(6,971,026)	(6,671,026)	-	-
Deferred tax liabilities (after offsetting)	(64,156,593)	(61,938,356)	(18,609,183)	(19,367,597)
Deferred tax liabilities (cumulative amount charged to equity)	(14,304,530)	(14,113,528)	(146,842)	(146,874)

Based on the Malaysia Finance Act 2022 gazetted on 31 December 2022, the allowable carry forward period for 'unutilised tax losses' is 10 consecutive years. The Group's "unutilised tax losses" mainly expire in year of assessment ("YA") 2028 and YA 2029. The allowable carry forward period for 'unutilised reinvestment allowance' mainly expires in YA 2029. Our recognition of deferred tax assets in relation to these deductibles is to the extent of foreseeable taxable profits for offset within the legislated time limits.

17 DEFERRED TAX (CONTINUED)

As such, the amount of unutilised tax losses and unutilised capital allowances for which no deferred tax asset is recognised in the statement of financial position are as follows:

	Group	
	2026 RM	2025 RM
Deductible temporary differences	351,883	135,947
Unutilised capital allowances	13,052,220	14,355,719
Unutilised tax losses		
2028	310,705	310,705
2029	111,614	111,614
2030	128,722	128,722
2031	567,854	567,854
2032	2,650,765	2,650,765
2033	4,569,464	3,465,717
2034	2,544,236	2,544,236
2035	4,490,466	4,490,466
2036	4,215,642	-
	32,993,571	28,761,745
Deferred tax assets not recognised at 24% (2025: 24%)	7,918,457	6,902,819

Deductible temporary differences and unutilised capital allowances have no expiry. Deferred tax assets were not recognised as the subsidiaries do not have foreseeable taxable profits against which the deductible temporary differences, unutilised tax losses and unutilised capital allowances can be utilised.

Material accounting policy information

Where investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying values at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

18 INVENTORIES

	Group	
	2026 RM	2025 RM
Raw materials	97,750,470	113,263,234
Work-in-progress	6,925,300	12,984,994
Finished goods	62,573,094	62,520,193
Consumables	11,432,401	10,641,616
	178,681,265	199,410,037

Included in raw materials and finished goods are goods-in-transit amounting to RM15,808,626 (2025: RM35,975,497).

Inventories expensed to 'cost of sales' during the current financial year amounted to RM635,476,773 (2025: RM594,076,271), including inventories written off amounting to RM125,030 (2025: RM1,069,271) primarily due to product expiry and inventories (reversal of)/ inventories written down to net realisable value amounting to RM169,747 (2025: RM169,747).

Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

19 RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Trade receivables [(a)]	82,102,035	83,560,583	-	-
Less: Accumulated impairment	(612,424)	(37,126)	-	-
	81,489,611	83,523,457	-	-
Other receivables [(b)]	2,186,451	1,908,065	20,000	5,250
Less: Accumulated impairment	(723,323)	(701,088)	-	-
	1,463,128	1,206,977	20,000	5,250
Contract advances [(c)]	1,016,206	37,673	-	-
Less: Accumulated impairment	(1,003,117)	-	-	-
	13,089	37,673	-	-
Staff loans	57,527	-	10,900	-
Refundable deposits (d)	873,797	1,074,275	31,819	58,519
Prepayments	553,685	1,837,195	81,189	81,189
	1,485,009	2,911,470	123,908	139,708
Total receivables, deposits and prepayments	84,450,837	87,679,577	143,908	144,958

(a) Based on the Expected Credit Loss ("ECL") model assessment, a few subsidiaries have made impairment allowance and a write-off of its impairment allowance when it was determined to be irrecoverable in the current financial year.

(b) For the current financial year, the Steel Tube subsidiary has made a reversal of impairment on other receivables upon settlement of its outstanding debts. A few subsidiaries have made impairment allowance and a write-off of its impairment allowance when it was determined to be irrecoverable in the current financial year.

(c) For the current financial year, the Group's Food subsidiary made a net impairment charge on contract advances amounting to RM1,003,117 (2025: RM Nil). This impairment arises from commercial disputes and the non-delivery of goods by the respective vendors.

(d) For the current financial year, the Group's Food subsidiary made a net impairment charge on refundable deposits amounting to RM 12,950 (2025: reversal impairment of RM95,150) due to foreign currency exchange translation.

19 RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

The impact on the carrying amount of other receivables presented by the categories of credit risk rating are as follows:

	Performing RM	Under-performing RM	Non-performing RM	Total RM
Group				
2026				
Gross carrying amount	1,463,128	-	723,323	2,186,451
Loss allowance	-	-	(723,323)	(723,323)
Net carrying amount	1,463,128	-	-	1,463,128
2025				
Gross carrying amount	1,206,977	-	701,088	1,908,065
Loss allowance	-	-	(701,088)	(701,088)
Net carrying amount	1,206,977	-	-	1,206,977
Company				
2026				
Gross/Net carrying amount	20,000	-	-	20,000
2025				
Gross/Net carrying amount	5,250	-	-	5,250

20 ASSET CLASSIFIED AS HELD FOR SALE

Investment property of the Company are classified as held for sale in accordance MFRS 5, *Non-Current Assets Held For Sale and Discontinued Operations*. During the year, the Company received the proceeds from the sale of the non-current assets classified as held for sale but certain conditions pursuant to the sale and purchase agreement has not been fulfilled.

	Note	Company 2026 RM
At 1 July 2025		-
Transfer from investment properties	15	30,000,000
At 30 June 2026		30,000,000

21 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
At 1 July	2,954,456	6,396,411	1,154,456	3,796,411
Fair value loss (Note 7)	(545,825)	(2,893,205)	(1,145,825)	(2,093,205)
Interest income	12	1,250	12	1,250
Redemption	(8,643)	(550,000)	(8,643)	(550,000)
At 30 June	2,400,000	2,954,456	-	1,154,456

Group

a) Quoted shares

(i) On 14 June 2022, the Company's listed subsidiary, Mycron Steel Berhad ("MSB") subscribed for 10,000,000 Unitrade Industries Berhad's ("Unitrade") Initial Public Offerings ("IPO") shares at 32.0 sen per share for a total outlay of RM3,200,000, which represented around 0.6% of Unitrade's enlarged post-IPO share capital.

The investment was made by MSB at the recommendation of its steel subsidiaries on the agreement that the steel subsidiaries borne the capital gains/(losses) of the said investment. MSB stands to benefit from its direct 100% holdings in the steel subsidiaries, and any dividends arising from the said investment.

Unitrade is the Steel Tube subsidiary's single largest customer with a long business relation history. Unitrade is unrelated to the Group or any of its Directors or management. Unitrade's share price closed at 24.0 sen per share on 30 June 2026 (2025: 18.0 sen), resulting in a mark-to-market gain of RM600,000 (2025: loss of RM800,000) charged to the Group's statement of comprehensive income (Note 7). The fair value of the investment in Unitrade as at 30 June 2026 is RM2,400,000 (2025: RM1,800,000).

This investment is also reflected in Note 5 as a financial instrument fair valued at Level 1 hierarchy. There is no holding-period moratorium on the investment, and MSB is free to deal as it sees fit.

(ii) As at 30 June 2026, KNM share has delisted from Bursa Malaysia as resulting in a mark-to-market loss of RM1,146,000 (2025: RM2,101,000) charged to the Company's statement of comprehensive income for the current financial year (Note 7).

The fair value of the investment in KNM as at 30 June 2026 is RM Nil (2025: RM1,146,000).

This investment is reflected in Note 5 as a financial instrument fair valued at Level 1 hierarchy.

21 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Group (continued)

b) Investment funds

The investment funds generated interest income of RM12 (2025: RM1,250) during the financial year. A fair value gain of RM175 (2025: RM7,795) was recorded at the end of the current financial year, as disclosed in Note 7 to the financial statements.

During the year, the Company has redeemed the invested amount of RM8,643 (2025: RM550,000). The fair value of the investment funds as at 30 June 2026 was RM Nil (2025: RM8,456).

This investment is reflected in Note 5 as a financial instrument fair valued at Level 2 hierarchy.

22 DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

Group

The Group's derivatives comprise solely of Forward Foreign Currency Exchange Contracts incepted to hedge its foreign currency exposures arising mainly from purchases of raw materials in USD and partially from export sales in SGD, as disclosed in Note 4(e) to the financial statements. These Forward Foreign Currency Exchange Contracts generally have a maturity period of less than 6 months and their fair values are classified under current assets/(liabilities) by way of marking-to-market.

	Group			
	2026		2025	
	Assets RM	Liabilities RM	Assets RM	Liabilities RM
Forward foreign currency exchange contract - fair value hedge (designated)	1,284,751	(375,336)	472,390	(558,772)
Forward foreign currency exchange contract - fair value through profit and loss (not designated)	18,763	(20,737)	1,333	(7,921)
	1,303,514	(396,073)	473,723	(566,693)

Material accounting policy information

Foreign currency hedges which meet qualifying criteria under MFRS 9 are designated on inception for fair value hedge accounting where the changes in fair value for both the hedge items and the hedge instruments are charged to the statement of comprehensive income, and closing fair values are recognised in the statements of financial position as either current financial assets or liabilities.

22 DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) (CONTINUED)

Details on the Group's unrealised currency derivatives are outlined below:

(i) Derivatives designated and fair value hedge accounted

As at 30 June 2026

Forward foreign currency exchange contracts as hedge instrument

Maturity period of contract	Notional value long USD	Average contracted rate USD/RM	Fair value	
			Financial assets RM	Financial liabilities RM
July 2026	13,459,971	3.9827	1,236,636	(76,500)
August 2026	7,080,000	4.0679	45,762	(162,255)
September 2026	319,000	4.1103	2,353	(24,741)
Total	20,858,971		1,284,751	(260,496)

Contracted payment obligation and/or trade payables as hedge item

Maturity period of contract	Notional value long USD	Average contracted rate USD/RM	Fair value	
			Financial assets RM	Financial liabilities RM
July 2026	13,459,971	3.9827	76,500	(1,236,636)
August 2026	7,080,000	4.0679	162,255	(45,762)
September 2026	319,000	4.1103	21,741	(2,353)
Total	20,858,971		260,496	(1,284,751)

Net fair value gain from the hedging instruments of RM1,024,255 and the corresponding net fair value loss from the hedged item of RM1,024,255 are taken-up in the statement of comprehensive income as net off-set.

Forward foreign currency exchange contracts as hedge instrument

Maturity period of contract	Notional value long USD	Average contracted rate USD/RM	Fair value	
			Financial assets RM	Financial liabilities RM
August 2026	990,000	3.9332	-	(114,840)
Total	990,000		-	(114,840)

Contracted receivables and/or trade receivables as hedge item

Maturity period of contract	Notional value long USD	Average contracted rate USD/RM	Fair value	
			Financial assets RM	Financial liabilities RM
August 2026	990,000	3.9332	114,840	-
Total	990,000		114,840	-

Net fair value loss from the hedging instruments of RM114,840 and the corresponding net fair value gain from the hedged item of RM114,840 are taken-up in the statement of comprehensive income as net off-set.

22 DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) (CONTINUED)

Details on the Group's unrealised currency derivatives are outlined below: (continued)

(i) Derivatives designated and fair value hedge accounted (continued)

As at 30 June 2025

Forward foreign currency exchange contracts as hedge instrument

Maturity period of contract	Notional value long USD	Average contracted rate USD/RM	Fair value	
			Financial assets RM	Financial liabilities RM
July 2025	9,638,000	4.2753	3,340	(488,165)
August 2025	6,190,000	4.2314	-	(70,607)
Total	15,828,000		3,340	(558,772)

Contracted payment obligation and/or trade payables as hedge item

Maturity period of contract	Notional value long USD	Average contracted rate USD/RM	Fair value	
			Financial assets RM	Financial liabilities RM
July 2025	9,638,000	4.2753	488,165	(3,340)
August 2025	6,190,000	4.2314	70,607	-
Total	15,828,000		558,772	(3,340)

Net fair value loss from the hedging instruments of RM555,432 and the corresponding net fair value gain from the hedged item of RM555,432 were taken-up in the statement of comprehensive income as net off-set.

Forward foreign currency exchange contracts as hedge instrument

Maturity period of contract	Notional value long USD	Average contracted rate USD/RM	Fair value	
			Financial assets RM	Financial liabilities RM
July 2025	1,900,000	4.4149	371,450	-
August 2025	1,000,000	4.2196	97,600	-
Total	2,900,000		469,050	-

Contracted receivables and/or trade receivables as hedge item

Maturity period of contract	Notional value long USD	Average contracted rate USD/RM	Fair value	
			Financial assets RM	Financial liabilities RM
July 2025	1,900,000	4.4149	-	(371,450)
August 2025	1,000,000	4.2196	-	(97,600)
Total	2,900,000		-	(469,050)

Net fair value gain from the hedging instruments of RM469,050 and the corresponding net fair value loss from the hedged item of RM469,050 were taken-up in the statement of comprehensive income as net off-set.

22 DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) (CONTINUED)

Details on the Group's unrealised currency derivatives are outlined below: (continued)

(ii) Derivatives not designated and not hedge accounted

As at 30 June 2026

Forward foreign currency exchange contracts as undesignated hedge instrument

Maturity period of contract	Notional value short SGD	Average contracted rate SGD/RM	Fair value	
			Financial assets RM	Financial liabilities RM
July 2026	285,000	3.1279	12,330	(1,013)
August 2026	285,000	3.1321	-	(4,344)
September 2026	285,000	3.1355	-	(7,880)
October 2026	280,000	3.1394	3,204	(636)
November 2026	280,000	3.1436	-	(5,134)
December 2026	280,000	3.1457	3229	(1,730)
Total	1,695,000		18,763	(20,737)

These derivatives were not hedge accounted primarily due to the late inception of these hedging instruments which gave rise to timing and basis-rate mismatch between the intended hedge items and the contracted foreign exchange rate.

As at 30 June 2025

Forward foreign currency exchange contracts as undesignated hedge instrument

Maturity period of contract	Notional value short SGD	Average contracted rate SGD/RM	Fair value	
			Financial assets RM	Financial liabilities RM
July 2025	175,000	3.3147	878	(281)
August 2025	125,000	3.2875	180	(3,530)
September 2025	125,000	3.2898	125	(3,810)
October 2025	125,000	3.3198	150	(300)
Total	550,000		1,333	(7,921)

23 AMOUNTS DUE FROM/(TO) SUBSIDIARIES

The amounts due from/(to) subsidiaries are generally unsecured and interest free.

Intercompany balances which are trade in nature are subject to credit terms between 30 to 90 days (2025: 30 to 90 days) whilst, non-trade transactions are repayable upon demand. For the current and the comparative preceding reporting period, there were no outstanding balances in relation to trade.

	Company	
	2026 RM	2025 RM
Amounts due from subsidiaries: [a]		
Non-trade	37,527,037	34,398,888
Less: Accumulated impairment (Note 4(c)(iv)) [b]	(37,522,124)	(34,391,301)
	4,913	7,587
Amounts due to subsidiaries: [c]		
Non-trade	(4,219,760)	(4,112,648)

[a] The 'amounts due from subsidiaries' for the current financial year comprise mostly advances, and charge-back of payments made on behalf.

[b] During the current financial year, the Company made impairment charges on the advances made to its subsidiaries of RM3,130,823 (2025: RM3,691,361) due to non-performance.

[c] The 'amounts due to subsidiaries' comprise mainly of advance given by subsidiaries to the Company.

24 CASH AND CASH EQUIVALENTS

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Deposits with licensed banks	47,011,464	26,972,989	-	-
Cash and bank balances	17,243,905	30,228,715	35,579	340,423
Cash and cash equivalents	64,255,369	57,201,704	35,579	340,423

24 CASH AND CASH EQUIVALENTS (CONTINUED)

The weighted average placement interest rates that are effective at the reporting date are as follows:

	Group		Company	
	2026 % per annum	2025 % per annum	2026 % per annum	2025 % per annum
Deposits with licensed banks	2.75	3.01	-	-

These unrestricted deposits with licensed banks of the Group and of the Company are mainly in the forms of short-term fixed deposits and money market REPO (repurchase agreements) having placement periods ranging between 7 and 57 days (2025: 10 and 64 days). The Company does not have any money market REPO at the close of the current financial year.

25 PAYABLES AND ACCRUED LIABILITIES

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Trade payables	21,971,794	39,072,544	-	-
Other payables	10,015,314	8,479,911	844,230	284,506
Shareholder's advances	-	950,000	-	950,000
Accruals	6,682,348	8,409,559	743,285	576,295
Provision for onerous contract	122,178	-	-	-
Provision for restoration costs	119,000	149,950	-	-
Deposit received	3,307,731	863,873	567,500	567,500
	42,218,365	57,925,837	2,155,015	2,378,301

Shareholder's advances comprise of a temporary bridging loan of RM5.0 million obtained from a major shareholder, Melewar Khyra Sdn Bhd with interests payable at 8.00% per annum. On 19 December 2025, the Company fully settled the remaining outstanding balance of the loan.

The remaining payables and accrued liabilities are generally interest free and within accorded interest free credit periods ranging between cash term to 60 days (2025: cash term to 60 days).

The Group recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract. During the financial year, one of the subsidiary have recognises a provision of onerous contract amounting RM122,178 (2025: RM Nil).

26 CONTRACT LIABILITIES

	Group	
	2026 RM	2025 RM
Contract liabilities	10,928,153	423,255

The contract liabilities reflect the Group's outstanding obligations in relation to consideration received from contracts comprising mostly of upfront non-refunded deposits.

Significant changes to contract liabilities during the financial year are as follows:

	Group	
	2026 RM	2025 RM
At 1 July	423,255	338,805
- considerations received	13,695,058	2,309,424
- revenue recognised	(3,190,160)	(2,224,974)
At 30 June	10,928,153	423,255
Composition of closing contract liabilities:		
- payment received or receivable for work not performed	10,928,153	423,255

The Group applies the practical expedient in MFRS 15 "Revenue from Contracts with Customers" for not disclosing the aggregate amount of the revenue expected to be recognised in the future as the contracted performance obligation would be fulfilled in less than one year.

Revenue from contract with customers of the Group of RM423,255 (2025: RM338,805) recognised in the current financial year relates to brought forward contract liabilities.

27 BORROWINGS

The Company does not have any borrowings from financial institutions. The Group's borrowings as tabulated below are incepted directly by the operations at subsidiary level.

	Group	
	2026 RM	2025 RM
Current		
Bankers' acceptance	35,910,000	68,430,000
Hire-purchase creditors	1,228,489	1,523,940
Mortgage loan	2,751,959	8,038,578
Factoring	3,651,037	1,101,774
	43,541,485	79,094,292
Non-current		
Hire-purchase creditors	574,154	1,422,247
Mortgage loan	2,968,859	-
	3,543,013	1,422,247
Total		
Bankers' acceptance	35,910,000	68,430,000
Hire-purchase creditors	1,802,643	2,946,187
Mortgage loan	5,720,818	8,038,578
Factoring	3,651,037	1,101,774
	47,084,498	80,516,539

The Group's total interest cost attributed to the above borrowings for the current financial year is RM4.0 million (2025: RM5.4 million). The Group does not have any overdue position on the outstanding borrowings from financial institutions.

The carrying amounts of the borrowings approximate their fair values as at the reporting date.

27 BORROWINGS (CONTINUED)

Contractual terms of borrowings

	Contractual interest rate at reporting date per annum	Functional currency/ exposure	Total carrying amount RM	< 1 year RM	1 - 2 years RM	2 - 3 years RM	3 - 4 years RM	4 - 5 years RM
Group								
At 30 June 2026								
Secured								
- Bankers' acceptance [(a)]	4.14% - 4.64%	RM	35,910,000	35,910,000	-	-	-	-
- Hire-purchase creditors	1.75% - 2.72%	RM	1,802,643	1,228,489	493,368	52,643	28,143	-
- Mortgage loan [(b)]	5.65%	RM	5,720,818	2,751,959	2,322,289	646,570	-	-
- Factoring [(c)]	15.00%	RM	3,651,037	3,651,037	-	-	-	-
			47,084,498	43,541,485	2,815,657	698,213	28,143	-
At 30 June 2025								
Secured								
- Bankers' acceptance [(a)]	4.45% - 5.04%	RM	68,430,000	68,430,000	-	-	-	-
- Hire-purchase creditors	1.75% - 2.70%	RM	2,946,187	1,523,940	982,910	378,642	32,205	28,490
- Mortgage loan [(b)]	5.91%	RM	8,038,578	8,038,578	-	-	-	-
- Factoring [(c)]	15.00%	RM	1,101,774	1,101,774	-	-	-	-
			80,516,539	79,094,292	982,910	378,642	32,205	28,490

(a) The term loan and a portion of the bankers' acceptance are secured with fixed and floating charge via a debenture by the Cold Rolled Coil subsidiary. A portion of the bankers' acceptance is secured with fixed and floating charge via a separate debenture by the Steel Tube subsidiary (Note 13(iii)).

(b) Mortgage loan is taken by the Steel Tube subsidiary and secured against a corporate guarantee from its immediate holding company, Mycron Steel Berhad and a first party open charge on the leasehold land and building.

(c) Factoring facility taken by the Group's Food segment.

27 BORROWINGS (CONTINUED)

Contractual terms of borrowings (continued)

	Group	
	2026 RM	2025 RM
Total carrying amount		
Secured	47,084,498	80,516,539

At amortised cost

The carrying amount of the borrowings approximated their fair values at reporting date.

The weighted average contracted interest rates of borrowings at the reporting date are as follows:

	Group	
	2026 per annum	2025 per annum
Bankers' acceptance	4.51%	4.64%
Hire-purchase creditors	2.43%	2.45%
Mortgage loan	5.56%	5.91%
Factoring	15.00%	15.00%

The stated contractual interest rate for the hire-purchase is at 'flat-rate', whilst the rest are on 'reducing balance' basis.

27 BORROWINGS (CONTINUED)

The details of the hire-purchase creditors at the reporting date are as follows:

	Group	
	2026 RM	2025 RM
Future minimum lease payment of hire-purchase creditors:		
Payable within one year	1,304,976	1,668,480
Payable between one and two years	509,680	1,040,878
Payable between two and three years	55,320	389,764
Payable between three and four years	28,747	34,320
Payable between four and five years	-	29,093
	1,898,723	3,162,535
Less: Future finance charges	(96,080)	(216,348)
Present value	1,802,643	2,946,187
Carrying amount of hire-purchase creditors:		
Payable within one year	1,228,489	1,523,940
Payable between one and two years	493,368	982,910
Payable between two and three years	52,643	378,642
Payable between three and four years	28,143	32,205
Payable between four and five years	-	28,490
Carrying amount	1,802,643	2,946,187

Hire-purchase creditors are effectively secured as the rights to assets revert to the lessors in the event of default.

28 SHARE CAPITAL

	Group/Company			
	2026		2025	
	Number of shares	Nominal value RM	Number of shares	Nominal value RM
Issued and fully paid with no par value				
At 1 July/30 June	359,456,103	253,791,194	359,456,103	253,791,194

29 ASSETS REVALUATION RESERVE

The assets revaluation reserve is used to record changes on fair value surplus of the Group's property, plant and equipment (see Note 13) and right-of-use assets (see Note 14) pursuant to its annual independent revaluation. In the event of a sale of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings.

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
At 1 July	103,510,464	93,294,724	465,111	458,761
Revaluation surplus/(deficit) on:				
- property, plant and equipment	2,279,944	6,139,323	(135)	8,355
- right-of-use assets	265,892	8,794,405	-	-
Deferred tax:				
- property, plant and equipment	(127,188)	(927,437)	32	(2,005)
- right-of-use assets	(63,814)	(2,110,657)	-	-
Non-controlling interests share in evaluation surplus on:				
- property, plant and equipment	(575,036)	(1,210,632)	-	-
- right-of-use assets	(104,678)	(469,262)	-	-
At 30 June	105,185,584	103,510,464	465,008	465,111

30 DEFERRED INCOME ON GRANT

	Group	
	2026 RM	2025 RM
At 1 July	7,756,435	8,103,935
Recognised in profit or loss (Note 7)	(347,500)	(347,500)
At 30 June	7,408,935	7,756,435
Analysed as:		
- Non-current	7,408,935	7,756,435

In financial year 2021, the Group's Cold Rolled Coil subsidiary received a government grant of RM6,100,000 under the Domestic Investment Strategic Fund for its qualifying 'high technology' investments on plant and equipment while the balance of the grant of RM3,900,000 was received in the financial year 2024. The grant received is recorded as 'deferred income on grant' under non-current liabilities and to be amortised to profit or loss over the useful life of the assets in tandem with its depreciation. There were no further outstanding unrecognised grants under application or processing in the current financial year.

Material accounting policy information

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income on grant and they are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

31 SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant transactions with related parties.

The Group has a controlling related party relationship with its subsidiaries.

The Director of the Company, Tunku Dato' Yaacob Khyra have or deemed to have financial interests in the companies set out below and thus these companies are deemed to be the related parties to the Group:

- Trace Management Services Sdn Bhd
- MAA Corporation Sdn Bhd
- MAAX Factor Sdn Bhd
- Melewar Khyra Sdn Bhd
- KNM Group Berhad

31 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with related parties during the financial year based on agreed terms and prices are as follows (stated as debit or (credit) against the counterparty):

Entity	Type of transaction	Group 2026 RM	Group 2025 RM
Trade related – received/receivable			
Related companies			
MAAX Factor Sdn Bhd	Factoring proceeds	4,256,723	2,989,485
	Interest charged	398,744	107,332
Melewar Khyra Sdn Bhd	Shareholder's advances	-	950,000
	Interest charged	35,815	228,921
Non-trade related – paid/payable			
Related companies			
Trace Management Services Sdn Bhd	Corporate secretarial services	(278,459)	(362,098)
MAA Corporation Sdn Bhd	Rental	(125,505)	(160,600)

Entity	Type of transaction	Company 2026 RM	Company 2025 RM
Trade related – received/receivable			
Subsidiaries			
Melewar Steel Tube Sdn Bhd	Rental income	5,040,000	5,040,000
	Management fee income	1,260,000	1,260,000
	Payment received	(6,300,000)	(6,300,000)
Mycron Steel CRC Sdn Bhd	Management fee income	1,260,000	1,260,000
	Payment received	(1,260,000)	(1,260,000)
Melewar Metal Trading Sdn Bhd	Management fee income	360,000	330,000
	Dividend income	-	200,000

31 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with related parties during the financial year based on agreed terms and prices are as follows (stated as debit or (credit) against the counterparty): (continued)

Entity	Type of transaction	Company 2026 RM	Company 2025 RM
Non-trade related – received/ receivable			
Subsidiaries			
Melewar Steel Tube Sdn Bhd	Expenses paid on behalf	67,333	437,333
	Advances repaid	(70,007)	(433,213)
Mycron Steel CRC Sdn Bhd	Expenses paid on behalf	13,271	11,884
	Advances repaid	(13,256)	(11,884)
Melewar Steel Assets Sdn Bhd	Advances given	10,000	8,000
	Interest charged	4,235	4,151
Melewar Imperial Limited	Advances given	778,767	1,040,343
	Expenses paid on behalf	108,109	111,492
	Interest charged	486,934	487,379
Ausgard Quick Assembly Systems Sdn Bhd	Advances given	252,200	80,000
	Expenses paid on behalf	106,181	1,371
	Interest charged	36,071	33,079
	Advance repaid	(6,000)	(308)
3Bumi Sdn Bhd	Advances given	332,833	738,863
	Advances repaid	(71,297)	(104,089)
	Expenses paid on behalf	153,592	280,192
	Interest charged	939,200	1,012,441

31 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with related parties during the financial year based on agreed terms and prices are as follows (stated as debit or (credit) against the counterparty): (continued)

Entity	Type of transaction	Company	
		2026 RM	2025 RM
Trade related – paid/payable			
Subsidiaries			
Mycron Steel CRC Sdn Bhd	Advances received	1,135,000	1,685,000
	Expenses paid on behalf	2,901	-
Non-trade related – paid/payable			
Subsidiaries			
Melewar Metal Trading Sdn Bhd	Advances received	1,180,000	670,000
	Expenses paid on behalf	32,841	-
Melewar Steel Services Sdn Bhd	Advances received	15,000	150,000
	Interest Charged	30,194	26,045
Melewar Steel Tube Sdn Bhd	Advances repaid	(1,506)	(15,920)
	Expenses paid on behalf	72,296	19,690
Related companies			
Trace Management Services Sdn Bhd	Corporate secretarial services	(60,000)	(164,811)
MAA Corporation Sdn Bhd	Rental	(125,505)	(140,566)
Melewar Khyra Sdn Bhd	Shareholder's advances	-	950,000
	Interest charged	35,815	228,921

31 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Significant outstanding balances arising from the above are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Amounts due from subsidiary				
Melewar Steel Tube Sdn Bhd	-	-	4,913	7,587
Amounts due to subsidiaries				
Melewar Steel Services Sdn Bhd	-	-	721,239	676,045
Melewar Metal Trading Sdn Bhd (formerly known as Melewar Steel Mills Sdn Bhd)	-	-	2,285,960	1,750,000
Mycron Steel CRC Sdn Bhd	-	-	1,137,886	1,685,000
3Bumi Trading Sdn Bhd	-	-	2,860	578
Melewar Steel Tube Sdn Bhd	-	-	71,815	1,025
	-	-	4,219,760	4,112,648
Amount due to other related parties				
Trace Management Services Sdn Bhd [(a)]	352,876	177,151	351,228	177,043
Melewar Khyra Sdn Bhd	-	990,208	-	990,208
	352,876	1,167,359	351,228	1,167,251
Borrowings				
MAAX Factor Sdn Bhd [(b)]	3,891,406	1,126,093	-	-

[(a)] Included in the amount due to Trace Management Services Sdn Bhd are the other payables for secretarial fees amounting to RM267,576 (2025: RM103,857) at the Group level and RM265,928 (2025: RM103,751) at the Company level, as well the accruals for secretarial fees of RM85,300 (2025: RM73,292) for both the Group and the Company.

[(b)] Included in the amount due to MAAX Factor Sdn Bhd is the interest payable of RM240,368 (2025: RM24,319).

31 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(c) The Directors of the Company are of the opinion that the above transactions and balances were carried out on terms and conditions negotiated and agreed amongst the related parties.

(d) Key management personnel are those persons, having the authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly and thus are considered related parties of the Group and of the Company. Remuneration details of the key management personnel of the Group and of the Company comprising all Directors and Non-Director Executives are set out below.

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Salaries, bonuses and other emoluments	10,619,061	12,681,426	1,849,628	1,918,592
Allowances	423,607	459,638	144,634	147,298
Estimated monetary value of benefits-in-kind	93,871	103,860	29,714	34,082
Defined contribution plan	1,464,122	1,779,283	187,531	197,596
	12,600,661	15,024,207	2,211,507	2,297,568

32 SEGMENTAL ANALYSES

Reportable Segments

(a) The Steel Tube segment is in the business of manufacturing and sales of steel pipes and tubes.

(b) The Cold Rolled Coil segment is in the business of manufacturing and sales of cold rolled coils.

(c) The investment holding segment refers to companies with investments in subsidiaries, and companies with investments in quoted and unquoted equity securities.

(d) 'Others' comprise of companies involved in the food, trade retail business, modular construction, and metal scraps trading businesses; plus dormant companies, where sectorally they do not meet the minimum financial thresholds to be reported separately as a material segment.

The reported segments are strategic business units offering different products and services, and are managed separately. The Group's Executive Committee comprising key functional heads and Executive Directors monitors the operating results of the strategic business units as well as relying on the segmental information as disclosed below for purposes such as resource allocation and performance assessment.

The Directors are of the opinion that all inter segment transactions are entered into in the normal course of business and are established on negotiated terms and conditions agreed between the related parties. Geographic segment is not applicable as the business of the Group are substantially carried out in Malaysia.

32 SEGMENTAL ANALYSES (CONTINUED)

	Steel tube RM	Cold rolled coil RM	Investment holding RM	Others RM	Total RM
2026					
Revenue					
Total revenue	278,415,605	512,269,921	15,669,362	6,216,425	812,571,313
Inter segment	-	(26,690,062)	(15,669,362)	(1,221,024)	(43,580,448)
Total revenue	278,415,605	485,579,859	-	4,995,401	768,990,865
Segmented by steel products:					
- cold rolled coils	-	473,749,979	-	-	473,749,979
- steel tubes and pipes	273,133,595	-	-	13,073	273,146,668
- steel scraps and by-products	2,164,583	11,346,035	-	-	13,510,618
Processing service income	3,117,427	483,845	-	-	3,601,272
Trading of foods	-	-	-	4,854,602	4,854,602
Lease rental income	-	-	-	127,726	127,726
Total revenue	278,415,605	485,579,859	-	4,995,401	768,990,865
Segment results					
Profit from operations	3,256,767	14,377,339	(5,920,155)	(3,137,824)	8,576,127
Gain/(Loss) on investment in quoted shares	300,000	300,000	(1,145,825)	-	(545,825)
Finance income	710,556	1,102,765	2,389,913	72,465	4,275,699
Finance costs	(2,821,508)	(1,224,196)	(1,068,430)	(1,935,416)	(7,049,550)
Total profit/(loss) before tax	1,445,815	14,555,908	(5,744,497)	(5,000,775)	5,256,451
Consolidation elimination *	9,899,851	6,435,029	(10,717,933)	(1,381,224)	4,235,723
External profit/(loss) before tax	11,345,666	20,990,937	(16,462,430)	(6,381,999)	9,492,174
Tax expense	536,062	(3,477,696)	(741,412)	(57,430)	(3,740,476)
Net profit/(loss) after tax	11,881,728	17,513,241	(17,203,842)	(6,439,429)	5,751,698

* Major items include net intercompany impairments of RM2,365,098, impairment on investment in a subsidiary of RM805,700, reversal of fair value loss on investment properties of RM3,100,000, intercompany elimination of depreciation on ROU assets of RM4,463,813 and recognition of depreciation of RM2,222,675 arising from conversion of investment properties ("IP") to property, plant and equipment ("PPE") at Group level and inter segment elimination.

32 SEGMENTAL ANALYSES (CONTINUED)

	Steel tube RM	Cold rolled coil RM	Investment holding RM	Others RM	Total RM
2026					
Segment assets					
Total segment assets	265,558,510	422,894,032	84,913,011	4,130,899	777,496,452
Consolidation elimination #	(38,918,604)	(6,937,115)	639,159	(921,456)	(46,138,016)
Total segment assets	226,639,906	415,956,917	85,552,170	3,209,443	731,358,436
Other information					
Depreciation:					
- property, plant and equipment	3,532,736	10,696,025	941,791	(30,253)	15,140,299
- right-of-use assets	4,996,301	-	1,519,366	(4,040,659)	2,475,088
Impairment (reversal)/loss:					
- property, plant and equipment	(83,619)	117,583	(3,350)	175,408	206,022
- right-of-use assets	-	-	-	248,203	248,203
- trade receivables	-	-	-	584,212	584,212
- other receivables	-	-	-	80,228	80,228
- contract advances	-	-	-	1,003,117	1,003,117
Additions of property, plant and equipment	2,408,131	3,336,904	36,941	(70,675)	5,711,301

Relates to reversal of fair value gain of IP of RM50,200,000 recognised as PPE at Group level, reversal of assets classified as held-for-sale of RM30,000,000 recognised as PPE at Group level, reversal of intangible assets of RM27,507,403 and offset by the elimination of intercompany ROU assets of RM62,805,235 at Group level.

32 SEGMENTAL ANALYSES (CONTINUED)

	Steel tube RM	Cold rolled coil RM	Investment holding RM	Others RM	Total RM
2025					
Revenue					
Total revenue	244,983,954	498,743,290	16,050,346	8,465,451	768,243,041
Inter segment	-	(21,844,294)	(16,050,346)	(1,499,540)	(39,394,180)
Total revenue	244,983,954	476,898,996	-	6,965,911	728,848,861
Segmented by steel products:					
- cold rolled coils	-	465,300,601	-	-	465,300,601
- steel tubes and pipes	241,275,855	-	-	24,870	241,300,725
- steel scraps and by-products	1,854,298	11,228,802	-	-	13,083,100
Processing service income	1,853,801	369,593	-	-	2,223,394
Trading of foods	-	-	-	6,806,066	6,806,066
Lease rental income	-	-	-	134,975	134,975
Total revenue	244,983,954	476,898,996	-	6,965,911	728,848,861
Segment results					
Profit from operations	(3,830,826)	7,780,398	1,336,103	(4,959,241)	326,434
Loss on investment in quoted shares	(400,000)	(400,000)	(2,093,205)	-	(2,893,205)
Finance income	484,667	1,095,459	2,534,886	60,775	4,175,787
Finance costs	(3,903,222)	(2,926,634)	(1,339,645)	(1,814,893)	(9,984,394)
Total (loss)/profit before tax	(7,649,381)	5,549,223	438,139	(6,713,359)	(8,375,378)
Consolidation elimination *	10,474,534	7,670,184	(18,605,138)	1,077,580	617,160
External profit/(loss) before tax	2,825,153	13,219,407	(18,166,999)	(5,635,779)	(7,758,218)
Tax expense	2,095,382	(1,771,917)	(852,316)	(103,975)	(632,826)
Net profit/(loss) after tax	4,920,535	11,447,490	(19,019,315)	(5,739,754)	(8,391,044)

* Major items include net intercompany impairments of RM6,653,650, reversal of fair value gain on investment properties of RM5,058,000, intercompany elimination of depreciation on ROU assets of RM4,463,813 and recognition of depreciation of RM2,031,058 arising from conversion of investment properties ("IP") to property, plant and equipment ("PPE") at Group level and inter segment elimination.

32 SEGMENTAL ANALYSES (CONTINUED)

	Steel tube RM	Cold rolled coil RM	Investment holding RM	Others RM	Total RM
2025					
Segment assets					
Total segment assets	277,432,049	429,313,812	89,177,244	7,573,445	803,496,550
Consolidation elimination #	(37,835,118)	(4,364,503)	141,750	(1,600,572)	(43,658,443)
Total segment assets	239,596,931	424,949,309	89,318,994	5,972,873	759,838,107
Other information					
Depreciation:					
- property, plant and equipment	3,439,325	9,960,891	880,369	503,945	14,784,530
- right-of-use assets	487,092	-	1,393,275	489,699	2,370,066
Impairment (reversal)/loss:					
- property, plant and equipment	(320,718)	1,011,622	(5,403)	16,794	702,295
- trade receivables	-	-	-	(28,676)	(28,676)
- other receivables	(12,000)	-	-	24,477	12,477
Additions of property, plant and equipment	3,287,225	5,766,884	68,731	388,735	9,511,575

Relates to reversal of fair value gain of IP of RM83,300,000 recognised as PPE at Group level, reversal of intangible assets of RM27,507,403 and offset by the elimination of intercompany ROU assets of RM60,041, at Group level.

32 SEGMENTAL ANALYSES (CONTINUED)

A reconciliation of the segment assets to the total assets is as follows:

	Group	
	2026 RM	2025 RM
Segment assets	731,358,436	759,838,107
Derivatives financial assets	1,303,514	473,723
Deferred tax assets	949,564	1,005,024
Current tax receivables	1,186,150	3,125,931
	734,797,664	764,442,785

Information about major customers

Revenue from two major customers amounting to RM49.5 million (2025: RM92.4million) and RM97.6 million (2025 RM86.5 million) contributed to 19% (2025: 29%) of the Group's revenue. These two major customers are each from the Cold Rolled Coil segment and the Steel Tube segment.

Geographic Areas

Although the Group's businesses are carried out entirely in Malaysia for the domestic market, its Steel Tube and Cold Rolled Coil segments also serve foreign markets where feasible. The Group's export sales exceed the threshold of 10% or more of total revenue, warranting further analysis by geographic segments:

	Year-to-Date Revenue			
	Steel tube RM	Cold rolled coil RM	Others RM	Total RM
2026				
Malaysia	236,673,062	453,926,032	4,764,259	695,363,353
ASEAN *	41,478,353	-	40,079	41,518,432
Non-ASEAN	264,190	31,653,827	191,063	32,109,080
Total external revenue	278,415,605	485,579,859	4,995,401	768,990,865
2025				
Malaysia	214,212,751	339,295,196	6,727,498	560,235,445
ASEAN *	28,964,374	-	27,656	28,992,030
Non-ASEAN	1,806,829	137,603,800	210,757	139,621,386
Total external revenue	244,983,954	476,898,996	6,965,911	728,848,861

* ASEAN: Association of South East Asian Nations

Non-current assets of the Group are mainly located in Malaysia.

33 FINANCIAL GUARANTEES

As at 30 June 2026, the Company has corporate guarantees issued to lenders for suppliers' credit extended to its Steel Tube subsidiary amounting to RM15,000,000 (2025: RM22,300,000).

34 MATERIAL LITIGATION, COMMITMENTS AND CONTINGENT LIABILITIES

(a) Litigation

(i) Cold Rolled Coil (700-1,300mm) (South Korea & Vietnam)

On 29 November 2023, the Company's Cold Rolled Coil subsidiary ("CRC Subsidiary") was granted leave by the Kuala Lumpur High Court to commence judicial review proceedings challenging the decision of the Ministry of Investment, Trade and Industry ("MITI") to remove the anti-dumping duties imposed on CRC imported from South Korea and Vietnam. Concurrently, the High Court granted a stay of MITI's decision pending the final outcome of the proceedings. Following the filing, certain South Korean and Vietnamese parties (which were not originally named in the action) applied to intervene and for redaction. The Court subsequently set timelines for the applicants, respondents and interveners to complete the filing of affidavits, affidavits in reply and written submissions. The hearing of the judicial review application, originally fixed for 8 May 2025, has since been re-scheduled on several occasions, with case management sessions held in between (8 December 2025; 11 March 2026 case management; 18 May 2026 case management; and hearings on 22 June 2026 and 22 July 2026). It is presently fixed for hearing on 21 September 2026.

(ii) Narrow Cold Rolled Coil (below 700mm) (China)

On 29 September 2025, the CRC Subsidiary filed an anti-dumping petition with MITI in respect of imports of narrow cold rolled coil (below 700mm) originating from China, that circumvents existing antidumping duties on larger sizes. MITI rejected the petition on 28 October 2025 on the grounds that the petitioner does not produce such smaller sizes. On 27 January 2026, the CRC Subsidiary filed an application for judicial review at the Kuala Lumpur High Court in respect of MITI's determination. On 23 June 2026, the High Court granted the CRC Subsidiary leave to proceed with the judicial review and the hearing has been scheduled for 23 February 2027.

(iii) Anti-Dumping Investigation (Mexico)

On 16 February 2026, the Mexican investigating authority (Unidad de Prácticas Comerciales Internacionales, "UPCI") initiated an anti-dumping investigation into imports of cold rolled coil from three countries, including Malaysia, covering the period of investigation from 1 April 2024 to 31 March 2025. Although the Group's presence in the Mexican market has been limited since 2025, following Mexico's broad revision of its steel mill registrations which gave rise to uncertainty among importers on the importation requirements, the CRC Subsidiary elected to participate in the proceedings, having regard to the Group's interests and Malaysia's position under the CPTPP, to which both nations are parties. As advised by the Group's Mexican counsel, the mill-registration requirement applies only to primary mills and not to the CRC Subsidiary as a re-roller. The CRC Subsidiary has appointed trade counsel in Mexico and, on 24 April 2026, filed its exporter's questionnaire response setting out its fair-trade and market-aligned pricing position. Based on the current procedural timeline, a preliminary determination is expected around October/November 2026 (which may be subject to change), with a final determination due by 16 August 2027. The matter is progressing in the ordinary course, with the final determination expected in due course.

Besides the aforementioned, the Group is not currently engaged in any material litigation, either as a plaintiff or defendant, claims or arbitration which have a material effect on the financial position of the Group and the Board are not aware of any proceedings pending against the Group or of any other facts likely to give rise to any proceedings which may materially and/or adversely affect the financial position and business of the Group.

34 MATERIAL LITIGATION, COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

(b) Commitment

On 15 June 2026, the Group's Steel Tube subsidiary entered into a conditional Sale and Purchase Agreement ("SPA") with the Company to acquire a parcel of leasehold industrial land held under PN 121387, Lot 10461 together with factory-buildings erected thereon ("the Property") for a cash consideration of RM30.0 million. The Property is currently tenanted on rental-basis by the Steel Tube subsidiary for its pipe-manufacturing operations known as Factory-3 (See Note 15).

Approximately 80% of the purchase consideration will be financed through external borrowings, while the remaining 20% will be settled under a deferred payment arrangement. The proposed acquisition was approved by the Board of Directors of MSB on 17 April 2026. See Note 36 for Subsequent Events update. The transaction will not have any impact at the Group level as it is an intra-group arrangement.

Besides the above, the Group's Cold Rolled Coil subsidiary and Steel Tube subsidiary have outstanding capital commitments that have been approved and contracted for of around RM1.4 million and RM0.9 million respectively, for the upgrading of its existing plant and machineries. Other than these, there are no material capital expenditures approved but not contracted for at the close of the current financial year.

(c) Contingency

The Directors are not aware of any circumstances or developments giving rise to contingent liabilities or assets warranting disclosure.

35 FINANCIAL INSTRUMENTS BY CATEGORY

	2026		2025	
	At amortised cost RM	Fair value through profit or loss RM	At amortised cost RM	Fair value through profit or loss RM
Group				
Financial assets per statements of financial position:				
Non-current				
Net investment in subleases	586,871	-	820,043	-
Current				
Receivables and deposits	83,826,536	-	85,804,709	-
Net investment in subleases	50,671	-	89,121	-
Financial asset at fair value through profit or loss	-	2,400,000	-	2,954,456
Derivative financial assets	-	1,303,514	-	473,723
Deposits with licensed banks	47,011,464	-	26,972,989	-
Cash and bank balances	17,243,905	-	30,228,715	-
Total financial assets	148,719,447	3,703,514	143,915,577	3,428,179
Financial liabilities per statements of financial position:				
Non-current				
Borrowings	3,543,013	-	1,422,247	-
Lease liabilities [(a)]	1,103,123	-	2,638,510	-
Current				
Payables and accrued liabilities (excluding payroll liabilities)	38,065,936	-	54,851,135	-
Borrowings	43,541,485	-	79,094,292	-
Derivative financial liabilities	396,073	-	566,693	-
Lease liabilities [(a)]	470,266	-	576,119	-
Total financial liabilities	87,119,896	-	139,148,996	-

[(a)] For the current financial year, the Group's financial liabilities is exaggerated by RM1,573,389 (2025: RM3,214,629) with the inclusion of 'lease liabilities' whilst its corresponding ROU is deemed as a non-financial asset.

35 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

	2026		2025	
	At amortised cost RM	Fair value through profit or loss RM	At amortised cost RM	Fair value through profit or loss RM
Company				
Financial assets per statements of financial position:				
Current				
Receivables and deposits	62,719	-	63,769	-
Financial asset at fair value through profit or loss	-	-	-	1,154,456
Amounts due from subsidiaries	4,913	-	7,587	-
Cash and bank balances	35,579	-	340,423	-
Total financial assets	103,211	-	411,779	1,154,456
Financial liabilities per statements of financial position:				
Non-current				
Lease liabilities [(b)]	219,859	-	305,607	-
Current				
Payables and accrued liabilities (excluding payroll liabilities)	1,249,229	-	678,506	-
Amounts due to subsidiaries	4,219,760	-	4,112,648	-
Lease liabilities [(b)]	85,748	-	79,176	-
Total financial liabilities	5,774,596	-	5,175,937	-

(b) For the current financial year, the Company's financial liabilities is exaggerated by RM305,607 (2025: RM384,783) with the inclusion of 'lease liabilities' whilst its corresponding ROU asset is deemed as a non-financial asset.

36 SUBSEQUENT EVENTS

(i) Further to the Group's Steel Tube subsidiary's SPA to acquire the Factory-3 Property from the Company on 15 June 2026 (see Note 34(b)), the immediate parent - MSB has on 8 September 2026 obtained its shareholders approval for the acquisition; and has on 15 September 2026 secured a bank loan of RM24 million (with a repayment tenure over 120 instalments) to finance the remaining purchase price. On 2 October, the SPA becomes unconditional when the last of the Condition Precedents relating to the Selangor State's consent to charge the land-title to the lending bank was granted. The management expects the transaction to complete within October 2026. There is no impact at the Group level.

(ii) As at 30 June 2026, the Group had an outstanding factoring liability of approximately RM3.89 million relating to 3BT's utilisation of the MAAX Factor facility. The outstanding balance, including accrued late payment interest, was fully settled by the Group on 31 July 2026.

(iii) As at 14 July 2026, the subsidiary entity in Cambodia had formally submitted its winding up notice and is currently awaiting to completion of tax audit to finalise the liquidation process.

37 MANAGEMENT DEFINED PERFORMANCE MEASURE (MPM)

Management use earnings before interest, taxes, depreciation and amortisation (EBITDA) as a MPM to monitor operating performance and assess the cash-generating ability of the Group's core business. It provides a clearer view of operational profitability by eliminating the effect of non-cash items from earnings. Management believes this MPM provides valuable insight into the Group's core operational profitability and allows stakeholders to better evaluate the Group's ability to generate cash from its core business.

The reconciliation of EBITDA to Operating Profit for the Group are as follows:

	2026 RM	Tax effect [a] RM	Effect on NCI RM
EBITDA (MPM)	29,432,493		
Depreciation on property, plant and equipment	(15,140,299)	(3,633,672)	(4,047,928)
Depreciation on leasehold land	(1,965,891)	(471,814)	(508,501)
	(17,106,190)		
Operating profit	12,326,303		

	2025 RM	Tax effect [a] RM	Effect on NCI RM
EBITDA (MPM)	16,862,556		
Depreciation on property, plant and equipment	(14,784,530)	(3,548,287)	(3,485,057)
Depreciation on leasehold land	(1,794,405)	(430,657)	(125,992)
	(16,578,935)		
Operating profit	283,621		

[a] The tax effect is calculated based on the statutory tax rate applicable in Malaysia at the end of 2026, at 24%.

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for the 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 acitivities and interest-based financial position.

(a) GROUP TOTAL INCOME AND TOTAL ASSETS

Total Income	Group	
	2026 RM	2025 RM
Revenue	768,990,865	728,848,861
Other operating income	1,065,177	871,590
Finance income	1,872,060	1,635,347
Total	771,928,102	731,355,798
Total Assets	734,797,664	764,442,785

(b) BUSINESS ACTIVITIES

Shariah Non-Compliant Activities	Group	
	2026 RM	2025 RM
Finance income (conventional)	1,540,117	1,363,466
Total	1,540,117	1,363,466

(c) COMPONENT OF FINANCIAL POSITION

(i) CASH COMPONENT

Islamic Account / Instruments	Group	
	2026 RM	2025 RM
Cash at bank (exclude cash in hand)	1,831,349	2,510,329
Investment in cash funds	-	8,456
Total	1,831,349	2,518,785

Conventional Account / Instruments	Group	
	2026 RM	2025 RM
Deposits with licensed banks	47,011,464	26,972,988
Cash at bank (exclude cash in hand)	15,403,261	27,701,131
Cash in hand	9,295	17,256
Total	62,424,020	54,691,375

(c) COMPONENT OF FINANCIAL POSITION (CONT'D)

(ii) DEBT COMPONENT

Group

Islamic Financing	2026 RM	2025 RM
Current		
Bankers' acceptance	6,230,000	9,280,000
Mortgage loan	2,751,959	8,038,578
Non-Current		
Mortgage loan	2,968,859	-
Total	11,950,818	17,318,578

	Group	
Conventional Financing	**2026 RM**	**2025 RM**
Current		
Bankers' acceptance	29,680,000	59,150,000
Hire-purchase creditors	1,228,488	1,523,940
Factoring	3,651,038	1,101,774
Shareholder’s advances	-	950,000
Non-Current		
Hire-purchase creditors	574,154	1,422,247
Total	35,133,680	64,147,961

PROPERTIES OWNED

By Melewar Industrial Group Berhad and its Subsidiaries

No.	Address of property	Lease expiry date	Brief description and existing use	Land area (*)	Approximate age of building (years) (^)	Net book value (RM)
1	Lot 53, Persiaran Selangor, Seksyen 15, 40200 Shah Alam, Selangor	22.5.2078	Factory cum office building	196,301 sq. ft. (4.51 acres)	35	34,000,000
2	Lot 49, Jalan Utas 15/17, Seksyen 15, 40200 Shah Alam, Selangor	13.4.2072	Factory building	315,802 sq. ft. (7.25 acres)	52	50,200,000
3	Lot 10, Persiaran Selangor, Seksyen 15, 40200 Shah Alam, Selangor	11.5.2085	Factory building	232,262 sq. ft. (5.33 acres)	40	30,000,000
4	Lot 717, Jalan Sungai Rasau, Seksyen 16, 40200 Shah Alam, Selangor	Freehold	Factory cum office building	763,758 sq. ft. (17.53 acres)	36	123,300,000

The properties were revalued in June 2026.

* *Based on surveyed land area.*

^ *From the date of Certificate of Fitness for Occupation.*

NOTICE OF 57TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the **57th Annual General Meeting ("AGM")** of the Company will be held at the **Dewan Berjaya, Main Club House, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur ("Main Venue")** on **Wednesday, 2 December 2026 at 11.30 a.m.** for the following purposes:

AGENDA	RESOLUTION
AS ORDINARY BUSINESS	
1. To receive the Audited Financial Statements for the year ended 30 June 2026 together with the Reports of the Directors and the Auditors thereon. ***[Please refer to Explanatory Note A]***	
2. To approve the payment of Directors' fees (inclusive of benefits-in-kind) up to an amount of RM502,000.00 for the period from 1 January 2027 to 31 December 2027 to be payable quarterly in arrears to the Non-Executive Directors of the Company. ***[Please refer to Explanatory Note B]***	**1**
3. Re-election of the following Directors who are retiring in accordance with Article 96(1) of the Company's Constitution and, being eligible, offer themselves for re-election:	
(i) Tunku Dato' Yaacob Khyra	**2**
(ii) Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah	**3**
4. To re-appoint Messrs. KPMG PLT ("KPMG") as Auditors of the Company, to hold office until conclusion of the next AGM and to authorise the Directors to fix their remuneration.	**4**
AS SPECIAL BUSINESS	
5. To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:-	
(a) Proposed Renewal of Share Buy-Back Authority	**5**

"THAT subject to compliance with Section 127 of the Companies Act 2016 ("the Act"), the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authority, the Company be and is hereby unconditionally and generally authorised to purchase and hold such amount of shares in the Company ("Proposed Renewal of Share Buy-Back Authority") as may be determined by the Directors of the Company from time-to-time through the Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that the aggregate number of shares to be purchased pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company and the maximum funds to be allocated for the Proposed Renewal of Share Buy-Back Authority shall not exceed the retained profits of the Company available at the time of the intended purchase.

RESOLUTION

AND THAT such authority shall commence immediately upon passing of this Ordinary Resolution and will expire at the conclusion of the next AGM of the Company unless earlier revoked or varied by Ordinary Resolution of shareholders of the Company in a general meeting or upon the expiration of the period within which the next AGM is required by law to be held whichever is earlier but not so as to prejudice the completion of purchase(s) made by the Company before the aforesaid expiry date.

AND THAT the Directors be and are hereby authorised to take all steps necessary to implement, finalise and to give full effect to the Proposed Renewal of Share Buy-Back Authority and further THAT authority be and is hereby given to the Directors to decide in their absolute discretion to either retain the shares so purchased as treasury shares or cancel them or both."

(b) Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transaction of a Revenue or Trading Nature with Trace Management Services Sdn Bhd **6**

"THAT approval be hereby given for the renewal of the mandate granted by the shareholders of the Company on 3 December 2025 pursuant to Paragraph 10.09 of the Listing Requirements of Bursa Securities, authorising the Company and/or its subsidiaries to enter into the recurrent related party transaction ("RRPT") of a revenue or trading nature as set out in Section 3.3(A)(i) of Part B of the Circular to Shareholders dated 30 October 2026 ("the Circular"), with Trace Management Services Sdn Bhd ("the Related Party") mentioned therein which are necessary, for the Company and/or its subsidiaries' for day-to-day operations which are carried out in the ordinary course of business on terms which are not more favourable to the Related Party than those generally available to the public and are not to the detriment of minority shareholders.

THAT the authority conferred by such mandate shall commence upon the passing of this resolution and continue to be in force until:-

(i) the conclusion of the next AGM of the Company following the forthcoming AGM at which time it will lapse, unless by a resolution passed at that meeting or Extraordinary General Meeting ("EGM") whereby the authority is renewed; or

(ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or

(iii) revoked or varied by a resolution passed by the shareholders in a general meeting of the Company;

whichever is the earlier.

THAT the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

RESOLUTION

(c) Proposed Renewal and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature 7

"THAT the mandate granted by the shareholders of the Company on 3 December 2025 pursuant to Paragraph 10.09 of the Listing Requirements of Bursa Securities, authorising the Company and its subsidiaries ("the MIG Group") to enter into the RRPTs which are necessary for MIG Group's day-to-day operations as set out in Sections 3.3(A)(ii) and 3.3(B) of Part B of the Circular with the related parties mentioned therein, be and are hereby renewed, AND THAT mandate be and is hereby granted by the shareholders of the Company to apply to the new RRPT as set out in Section 3.3(C) of Part B of the Circular with the related party mentioned therein, provided that:-

(i) the transactions are in the ordinary course of business and are on terms which are not more favourable to the related parties than those generally available to the public and on terms not to the detriment of the minority shareholders of the Company; and

(ii) the transactions are made at arm's length and on normal commercial terms.

AND THAT, authority conferred by such renewed and granted mandate shall continue to be in force (unless revoked or varied by the Company in general meeting) until:

(i) the conclusion of the next AGM of the Company following the forthcoming AGM at which time it will lapse, unless by a resolution passed at that meeting or EGM whereby the authority is renewed; or

(ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or

(iii) revoked or varied by resolution passed by the shareholders in general meeting of the Company;

whichever is the earlier.

AND THAT the Directors of the Company be 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 effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

(d) Authority to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Act 8

"THAT, subject always to the Act, the Constitution of the Company and the approvals of the relevant governmental/regulatory authorities, where such approval is necessary, the Directors be and are hereby authorised pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the Company at any time until the conclusion of the next AGM, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued."

By Order of the Board

LILY YIN KAM MAY
MAICSA 0878038
Company Secretary

Kuala Lumpur
30 October 2026

NOTES:

1. The 57th AGM of the Company will be held physically whereby shareholders/proxies/corporate representatives will have to be physically present at the Main Venue and there will be no option for shareholders to participate virtually.

2. Applicable to shares held through a nominee account.

3. A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company.

4. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.

5. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

6. The instrument appointing a proxy shall be in writing, executed by the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or signed by an officer or attorney so authorised.

7. The instrument appointing a proxy must be deposited at the Company's Registered Office, c/o Trace Management Services Sdn Bhd at Suite 11.05, 11th Floor, No. 566, Jalan Ipoh, 51200 Kuala Lumpur, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

8. Please ensure ALL the particulars as required in the Form of Proxy are completed, signed and dated accordingly.

9. Any alteration in the Form of Proxy must be initialled.

10. Form of Proxy sent through email and/or facsimile transmission shall not be accepted.

11. For the purpose of determining a member who shall be entitled to attend this 57th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Articles 72(4)(a), 72(4)(b) and 72(4)(c) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 26 November 2026. Only a depositor whose name appears on the Record of Depositors as at 26 November 2026 shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) to attend, speak and/or vote on his/her behalf.

12. Explanatory Notes to Ordinary Business:

(A) Audited Financial Statements for Financial Year Ended 30 June 2026

Pursuant to Section 340(1) and (2) of the Act, the Directors shall lay before the Company at its AGM its Audited Financial Statements made up to a date not more than 6 months before the date of the AGM. There is no voting required on item 1 of the Agenda.

(B) Payment of Directors' Fees (inclusive of benefits-in-kind) (Agenda 2)

Pursuant to Section 230(1) of the Act, the shareholders' approval is sought for the proposed payment of Directors' fees (inclusive of benefits-in-kind) to the Non-Executive Directors ("NEDs") for the period from 1 January 2027 to 31 December 2027 which is estimated to be RM502,000.00. The calculation is based on the Directors' fee structure, the estimated number of scheduled Board and Board Committees' meetings, the benefits-in-kind and other emoluments as well as the composition of NEDs, including a provisional sum as a contingency for future appointment of NED on the Board from 1 January 2027 to 31 December 2027.

The resolution is to facilitate payments of the Directors' fees (inclusive of benefits-in-kind) for the period from 1 January 2027 to 31 December 2027.

(C) Re-election of Directors (Agenda 3)

Pursuant to Article 96(1) of the Company's Constitution, at least one-third of the Directors of the Company for the time being shall retire from office at every AGM and be eligible for re-election.

During the financial year ended 30 June 2026, the Nomination and Remuneration Committee ("NRC") conducted various assessments, including assessment of the collective performance of the board, individual director's performance, independence assessment of each independent director and the nature and extent of conflict of interest or potential conflict of interest of directors, if any, as well as fit and proper assessment of all the Directors. Based on the results of board effectiveness evaluation, all the Directors (including the retiring Directors) met the performance criteria required of an effective board. Based on the assessment of the retiring Directors, the NRC's recommendations have been made and approved by the Board. The Board (except for the retiring Directors who abstained) has recommended for the Directors who are to retire in accordance with Article 96(1) of the Company's Constitution to stand for re-election during the AGM.

Information on the Directors standing for re-election is set out in the Profile of Directors section of the Annual Report 2026.

(D) Re-appointment of External Auditors (Agenda 4)

The Audit and Governance Committee ("AGC") had considered the re-appointment of KPMG as External Auditors of the Company and is satisfied with the performance, competency, audit approach, and independence of KPMG. The AGC viewed that KPMG has met the relevant criteria prescribed by Paragraph 15.21 of the Listing Requirements of Bursa Securities, amongst others, adequacy of the experience and resources of the accounting firm, and size and competency of the audit engagement team. The Board endorsed the AGC's recommendation to seek shareholders' approval to re-appoint KPMG as External Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

13. Explanatory Notes to Special Business of Agenda 5:

(E) Proposed Renewal of Share Buy-Back Authority (Ordinary Resolution 5)

The Proposed Ordinary Resolution 5, if passed, would empower the Directors to exercise the power of the Company to purchase its own shares ("the Proposal") by utilising its financial resources not immediately required. The Proposal may have a positive impact on the market price of the Company's shares. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

(F) Proposed Renewal and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (Ordinary Resolutions 6 and 7)

The Proposed Ordinary Resolutions 6 and 7, if passed, will empower the Company to conduct RRPTs of a revenue or trading nature which are necessary for the Group's day-to-day operations, and will eliminate the need to convene separate general meetings from time to time to seek shareholders' approval. This will substantially reduce administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

(G) Authority to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Act (Ordinary Resolution 8)

The Ordinary Resolution proposed under Resolution 8 of the Agenda is a renewal of the general mandate for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Act. This mandate will provide flexibility for the Company to undertake future possible fund raising activities, including but not limited to placement of shares for purpose of funding the Company's future investment projects, working capital and/or acquisition(s) without having to convene another general meeting.

The Proposed Resolution 8, if passed, will give authority to the Directors of the Company, from the date of the above AGM, to issue and allot shares in the Company up to an amount not exceeding in total ten percent (10%) of the total number of issued shares of the Company for the time being, for such purposes as they consider would be in the interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the 56th AGM held on 3 December 2025 and which will lapse at the conclusion of the 57th AGM to be held on 2 December 2026.

14. Pursuant to Paragraph 8.29A of the Listing Requirements of Bursa Securities, all resolutions set out in the Notice of the 57th AGM will be put to vote on a poll.

The detailed information on Special Business of Agenda 5 except for Ordinary Resolution 8 as mentioned above is set out in the Circular to Shareholders of the Company dated 30 October 2026 which is available at the Share Registrar's website at https://www.tracemanagement.com.my.

PERSONAL DATA POLICY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING
(Pursuant to Paragraph 8.27(2) of Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. Details of individuals who are standing for election as Directors

No individual is seeking election as a Director at the forthcoming 57th AGM of the Company.

2. General mandate for issue of securities in accordance to Paragraph 6.03(3) of Main Market Listing Requirements of Bursa Malaysia Securities Berhad

The details of general mandate for Directors to allot and issue shares in the Company pursuant to Section 75 of the Act are set out in Note G of explanatory notes to the Agenda in the Notice of 57th AGM.

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FORM OF PROXY

(please refer to the Notes behind)

No. of Shares Held	CDS Account No.

MELEWAR INDUSTRIAL GROUP BERHAD
(Registration No. 196901000102 (8444-W))
(Incorporated in Malaysia)

I/We _____

(Full Name as per NRIC / Passport / Certificate of Incorporation in Capital Letters)

NRIC No./Passport No./Registration No.: _____ Tel. No.: _____

of _____

(Full Address)

being a member of **MELEWAR INDUSTRIAL GROUP BERHAD** hereby appoint:

Full Name of Proxy in Capital Letters	*NRIC No./Passport No. of Proxy*	*Proportion of Shareholdings to be Represented*	
	Contact No. of Proxy	*No. of Shares*	*%*
	Email Address of Proxy		

and (if more than one (1) proxy)

Full Name of Proxy in Capital Letters	*NRIC No./Passport No. of Proxy*	*Proportion of Shareholdings to be Represented*	
	Contact No. of Proxy	*No. of Shares*	*%*
	Email Address of Proxy		

or failing him / her, the * Chairman of the Meeting as *my / our proxy to vote for *me / us and on *my / our behalf at the **57th Annual General Meeting ("AGM")** of **Melewar Industrial Group Berhad ("the Company")** to be held at the **Dewan Berjaya, Main Club House, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur ("Main Venue")** on **Wednesday, 2 December 2026** at **11.30 a.m.** and at any adjournment thereof, on the following resolutions referred to in the Notice of the 57th AGM. *My / our proxy is to vote as indicated below:

		FIRST PROXY		SECOND PROXY	
		For	Against	For	Against
Resolution	**Ordinary Business**				
1	To approve the payment of Directors' fees (inclusive of benefits-in-kind) up to an amount of RM502,000.00 for the period from 1 January 2027 to 31 December 2027 to be payable quarterly in arrears to the Non-Executive Directors of the Company.				
	Re-election of the following Directors who are retiring in accordance with Article 96(1) of the Company's Constitution and, being eligible, offer themselves for re-election:				
2	(i) Tunku Dato' Yaacob Khyra				
3	(ii) Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah				
4	To re-appoint Messrs. KPMG PLT as Auditors of the Company, to hold office until conclusion of the next AGM and to authorise the Directors to fix their remuneration.				
	Special Business				
5	To approve the Proposed Renewal of Share Buy-Back Authority.				
6	To approve the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transaction of a Revenue or Trading Nature with Trace Management Services Sdn Bhd.				
7	To approve the Proposed Renewal and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.				
8	Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.				

(Please indicate with a "√" or "x" in the appropriate space how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he/she thinks fit, or at his/her discretion, abstain from voting.)

Dated this _____ day of _____ 2026.

_____
Signature of Shareholder(s)/Common Seal

NOTES:-

1) *The 57th AGM of the Company will be held physically whereby shareholders / proxies / corporate representatives will have to be physically present at the Main Venue and there will be no option for shareholders to participate virtually.*
2) *Applicable to shares held through a nominee account.*
3) *A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his / her stead. A proxy may but need not be a member of the Company.*
4) *Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he / she specifies the proportion of his / her shareholdings to be represented by each proxy.*
5) *Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.*
6) *The instrument appointing a proxy shall be in writing, executed by the appointor or of his / her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or signed by an officer or attorney so authorised.*
7) *The instrument appointing a proxy must be deposited at the Company's Registered Office, c/o Trace Management Services Sdn Bhd at Suite 11.05, 11th Floor, No. 566, Jalan Ipoh, 51200 Kuala Lumpur, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.*
8) *Please ensure ALL the particulars as required in the Form of Proxy are completed, signed and dated accordingly.*
9) *Any alteration in the Form of Proxy must be initialled.*
10) *Form of Proxy sent through email and/or facsimile transmission shall not be accepted.*
11) *For the purpose of determining a member who shall be entitled to attend this 57th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Articles 72(4)(a), 72(4)(b) and 72(4)(c) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 26 November 2026. Only a depositor whose name appears on the Record of Depositors as at 26 November 2026 shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) to attend, speak and/or vote on his/her behalf.*

**** Please strike out whichever is not desired (Unless otherwise instructed, the proxy may vote as he / she thinks fit).***

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STAMP

The Secretary
MELEWAR INDUSTRIAL GROUP BERHAD
c/o Trace Management Services Sdn Bhd
Suite 11.05, 11th Floor
No. 566, Jalan Ipoh
51200 Kuala Lumpur

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NOTICE
There will be No Distribution of Door Gift

www.melewar-mig.com



MELEWAR INDUSTRIAL GROUP BERHAD

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