



*SCGM BHD*

(Registration No. 200701021012 (779028-H))



ANNUAL REPORT

2025

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## OUR MISSION

- Leading the Industry
- Service Focus
- Superior Quality
- Preserve the Environment
- Innovative Product

## OUR VALUES



## CORPORATE PROFILE OF SCGM BHD

SCGM Bhd (“SCGM” or “the Company”) was established in 1984 through its wholly-owned subsidiary, Lee Soon Seng Plastic Industries Sdn Bhd (“LSSPI”). Over the past 41 years, SCGM and its subsidiaries (“the Group”) has grown significantly to become a leading thermoformed food and beverage packaging manufacturer in Malaysia. On 31 August 2022, SCGM disposed of its entire 100% equity interest in LSSPI, resulting in LSSPI ceased to be a subsidiary of SCGM.



Currently, SCGM is an investment holding company and is in the process of acquiring suitable new businesses/assets to fulfil listing requirements.

## CORPORATE STRUCTURE



100%



### Principal activities

Investment holding

### Principal activities

Manufacturing of finished plastic products, other articles of paper, paperboards and plastic articles for the packing of goods. HSB is yet to commence its business operation.

## FIVE YEARS GROUP FINANCIAL HIGHLIGHTS

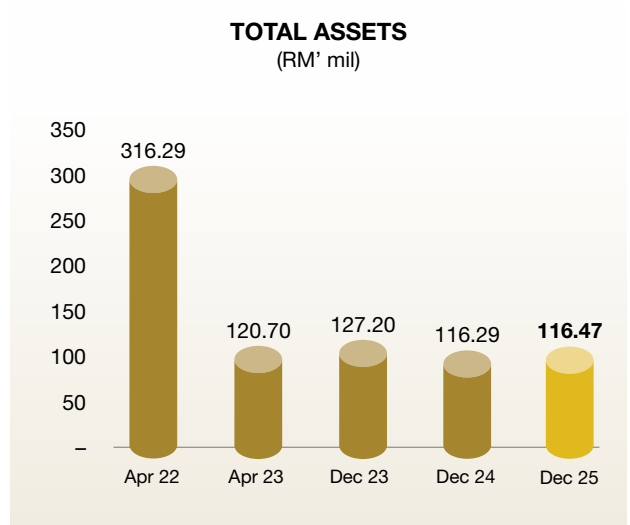
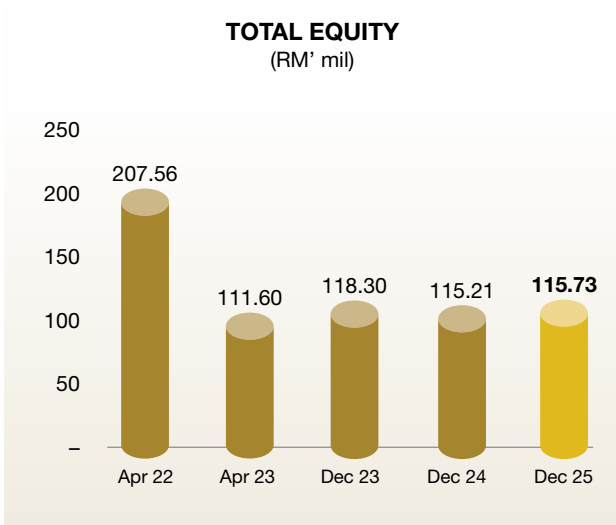
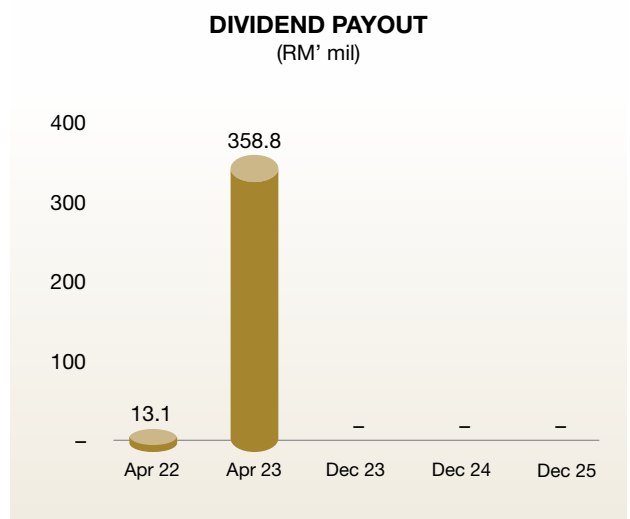
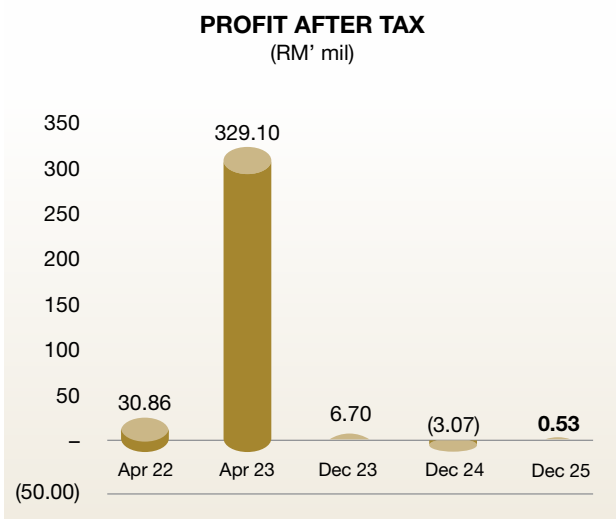
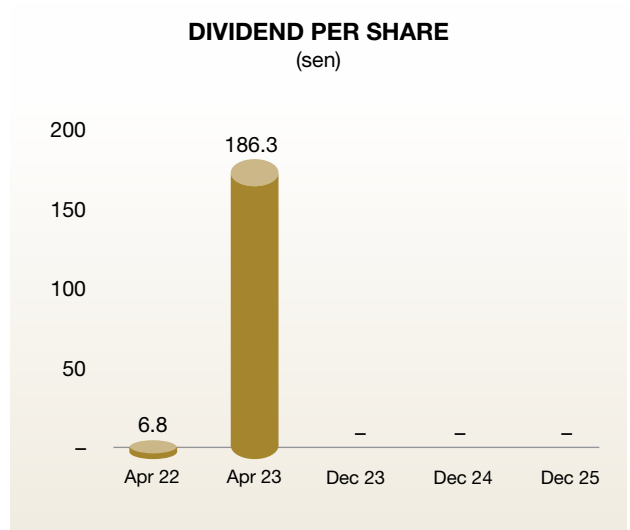
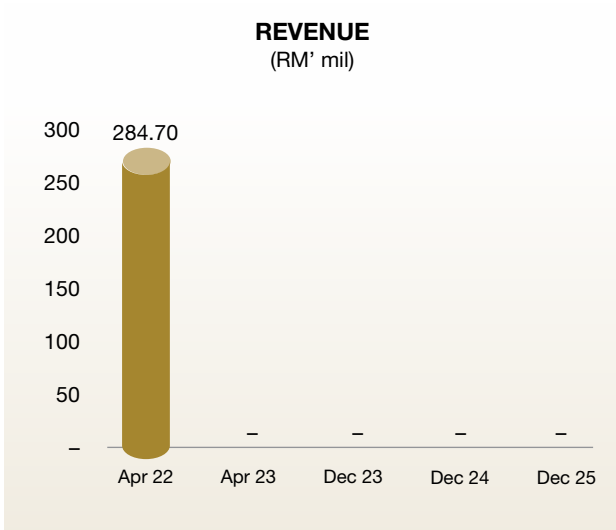
	Apr 2022	Apr 2023	Dec 2023	Dec 2024	Dec 2025
<b>Key Financial Information</b>					
<b>For The Financial Year Ended 31 December (RM'million)</b>					
Revenue	284.70	–	–	–	–
Interest Income	0.04	3.3	2.6	3.98	3.80
Interest Expenses	(2.40)	(0.2)	(0.2)	(0.05)	–
Taxation	(7.16)	(0.9)	(0.6)	(0.92)	(0.64)
Depreciation	(14.99)	(0.2)	–	–	–
Earnings before Interest, Tax, Depreciation and Amortisation (“EBITDA”)	55.37	327.1	4.9	(6.08)	(2.63)
Profit Before Tax	38.02	330.0	7.3	(2.15)	1.17
Profit After Tax / Net Profit Attributable to Equity Holders	30.86	329.1	6.7	(3.07)	0.53
Total Dividend Paid	13.1	358.8	–	–	–
Total Assets	316.29	120.7	127.2	116.29	116.47
Total Equity	207.56	111.6	118.3	115.21	115.73
Total Borrowings	64.75	–	–	–	–
Cash and Cash Equivalents	9.34	109.0	127.2	116.22	116.40
<b>Key Financial Analysis</b>					
Return on Average Total Assets (%)	9.9	150.6	5.2	(2.5)	(0.46)
Return on Average Equity (%)	15.5	206.2	5.6	(2.6)	(0.46)
Gearing Ratio (Net of Cash) (times)	0.27	(0.98)	(1.00)	(1.01)	(1.01)
Net Asset per Share (RM)^	1.07	0.58	0.61	0.60	0.60
Basic Earnings per Share (sen)^	16.03	170.90	3.45	(1.59)	0.27
Net Dividend per Share (sen)#	6.8	186.30	–	–	–
Dividend Payout Ratio (%)	42.4	109.0	–	–	–
Number of Ordinary Shares Issued (Million)	192.6	192.6	192.6	192.6	192.6
Weighted Average Number of Ordinary Share in Issue (Million)	192.6	192.6	192.6	192.6	192.6
<b>Geographical Segmentation</b>					
Local (RM' million)	194.25	–	–	–	–
Export (RM' million)	90.45	–	–	–	–
TOTAL (RM' million)	284.70	–	–	–	–
Local (%)	68.2	–	–	–	–
Export (%)	31.8	–	–	–	–
<b>Customer Segmentation</b>					
Food and Beverage (RM' million)	245.8	–	–	–	–
Extrusion (RM' million)	23.7	–	–	–	–
Electronics, Medical and Other (RM' million)	15.2	–	–	–	–
TOTAL (RM' million)	284.7	–	–	–	–
Food and Beverage (%)	86.4	–	–	–	–
Extrusion (%)	8.3	–	–	–	–
Electronics, Medical and Others (%)	5.3	–	–	–	–

^ Adjusted for corporate exercises and treasury shares held by SCGM.

# Adjusted for enlarged total number of 192.6 million shares (excluding 1,038,600 shares bought back and retained as treasury shares from the total number of issued shares of 193,599,641 as at 31 December 2025).

Ordinary share	192,561,041
Treasury shares	1,038,600
	<u>193,599,641</u>

FIVE YEARS GROUP FINANCIAL HIGHLIGHTS  
(CONT'D)



## INVESTOR RELATIONS

SCGM Bhd (“SCGM” or “the Company”) recognises that clear, timely and transparent communication with shareholders and the investment community is fundamental to maintaining investor confidence and supporting informed investment decisions. The Board of Directors remains committed to upholding high standards of corporate disclosure and engagement with stakeholders.

### Communication with the Investment Community

The Group ensures that shareholders and investors have access to accurate and timely information through multiple communication channels. Corporate announcements, financial results, annual reports and other material disclosures are released through the Bursa Malaysia Securities Berhad (“Bursa Securities”) platform in accordance with the Main Market Listing Requirements.

In addition, the Company’s website serves as an accessible platform where shareholders and members of the public may obtain information on the Company’s corporate developments, financial performance and other relevant updates.

Through these channels, SCGM aims to provide stakeholders with a transparent and consistent flow of information to support greater understanding of the Company’s status and future direction.

### Shareholder Engagement

The Annual General Meeting (“AGM”) remains the principal forum for dialogue between the Board, management and shareholders. It provides shareholders with the opportunity to engage directly with the Board, raise questions regarding the Company’s performance and corporate developments, and exercise their voting rights on resolutions presented for approval. The Board values the views and feedback of shareholders and remains committed to ensuring that shareholders are provided with meaningful opportunities to participate in the Company’s decision-making processes.

### Corporate Developments

Following the completion of the disposal of Lee Soon Seng Plastic Industries Sdn. Bhd. (“LSSPI”) in 2022, the Company became classified as a Cash Company pursuant to Paragraph 8.03(1) of the Main Market Listing Requirements of Bursa Securities.

During the financial year under review, the Company continued to focus on progressing its regularisation plan aimed at identifying and acquiring suitable businesses or assets in order to regularise its condition in accordance with the Listing Requirements.

In December 2024, the Company entered into a conditional share sale agreement for the proposed acquisition of the entire equity interest in Eramas Global Group Sdn. Bhd., which forms part of the Company’s proposed regularisation plan.

Following the SC’s approval, the Company and the Vendors mutually agreed on 24 September 2025 to extend the period for the satisfaction or fulfilment of the conditions precedent under the share sale agreement for the Proposed Acquisition until 30 June 2026.

Separately, on 21 January 2026, the SC granted the Company an extension of time until 28 May 2026 to implement and complete the approved regularisation plan.

While the Company is currently in a transitional phase as a Cash Company, the Board remains focused on safeguarding shareholder value and pursuing opportunities that will position SCGM for sustainable long-term growth.

### Upholding Governance and Transparency

Throughout this transitional period, the Board remains committed to maintaining sound corporate governance practices and ensuring compliance with all regulatory obligations. The Company will continue to keep shareholders informed of material developments relating to the regularisation plan and other corporate proposals through timely announcements to Bursa Securities.

INVESTOR RELATIONS  
(CONT'D)

**Investor Relations Snapshot (FYE 2025)**

Item	Details
Exchange Listing	Main Market of Bursa Malaysia Securities Berhad
Financial Year End	31 December
Total Issued Shares	193,599,641 ordinary shares
Treasury Shares	1,038,600 shares
Net Assets Per Share	59.78 sen
Cash and Bank Balances	RM116.4 million
<b>Total Equity</b>	<b>RM115.7 million</b>

Net assets per share stood at 59.78 sen as of 31 December 2025, reflecting the Company's strong cash position following the disposal of its previous operating business.

**Investor Enquiries**

Shareholders and investors seeking further information about the Company may contact:

**Investor Relations / Company Secretary**

SCGM Bhd  
B-21-1, Level 21, Tower B,  
Northpoint Mid Valley City,  
No.1 Medan Syed Putra Utara,  
59200 Kuala Lumpur  
Email : gm@scgm.com.my

Investors may also access the latest corporate announcements, financial reports and shareholder information through the Bursa Malaysia website and the Company's corporate website.

## CHAIRMAN'S STATEMENT



***“ Dear Shareholders,***

*On behalf of the Board of Directors, it is my pleasure to present the Annual Report and Audited Financial Statements of SCGM Bhd (“SCGM” or “the Company”) for the financial year ended 31 December 2025 (“FYE 2025”). ”*

The financial year under review represents another important period in the Company’s ongoing transition following the disposal of Lee Soon Seng Plastic Industries Sdn. Bhd. in 2022. As SCGM continues to operate as a Cash Company pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Board remains focused on safeguarding shareholder value while progressing initiatives aimed at regularising the Company’s status and positioning SCGM for its next phase of growth.

### FINANCIAL PERFORMANCE

For the FYE 2025, the Group did not generate revenue as it remains in a transitional phase following the disposal of its previous operating business.

During the year, the Group recorded a profit before tax of RM1.17 million, compared with a loss before tax of RM2.15 million in the previous financial year. The improvement was primarily attributable to lower operating expenses as well as interest income generated from its substantial cash reserves.

Profit attributable to shareholders for the financial year stood at RM0.53 million, compared with a net loss of RM3.07 million in the preceding year.

The Group continues to maintain a strong balance sheet, supported by cash and bank balances of approximately RM116.4 million as of 31 December 2025, providing SCGM with financial flexibility as it evaluates potential opportunities to regularise its business operations.

The Board has not recommended the payment of a dividend for the financial year under review as the Company continues to prioritise capital preservation during this transitional period.

### PROGRESS ON REGULARISATION PLAN

Following the completion of the disposal of Lee Soon Seng Plastic Industries Sdn. Bhd., SCGM was classified as a Cash Company pursuant to Paragraph 8.03(1) of the Main Market Listing Requirements of Bursa Securities. In accordance with these requirements, the Company is required to regularise its condition by identifying and acquiring suitable businesses or assets within the stipulated timeframe.

During the financial year under review, the Board continued to focus on progressing the Company’s proposed regularisation plan.

**CHAIRMAN'S STATEMENT  
(CONT'D)**

In December 2024, SCGM entered into a conditional share sale agreement to acquire the entire equity interest in Eramas Global Group Sdn. Bhd. as part of the Company's proposed regularisation plan. This proposal forms a key component of the Company's strategy to regularise its status and establish a new operational platform for the Company.

Subsequently, the Company submitted the proposed regularisation plan to the Securities Commission Malaysia ("SC"). In May 2025, the SC granted its approval for the proposal, subject to certain terms and conditions.

Following the SC's approval, the Company and the Vendors mutually agreed on 24 September 2025 to extend the period for the satisfaction or fulfilment of the conditions precedent under the share sale agreement for the Proposed Acquisition until 30 June 2026.

Separately, on 21 January 2026, the SC granted the Company an extension of time until 28 May 2026 to implement and complete the approved regularisation plan.

The Board remains committed to advancing this process in a timely and transparent manner while ensuring compliance with all regulatory requirements.

**GOVERNANCE AND STEWARDSHIP**

Even as the Company navigates this transitional period, SCGM remains committed to maintaining high standards of corporate governance and accountability.

The Board continues to emphasise prudent stewardship of the Company's financial resources, ensuring that the Company remains well-positioned to pursue suitable opportunities that align with the long-term interests of shareholders.

At the same time, the Company continues to comply with all disclosure and governance requirements under the Main Market Listing Requirements of Bursa Securities and the Malaysian Code on Corporate Governance.

**OUTLOOK**

Looking ahead, the Board remains cautiously optimistic as the Company progresses towards the implementation of its proposed regularisation plan.

The Company's strong cash position provides a solid foundation as SCGM evaluates opportunities that will enable it to re-establish sustainable operations and create long-term value for shareholders.

While the regularisation process requires the fulfilment of various regulatory approvals and procedural steps, the Board is committed to advancing the proposal in accordance with applicable requirements and timelines.

The Board believes that the proposed transaction represents an important step in repositioning the Company and unlocking new opportunities for growth in the future.

**APPRECIATION**

On behalf of the Board, I would like to extend our sincere appreciation to our shareholders for their continued patience and support as the Company works through this important transition.

I would also like to thank our fellow Board members, advisers and stakeholders for their guidance and commitment throughout the year.

As we move forward, the Board remains focused on navigating the regularisation process responsibly and positioning SCGM for a renewed chapter of growth and value creation.

Thank you.

**Dato' Sri Lee Hock Seng**  
Executive Chairman

# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW

The financial year ended 31 December 2025 (“FYE 2025”) marked another transitional period for SCGM Bhd (“SCGM” or “the Company”) following the disposal of its former operating subsidiary, Lee Soon Seng Plastic Industries Sdn. Bhd. (“LSSPI”), in 2022.

Following the completion of the disposal, the Company was classified as a Cash Company pursuant to Paragraph 8.03(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). During the financial year under review, SCGM did not undertake any operating business activities and continued to focus on preserving shareholder value while progressing its proposed regularisation plan.

The Group’s primary source of income during the year was interest generated from its substantial cash reserves.

Throughout the year, Management maintained a disciplined approach to cost management and capital preservation while continuing to evaluate opportunities that may support the Group’s regularisation exercise.

## FINANCIAL PERFORMANCE

For the FYE 2025, the Group did not record any revenue as it currently does not have operating business activities.

The Group reported a profit before tax of RM1.17 million, compared with a loss before tax of RM2.15 million in the previous financial year. The improvement was mainly attributable to lower operating expenses as well as interest income generated from fixed deposit placements and bank balances.

Interest income remained the Group’s primary source of earnings during the year.

After accounting for taxation, the Group recorded a net profit of RM0.53 million, compared with a net loss of RM3.07 million in the previous financial year.

The improvement in financial performance reflects the Group’s continued efforts to manage operating expenses prudently while maintaining its financial resources during the transition period.

## FINANCIAL POSITION AND LIQUIDITY

As of 31 December 2025, the Group maintained a strong financial position with total assets of approximately RM116.5 million, largely comprising cash and bank balances.

Cash and bank balances amounted to approximately RM116.4 million, providing the Group with significant financial flexibility to support its proposed regularisation plan and future strategic initiatives.

The Group’s strong cash position enables it to meet its financial obligations and provides a solid foundation as it evaluates potential acquisition opportunities in line with its regularisation strategy.

Net assets per share stood at 59.78 sen as of 31 December 2025.

Management will continue to exercise prudent financial management to ensure that the Group’s capital resources are preserved and deployed responsibly.

**MANAGEMENT DISCUSSION AND ANALYSIS  
(CONT'D)****CORPORATE DEVELOPMENTS**

During the financial year under review, SCGM continued to focus on progressing its proposed regularisation plan to regularise its condition as a Cash Company under the Main Market Listing Requirements of Bursa Securities.

On 27 December 2024, the Company entered into a conditional share sale agreement with several vendors for the proposed acquisition of the entire equity interest in Eramas Global Group Sdn. Bhd.. The proposed acquisition forms a key component of the Company's proposed regularisation plan.

On 30 December 2024, the Company submitted the proposed regularisation plan to the Securities Commission Malaysia ("SC").

Subsequently, on 29 May 2025, the SC approved the proposed regularisation plan, subject to certain terms and conditions.

The proposed regularisation plan includes several key components, including:

- a proposed acquisition of Eramas Global Group Sdn. Bhd.;
- a proposed exemption under subparagraph 4.08 (1) (a);
- a proposed special dividend distribution to shareholders; and
- a proposed offer for sale of shares to Bumiputera investors, institutional investors and selected investors.

Following the SC's approval, the Company and the Vendors mutually agreed on 24 September 2025 to extend the period for the satisfaction or fulfilment of the conditions precedent under the share sale agreement for the Proposed Acquisition until 30 June 2026.

Separately, on 21 January 2026, the SC granted the Company an extension of time until 28 May 2026 to implement and complete the approved regularisation plan.

Subject to the fulfilment of all regulatory requirements and approvals, the Company will proceed with the implementation of the proposed regularisation plan within the extended timeframe granted by SC.

**OUTLOOK**

Looking ahead, SCGM will continue to focus on progressing the implementation of its proposed regularisation plan in accordance with the requirements of Bursa Securities and other relevant regulatory authorities.

The Company remains committed to completing the necessary regulatory processes and obtaining the required approvals to facilitate the proposed acquisition and related corporate proposals.

With its strong balance sheet and substantial cash reserves, SCGM remains well positioned to pursue opportunities that will enable the Company to re-establish operating activities and generate sustainable value for shareholders.

While the Company remains in a transitional phase, management will continue to prioritise prudent capital management, transparency and regulatory compliance as it advances its regularisation efforts.

# SUSTAINABILITY STATEMENT

## INTRODUCTION

SCGM is honoured to present our Annual Sustainability Statement (“this Statement”) for Financial Year Ended 31 December 2025 (“FYE 2025”). This Statement provides an overview of the Group’s sustainability performance during the period of 1 January 2025 to 31 December 2025.

## OUR BUSINESS SUSTAINABILITY

Bursa Securities had vide its letter dated 2 September 2022 notify SCGM that it is a Cash Company pursuant to paragraph 8.03(1) of the Main Market Listing Requirement upon the completion of disposal of its entire 100% equity interest in LSSPI to Mitsui & Co., Ltd and FP Corporation on 31 August 2022.

SC had, vide its letter dated 21 January 2026 (which was received on 22 January 2026), informed that the application for an extension of time for the Company to complete the Proposed Regularisation Plan has been approved for 6 months until 28 May 2026, subject to the inclusion of the audited consolidated financial results of Eramas Global Group Sdn Bhd and its subsidiaries for FYE 2025 in the circular to shareholders of SCGM in relation to the Proposed Regularisation Plan. The SC’s approval is granted in accordance with Section 214(2) of the Capital Markets and Services Act 2007, read together with Paragraph 10.01 of the Equity Guidelines. All other terms and conditions of the SC’s approval, as contained in the approval letter received from the SC dated 29 May 2025 remain unchanged.

At present, the Group’s sustainability and reporting efforts are centred on its recovery phase to safeguard business continuity. While the Group recognises the significance of putting in place a comprehensive sustainability framework and supporting initiatives, these will be progressively addressed once the Group has achieved a stable and sustainable operating position.

## SCOPE AND BASIS OF SCOPE

As a Cash Company with no active operations, assets or employees during the reporting period, SCGM maintained a dormant operational aside from activities related to the ongoing regularisation plan. While traditional sustainability metrics related to environmental and social impacts are not applicable in the current state, the Group remains committed to upholding fundamental principles of good governance, transparency and readiness for future development.

The following points outline our sustainability stance during this reporting period:

### 1. Governance and Ethics

The Group continues to observe high standards of corporate governance, including compliance with relevant legal and regulatory requirements. The Board remains responsible for oversight, and policies such as the Code of Conduct and Ethics, Whistleblowing and Anti-Bribery and Corruption Policy remain in place, ensuring the Group is prepared for future operations in an ethical and responsible manner.

### 2. Environmental and Social Responsibility

As there are no business activities or physical footprint, the environmental and social impact of the company is minimal to none. Nevertheless, the Group acknowledges the importance of sustainability and intends to integrate environmental and social considerations into future planning and decision-making, when operations commence.

### 3. Risk and Readiness

The Group conducts periodic reviews to uphold financial integrity, fulfil statutory obligations and ensure compliance with reporting requirements. To support this, the Group engages Internal Auditors for internal review on Human Resources and Treasury Cycle during the reporting period. Additionally, external auditors are engaged to review the Group’s financial statements for FYE 2025. These measures help ensure the Group remains well-positioned to transition smoothly into an operational phase when a strategic opportunity arises.

### 4. Stakeholder Communication

The Group maintains open channels for regulatory communication and ensures that all corporate disclosures are accurate and up-to-date. Despite limited activity, the commitment to transparency and long-term value creation remains a priority. In line with this, SCGM successfully conducted its 18th AGM on 19 May 2025, demonstrating continued engagement with its shareholders and stakeholders.

**SUSTAINABILITY STATEMENT  
(CONT'D)****REPORTING FRAMEWORK**

This Statement is prepared in accordance with Bursa Securities' Sustainability Reporting Guide (3rd Edition) and the Malaysian Code on Corporate Governance 2021 ("MCCG 2021"). Additionally, this Statement is prepared with reference to the Global Reporting Initiative ("GRI"). In view of the forthcoming transition to the National Sustainability Reporting Framework ("NSRF"), this statement also makes references to the IFRS S1 General Requirements for Disclosure of Sustainability-Related Financial Information ("IFRS S1") and IFRS S2 Climate-Related Disclosures ("IFRS S2") (collectively, the "ISSB Standards").

**SUSTAINABILITY GOVERNANCE STRUCTURE**

The Group, while non-operational during the reporting period, upholds a robust governance framework to ensure accountability, transparency and compliance with regulatory requirements. The Board of Directors ("the Board") is ultimately responsible for overseeing the Company's corporate governance and sustainability direction.

Supporting the Board is the Audit Committee ("AC"), which plays a key role in overseeing not only financial reporting and internal controls, but also the Group's sustainability agenda. The AC is entrusted with reviewing the strategies, policies, management approaches, initiatives, targets and performance of the Group in relation to:

- Health and Safety
- Environmental Responsibility
- Community Relations
- Security Measures
- Governance and Ethical Conduct

While the Group currently does not have active operations, the AC continues to monitor these areas as part of its forward-looking approach, ensuring the Group is well prepared to manage sustainability risks and opportunities once operations commence.

The Board and AC will continue to uphold and evolve these governance mechanisms in line with Bursa Securities' sustainability expectations and best practices, positioning the Company for responsible and sustainable growth in the future.

**STATEMENT OF ASSURANCE**

This Statement has been reviewed and approved by the Board on 20 April 2026. While the report has not been subjected to an assurance process by an independent assurance provider, the information and data disclosed in this Statement has been verified for accuracy by the Board.

**SUSTAINABILITY STATEMENT  
(CONT'D)**

**STAKEHOLDERS ENGAGEMENT**

SCGM has identified key stakeholder groups that are essential to business continuity, and endeavours to engage with these groups on regular basis to guide the formulation of sound business strategies and enhancement of existing processes that would contribute to SCGM's success.

The common stakeholders we engage with, and the corresponding sustainability matters that are relevant to them are itemised below:

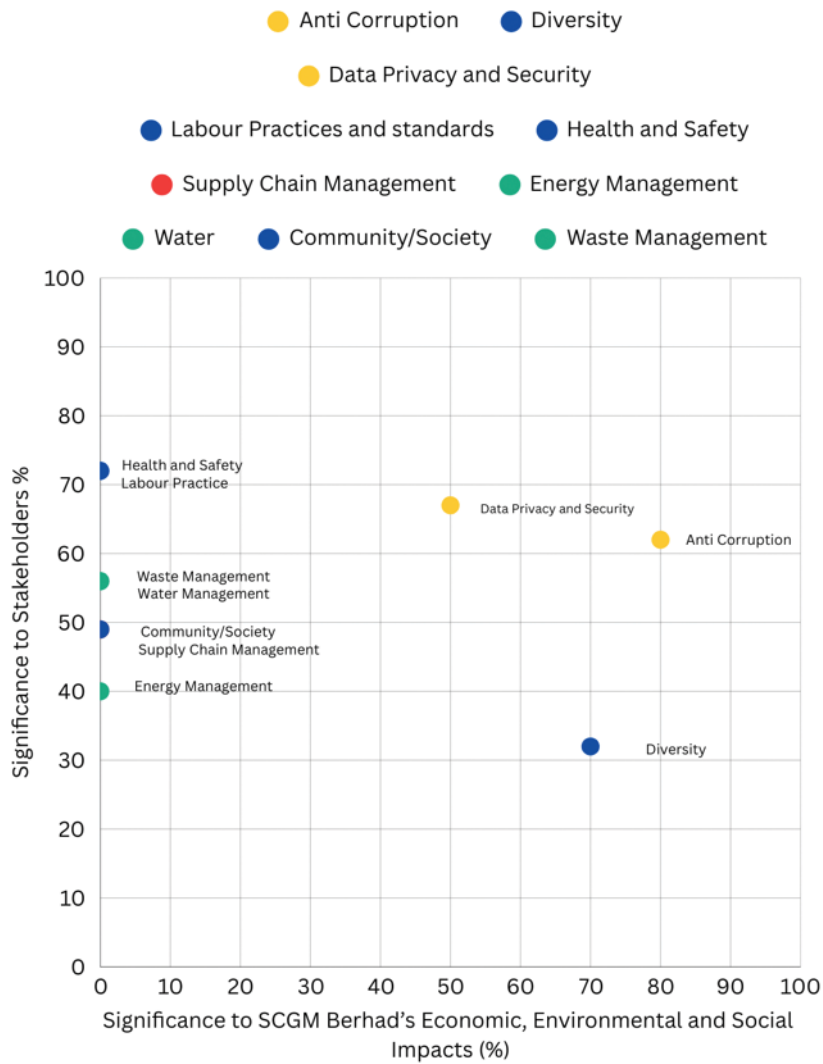
Internal Stakeholders	External Stakeholders
a. Investors and Financiers b. Board and Board Committees	a. Government b. Regulators c. Media

Stakeholder group	Frequency and type of engagement	Topics of concern	Issue management actions
Investors and Financiers Board and Board Committees	<b>Frequency:</b> Annual, quarterly <b>Type:</b> Annual general meeting, quarterly briefings, or meetings	<ul style="list-style-type: none"> <li>Legal compliance</li> <li>Financial performance</li> <li>Business risks</li> <li>Soft market conditions</li> <li>Negative public perception</li> </ul>	<ul style="list-style-type: none"> <li>Monthly reporting</li> <li>Regular audit</li> <li>Engagement with investors &amp; sharing of strategy</li> </ul>
Government Regulators	<b>Frequency:</b> Ad hoc <b>Type:</b> Meetings, pre-consult submission, periodical monitoring and reporting	<ul style="list-style-type: none"> <li>Compliance</li> </ul>	<ul style="list-style-type: none"> <li>Responsible reporting communications</li> <li>Monitoring of compliance (e.g. legal checklist)</li> </ul>
Media	<b>Frequency:</b> Occasional <b>Type:</b> Newspaper, social media, Press conferences	<ul style="list-style-type: none"> <li>Group performance</li> </ul>	<ul style="list-style-type: none"> <li>Direct engagement</li> <li>Press statements / Briefings to address concerns</li> </ul>

SUSTAINABILITY STATEMENT  
(CONT'D)

MATERIAL SUSTAINABILITY MATTERS

The materiality matrix displayed below represents the outcomes of our materiality determination process, illustrating the importance of each sustainability material matter to both the Group and our stakeholders.



## SUSTAINABILITY STATEMENT

(CONT'D)

### KEY PERFORMANCE INDICATOR AND RISK

At present, the Group has not formalised ESG-related Key Performance Indicators (KPIs) nor established a structured ESG risk register, in view of the limited operational activities during the financial year. Nonetheless, the Group recognises the importance of monitoring sustainability performance and managing ESG-related risks, and intends to develop and implement appropriate ESG KPIs and a formal risk register as part of its future sustainability framework.

### SUSTAINABILITY EFFORTS

Sustainability continues to be a key priority for the Group and is integrated within our overall governance framework, notwithstanding the current transitional phase. As a Cash Company, we recognise the importance of upholding transparency, accountability, and sustainable long-term value creation. While operational activities during FYE 2025 were limited, the Group remains committed to maintaining responsible business practices and progressively strengthening its sustainability approach in anticipation of future business developments.

#### Anti-corruption:

The Group is committed to conducting business with the highest level of integrity and ethical standards. As part of our commitment to good governance, the Group has established a comprehensive Anti-Bribery and Corruption Policy, which outlines clear guidelines for preventing, detecting and responding to corruption-related risks.

Despite the Group's dormant status in FYE 2025, this policy remains in force and is actively communicated to relevant personnel. The Internal Auditor conducted a review of the Anti-Bribery and Corruption Policy during the Financial Year Ended 31 December 2024 ("FYE 2024"), as part of the Group's ongoing efforts to strengthen its governance framework. Building on this, during the Financial Year Ended 31 December 2025 ("FYE 2025"), the Internal Auditor performed a follow-up implementation review to assess the status of previously identified findings and to ensure that the recommended corrective actions have been effectively implemented. The outcome of this follow-up review indicates that the identified gaps have been duly addressed, further reinforcing the Group's commitment to upholding integrity, transparency, and ethical conduct across all business dealings, while remaining well-positioned for future operational activities.

#### Diversity:

At SCGM, we believe that diversity in our workforce and leadership fosters better decision-making and strengthens organisational resilience.

The Board of Directors comprises four (4) women and two (2) men, representing 67% and 33% respectively, reflecting the Group's continued commitment to promoting gender diversity at the leadership level.

As the Group continues to operate in a dormant state, we remain committed to upholding inclusive values and will further strengthen our diversity and inclusion efforts as we transition into future phases of growth.

#### Data Privacy and Security:

Even in our dormant status, the Group remains steadfast in protecting stakeholder data. We are pleased to report that no substantiated complaints relating to breaches of customer privacy or data loss were recorded in both FYE 2025 and FYE 2024, reflecting the Group's strong data governance and cyber-resilience framework.

#### Community/Society:

While no financial contributions or community initiatives were undertaken in FYE 2025 and FYE 2024, the Group remains committed to supporting the communities in which it operates. The Group will continue to identify and pursue meaningful opportunities to contribute to social well-being, in line with its long-term sustainability objectives.

#### Energy Management:

As the Group remained dormant throughout FYE 2025 and FYE 2024, energy consumption was insignificant, with no operational activities, manufacturing processes, or office usage contributing to energy utilisation.

Accordingly, the Group recorded no Greenhouse Gas ("GHG") emissions during the reporting year, as there were no Scope 1 (direct) or Scope 2 (indirect) emissions arising from business activities.

Notwithstanding the current inactivity, the Group remains committed to sound environmental stewardship. Moving forward, the Group intends to incorporate energy-efficient measures and adopt low-carbon initiatives as part of its sustainability strategy, aligned with national and global climate objectives, once operations recommence.

**SUSTAINABILITY STATEMENT  
(CONT'D)****Health and Safety:**

The health, safety, and well-being of individuals associated with the Group remain a key priority. Although the Group currently has no employees and limited operational activities, it continues to uphold its commitment to a safe environment by maintaining appropriate health and safety awareness measures for all relevant parties.

**Labour Practices and Standards:**

The Group remains committed to upholding fair labour practices and ensuring compliance with all applicable employment laws and regulations, even during years of minimal activity. Although the Group's operations were largely dormant in FYE 2025, it continues to place importance on employee welfare, rights, and professional development as part of its ongoing commitments.

During FYE 2025, the Group had no employees.

In FYE 2025 and FYE 2024, no training activities were conducted, in line with the Group's inactive operational status.

Moving forward, as the Group prepares for potential reactivation of business activities, we will continue to promote a supportive and respectful workplace environment — one that safeguards human rights and fosters growth opportunities for all employees.

**Supply Chain Management:**

As the Group did not engage in procurement or production in FYE 2025 and FYE 2024, supply chain activities were not applicable. Nevertheless, we are committed to embedding sustainable procurement practices and supporting local suppliers as part of our responsible sourcing approach in the future.

**Water:**

With no operational water usage in FYE 2025 and FYE 2024, the Group's water consumption was effectively nil. Nevertheless, the Group remains mindful of the importance of responsible water management and intends to implement appropriate conservation measures upon the resumption of operations.

**Waste Management:**

As the Group remained inactive during FYE 2025 and FYE 2024, waste generation and disposal were negligible, given the absence of business operations, manufacturing activities, and office utilisation.

In summary, notwithstanding the limited operational activity in FYE 2025, the Group remains steadfast in its commitment to sustainability and responsible governance. As it progresses through this period of strategic transition, the Group will continue to enhance its sustainability framework and position itself for long-term, inclusive, and sustainable growth.

**Conclusion**

In conclusion, while the Group remained largely dormant during FYE 2025, the Group continues to uphold its commitment to sustainability through sound governance, responsible business conduct, and readiness for future operations. As the Group advances its regularisation plan, including the proposed inclusion of Eramas Global Group Sdn Bhd and its subsidiaries, it remains focused on progressively strengthening its sustainability framework across environmental, social, and governance aspects. The Group is committed to embedding sustainable practices into its operations and creating long-term value for stakeholders as it transitions into its next phase of growth.

SUSTAINABILITY STATEMENT  
(CONT'D)

Date & Time: 2026-04-22\_08:10:45  
FYE 31/12/2025

SCGM Bhd  
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption	Percentage	100%	100%	Internal
Diversity	Age group of Directors: Female	Percentage	67%	-	Internal
Diversity	Age group of Directors: Male	Percentage	33%	-	Internal
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy or data loss	Number	0	Zero complaints	No assurance
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0	-	No assurance
Community/Society	Total number of community initiatives undertaken	Number	0	-	No assurance
Energy Management	Total Energy Consumption	Greenhouse Gas	0	-	No assurance
Health and Safety	Number of employees trained on health and safety standards	Number	0	100%	No assurance
Labour Practices and Standards	Total hours of training	Hour	0	32- 40 average training hours	No assurance
Supply Chain Management	Proportion of spending on local suppliers	Percentage	0	-	No assurance
Water	Total volume of water used	Megalitres	0	-	No assurance
Waste Management	Total waste generated	Metric tonnes	0	-	No assurance

A blurred background image showing a group of people in a meeting or conference room. They are seated around a table, looking at documents or laptops. The lighting is warm and the overall tone is professional.

# **REPORT AND FINANCIAL STATEMENTS 2025**

## DIRECTORS' REPORT

The Directors of SCGM Bhd have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

### PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding.

The principal activities of the subsidiary are disclosed in Note 4 to the financial statements.

There have been no significant changes in the nature of these activities of the Company and its subsidiary during the financial year.

### RESULTS

	<b>Group RM</b>	<b>Company RM</b>
Profit for the financial year	<u>526,760</u>	<u>555,269</u>
Attributable to:-		
Owners of the Company	<u>526,760</u>	<u>555,269</u>

### RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

### DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year.

DIRECTORS' REPORT  
(CONT'D)

**DIRECTORS**

The Directors who held office during the financial year and up to the date of this report are as follows:-

Dato' Sri Lee Hock Seng (Executive Chairman)\*  
 Dato' Sri Lee Hock Chai (Managing Director)\*  
 Lee Yee Ling (Independent Non-Executive Director)  
 Lim Peng Peng (Independent Non-Executive Director)  
 Patricia Rangene Packium (Senior Independent Non-Executive Director)  
 Lee Lih Chyong (Alternate director to Dato' Sri Lee Hock Seng)

\* Also Directors in the subsidiary.

**DIRECTORS' INTERESTS**

According to the Register of Directors' Shareholdings, the beneficial interests of those who were Directors at the end of the financial year in shares of the Company are as follows:-

	<u>Number of ordinary shares</u>			As at <u>31.12.2025</u>
	As at <u>1.1.2025</u>	<u>Bought</u>	<u>(Sold)</u>	
Dato' Sri Lee Hock Seng				
- direct interest	10,004,453	-	-	10,004,453
- indirect interest <sup>@</sup>	318,200	-	-	318,200
Dato' Sri Lee Hock Chai				
- direct interest	1,654,871	-	-	1,654,871
Lee Lih Chyong (Alternate director to Dato' Sri Lee Hock Seng)				
- direct interest	111,800	-	-	111,800
- indirect interest <sup>#</sup>	10,210,853	-	-	10,210,853

<sup>@</sup> Deemed interest by virtue of his daughter, Lee Lih Chyong and son-in-law, Tai Chin Lian's shareholdings in SCGM Bhd.

<sup>#</sup> Deemed interest through her spouse, Tai Chin Lian and her father, Dato' Sri Lee Hock Seng's shareholdings in SCGM Bhd.

None of the other Directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

By virtue of Dato' Sri Lee Hock Seng, Dato' Sri Lee Hock Chai and Lee Lih Chyong's (alternate director to Dato' Sri Lee Hock Seng) direct and indirect interest in the Company, they are also deemed to have interest in shares of the subsidiary to the extent that the Company has an interest under Section 8 of the Companies Act 2016.

## DIRECTORS' REPORT (CONT'D)

### DIRECTORS' REMUNERATIONS AND BENEFITS

During the financial year, the remunerations received and receivable by the Directors of the Company are as follows:-

	<b>Group and Company RM</b>
Fees	102,000
Salaries and other emoluments	339,000
Defined contribution plan	13,440
Social security contribution	<u>1,786</u>
	<u><u>456,226</u></u>

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

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than as disclosed in Notes 10, 13 and 14 to the financial statements) 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 of which the Director has a substantial financial interest.

### INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

There are no indemnity coverage and insurance premium paid for Directors and officers of the Company during the financial year.

### ISSUE OF SHARES AND DEBENTURES

There was no issuance of new shares or debentures during the financial year.

### TREASURY SHARES

As at the financial year end, the Company held 1,038,600 of the Company's shares and the number of outstanding shares in issue after setting off the treasury shares against equity are 192,561,041. Further relevant details are disclosed in Note 8 to the financial statements.

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The Company was classified as a cash company under the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") on 2 September 2022, following the completion of the disposal of Lee Soon Seng Plastic Industries Sdn. Bhd. ("LSSPI"). Pursuant to Paragraph 8.03(5) of the Listing Requirements, the Company is required to regularise its condition within the timeframe prescribed by Bursa Securities.

**DIRECTORS' REPORT  
(CONT'D)****SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)**

Since being classified as a cash company, the Company has obtained several extensions of time from Bursa Securities to submit its regularisation plan. On 30 December 2024, the Company submitted its proposed regularisation plan to the Securities Commission Malaysia ("SC"), which comprises the following:

- (i) Proposed cash distribution of approximately RM48.14 million or RM0.25 per ordinary share in SCGM Bhd ("SCGM Share") held by the shareholders of SCGM Bhd on an entitlement date to be determined and announced at a later date ("Proposed Special Dividend");
- (ii) Proposed acquisition by SCGM Bhd of the entire equity interest in Eramas Global Group Sdn. Bhd. ("Eramas Global Group") from the Vendors for a total purchase consideration of RM207.94 million which will be fully satisfied through the issuance of 569,698,630 new SCGM Shares at an issue price of RM0.365 each ("Proposed Acquisition");
- (iii) Proposed offer for sale by the Vendors of up to 95,300,000 SCGM Shares to Bumiputera investors approved or recognised by the Ministry of Investment, Trade and Industry, institutional investors and selected investors at an offer price of RM0.365 each ("Proposed Offer for Sale"); and
- (iv) Proposed exemption under subparagraph 4.08(1)(a) of the Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the SC for the Vendors and persons acting in concert with them from the obligation to undertake a mandatory take-over offer to acquire the remaining SCGM Shares not already owned by them upon completion of the Proposed Acquisition ("Proposed Exemption").

On 27 December 2024, the Company entered into a conditional share sale agreement with Chin Kok Tian, Yan Hua Lan, Tan Ah Tek, Gan Chun Lee, Tey Chee Shin, Tan Tai Chong and Lau Sie Khian (collectively, the "Vendors") for the proposed acquisition of the entire equity interest in Eramas Global Group ("Proposed Acquisition").

On 29 May 2025, the SC approved the Company's proposed regularisation plan.

Following the SC's approval, the Company and the Vendors mutually agreed on 24 September 2025 to extend the period for the satisfaction or fulfilment of the conditions precedent under the share sale agreement for the Proposed Acquisition until 30 June 2026.

Separately, on 21 January 2026, the SC granted the Company an extension of time until 28 May 2026 to implement and complete the approved regularisation plan.

## DIRECTORS' REPORT (CONT'D)

### OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:-

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts, and satisfied themselves that adequate provision had been made for doubtful debts and there were no bad debts to be written off; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

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

- (a) which would render it necessary to write off any bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and 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; or
- (d) 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 financial statements of the Group and of the Company misleading.

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

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

In the opinion of the Directors:-

- (a) no contingent liability 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 will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
- (b) the results of 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

**DIRECTORS' REPORT  
(CONT'D)**

**OTHER STATUTORY INFORMATION (CONT'D)**

In the opinion of the Directors (cont'd):-

- (c) 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 operations of the Group and of the Company for the current financial year in which this report is made.

**AUDITORS**

The Auditors, Grant Thornton Malaysia PLT have expressed their willingness to continue in office.

The amount of audit and other fees paid or payable to the Auditors and its member firms by the Group and the Company for the financial year ended 31 December 2025 amounted to RM441,700 and RM429,000 respectively. Further details are disclosed in Note 10 to the financial statements.

The Group and the Company have agreed to indemnify the Auditors, Grant Thornton Malaysia PLT to the extent permissible under the requirements of the Companies Act 2016 in Malaysia. However, no payment has been made arising from this indemnity for the financial year.

Signed on behalf of the Directors in accordance with a resolution of the Board of Directors.

.....	)	
DATO' SRI LEE HOCK SENG	)	
	)	
	)	
	)	
	)	DIRECTORS
	)	
	)	
.....	)	
DATO' SRI LEE HOCK CHAI	)	

Johor Bahru  
20 April 2026

## STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 32 to 59 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and their cash flows for the financial year then ended.

Signed on behalf of the Directors in accordance with a resolution of the Board of Directors.

.....  
DATO' SRI LEE HOCK SENG

.....  
DATO' SRI LEE HOCK CHAI

Johor Bahru  
20 April 2026

## STATUTORY DECLARATION

I, Dato' Sri Lee Hock Seng, being the Director primarily responsible for the financial management of SCGM Bhd, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 32 to 59 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by )  
the abovenamed at Kuala Lumpur in the )  
Federal Territory this day of )  
20 April 2026 )

.....  
DATO' SRI LEE HOCK SENG

Before me:

Commissioner for Oaths

**INDEPENDENT**  
**AUDITORS' REPORT**  
TO THE MEMBERS OF SCGM BHD

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of SCGM Bhd, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 32 to 59.

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 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, 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 report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence and Other Ethical Responsibilities*

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

## INDEPENDENT AUDITORS' REPORT (CONT'D)

### Report on the Audit of the Financial Statements (cont'd)

#### Key Audit Matters

Key audit matters are the matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year.

We have determined that there are no key audit matters to communicate in our report.

#### 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 other information and we do not express any form of assurance conclusion thereon.

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

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

#### 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 Malaysian Financial Reporting 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 Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT AUDITORS' REPORT (CONT'D)

### Report on the Audit of the Financial Statements (cont'd)

#### Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- 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 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 and 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 achieves fair presentation.

## INDEPENDENT AUDITORS' REPORT (CONT'D)

### Report on the Audit of the Financial Statements (cont'd)

#### Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

We also (cont'd):

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provided 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 Directors, we determined those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We described 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  
(CONT'D)**

**Other Matters**

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

GRANT THORNTON MALAYSIA PLT  
(201906003682 & LLP0022494-LCA)  
CHARTERED ACCOUNTANTS (AF 0737)

PHON POOI YIN  
(NO: 03654/04/2026 J)  
CHARTERED ACCOUNTANT

Kuala Lumpur  
20 April 2026

## STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
<b>ASSETS</b>					
<b>Non-current assets</b>					
Equipment	3	12,682	16,411	12,682	16,411
Investment in a subsidiary	4	-	-	10	10
Total non-current assets		<u>12,682</u>	<u>16,411</u>	<u>12,692</u>	<u>16,421</u>
<b>Current assets</b>					
Other receivables	5	56,244	55,396	854	6
Cash and bank balances and fixed deposits with licensed banks	6	<u>116,396,437</u>	<u>116,221,245</u>	<u>116,269,183</u>	<u>116,061,686</u>
Total current assets		<u>116,452,681</u>	<u>116,276,641</u>	<u>116,270,037</u>	<u>116,061,692</u>
<b>Total assets</b>		<u><u>116,465,363</u></u>	<u><u>116,293,052</u></u>	<u><u>116,282,729</u></u>	<u><u>116,078,113</u></u>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital	7	63,117,846	63,117,846	63,117,846	63,117,846
Treasury shares	8	(2,309,671)	(2,309,671)	(2,309,671)	(2,309,671)
Unappropriated profit		<u>54,926,351</u>	<u>54,399,591</u>	<u>54,756,417</u>	<u>54,201,148</u>
<b>Total equity</b>		<u>115,734,526</u>	<u>115,207,766</u>	<u>115,564,592</u>	<u>115,009,323</u>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Other payables	9	702,825	595,021	690,125	578,525
Tax payable		<u>28,012</u>	<u>490,265</u>	<u>28,012</u>	<u>490,265</u>
Total current liabilities		<u>730,837</u>	<u>1,085,286</u>	<u>718,137</u>	<u>1,068,790</u>
<b>Total liabilities</b>		<u>730,837</u>	<u>1,085,286</u>	<u>718,137</u>	<u>1,068,790</u>
<b>Total equity and liabilities</b>		<u><u>116,465,363</u></u>	<u><u>116,293,052</u></u>	<u><u>116,282,729</u></u>	<u><u>116,078,113</u></u>

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue		-	-	-	-
Finance income		3,796,354	3,984,671	3,945,231	4,364,884
Administration expenses		(2,630,412)	(6,085,004)	(2,611,726)	(5,762,240)
Impairment loss on financial assets		-	-	(149,616)	(901,430)
Finance costs		-	(48,328)	-	(48,328)
Profit/(Loss) before tax	10	1,165,942	(2,148,661)	1,183,889	(2,347,114)
Tax expense	11	(639,182)	(919,657)	(628,620)	(919,657)
<b>Profit/(Loss) for the financial year, representing total comprehensive income/(loss) for the financial year</b>		<u>526,760</u>	<u>(3,068,318)</u>	<u>555,269</u>	<u>(3,266,771)</u>
<b>Profit/(Loss) attributable to:-</b>					
Owners of the Company		<u>526,760</u>	<u>(3,068,318)</u>	<u>555,269</u>	<u>(3,266,771)</u>
<b>Total comprehensive income / (loss) attributable to:-</b>					
Owners of the Company		<u>526,760</u>	<u>(3,068,318)</u>	<u>555,269</u>	<u>(3,266,771)</u>
<b>Earnings per share attributable to owners of the Company</b>					
Basic/Diluted earnings per ordinary share (sen)	12	<u>0.27</u>	<u>(1.59)</u>		

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	← Attributable to owners of the Company →			Total equity RM
	Share capital RM	Treasury shares RM	Distributable Unappropriated profit RM	
<b>Group</b>				
Balance at 1 January 2024	63,117,846	(2,309,671)	57,467,909	118,276,084
Total comprehensive loss for the financial year	-	-	(3,068,318)	(3,068,318)
Balance at 31 December 2024	63,117,846	(2,309,671)	54,399,591	115,207,766
Total comprehensive income for the financial year	-	-	526,760	526,760
Balance at 31 December 2025	63,117,846	(2,309,671)	54,926,351	115,734,526

	← Attributable to owners of the Company →			Total equity RM
	Share capital RM	Treasury shares RM	Distributable Unappropriated profit RM	
<b>Company</b>				
Balance at 1 January 2024	63,117,846	(2,309,671)	57,467,919	118,276,094
Total comprehensive loss for the financial year	-	-	(3,266,771)	(3,266,771)
Balance at 31 December 2024	63,117,846	(2,309,671)	54,201,148	115,009,323
Total comprehensive income for the financial year	-	-	555,269	555,269
Balance at 31 December 2025	63,117,846	(2,309,671)	54,756,417	115,564,592

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>OPERATING ACTIVITIES</b>					
Profit/(Loss) before tax		1,165,942	(2,148,661)	1,183,889	(2,347,114)
<b>Adjustments for:-</b>					
Depreciation of equipment		3,729	2,234	3,729	2,234
Interest expense		-	48,328	-	48,328
Interest income		(3,796,354)	(3,984,671)	(3,945,231)	(4,364,884)
Impairment loss on financial assets		-	-	149,616	901,430
Operating loss before working capital changes		(2,626,683)	(6,082,770)	(2,607,997)	(5,760,006)
Changes in working capital:-					
Receivables		(848)	14,499	(848)	-
Payables		107,804	391,560	111,600	386,038
Cash used in operations		(2,519,727)	(5,676,711)	(2,497,245)	(5,373,968)
Tax paid		(1,101,435)	(736,730)	(1,090,873)	(736,730)
Net cash flows used in operating activities		(3,621,162)	(6,413,441)	(3,588,118)	(6,110,698)
<b>INVESTING ACTIVITIES</b>					
Interest received		3,796,354	3,984,665	3,796,354	4,410,971
Purchase of equipment		-	(18,645)	-	(18,645)
(Advance to)/Repayment from a subsidiary		-	-	(739)	22,727,465
Net cash flows from investing activities		3,796,354	3,966,020	3,795,615	27,119,791
<b>FINANCING ACTIVITIES</b>					
Repayment to a company connected with certain Directors		-	(214)	-	(214)
Repayment to a Director		-	(8,499,009)	-	(8,499,009)
Net cash flows used in financing activities		-	(8,499,223)	-	(8,499,223)

**STATEMENTS OF CASH FLOWS  
(CONT'D)**

	<u>Note</u>	<b>Group</b>		<b>Company</b>	
		<u>2025</u> RM	<u>2024</u> RM	<u>2025</u> RM	<u>2024</u> RM
<b>CASH AND CASH EQUIVALENTS</b>					
Net changes		175,192	(10,946,644)	207,497	12,509,870
At beginning of financial year		<u>116,221,245</u>	<u>127,167,889</u>	<u>116,061,686</u>	<u>103,551,816</u>
At end of financial year	<b>A</b>	<u><u>116,396,437</u></u>	<u><u>116,221,245</u></u>	<u><u>116,269,183</u></u>	<u><u>116,061,686</u></u>

**NOTES TO THE STATEMENTS OF CASH FLOWS**

**A. CASH AND CASH EQUIVALENTS**

	<b>Group</b>		<b>Company</b>	
	<u>2025</u> RM	<u>2024</u> RM	<u>2025</u> RM	<u>2024</u> RM
Cash and bank balances	116,394,336	116,219,192	116,267,082	116,059,633
Fixed deposits with licensed banks	<u>2,101</u>	<u>2,053</u>	<u>2,101</u>	<u>2,053</u>
Cash and cash equivalents	<u><u>116,396,437</u></u>	<u><u>116,221,245</u></u>	<u><u>116,269,183</u></u>	<u><u>116,061,686</u></u>

**B. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES**

	<b>Group and Company</b>			<u>At</u> <u>31.12.2024</u> RM
	<u>At</u> <u>1.1.2024</u> RM	<u>Interest</u> <u>expense</u> RM	<u>Cash flows</u> RM	
Amount due to a company connected with certain Directors	214	-	(214)	-
Amount due to a Director	<u>8,450,681</u>	<u>48,328</u>	<u>(8,499,009)</u>	-
	<u><u>8,450,895</u></u>	<u><u>48,328</u></u>	<u><u>(8,499,223)</u></u>	-

The accompanying notes form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

## 1. GENERAL INFORMATION

The Company is principally engaged in investment holding.

The principal activities of the subsidiaries are disclosed in Note 4 to the financial statements.

There have been no significant changes in the nature of these activities of the Company and its subsidiary 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 registered office of the Company is located at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, W.P. Kuala Lumpur.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 20 April 2026.

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

### 2.1 Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

### 2.2 Basis of measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The Group and the Company have prepared the financial statements on the basis that they will continue to operate as a going concern.

### 2.3 Functional and presentation currency

The financial statements are presented in Ringgit Malaysia (“RM”) which is the Company’s functional currency and all values are rounded to the nearest RM except when otherwise stated.

### 2.4 MFRSs

#### 2.4.1 Adoption of amendments and improvements to MFRSs

At the beginning of current financial year, the Group and the Company adopted amendments and improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 January 2025.

Initial application of the amendments and improvements to MFRSs did not have material impact to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

#### 2.4 MFRSs (cont'd)

##### 2.4.2 Standards issued but not yet effective

The new and amended standards that are issued, but not yet effective, up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intend to adopt these new and amended standards, if applicable, when they become effective in the respective financial period.

Effective for financial period beginning on or after 1 January 2026:-

Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments
Annual Improvements to MFRS	Accounting Standards - Volume 11
Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures - Contract Referencing Nature-dependent Electricity

Effective for financial period beginning on or after 1 January 2027:-

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to 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

Effective date deferred indefinitely:-

Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements and Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The initial application of the above new standards and amendments are not expected to have any material impact to the financial statements of the Group and of the Company, except as followings:-

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 Presentation and Disclosure in Financial Statements introduces three sets of new requirements to improve companies' reporting of financial performance:

- Improved comparability in the statement of profit or loss (income statement)
- Enhanced transparency of management-defined performance measures
- More useful grouping of information in the financial statements

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

#### 2.4 MFRSs (cont'd)

##### 2.4.2 Standards issued but not yet effective (cont'd)

###### MFRS 18 Presentation and Disclosure in Financial Statements (cont'd)

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. It carries forward many requirements from MFRS 101 unchanged. MFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, but companies can apply it earlier.

The Group is currently assessing the impact of the amendments will have on the financial statements and notes to the financial statements.

##### 2.5 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

###### 2.5.1 Estimation uncertainty

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

###### **Provision for expected credit losses ("ECL") for financial assets at amortised cost**

Credit losses are the differences between all contractual cash flows of the Group and of the Company that are due and the cash flows that they actually expect to receive. An expected credit loss is the probability-weighted estimate of credit losses which requires the Group's and the Company's judgement. The ECL are discounted at the original effective interest rate (or credit-adjusted effective interest rate for the purchased or originated credit-impaired financial assets).

The Group and the Company evaluate the ECL on a case-by-case basis.

The Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information, where available such as changes in financial capability of the debtor, and default or significant delay in payments.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

#### 2.5 Significant accounting estimates and judgements (cont'd)

##### 2.5.1 Estimation uncertainty (cont'd)

###### **Useful lives of depreciable assets**

The management estimates the useful lives of the equipment to be 5 years and reviews the useful lives of depreciable assets at each reporting date. The management assesses that the useful lives represent the expected utility of the assets to the Group and to the Company. Actual results, however, may vary due to change in the expected level of usage and technological developments, which result in adjustment to the Group's and to the Company's assets.

###### **Impairment of non-financial assets**

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's and the Company's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

###### **Income taxes/Deferred tax liabilities**

Significant judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group and the Company recognise tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

##### 2.5.2 Significant management judgement

There are no significant management judgements in applying the accounting policies that have significant effect on the amount recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

3. EQUIPMENT

Group and Company

	<u>Office equipment</u> RM
<b>Cost</b>	
At 1 January 2024	-
Additions	<u>18,645</u>
At 31 December 2024/31 December 2025	<u>18,645</u>
<b>Accumulated depreciation</b>	
At 1 January 2024	-
Charge for the financial year	<u>2,234</u>
At 31 December 2024	2,234
Charge for the financial year	<u>3,729</u>
At 31 December 2025	<u>5,963</u>
<b>Net carrying amount</b>	
At 31 December 2025	<u><u>12,682</u></u>
At 31 December 2024	<u><u>16,411</u></u>

Material accounting policy information

(a) Recognition and measurement

Equipment are stated at cost less accumulated depreciation and any impairment losses.

(b) Depreciation

Depreciation is recognised on the straight-line method in order to write off the cost of each asset over its estimated useful life.

Equipment are depreciated based on estimated useful lives of the assets as follows:-

Office equipment	5 years
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NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

4. INVESTMENT IN A SUBSIDIARY

	<b>Company</b>	
	<u>2025</u> RM	<u>2024</u> RM
Unquoted shares, at cost	<u>10</u>	<u>10</u>

The particulars of the subsidiary are as follows:-

<u>Name of company</u>	<u>Principal place of business</u>	<u>Effective equity interest</u>		<u>Principal activities</u>
		<u>2025</u> %	<u>2024</u> %	
Habipack Sdn. Bhd. (“HSB”)	Malaysia	100	100	Manufacturing of finished plastic products, other articles of paper, paperboards and plastic articles for the packing of goods. HSB is yet to commence its business operation.

Material accounting policy information

Investment in a subsidiary stated at cost less any impairment losses in the Company’s statements of financial position.

5. OTHER RECEIVABLES

	<b>Group</b>		<b>Company</b>	
	<u>2025</u> RM	<u>2024</u> RM	<u>2025</u> RM	<u>2024</u> RM
Prepayment	849	-	849	-
Sundry deposits	55,390	55,390	-	-
Interest receivables	5	6	5	6
Amount due from a subsidiary	<u>-</u>	<u>-</u>	<u>4,200,221</u>	<u>4,050,605</u>
	56,244	55,396	4,201,075	4,050,611
Less: Accumulated impairment losses	<u>-</u>	<u>-</u>	<u>(4,200,221)</u>	<u>(4,050,605)</u>
	<u>56,244</u>	<u>55,396</u>	<u>854</u>	<u>6</u>

Included in the amount due from a subsidiary is loans to a subsidiary amounted to RM4,040,080 (2024: RM4,040,080). These loans are unsecured, bear interest rate of 3.685% (2024: 3.685%) per annum and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

5. OTHER RECEIVABLES (CONT'D)

The movement of the accumulated impairment losses during the financial year is as follows:-

	Company RM
At 1 January 2024	3,149,175
Addition	<u>901,430</u>
At 31 December 2024	4,050,605
Addition	<u>149,616</u>
At 31 December 2025	<u><u>4,200,221</u></u>

Material accounting policy information

Impairment for amount due from a subsidiary is recognised based on the general approach using the forward looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information, where available.

For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Lifetime expected credit losses refer to the expected credit losses that result from all possible default events over the expected life of the asset. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

6. CASH AND BANK BALANCES AND FIXED DEPOSITS WITH LICENSED BANKS

	Group		Company	
	<u>2025</u> RM	<u>2024</u> RM	<u>2025</u> RM	<u>2024</u> RM
Cash at bank	116,394,336	116,219,192	116,267,082	116,059,633
Fixed deposits with licensed banks	<u>2,101</u>	<u>2,053</u>	<u>2,101</u>	<u>2,053</u>
	<u>116,396,437</u>	<u>116,221,245</u>	<u>116,269,183</u>	<u>116,061,686</u>

The fixed deposits with licensed banks of the Group and of the Company are on fixed rate basis and will mature in 3 months (2024: 3 months) period.

The effective interest rate on fixed deposits with licensed banks is at 2.05% (2024: 2.45%) per annum.

7. SHARE CAPITAL

	Group and Company	
	<u>2025</u> RM	<u>2024</u> RM
<b>Issued and fully paid-up with no par value:-</b> 193,599,641 units of ordinary shares	<u>63,117,846</u>	<u>63,117,846</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regards to the Company's residual value.

8. TREASURY SHARES

**Group and Company**

The shares purchased were retained as treasury shares. The Company has the right to re-issue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

As at the financial year end, the Company held 1,038,600 (2024: 1,038,600) of the Company's shares and the number of outstanding shares in issue after setting off the treasury shares against equity are 192,561,041 (2024: 192,561,041).

No treasury shares were sold during the current and previous financial years.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

9. OTHER PAYABLES

	Group		Company	
	<u>2025</u> RM	<u>2024</u> RM	<u>2025</u> RM	<u>2024</u> RM
Non-trade payables	506,425	534,321	506,425	533,025
Accrual of expenses	<u>196,400</u>	<u>60,700</u>	<u>183,700</u>	<u>45,500</u>
	<u>702,825</u>	<u>595,021</u>	<u>690,125</u>	<u>578,525</u>

10. PROFIT/(LOSS) BEFORE TAX

Profit/(Loss) before tax has been determined after charging/(crediting), amongst others, the following items:-

	Group		Company	
	<u>2025</u> RM	<u>2024</u> RM	<u>2025</u> RM	<u>2024</u> RM
Auditors' remuneration:-				
<u>Statutory audit</u>				
- Grant Thornton Malaysia PLT	32,000	32,000	24,500	24,500
<u>Assurance related services</u>				
- Grant Thornton Malaysia PLT	397,500	426,200	397,500	426,200
<u>Other services</u>				
- Local affiliates of Grant Thornton Malaysia PLT	12,200	98,700	7,000	91,000
Depreciation of equipment	3,729	2,234	3,729	2,234
Interest expenses:				
- Amount due to a Director	-	48,328	-	48,328
Interest income:				
- Amount due from a subsidiary	-	-	(148,877)	(526,442)
- Fixed deposits with licensed banks	(47)	(146,287)	(47)	(58)
- Cash at bank	<u>(3,796,307)</u>	<u>(3,838,384)</u>	<u>(3,796,307)</u>	<u>(3,838,384)</u>

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

10. PROFIT/(LOSS) BEFORE TAX (CONT'D)

The remuneration paid to the Directors of the Group and of the Company is as follows:-

	Group and Company	
	<u>2025</u> RM	<u>2024</u> RM
<u>Executive Directors</u>		
Salaries and other emoluments	336,000	332,000
Defined contribution plan	13,440	13,280
Social security contribution	1,786	1,561
	<u>351,226</u>	<u>346,841</u>
<u>Non-executive Directors</u>		
Fees	102,000	78,000
Other emoluments	3,000	3,000
	<u>105,000</u>	<u>81,000</u>
	<u>456,226</u>	<u>427,841</u>

The remuneration paid to the Directors of the Company analysed into bands are as follows:-

<u>Number of Directors</u>	<u>&lt;RM100,000</u>	RM100,000
		to <u>RM200,000</u>
<u>2025</u>		
Executive Directors	-	2
Non-executive Directors	3	-
<u>2024</u>		
Executive Directors	-	2
Non-executive Directors	3	-

11. TAX EXPENSE

	Group		Company	
	<u>2025</u> RM	<u>2024</u> RM	<u>2025</u> RM	<u>2024</u> RM
<b>Current tax expense:</b>				
- Current financial year	911,114	919,657	911,114	919,657
- Over provision in prior financial year	(271,932)	-	(282,494)	-
	<u>639,182</u>	<u>919,657</u>	<u>628,620</u>	<u>919,657</u>

Malaysian income tax is calculated at the statutory tax rate of 24% (2024: 24%) of the estimated taxable profits for the financial year.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

11. TAX EXPENSE (CONT'D)

The reconciliations of tax expense applicable to profit/(loss) before tax at the statutory tax rate to the tax expense at the effective tax rate of the Group and of the Company are as follows:-

	Group		Company	
	<u>2025</u> RM	<u>2024</u> RM	<u>2025</u> RM	<u>2024</u> RM
Profit/(Loss) before tax	<u>1,165,942</u>	<u>(2,148,661)</u>	<u>1,183,889</u>	<u>(2,347,114)</u>
Tax expense at Malaysian statutory tax rate of 24% (2024: 24%)	279,826	(515,679)	284,133	(563,307)
Tax effects in respect of:-				
Expenses not deductible for tax purpose	631,288	1,435,336	626,981	1,482,964
Over provision of tax expense in prior financial year	<u>(271,932)</u>	<u>-</u>	<u>(282,494)</u>	<u>-</u>
	<u>639,182</u>	<u>919,657</u>	<u>628,620</u>	<u>919,657</u>

12. EARNINGS PER ORDINARY SHARE

Basic/Diluted earnings per ordinary share

Basic earnings per ordinary share are calculated by dividing profit/(loss) for the financial year attributable to owners of the Company over the weighted average number of ordinary shares in issue during the financial year.

Diluted earnings per ordinary share equals to basic earnings per share as there are no dilutive potential ordinary shares.

	Group	
	<u>2025</u> RM	<u>2024</u> RM
Profit/(Loss) after tax for the financial year attributable to owners of the Company (RM)	526,760	(3,068,318)
Weighted average number of ordinary shares in issue	192,561,041	192,561,041
Basic earnings per ordinary share (sen)	<u>0.27</u>	<u>(1.59)</u>

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

13. EMPLOYEE BENEFITS EXPENSE

Employee benefits expense of the Group and of the Company consist of, amongst others, the following items:-

	<b>Group and Company</b>	
	<u>2025</u>	<u>2024</u>
	RM	RM
Salaries and other emoluments	381,930	347,000
Defined contribution plan	24,686	14,720
Social security contribution	<u>2,642</u>	<u>1,657</u>
	<u>409,258</u>	<u>363,377</u>

Included in the employee benefits expense is the Directors' emoluments as below:-

	<b>Group and Company</b>	
	<u>2025</u>	<u>2024</u>
	RM	RM
Salaries and other emoluments	339,000	335,000
Defined contribution plan	13,440	13,280
Social security contribution	<u>1,786</u>	<u>1,561</u>
	<u>354,226</u>	<u>349,841</u>

14. RELATED PARTY DISCLOSURES

(a) The related party transactions of the Group and of the Company during the financial year were as follows:-

	<b>Group</b>		<b>Company</b>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
Interest charged by a Director	-	48,328	-	48,328
Interest charged to a subsidiary	-	-	(148,877)	(526,442)
Expenses paid on behalf (for)/by a subsidiary	<u>-</u>	<u>-</u>	<u>(739)</u>	<u>50,000</u>

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

14. RELATED PARTY DISCLOSURES (CONT'D)

- (b) The outstanding balances arising from related party transactions as at the reporting date are disclosed in Note 5 to the financial statements.
- (c) The remuneration of key management personnel is same with the Directors' remunerations as disclosed in Notes 10 and 13 to the financial statements. Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly and entity that provides key management personnel services to the Company. The Company has no other members of key management personnel apart from the Board of Directors.

15. OPERATING SEGMENTS - GROUP

(a) Business segments

The Group is organised on two major operating segments. These operating segments are monitored separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit in the consolidated financial statements.

The following summary describes the operations in each of the Group's reportable segments:-

<u>Operating segments</u>	<u>Business activities</u>
Investment holding	Investment holding.
Manufacturing	Manufacturing of finished plastic products, other articles of paper, paperboards and plastic articles for the packing of goods. Currently, this segment is dormant.

Transfer prices between operating segments are on negotiated basis.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

15. OPERATING SEGMENTS - GROUP (CONT'D)

(a) Business segments (cont'd)

	<u>Investment holding</u> RM	<u>Manufacturing</u> RM	<u>Eliminations</u> RM	<u>Note</u>	<u>Consolidated</u> RM
<b>2025</b>					
<b><u>Results</u></b>					
Segment loss	(2,761,342)	(18,686)	149,616	A	(2,630,412)
Finance income	3,945,231	-	(148,877)		3,796,354
Finance costs	-	(148,877)	148,877		-
Depreciation	3,729	-	-		3,729
Tax expense	(628,620)	(10,562)	-		(639,182)
Other non-cash expenses	(149,616)	-	149,616		-
<b><u>Assets</u></b>					
Segment assets	116,282,729	182,644	(10)	B	116,465,363
<b><u>Liabilities</u></b>					
Segment liabilities	690,125	4,212,921	(4,200,211)	D	702,825
<b>2024</b>					
<b><u>Results</u></b>					
Segment loss	(6,663,670)	(322,764)	901,430	A	(6,085,004)
Finance income	4,364,884	146,229	(526,442)		3,984,671
Finance costs	(48,328)	(526,442)	526,442		(48,328)
Depreciation	2,234	-	-		2,234
Tax expense	(919,657)	-	-		(919,657)
Other non-cash expenses	(901,430)	-	901,430		-
<b><u>Assets</u></b>					
Segment assets	116,078,113	214,949	(10)	B	116,293,052
Additions to non-current assets other than financial instruments	18,645	-	-	C	18,645
<b><u>Liabilities</u></b>					
Segment liabilities	578,525	4,067,101	(4,050,605)	D	595,021

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

15. OPERATING SEGMENTS - GROUP (CONT'D)

(a) Business segments (cont'd)

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:-

A. The following items are (deducted from)/added to segment loss to arrive at “profit/(loss) before tax” presented in the consolidated profit or loss:-

	<u>2025</u> RM	<u>2024</u> RM
Segment loss	(2,630,412)	(6,085,004)
Interest income	3,796,354	3,984,671
Finance costs	-	(48,328)
	<u>1,165,942</u>	<u>(2,148,661)</u>

B. The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position:-

	<u>2025</u> RM	<u>2024</u> RM
Segment assets	<u>116,465,363</u>	<u>116,293,052</u>
Total assets	<u>116,465,363</u>	<u>116,293,052</u>

C. Additions to non-current assets consist of:-

	<u>2025</u> RM	<u>2024</u> RM
Equipment	-	18,645
	<u>-</u>	<u>18,645</u>

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

15. OPERATING SEGMENTS - GROUP (CONT'D)

(a) Business segments (cont'd)

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements (cont'd):-

D. The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:-

	<u>2025</u> RM	<u>2024</u> RM
Segment liabilities	702,825	595,021
Tax payable	<u>28,012</u>	<u>490,265</u>
Total liabilities	<u>730,837</u>	<u>1,085,286</u>

(b) Geographical information

There is no geographical information presented as the Group is predominantly operating in Malaysia.

(c) Major customers

The Group does not have any revenue from a single external customer which represent 10% or more of the Group's revenue.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

16. FINANCIAL INSTRUMENTS

**Categories of Financial Instruments**

The table below provides an analysis of financial instruments categorised as financial assets and financial liability measured at amortised cost (“AC”):-

	<b>Group</b>	
	<u>2025</u>	<u>2024</u>
	RM	RM
<b>Financial assets</b>		
Other receivables	55,395	55,396
Fixed deposits with licensed banks	2,101	2,053
Cash and bank balances	<u>116,394,336</u>	<u>116,219,192</u>
	<u>116,451,832</u>	<u>116,276,641</u>
<b>Financial liability</b>		
Other payables	<u>702,825</u>	<u>595,021</u>
	<b>Company</b>	
	<u>2025</u>	<u>2024</u>
	RM	RM
<b>Financial assets</b>		
Other receivables	5	6
Fixed deposits with a licensed bank	2,101	2,053
Cash and bank balances	<u>116,267,082</u>	<u>116,059,633</u>
	<u>116,269,188</u>	<u>116,061,692</u>
<b>Financial liability</b>		
Other payables	<u>690,125</u>	<u>578,525</u>

**Risk management objectives and policies**

The Group and the Company are exposed to various risks in relation to financial instruments. The main types of risks are interest rate risk, credit risk, liquidity risk and foreign currency exchange risk.

Financial risk management policy is established to ensure that adequate resources are available for the development of the Group’s and of the Company’s business whilst managing its interest rate risk, credit risk, liquidity risk and foreign currency risk. The Group and the Company operate within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

16. FINANCIAL INSTRUMENTS (CONT'D)

**Risk management objectives and policies (cont'd)**

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's short-term placements, receivables and payables are not significantly exposed to interest rate risk.

The Group's and the Company's interest rate management objective is to manage interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation.

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting year are as follows:-

	<b>Group</b>		<b>Company</b>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
<b>Fixed rate instruments</b>				
<u>Financial assets</u>				
Fixed deposits with licensed banks	2,101	2,053	2,101	2,053
Other receivables	-	-	4,040,080	4,040,080
	<u>2,101</u>	<u>2,053</u>	<u>4,042,181</u>	<u>4,042,133</u>

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liability at fair value through profit or loss and does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting year would not affect profit or loss and equity.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

16. FINANCIAL INSTRUMENTS (CONT'D)

**Risk management objectives and policies (cont'd)**

(b) Credit risk

Credit risk is the risk that counterparty fails to discharge an obligation to the Group and the Company. The Group's and the Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:-

	Group		Company	
	<u>2025</u> RM	<u>2024</u> RM	<u>2025</u> RM	<u>2024</u> RM
<b>Classes of financial assets</b>				
Other receivables	55,395	55,396	5	6
Cash and bank balances	116,394,336	116,219,192	116,267,082	116,059,633
Fixed deposits with licensed banks	<u>2,101</u>	<u>2,053</u>	<u>2,101</u>	<u>2,053</u>
	<u>116,451,832</u>	<u>116,276,641</u>	<u>116,269,188</u>	<u>116,061,692</u>

**Other receivables**

Credit risk from other receivables are mainly arising from sundry receivables and sundry deposits. The Group and the Company are of the view that the loss allowance of sundry receivables and sundry deposits is not material and hence, it is not provided for.

**Inter-company loans and advances**

Generally, the Company considers loans and advances to subsidiary have low credit risk. The Company assumes that there is significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiary's loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiary is not able to pay when demanded. The Company has provided loss allowance as disclosed in Note 5 to the financial statements for the amount due from a subsidiary due to the subsidiary is unlikely to repay its loans or advances to the Company when demanded.

**Cash and cash equivalents**

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

16. FINANCIAL INSTRUMENTS (CONT'D)

**Risk management objectives and policies (cont'd)**

(c) Liquidity risk

Liquidity risk is the risk arising from the Group and the Company not being able to meet their obligations due to shortage of funds.

In managing their exposures to liquidity risk, the Group and the Company maintain a level of cash and cash equivalents and bank credit facilities deemed adequate by the management to ensure that they will have sufficient liquidity to meet their liabilities as and when they fall due.

The liquidity risk arises principally from its other payables. The maturity profile of the Group and of the Company's financial liability is less than 1 year.

(d) Foreign currency exchange risk

Foreign currency exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in foreign exchange rate.

The Group and the Company are exposed to foreign currency exchange risk on its other payables that are denominated in a currency other than the functional currency of the Group and of the Company. The currency giving rise to this risk are principally Indonesian Rupiah ("IDR").

Based on carrying amount as at the reporting date, foreign currency denominated financial liability which expose the Group and the Company to foreign currency exchange risk are disclosed below:-

	<b>IDR</b>	
	<u>2025</u> RM	<u>2024</u> RM
<b>Group and Company</b>		
<u>Financial liability</u>		
Other payables	-	(137,624)

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

16. FINANCIAL INSTRUMENTS (CONT'D)

**Risk management objectives and policies (cont'd)**

(d) Foreign currency exchange risk (cont'd)

Foreign currency sensitivity analysis

The following table illustrates the sensitivity of the Group's and of the Company's profit and equity to a reasonably possible change in the IDR exchange rate against the Group's and the Company's functional currency, assuming all other variables held constant.

	<b>(Decrease)/Increase in profit/equity for the financial year</b>	
	<u>2025</u> RM	<u>2024</u> RM
<b>Group and Company</b>		
<u>IDR/RM</u>		
- Strengthened 1% (2024: 1%)	-	(1,376)
- Weakened 1% (2024: 1%)	-	1,376
	<hr/>	<hr/>

Exposures to foreign exchange rates vary during the financial year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's and of the Company's exposure to foreign currency exchange risk.

**Fair value of financial instruments**

The carrying amounts of financial assets and financial liability of the Group and of the Company as at the reporting date are approximately at their fair values due to their short-term nature or they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The Group and the Company have not designated any financial instrument at fair value through profit or loss or fair value through other comprehensive income and hence fair value hierarchy is not presented.

17. CAPITAL MANAGEMENT OBJECTIVE

The primary capital management objective of the Group is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to sustain future development of the business. There is no change to the objectives since the previous financial year.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 17. CAPITAL MANAGEMENT OBJECTIVE (CONT'D)

The Group manages its capital by regularly monitoring its current and expected liquidity requirement and ensuring it maintains adequate financial resources to support its operations. The Group currently operates without borrowings and therefore manages its capital primarily through shareholders' equity. However, the Group may consider external financing where appropriate to meet future funding requirements.

### 18. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The Company was classified as a cash company under the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") on 2 September 2022, following the completion of the disposal of Lee Soon Seng Plastic Industries Sdn. Bhd. ("LSSPI"). Pursuant to Paragraph 8.03(5) of the Listing Requirements, the Company is required to regularise its condition within the timeframe prescribed by Bursa Securities.

Since being classified as a cash company, the Company has obtained several extensions of time from Bursa Securities to submit its regularisation plan. On 30 December 2024, the Company submitted its proposed regularisation plan to the Securities Commission Malaysia ("SC"), which comprises the following:

- (i) Proposed cash distribution of approximately RM48.14 million or RM0.25 per ordinary share in SCGM Bhd ("SCGM Share") held by the shareholders of SCGM Bhd on an entitlement date to be determined and announced at a later date ("Proposed Special Dividend");
- (ii) Proposed acquisition by SCGM Bhd of the entire equity interest in Eramas Global Group Sdn. Bhd. ("Eramas Global Group") from the Vendors for a total purchase consideration of RM207.94 million which will be fully satisfied through the issuance of 569,698,630 new SCGM Shares at an issue price of RM0.365 each ("Proposed Acquisition");
- (iii) Proposed offer for sale by the Vendors of up to 95,300,000 SCGM Shares to Bumiputera investors approved or recognised by the Ministry of Investment, Trade and Industry, institutional investors and selected investors at an offer price of RM0.365 each ("Proposed Offer for Sale"); and
- (iv) Proposed exemption under subparagraph 4.08(1)(a) of the Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the SC for the Vendors and persons acting in concert with them from the obligation to undertake a mandatory take-over offer to acquire the remaining SCGM Shares not already owned by them upon completion of the Proposed Acquisition ("Proposed Exemption").

On 27 December 2024, the Company entered into a conditional share sale agreement with Chin Kok Tian, Yan Hua Lan, Tan Ah Tek, Gan Chun Lee, Tey Chee Shin, Tan Tai Chong and Lau Sie Khian (collectively, the "Vendors") for the proposed acquisition of the entire equity interest in Eramas Global Group ("Proposed Acquisition").

**NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)**

**18. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)**

On 29 May 2025, the SC approved the Company's proposed regularisation plan.

Following the SC's approval, the Company and the Vendors mutually agreed on 24 September 2025 to extend the period for the satisfaction or fulfilment of the conditions precedent under the share sale agreement for the Proposed Acquisition until 30 June 2026.

Separately, on 21 January 2026, the SC granted the Company an extension of time until 28 May 2026 to implement and complete the approved regularisation plan.

## CORPORATE INFORMATION



### BOARD OF DIRECTORS

**DATO' SRI LEE HOCK SENG**  
Executive Chairman

**DATO' SRI LEE HOCK CHAI**  
Managing Director

**MS PATRICIA RANGENE PACKIUM**  
Senior Independent Non-Executive Director

**MS LEE YEE LING**  
Independent Non-Executive Director

**MS LIM PENG PENG**  
Independent Non-Executive Director

**MS LEE LIH CHYONG**  
Alternate Director to Dato' Sri Lee Hock Seng

#### AUDIT COMMITTEE

Ms. Lim Peng Peng (Chairperson)  
Ms. Patricia Rangene Packium  
Ms. Lee Yee Ling

#### NOMINATION COMMITTEE

Ms. Patricia Rangene Packium (Chairperson)  
Ms. Lee Yee Ling  
Ms. Lim Peng Peng

#### REMUNERATION COMMITTEE

Ms. Lim Peng Peng (Chairperson)  
Ms. Patricia Rangene Packium  
Ms. Lee Yee Ling

#### COMPANY SECRETARIES

Tan Tong Lang  
(MAICSA 7045482/ SSM PC No. 202208000250)  
Thien Lee Mee  
(LS0010621/ SSM PC No. 201908002254)

#### REGISTERED OFFICE

B-21-1, Level 21, Tower B  
Northpoint Mid Valley City  
No. 1, Medan Syed Putra Utara  
59200 Kuala Lumpur  
W.P. Kuala Lumpur  
Tel : (03) 9770 2200  
Fax : (03) 2201 7774  
Email : boardroom@boardroom.com.my

#### SHARE REGISTRAR

Aldpro Corporate Services Sdn Bhd  
B-21-1, Level 21, Tower B  
Northpoint Mid Valley City  
No. 1, Medan Syed Putra Utara  
59200 Kuala Lumpur  
W.P. Kuala Lumpur  
Tel : (03) 9770 2200  
Fax : (03) 2201 7774  
Email : admin@aldpro.com.my

#### AUDITORS

Grant Thornton Malaysia PLT  
[201906003682 & LLP0022494-LCA)  
(Member Firm of Grant Thornton  
International Ltd)  
Chartered Accountants (AF 0737)  
Level 11, Sheraton Imperial Court  
Jalan Sultan Ismail  
50250 Kuala Lumpur

#### PRINCIPAL BANKERS

AmBank Islamic Berhad  
AmBank (M) Berhad  
CIMB Islamic Bank Berhad  
RHB Bank Berhad  
MTrustee Berhad

#### DATE AND PLACE OF INCORPORATION

Incorporated in Malaysia on 29 June 2007

#### STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad  
Main Market Stock Name : SCGM  
Stock Code : 7247  
Sector : Industrial Products & Services

## PROFILE OF DIRECTORS



**DATO' SRI LEE HOCK SENG**  
Executive Chairman

Aged 76    Male    Malaysian

Date Joined : 19 December 2007

**Dato' Sri Lee Hock Seng**, a Malaysian, aged 76, is the Executive Chairman of SCGM. He was appointed to our Board on 19 December 2007. He was one of the founders of LSSPI and had been the Managing Director of LSSPI since its incorporation on 4 May 1984 until the completion of the Disposal of LSSPI in August 2022.

After his secondary education, Dato' Sri Lee Hock Seng started his career in 1969 when he joined his family business, Lee Soon Seng, a distributor and wholesaler of beverages and sundry products where he was involved in all aspects of the business.

In 1984, he co-founded LSSPI with Dato' Sri Lee Hock Seng. Prior to the Disposal of LSSPI, LSSPI was principally involved in the manufacturing and trading of plastic packaging products for the food and beverages, electronics and medical industries, and personal protective equipment such as face masks.

From December 2007 until December 2015, he served as the Executive Chairman / Managing Director of SCGM before

being redesignated as the Executive Chairman of SCGM in December 2015. As the Executive Chairman of SCGM, he is mainly responsible for business development and setting the strategic business direction of the Group.

He was awarded the DIMP which carries the title of Dato' and the SSAP which carries the title of Dato' Sri by Sultan of Pahang in 2010 and 2012 respectively.

He does not hold any directorship in other public companies and listed corporations. Dato' Sri Lee Hock Seng is the brother of Dato' Sri Lee Hock Chai, who is the Managing Director of the Company and the father of Lee Lih Chyong, the Alternate Director to Dato' Sri Lee Hock Seng.

He has no conviction of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. He has no conflict of interest or potential conflict of interest, including any interest in any competing business with the Group. He attended all five (5) Board meetings in the current financial year.

PROFILE OF DIRECTORS  
(CONT'D)



**DATO' SRI  
LEE HOCK CHAI**  
*Managing Director*

Aged 64    Male    Malaysian

Date Joined : 19 December 2007

**Dato' Sri Lee Hock Chai**, a Malaysian, aged 64, is the Managing Director of SCGM. He was appointed to our Board on 19 December 2007. He was one of the founders of LSSPI and had been the Executive Director of LSSPI since its incorporation on 4 May 1984 until the completion of the Disposal of LSSPI in August 2022.

After his secondary education, Dato' Sri Lee Hock Chai began his career as the Factory Manager of LSSPI in 1984 where he was responsible for overseeing the manufacturing activities of LSSPI. In 1998, he was redesignated as the Operations Manager of LSSPI where he was responsible for developing new products and overseeing the maintenance of the manufacturing facility and machinery.

From December 2007 until December 2015, he served as the Executive Director of SCGM before being redesignated as the Managing Director of SCGM in December 2015. As the Managing Director of SCGM, he is mainly responsible for implementing and executing the strategic business plans and the day-to-day operations of the Group.

He was awarded the SSAP which carries the title of Dato' Sri by the Sultan of Pahang in 2012.

He does not hold any directorship in other public companies and listed corporations. Dato' Sri Lee Hock Chai is the brother of Dato' Sri Lee Hock Seng, who is the Executive Chairman of the Company and the uncle of Lee Lih Chyong, the Alternate Director to Dato' Sri Lee Hock Seng.

He has no conviction of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. He has no conflict of interest or potential conflict of interest, including any interest in any competing business with the Group. He attended all five (5) Board meetings in the current financial year.

PROFILE OF DIRECTORS  
(CONT'D)



**PATRICIA RANGENE PACKIUM**  
*Senior Independent Non-Executive Director*

Aged 52   Female   Malaysian

Date Joined : 16 August 2019

**Patricia Rangene Packium**, a Malaysian, aged 52, is the Senior Independent Non-Executive Director of SCGM. She was appointed to our Board on 16 August 2019 as an Independent Non-Executive Director and was redesignated as the Senior Independent Non-Executive Director on 29 June 2020.

She graduated with a Bachelor of Laws (Hons) degree from the University of London in 1997 and was called to the Malaysian Bar as an advocate and solicitor in October 2002.

She began her career in Jesvant & Co (currently known as Chambers of Jesvant Singh) as a Legal Assistant in 2002 and was promoted to Partner in 2006. In 2010, she joined Rahim & Lawrnee as a Legal Assistant. In 2012, she joined Chambers of Jesvant Singh as a Partner. In 2015, she set up her own law firm, Patricia Packium & Associates. Her practice area focuses on mainly conveyancing law in addition to general civil litigation, banking and corporate matters.

She serves as the Chairperson of the Nomination Committee, a member of the Audit Committee and Remuneration Committee of the Company.

She currently sits on the Board of SDS Group Berhad.

She has no family relationship with any Director and/or major shareholder of the Company.

She has no conviction of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. She has no conflict of interest or potential conflict of interest, including any interest in any competing business with the Group. She attended all five (5) Board meetings in the current financial year.

PROFILE OF DIRECTORS  
(CONT'D)



**LIM PENG PENG**  
*Independent Non-Executive Director*

Aged 46    Female    Malaysian

Date Joined : 16 August 2019

**Lim Peng Peng**, a Malaysian, aged 46, is an Independent Non-Executive Director of SCGM. She was appointed to our Board on 16 August 2019.

She graduated from Monash University with a Bachelor of Business and Commerce degree in 2002. She is a Chartered Accountant, a member of the CPA Australia and a member of the Malaysian Institute of Accountants (MIA).

Upon graduation, she began her career in Deloitte KassimChan (currently known as Deloitte) as an Audit Assistant in 2002. Over the years, she progressed through various roles within the firm and was promoted to Audit Manager in 2006. From 2007 to 2008, she worked at Horwath First Trust followed by Ernst & Young in Singapore as an Audit Manager. In May 2008, she rejoined Deloitte KassimChan as an Audit Manager and was promoted to Audit Director in 2012. In 2014, she joined Kudos Ling Chuo & Lim as an Audit Director.

In 2016, she joined SCGM as the Group Financial Controller where she was responsible for overseeing the management of the finance department. She left SCGM in May 2017. She

continued her career in Kudos Ling Chuo & Lim as Audit Director and was promoted to Audit Principal in 2018.

In 2023, she left Kudos Ling Chuo & Lim and joined SY Sai & Co as Audit Principal, a position she holds till date.

She serves as the Chairperson of the Audit Committee and Remuneration Committee and also a member of the Nomination Committee of the Company.

She currently sits on the Board of Harvest Miracle Capital Berhad.

She has no family relationship with any Director and/or major shareholder of the Company.

She has no conviction of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. She has no conflict of interest or potential conflict of interest, including any interest in any competing business with the Group. She attended all five (5) Board meetings in the current financial year.

PROFILE OF DIRECTORS  
(CONT'D)



**LEE YEE LING**  
*Independent Non-Executive Director*

Aged 42   Female   Malaysian

Date Joined : 16 August 2019

**Lee Yee Ling**, a Malaysian, aged 42, is an Independent Non-Executive Director of SCGM. She was appointed to our Board on 16 August 2019.

She graduated from the University of Bradford, United Kingdom with a Bachelor of Science (Honours Degree) in Business and Management Studies in 2006.

Lee Yee Ling began her career as a Production Planning Executive with Hitachi Koki (M) Sdn Bhd in 2006 where she was involved in production resource planning. In 2008, she joined Lee Heng High Precision Engineering Sdn Bhd as a Marketing Executive and was subsequently promoted to Marketing Manager in 2010, where she was involved in the formulation of marketing strategy, operation management, resource planning and financial planning. She was promoted to General Manager in 2013 and subsequently appointed as its Executive Director in the same year, a position she holds to date.

She serves as the member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company.

She currently sits on the Board of SDS Group Berhad.

She has no family relationship with any Director and/or major shareholder of the Company.

She has no conviction of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. She has no conflict of interest or potential conflict of interest, including any interest in any competing business with the Group. She attended all five (5) Board meetings in the current financial year.

PROFILE OF DIRECTORS  
(CONT'D)



**LEE LIH CHYONG**  
*Alternate Director to Dato' Sri Lee Hock Seng*

Aged 55   Female   Malaysian

Date Joined : 28 June 2021

**Lee Lih Chyong**, a Malaysian, aged 55, was appointed as the Alternate Director to Dato' Sri Lee Hock Seng on 28 June 2021.

She graduated from Coventry University, United Kingdom with a Bachelor's Degree in Business Administration in 1995.

In 1995, she joined Beaver Industries (M) Sdn Bhd as a Production and Materials Control Coordinator, where she was responsible for material purchasing and scheduling as well as import and export arrangements.

In 1996, she was transferred to Beaver Industries (Philippines) Co. where she was responsible for training new recruits and assisting in setting up the workflow of the Production and Materials Control Department for a new manufacturing plant. In 1997, she joined Formpak Industries Sdn Bhd as an Administration and Purchasing Executive where she was involved in administrative matters, purchasing and delivery arrangements.

In 2000, she joined LSSPI as an Operations Executive. Her responsibilities included assisting in the overall management of LSSPI's day-to-day operations. She progressed through the ranks and is presently the Administrative Manager of LSSPI and is responsible for the overall administrative and procurement management.

She does not hold any directorship in other public companies and listed corporations. Lee Lih Chyong is the daughter of Dato' Sri Lee Hock Seng and niece to Dato' Sri Lee Hock Chai.

She has no conviction of any offences within the past five (5) years and has no public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year. She has no conflict of interest or potential conflict of interest, including any interest in any competing business with the Group.

## PROFILE OF KEY SENIOR MANAGEMENT

**DATO' SRI LEE HOCK SENG** is the Executive Chairman.  
(The details of his profile are disclosed on page 61 of this Annual Report.)

**DATO' SRI LEE HOCK CHAI** is the Managing Director.  
(The details of his profile are disclosed on page 62 of this Annual Report.)

Save as disclosed above, Dato' Sri Lee Hock Seng and Dato' Sri Lee Hock Chai are siblings. Dato' Sri Lee Hock Seng is a substantial shareholder of SCGM by virtue of his direct and indirect interests in the Company.

None of them hold any directorship in other public company and public listed companies.

None of them have any conflict of interest or potential conflict of interest, including interest in any competing business with the Group.

None of them have been convicted of any offences within the past five (5) years and have not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year, other than traffic offences, if any.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of SCGM Bhd (“SCGM” or “the Company”) are pleased to present this Corporate Governance (“CG”) Overview Statement (“Statement”) to provide shareholders and investors with an overview of the CG practices adopted by the Company during the financial year end 31 December 2025 (“FYE 2025”) in achieving the intended outcomes as set out in the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”) with reference to the three (3) key principles under the stewardship of the Board as follows:-

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

This statement is prepared in compliance with Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“MMLR”) and it is to be read together with the CG Report 2025 of the Company which is available for viewing on the Company’s corporate website at <https://www.scgmberhad.com/> as well as via the announcement on the Website of Bursa Securities.

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

#### I. BOARD RESPONSIBILITIES

##### BOARD OF DIRECTORS

The Board of SCGM and its subsidiary (“the Group”) is responsible for the Group’s success by offering entrepreneurial leadership, guidance, and oversight of management. The Board holds accountability for ensuring robust governance, stewardship, and oversight in shaping the Group’s direction and operations. It sets strategic goals and objectives, formulates policies, and implements key action plans. Additionally, the Board regularly reviews the Group’s business activities and management performance while ensuring the necessary resources are in place.

The Board is fully responsible for the Company’s performance and directs it in the pursuit of both short and long-term objectives. It formulates corporate strategies for growth and new business development while offering guidance and direction to the Management to facilitate the Company to achieve its corporate goals and objectives.

To enable the Board to function effectively with proper accountability and to ensure that the powers and direction of the Company are vested in the Board, the Board Charter has delineated a schedule of matters reserved for the Board’s deliberation and decision. These include, amongst others, the following:

- Oversee Group’s Business;
- Review and adopt strategic plans for the Group;
- Review and adopt corporate governance best practice in relation to risk management, legal and compliance management and internal control systems;
- Review and approve the annual business plans, financial statements and annual reports;
- Monitoring the relationship between the Group and the management, shareholder and stakeholders and to develop and implement an investor relations program or shareholder communication policy for the Group; and
- To appoint the Board committees, delegate powers to such committees, review their composition, performance, and effectiveness, review the reports prepared by the Board committees, and deliberate on the recommendations thereon.

To assist in the discharge of its responsibilities, the Board has established the following Board Committees as required by the applicable laws, regulations, rules, directives and guidelines and as recommended by MCCG 2021 to perform certain of its functions and to provide recommendations and advice:

- I. Audit Committee (“AC”)
- II. Nomination Committee (“NC”)
- III. Remuneration Committee (“RC”)

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### BOARD OF DIRECTORS (CONT'D)

The Board Committee is assigned specific responsibilities for supervising the Group's operations and has the authority to act on behalf of the Board as outlined in their respective Terms of Reference. The Chairperson and members of each Board Committee are appointed by the Board.

The Chairperson of the respective Board Committees will report to the Board on the key issues deliberated or outcomes of any discussions and makes recommendations to the Board. Nevertheless, the Board retains the ultimate responsibility for making final decisions on all matters.

The Board may form other committees delegated with specific authorities to act on their behalf. These committees will operate under approved terms of reference or guidelines and are formed whenever required.

Board meeting agenda includes statutory matters governance and management reports, which includes strategic risks, strategic projects, and operational items. The Board approved an annual performance contract setting the priorities director and performance targets for the Group within the parameters of the corporate plan.

##### CHAIRMAN

Dato' Sri Lee Hock Seng, the Executive Chairman ("Chairman") of the Board, is entrusted with ensuring the integrity and effectiveness of the Board's governance framework. In this role, he facilitates Board meetings and ensures that proceedings are conducted in an orderly manner, consistent with good conduct and best practices.

#### 1. Separation of position of the Chairman and Managing Director

The Board has defined distinct roles and responsibilities in fulfilling its fiduciary and leadership duties. The positions of Chairman and Managing Director ("MD") within the company are occupied by separate individuals, each acknowledging a well-defined division of responsibilities and accountability. This intentional separation aims to maintain a balance of power and authority. Additionally, it fosters an open and healthy exchange of views between the Board and Management when deliberating on the business, strategic objectives, and key activities of the Company.

The Board is chaired by Dato' Sri Lee Hock Seng, an Executive Chairman who leads the Board with focus on governance and compliance and acts as a facilitator at Board with focus on governance and compliance and acts as a facilitator at Board meetings to ensure that relevant reviews and contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates the discussion.

The MD, Dato' Sri Lee Hock Chai, supervises the daily operations of the organisation, aiming for seamless and efficient functioning of the Group. The MD executes policies, strategies, and decisions approved by the Board of Directors. The MD monitor the operating financial results against plans and budgets while acting as a crucial link between the Board and the management team, ensuring the success of the Group's governance and management functions.

The MD assumes primary responsibility for leading and managing the overall business activities across the Group, while also working towards the Group's long-term goals. On the other hand, the Chairman of the Board is responsible for guiding the Board in overseeing and supervising the management of the Group.

#### 2. Chairman of the Board should not be a member of the Board Committees

In accordance with Practice 1.4 of the MCCG 2021, the Chairman of the Board is not a member of the AC, NC or RC to ensure there is check and balance as well as objective review by the Board. The roles of the Chairman and MD are separately held, and each has a clear division and responsibilities between them to ensure the balance of control, power and authority.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### COMPANY SECRETARY

In compliance with MCCG 2021, the Board is supported by the qualified and proficient Company Secretaries who play a crucial role in advising the Board concerning the Group's constitution, policies, procedures, and adherence to pertinent regulatory requirements, codes, guidelines, and legislation. The Company Secretaries of the Company are qualified to act as Company Secretary under Section 235 of the Companies Act 2016.

All Directors have unrestricted access to the counsel and services provided by the Company Secretaries for the efficient operation of the Board and the business. The Board expresses its contentment with the performance and invaluable support provided by the Company Secretaries in fulfilling their responsibilities.

In addition, the Company Secretaries are also accountable to the Board and is responsible for the following:

- Advising the Board on its roles and responsibilities.
- Advising the Board on matters related to corporate governance and the MMLR.
- Ensuring that Board procedures and applicable rules are observed.
- Maintaining records of the Board and ensuring effective management of the Company's statutory records.
- Preparing comprehensive minutes to document Board proceedings and ensuring conclusions are accurately recorded.
- Assisting communications between the Board and Management.
- Providing full access and services to the Board and carrying out other functions deemed appropriate by the Board from time to time.
- Preparing agendas and co-coordinating the preparation of Board papers.

The Company Secretaries consistently keep themselves abreast of the dynamic capital market environment, regulatory alterations, and developments in corporate governance through active participation in relevant conferences and training programs. Moreover, they conscientiously participate in ongoing professional development initiatives as required by the Companies Commission of Malaysia or the Malaysian Institute of Chartered Secretary and Administrators for practicing company secretaries.

##### SUPPLY AND ACCESS TO INFORMATION

The Board has unrestricted access to the advice and services of the Company Secretaries who is suitably qualified and competent to support the Board. The Company Secretaries are responsible for providing support and guidance to the Board on policies and procedures, rules and regulations and relevant laws in regard to the Company as well as the best practices on governance.

In addition, all Directors have full and unrestricted access to all information pertaining to the Group's businesses and affairs, in a timely manner to enable them to discharge their duties effectively.

Procedures have been put in place to ensure the timely distribution of Board and Board Committee papers to all Directors and Committees prior to scheduled meetings. Meeting notices, along with relevant papers, are sent to Directors at least seven (7) days before the meeting date. This ensures that the Board receives all meeting documents, including a timely notice of agenda items and supporting materials, well in advance. Directors are given sufficient time to review the papers and request clarification or further information from management and/or the Company Secretaries if needed. The Company Secretaries carefully document the Board's discussions on the agenda items and the conclusions reached in fulfilling its duties and responsibilities. These minutes are properly maintained and stored at the Company's Registered Office.

The Board has direct access to the guidance and support provided by the Company Secretaries who are responsible for ensuring compliance with the Board's meeting procedures and compliance with relevant rules and regulations. External advisers are invited to attend meetings to provide insights and professional views, advice and explanation on specific items on the meeting agenda, when required. The Chairman of the Board Committees, namely, the AC, RC and NC briefs the Board on matters discussed as well as decisions taken at the meetings of their respective Board Committees meetings.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### SUPPLY AND ACCESS TO INFORMATION (CONT'D)

Technology is effectively used in the meetings of Board and Board Committees and in communication with the Board, where the Directors may receive agenda and meeting materials online and participate in meetings via audio or video conferencing.

##### COMPANY'S POLICIES

#### 1. Board Charter

The Company has formulated a Board Charter with the aim of providing a reference and key guidance for both the Board and Senior Management. Board Charter delineates the roles, functions, composition, operation, and processes of the Board, ensuring that all Board members are thoroughly informed about their duties and responsibilities.

The Board, where necessary revises its Charter to stay abreast of evolving regulations and best practices, to maintain its effectiveness and alignment with the Board's objectives. The salient features of the Board Charter are accessible on the Company's website at <https://www.scgamberhad.com/>.

#### 2. Code of Conducts & Ethics

The Board is dedicated to conducting its activities with fairness, impartiality, and full adherence to all relevant laws and regulations in Malaysia. To ensure this, the Board has implemented a Code of Conduct & Ethics that defines the expected behavior for both Board members and employees.

The Code of Conduct & Ethics offers guidance to Directors and all employees within the Group regarding the ethical and behavioural considerations or actions in the fulfilment of their duties and obligations throughout their appointments.

The Board will review the Code of Conduct & Ethics when necessary to ensure it remains relevant and appropriate. A copy of the Code of Conduct & Ethics is accessible on the Company's website at <https://www.scgamberhad.com/> for reference.

#### 3. Whistleblowing Policy

The Company has established a Whistleblowing Policy, which reflects the Board's belief that a strong whistleblowing system contributes to effective management and reinforces accountability, sound risk management, and solid corporate governance practices. The policy is designed to encourage the reporting of serious concerns related to any misconduct within the Group.

The policy outlines the relevant procedures, specifying when, how, and to whom suspicions of wrongdoing within the Group should be appropriately raised. The whistle-blower's identity is maintained confidential, and protection is accorded to the Whistle-blower from any potential reprisals or retaliatory actions. To report such concerns, individuals are instructed to document them in writing and send them in a sealed envelope to the Senior Independent Non-Executive Director.

A copy of the Whistleblowing Policy is accessible on the Company's website at <https://www.scgamberhad.com/> for reference and transparency.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### COMPANY'S POLICIES (CONT'D)

#### 4. Anti-Bribery and Corruption Policy

The Group is committed to conduct business in an ethical and honest manner while upholding zero-tolerance position on bribery and corruption. The company has instituted an Anti-Bribery and Corruption Policy to establish effective measures intended to deter individuals associated with the Group from participating in corrupt practices related to business activities.

This policy offers clear guidance to all employees and the Board on addressing improper solicitation, bribery, and other corrupt activities that may arise in the course of business, in full compliance with the amended Corporate Liability Provisions outlined in Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009 (Amendment 2018).

A copy of the Anti-Bribery and Corruption Policy is readily accessible on the Company's website at <https://www.scgmbherhad.com/> for reference and transparency.

#### 5. Directors' Fit and Proper Policy

The Board has adopted a Directors' Fit and Proper Policy to ensure that the Directors possess the necessary character, integrity, skills, knowledge, experience, competence, and time commitment to discharge their roles effectively and in the best interests of the Company and its stakeholders. The Policy is available on the Company's website at <https://www.scgmbherhad.com/>.

### SUSTAINABILITY RISK AND OPPORTUNITIES

The Board, together with the management acknowledge the importance of sustainability and are responsible for the development and implementation of sustainability initiatives taken by the Group. One of the principal responsibilities of the Board is to review and adopt strategic plans for the Group and to ensure that such strategic plans and the risk, performance and sustainability thereon are effectively integrated and appropriately balanced.

The Company's stakeholders as well as the environment is crucial to sustaining the Group's long-term performance. The Board factors in these sustainability considerations and ensures that the Company's strategies, priorities and targets are communicated to internal and external stakeholders.

As such the Company incorporates Economic, Environmental, Social and Governance risks and opportunities into the business decisions given their heightened materiality in decision-making considerations of stakeholders.

The Board reviews and approves the Group's Sustainability Statement annually prior to its publication. The Sustainability Report outlines the Group's sustainability strategies, priorities, and targets, with performance updates communicated to both the Company's internal and external stakeholders.

The Board is aware and understands the sustainability issues relevant to the Group's business. The Board continuously keep themselves abreast with and understanding to the sustainability agendas which are relevant to the Company and its business.

The Board remains committed to abide by all applicable environmental laws and regulations in relation to climate change, energy use and waste management. Regular review of any risks and potential challenges is essential to ensure that the risks inherent to the Group's business and operations are being appropriately managed.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### II. BOARD COMPOSITION

##### COMPOSITION AND DIVERSITY

The Directors are of the opinion that the present size and composition of the Board are well-suited for facilitating effective decision-making, considering the extent and nature of the Group's businesses and operations. The Board maintains a balanced mix of expertise, skills, and attributes among its members, reflecting their diverse backgrounds and competencies. These competencies span various areas, including finance, accounting, legal, digital technologies, and other relevant industry knowledge, along with entrepreneurial and management experience. Additionally, the Board possess a profound understanding of regulatory requirements and risk management.

The NC held a responsibility of periodically updating the composition of the Board while evaluating the tenure, performance, and contributions of each Director through the Board Evaluation process. Additionally, retiring Directors are required to annually declare or confirm their fitness, propriety, and independence, as applicable.

As of the date of this statement, the Board comprises six (6) members, including one (1) Executive Chairman, three (3) Independent Non-Executive Directors, one (1) Managing Director and one (1) Alternate Director. The Board adheres to Paragraph 15.02 of the MMLR of Bursa Securities, which requires a minimum of two (2) Independent Directors or one-third (1/3) of the board of directors of a listed issuer, whichever is higher, and one (1) director of a listed issuer is a woman.

The current composition of the Board comes with diverse academic qualifications, backgrounds, and experiences of the Board members enable them to provide effective leadership to the Group. This diversity also fosters the exchange of ideas and experiences, allowing for independent judgment on various aspects of the Group's strategy and performance to ensure that the Group upholds the highest standards of professionalism, conduct, transparency, and integrity.

##### INDEPENDENCY OF INDEPENDENT DIRECTORS

The Independent Directors are non-executive members of the Board who do not participate in the Company's management and are free from any significant business or other relationships with the Company. As a result, they are able to offer independent, unbiased judgment, ensuring that the strategies proposed by Management are thoroughly and objectively discussed, scrutinised, and evaluated, with the interests of shareholders and other stakeholders in mind. They play a crucial role in safeguarding the rights of minority shareholders and contribute invaluable impartiality to the Board's decision-making process.

The assessment of each Independent Director's independence status is conducted on an annual basis, upon reappointment, or whenever new interests or relationships emerge. This assessment adheres to the criteria outlined in the MMLR.

As of the date of this statement, none of the Independent Directors has served for a cumulative period exceeding nine (9) years. Upon completion of nine (9) years tenure, the Independent Director may continue to serve on the Board as Non-Independent Director. However, should the Board wish to retain an Independent Director beyond the ninth (9th) year, they will be required to justify this decision and seek annual approval from shareholders through a Two-Tier Voting Process.

##### NEW CANDIDATES FOR BOARD AND SENIOR MANAGEMENT APPOINTMENT

The Board consists of a diverse assembly of individuals with comprehensive and complementary knowledge, competencies, and expertise. They collect informatively, and positively contribute to the Group's management, particularly in influencing the strategic direction and development of the business. When selecting individuals for roles on the Board and in Senior Management, priority is given to objective criteria, merit, and considerations encompassing diversity in skills, experience, age, cultural background, and gender.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

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

##### NEW CANDIDATES FOR BOARD AND SENIOR MANAGEMENT APPOINTMENT (CONT'D)

The consideration of any prospective appointment to the Board and senior management involves a thorough evaluation conducted by the entire Board. This evaluation is based on a meticulous report prepared by the NC emphasizing the need to assess the qualifications and experience of the potential director and senior management. The NC utilises an internal policy outlining Criteria and Skill Sets for Board Members to determine the suitability of candidates for Board appointment.

Despite management's recommendation, the Board also utilised independent sources when identifying suitable candidates. The NC thoroughly evaluates the suitability of potential candidates before formally recommending them for appointment to the Board or Senior Management roles. In making these recommendations, the NC assesses candidates based on their requisite skills, knowledge, expertise, competence, experience, characteristics, and professionalism. When appointing Independent Directors, the NC also ensures that candidates meet the independence criteria defined in the MMLR of Bursa Securities. Additionally, the NC considers the candidates' expected time commitment, including their attendance at Board meetings, Board Committee meetings, and the AGM, among other Company matters.

The Board has implemented the Directors' Fit and Proper Policy, serving as a guide for the NC and the Board of Directors in reviewing and assessing potential candidates for Directorship appointments or re-election. This policy ensures that individuals appointed or re-elected as Directors possess the requisite character, integrity, a relevant array of skills, knowledge, experience, competence, and time commitment necessary to fulfil their roles and responsibilities effectively in the best interest of the Company and its stakeholders. The Directors' Fit and Proper Policy is published on the Company's website at <https://www.scgmbherhad.com/>.

##### BOARDROOM DIVERSITY POLICY

The Board recognises the significance of boardroom diversity and endorses the MCCG 2021 recommendation for establishing a boardroom diversity policy. The Board's objective is to encompass a diverse array of approaches, backgrounds, skills, and experiences in its composition. Appointments are made based on merit and objective criteria, with due consideration given to the advantages of diversity on the Board, including factors such as gender, age, and ethnicity. The Board acknowledges diversity in the boardroom as a fundamental aspect of sound corporate governance.

The Board presently includes four (4) female directors among its six (6) members including the alternate director, aligning with the country's aspirational target of achieving 30% representation of women on boards.

The existing Directors' age distribution falls within the respective age group and is as follows:

AGE GROUP	31-40	41-50	51-60	61 & ABOVE
NUMBER OF DIRECTORS	–	2	2	2

The current diversity in the race/ethnicity and nationality of the existing Board is as follows:

NUMBER OF DIRECTORS	MALAY	CHINESE	INDIAN	OTHERS	MALAYSIAN	FOREIGN
	–	5	1	–	6	–

**CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)**

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

**II. BOARD COMPOSITION (CONT'D)**

**NOMINATION COMMITTEE (“NC”)**

The NC is responsible for various aspects, including the selection of new Directors, an annual assessment of the necessary blend of skills, experience, and other essential qualities of Directors. It also conducts an annual evaluation of the overall performance of the Board, its committees, and each individual Director. Additionally, the NC identifies potential candidates to fill vacant board positions and presents them for approval by the Board.

The NC is comprised of three (3) members, all of whom serve as Independent Non-Executive Directors. The members of the NC for the FYE 2025 are as follows:

Directors	Designation
Patricia Rangene Packium	Chairperson
Lim Peng Peng	Member
Lee Yee Ling	Member

The Terms of Reference of the NC provides that it shall have specific responsibilities in relation to the nomination matters. With respect to nomination matters, the specific responsibilities of the NC shall include, amongst others:

- a) Reviewed the composition of the Board and Board Committees with regards to the mix of skills, independence and diversity in accordance with its policy;
- b) Reviewed and recommended the retirement and re-election of Directors at the forthcoming AGM in accordance with the Company’s Constitution;
- c) Reviewed and assessed the effectiveness and performance of the Board as a whole, Board Committees and individual Director and make appropriate recommendation to the Board.
- d) Reviewed the term of office and performance of the Audit Committee and each of its members annually to determine whether the Audit Committee and its members have carried out their duties following its terms of reference; and
- e) Assessed and reviewed the independence and continuing independence of the Independent Directors.

A copy of the NC’s Terms of Reference can be found in the Company’s website at <https://www.scgmberhad.com/>.

**ANNUAL EVALUATION**

The NC conducts an annual assessment of the overall performance and effectiveness of the entire Board, its committees, and individual Directors. The NC Chairperson oversees this evaluation process, facilitated by the Company Secretary who administers questionnaires. Subsequently, the NC reviews the evaluation results and offers recommendations to the Board for continual improvement. Furthermore, these findings form the basis for recommending suitable Directors for re-election at the AGM.

The evaluation criteria utilised to assess both the Board and individual Directors include a combination of factors, such as skills, knowledge, Board diversity, size, and experience, core competencies, and each Director’s contributions. For the Board Committees, the assessment criteria focus on their roles and responsibilities, scope and knowledge, the frequency and duration of meetings, the provision of adequate and timely information to the Board, as well as their overall effectiveness and efficiency in fulfilling their functions.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

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

##### ANNUAL EVALUATION (CONT'D)

The Board evaluation encompasses multiple components, including the Performance Evaluation of the Board and its various Committees, assessment of the internal and external auditors and an assessment of the independence of Independent Directors. These assessments are grounded in four (4) primary areas pertaining to Board Structure, Board Operations, the roles and responsibilities of the Board and Chairman, and the roles and responsibilities of Board Committees.

Any appointment of a new Director to the Board or a Board Committee is recommended by the NC for consideration and approval by the Board.

In accordance with the Company's Constitution, a minimum of one-third (1/3) of the Directors must retire from office at each AGM. A retiring director is eligible for re-election at the AGM. Furthermore, the Constitution mandates that all Directors must retire at least once every three (3) years.

Pursuant to Article 92 of the Company's Constitution, the Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the maximum number fixed in accordance with the Constitution. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

During the year, the Board conducted an internally facilitated Board assessment. The findings and recommendations from the evaluation of both the Board and Board Committees were presented to the Board for comprehensive review and action. The Board expressed confidence in the results, affirming that the existing Directors' skills and experience align with the requirements of the skills matrix, and the Chairman possesses the leadership qualities needed to safeguard stakeholder interests and advance the Group's development.

The NC will consider the evaluation results when evaluating the re-election of Directors and will recommend to the Board the endorsement of Directors standing for re-election at the upcoming AGM of the Company.

Upon the recommendation of the NC and the Board, the Directors who are standing for re-election at the forthcoming AGM of the Company are:-

- (i) Dato' Sri Lee Hock Chai; and
- (ii) Lee Yee Ling

##### COMMITMENT OF THE BOARD

The date of meeting for the Board and Board Committees has been fixed in advance for each financial year. This approach ensures that the calendars of Directors and Committee members are reserved in advance, enabling thorough planning by the management throughout the entire financial year.

The Board meets on a quarterly basis, to oversee the Group's business activities and, when needed, approve financial or business objectives and strategies. Any ad-hoc or special Board meetings are called into session as required by specific circumstances. The Chairman of the respective Board Committees report to the Board, summarizing key discussions from their committee meetings and providing recommendations for Board decisions, where necessary.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

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

##### COMMITMENT OF THE BOARD (CONT'D)

A total of five (5) Board meetings held during the FYE 2025. The following outlines the attendance of each Director at the FYE 2025 Board meetings:

Directors	Number of meetings attended	Percentage of Attendance %
Dato' Sri Lee Hock Seng	5/5	100%
Dato' Sri Lee Hock Chai	5/5	100%
Patricia Rangene Packium	5/5	100%
Lim Peng Peng	5/5	100%
Lee Yee Ling	5/5	100%

All the Directors complied with the minimum attendance requirement of 50% for the Board Meetings conducted during the financial year under reviewed, as stated in the Paragraph 15.05 of the MMLR.

To ease Directors in managing their schedules, the Company Secretaries will circulate tentative dates for Board and Board Committee meetings for the beginning of the year in advance, towards the end of the preceding year. This is to ensure that Directors have ample time to plan their attendance at scheduled Board and/or Board Committee meetings, including the Annual General Meeting (“AGM”). Following each Board and Committees meeting, the date for the next meeting is to be reaffirmed.

##### DIRECTORS' TRAINING

All appointed Directors of the Company has successfully attended the Mandatory Accreditation Programme Part I and Part II as prescribed by Bursa Securities. They are committed to ongoing self-improvement, aiming to continuously enhance their skills and knowledge to maximise their effectiveness as Directors throughout their tenure. Throughout their time in office, the Directors receive regular updates on the Group's business and stay informed about regulatory requirements.

While the Board does not have a formal policy mandating a specific number or type of training sessions for each Director annually, it acknowledges the importance of continuous Director development. The Board encourages Directors to regularly attend seminars, training, and educational programs to stay informed about the latest changes in statutory laws, regulations, and best practices. This is aimed at keeping Directors up to date with the evolving business landscape and enhancing their business acumen and professionalism in fulfilling their duties to the Group.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

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

##### DIRECTORS' TRAINING (CONT'D)

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

Name of Directors	Seminars/Conferences/Training Programmes Attended
Dato' Sri Lee Hock Seng	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading for Impact</li> </ul>
Dato' Sri Lee Hock Chai	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading for Impact</li> </ul>
Patricia Rangene Packium	<ul style="list-style-type: none"> <li>Webinar Taklimat/Bengkel STS CKHT &amp; MyTax</li> <li>General Average and Salvage: Hot Button Legal Issues You Must Know in 2025</li> <li>Virtual Conference on Corporate and Commercial Law 2025</li> <li>The Rise of ESG and Climate Litigation (Emerging Directors' Duties)</li> <li>Corporate and Sustainability and Governance</li> <li>AI and The Lawyer – Will We Be Replaced?</li> <li>Corporate Governance in Transition – The Evolving Role of Company Secretaries in Malaysia's Legal Landscape</li> <li>Managing Corporate Disputes</li> </ul>
Lim Peng Peng	<ul style="list-style-type: none"> <li>MIA Webinar Series: Thriving at Work: How Gen Z Can Achieve Workplace Success</li> <li>MIA Webinar Series: Speak off the Cuff Think Fast, Talk Smart</li> <li>AOB Conversation with Audit Committee by Securities Commission Malaysia</li> <li>Inverted Trigonum Master Course</li> <li>Inverted Trigonum Basic and Intermediate Level</li> </ul>
Lee Yee Ling	<ul style="list-style-type: none"> <li>Strategic Oversight in Strategy Implementation: Getting Execution Right at the Board Level</li> <li>AOB Conversation with Audit Committee by Securities Commission Malaysia</li> </ul>

The Board will consistently assess and identify the training requirements for each Director, with a specific focus on new laws and regulations, as well as essential practices for effective corporate governance and risk management. This initiative aims to equip Directors with the necessary knowledge to fulfil their duties effectively.

Furthermore, the Board will receive updates on recent developments in statutory and regulatory requirements during Committee and/or Board meetings through briefings provided by the External Auditors, Internal Auditors, and Company Secretaries.

**CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)**

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

**III. REMUNERATION**

The Remuneration Committee (“RC”) plays a crucial role in reviewing and recommending matters to the Board relating to the Remuneration package of the Board and Senior Management which comprised of compensation, bonuses, incentives and benefits.

The RC consists of three (3) members, which all of the members are Independent Non-Executive Directors. The members of the RC are as follows:

Directors	Designation
Lim Peng Peng	Chairperson
Patricia Rangene Packium	Member
Lee Yee Ling	Member

The Terms of Reference of the RC provides that it shall have specific responsibilities in relation to the nomination matters. With respect to nomination matters, the specific responsibilities of the RC shall include, amongst other:

- a) Evaluated and recommended remuneration package for the Managing Director, Executive Directors and Key Senior Management;
- b) Ensure the establishment of a formal and transparent procedure for developing policies, strategies and framework for the remuneration of the Managing Director, Executive Directors and Key Senior Management; and
- c) Reviewed fees and other benefits for Non-Executive Directors.

A copy of the RC’s Terms of Reference can be found in the Company’s website at <https://www.scgmbherhad.com/>.

In accordance with the Terms of Reference of the RC, remuneration packages for for the Managing Director, Executive Directors and key senior management should be structured in a competitive way. Salary scales drawn up should be within the scope of the general business policy and not depend on short-term performance to avoid incentives for excessive risk-taking. The remuneration should also be aligned with the business strategy and long-term objectives of the Group and take into consideration the Group’s performance in managing material sustainability risks and opportunities. As for Non-Executive Directors, the level of remuneration should be linked to their level of responsibilities undertaken and contribution to the effective functioning of the Board.

**DIRECTORS’ REMUNERATION**

The remuneration of Executive Chairman and Managing Director is determined impartially, based on the overall performance and profitability of the Group. The Board exercises discretion in setting Directors’ remuneration, considering comparative market rates that align with each Director’s level of contribution, experience, and involvement. The RC, in establishing remuneration packages for Executive Chairman and Managing Director, prioritises the overarching principle of attracting and retaining Directors essential for the successful operation of the Group. The determination of Non-Executive Directors’ remuneration is a decision made collectively by the entire Board. The remuneration for Non-Executive Directors reflects amounts paid by comparable organizations, adjusted for the contribution and levels of responsibilities undertaken by the respective Non-Executive Directors.

**CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)**

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

**III. REMUNERATION (CONT'D)**

**DIRECTORS' REMUNERATION (CONT'D)**

Details of the Directors' remuneration paid or payable to all Directors of the Company (both by the Company and the Group) for FYE 2025 are as follows:-

Directors	Company		Group	
	Fees (RM)	Salaries and *other emoluments (RM)	Fees (RM)	Salaries and *other emoluments (RM)
Dato' Sri Lee Hock Seng	–	175,613	–	175,613
Dato' Sri Lee Hock Chai	–	175,613	–	175,613
Patricia Rangene Packium	34,000	1,000	34,000	1,000
Lim Peng Peng	34,000	1,000	34,000	1,000
Lee Yee Ling	34,000	1,000	34,000	1,000

\* other emoluments include the meeting allowances and other benefits and allowances received by the Directors of the Company and the Group.

**Remuneration of Key Senior Management**

The key senior management comprises of Dato' Sri Lee Hock Seng and Dato' Sri Lee Hock Chai. Details of the key senior management's remuneration component including salary and other emoluments for FYE 2025 are as follows:-

Directors	Company		Group	
	Fees (RM)	Salaries and *other emoluments (RM)	Fees (RM)	Salaries and *other emoluments (RM)
Dato' Sri Lee Hock Seng	–	175,613	–	175,613
Dato' Sri Lee Hock Chai	–	175,613	–	175,613

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

#### AUDIT COMMITTEE (“AC”)

In accordance with the best practices outlined in the MCCG 2021, the Board has established the AC, which is composed solely of Independent Non-Executive Directors and the Chairperson of the AC does not hold the position of Chairman of the Board.

During FYE 2025, the Board was supported by the AC which comprises three (3) Independent Non-Executive Directors. The present members of the AC are as follows:

Directors	Designation
Lim Peng Peng	Chairperson
Patricia Rangene Packium	Member
Lee Yee Ling	Member

Every member of the AC possesses robust financial literacy and an extensive comprehension of matters falling under the AC’s jurisdiction, including financial reporting policies. They conscientiously fulfil their responsibilities in line with the AC’s terms of reference. The Board depends on the AC for counsel in various domains, such as financial reporting, external audit, the internal control environment, the internal audit process, assessments of related party transactions, and the resolution of conflict-of-interest situations.

For the FYE 2025, none of the Board members or members of the AC have previously served as the key audit partner for the Group’s External Auditors. The Company will adhere to a cooling-off period of at least three (3) years in the event any potential candidate to be appointed as a member of AC membership was a key audit partner for the Group’s external auditors.

The role of External Auditors is crucial in offering assurance to shareholders and other stakeholders concerning the reliability of the Company’s financial statements. The Company upholds a formal and transparent relationship with its external auditors to ensure adherence to approved accounting standards and statutory requirements.

The AC conducts a comprehensive review of the appointment, performance, and remuneration of the External Auditors on a yearly basis. The AC subsequently recommends their re-appointment to shareholders at the AGM. During the financial year under review, the AC has engaged with the External Auditors without the presence of Executive Chairman and Managing Director and the management at least once ensuring the preservation of the Independency of External Auditors are not compromised and matter of concern expressed by the AC duly minuted by the Company Secretaries.

The Company had appointed Grant Thornton Malaysia PLT (“Grant Thornton”) as the External Auditors of the Company. The Company has obtained assurance from Grant Thornton and its affiliates confirming that they have remained independent throughout the conduct of the audit engagement, complying with all relevant professional and regulatory requirements.

Following the AC’s annual assessment of the External Auditors, the Board is content with their independence, the quality of their services, and the adequacy of resources they have provided during the annual audit. Consequently, the Board has accepted the AC’s recommendation for the re-appointment of the External Auditors, subject to approval by shareholders at the upcoming AGM.

Further details of the AC’s activities during FYE 2025 are disclosed in the AC Report within this Annual Report.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board holds the responsibility of creating a robust framework for risk management and sustaining a comprehensive system of internal controls which encompasses financial controls, operational controls, and compliance controls, along with the risk management. The Board need to review its effectiveness regularly to safeguard shareholders' investment and the Company's assets as required by the MCCG 2021. The internal control system is designed to access both current and emerging risks and respond appropriately to the Group's risk landscape.

As an effort to strengthen the system of internal control, the Board, with the support from the external professional Internal Audit firm adopted on-going monitoring and reviewed to the existing risk management process in place within the various business operations, with the aim of formalising the risk management function across the Group. This function also serves as a source to aid the AC and the Board to enhance and refine the current management and operational approach, aligning with the pursuit of best practices.

The Group outsourced its internal audit function to an independent professional firm, namely GovernanceAdvisory.com Sdn. Bhd. ("GA") to provide an independent assessment and assurance over the system of internal control of the Group to the AC and the Board.

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

#### COMMUNICATION WITH STAKEHOLDERS

The Board recognises the significance of transparency, accountability to shareholders, and regular communication with shareholders, stakeholders, and investors concerning the Company's performance and significant developments. The Group's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, annual report, corporate announcements to Bursa Securities and press conferences. It is the Group's practice that any material information for public announcement, including annual, quarterly financial statements, press releases, and presentation to investors, analyst and media are factual and reviewed internally before issuance to ensure accuracy and is expressed in a clear and objective manner.

The Group's corporate website hosts a specialised Investor Relations section that presents thorough information about the Company. This section includes Bursa Securities announcements and offers insights into the corporate and governance structure of the Group.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### CONDUCT OF GENERAL MEETINGS

The AGM serves as the principal platform for the Company and the Board to actively interact with shareholders, discussing performance, corporate governance, and other issues affecting shareholders' interests. Additionally, when deemed suitable, the Board may organise press conferences or investor briefings, in conjunction with issuing press releases, to ensure shareholders are well-informed about the Group's affairs.

To ensure that shareholders have ample time to review the Annual Report, the Notice of AGM is distributed at least twenty-eight (28) calendar days before the AGM date. During the AGM, the Board actively encourages shareholder participation by providing opportunities for shareholders to ask questions about the Group's business activities, the meeting's agenda, and proposed resolutions. Directors, including the Chairman of Board Committees, are available during the AGM to address questions raised by shareholders. Additionally, External Auditors are present to offer their professional and independent insights on any concerns raised by shareholders.

In accordance with the Paragraph 8.29A of MMLR, the Company will ensure that every resolution outlined in the notice of any general meeting, or in any notice of resolution that can appropriately be proposed and is intended to be proposed at any general meeting, will be voted on by a poll. Simultaneously, the Company will designate at least one (1) scrutineer to authenticate the votes cast during the general meeting.

The minutes of the AGM are subsequently published on the Company's website upon confirmation by the Board.

#### COMPLIANCE STATEMENT

This Statement on the Company's corporate governance practices is made in compliance with Paragraph 15.25 of the MMLR. The Board considers and is satisfied that the Company has complied with the Practices of the MCCG 2021, the relevant chapters of the MMLR on CG and all applicable laws and regulations throughout the financial year under review.

This Statement was approved by the Board on 20 April 2026.

## ADDITIONAL COMPLIANCE INFORMATION

### UTILISATION OF PROCEEDS

#### Disposal of Lee Soon Seng Plastic Industries ("LSSPI")

On 9 May 2022, SCGM entered into a conditional share sale agreement with Mitsui & Co., Ltd and FP Corporation (as varied and amended pursuant to an addendum letter to the share sale agreement dated 24 June 2022) for the Disposal of LSSPI. The Disposal of LSSPI was deemed as a Major Disposal pursuant to paragraph 10.11A of the MMLR i.e. being a disposal of all or substantially all of SCGM's assets which may result in SCGM being no longer suitable for continued listing on the Official List.

The Disposal of LSSPI was completed on 31 August 2022 and LSSPI ceased to be a subsidiary of SCGM. Following the completion of the Disposal of LSSPI, the Board announced on 2 September 2022 that Bursa Securities had, vide its letter dated 2 September 2022, notified that SCGM is a Cash Company pursuant to paragraph 8.03(1) of the Listing Requirements upon completion of the Disposal of LSSPI.

The details of utilisation of proceeds from the Disposal of LSSPI were as follows:-

Purposes	Actual proceeds raised (RM'000)	Amount utilised as at date of this report (RM'000)	Balance Unutilised (RM'000)	Intended Timeframe for Utilisation
Proposed Distribution	425,560	425,560	–	Within 9 months
Acquisition of new business/assets to be identified/ working capital*	96,633	803	95,830	Within 24 months
Transfer of properties	18,800	18,800	–	Immediately upon completion of Disposal
Estimated Expenses	16,000	16,000	–	Within 2 months
<b>Total</b>	<b>556,993</b>	<b>461,163</b>	<b>95,830</b>	

\* Included an additional Disposal Consideration of RM12.610 million in cash received from Mitsui and FPCO on 4 January 2023, following the post completion adjustments pursuant to the SSA, as announced by the Company on 4 January 2023, which is placed in the account operated by the custodian to be utilised for the acquisition of new business/assets to be identified and/or working capital of the Group.

Save for the Disposal of LSSPI, there were no proceeds raised from other proposal during the financial year.

### AUDIT AND NON-AUDIT FEES

During the financial year, the amount of audit and non-audit fees paid/payable to the external auditors by the Group and the Company respectively for the financial year ended 31 December 2025 were as follows:

	Group (RM)	Company (RM)
<b>Audit Services Rendered</b>	32,000	24,500
<b>Non-Audit Services Rendered</b>		
(a) Review of Statement on Risk Management and Internal Control	3,000	3,000
(b) Reporting Accountants in relation to Proposed Regulation Plan	394,500	394,500

## ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

### MATERIAL CONTRACTS

Save as disclosed below, there were no material contracts entered into by the Group involving the interests of Directors and major shareholders, either still subsisting at the end of the financial year ended 31 December 2025 or entered into since the end of the previous financial year:

- (i) On 20 March 2024, the Company entered into a Heads of Agreement with the Vendors (collectively, Chin Kok Tian, Yan Hua Lan, Tan Ah Tek, Gan Chuan Lee, Tey Chee Shin, Tan Tai Chong and Lau Sie Khian) for the acquisition of all ordinary shares in Eramas Global Group for a purchase consideration to be determined later. On 16 October 2024, the Company and the Vendors mutually agreed to extend the period to execute the definitive agreement for the Proposed Acquisition until 31 December 2024.
- (ii) A conditional share sale agreement dated 27 December 2024 entered into between the Company and the Vendors for the Proposed Acquisition by SCGM of the entire equity interest in Eramas Global Group from the Vendors for a total purchase consideration of RM207.94 million which will be fully satisfied through the issuance of 569,698,630 Consideration Shares at an issue price of RM0.365 each.
- (iii) On 30 December 2024, the Company had submitted its Proposed Regularisation Plan to Securities Commission Malaysia ("SC"). On 31 December 2024, the Company had submitted application to MITI in relation to the Proposed Offer for Sale to Bumiputera investors which has been duly approved on 7 May 2025.
- (iv) The SC had approved the application in relation to the Proposed Regularisation Plan subject to the terms and condition as contained therein on 29 May 2025.
- (v) The Company will take the necessary steps to procure the other approvals required as well as to seek the shareholders' approval in the Extraordinary General Meeting to be convened for the Proposed Regularisation Plan. Subject to all approvals being obtained, the Company will proceed with the implementation and completion of the Proposed Regularisation Plan which has been further extended until 28 May 2026.

### CONTRACTS RELATING TO LOANS

There was no material contract relating to loans entered by the Company involving Directors and major shareholders.

### RECURRENT RELATED PARTY TRANSACTIONS

There were no current related party transactions of revenue nature entered during the financial year ended 31 December 2025.

## ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

### 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 purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(a) **Group Total Income and Total Assets**

	Group	
	2025 (RM)	2024 (RM)
<b>Total Income</b>		
Other income	3,796,354	3,984,671
<b>Total</b>	<b>3,796,354</b>	<b>3,984,671</b>
<b>Total Assets</b>	<b>116,465,363</b>	<b>116,293,052</b>

(b) **Business Activities**

	Group	
	2025 (RM)	2024 (RM)
<b>Shariah Non-Compliant Activities</b>		
Interest income	3,796,354	3,984,671
<b>Total</b>	<b>3,796,354</b>	<b>3,984,671</b>

(c) **Component of Financial Position**

(i) **Cash Components**

	Group	
	2025 (RM)	2024 (RM)
<b>Islamic Account/Instruments</b>		
Cash in bank	131,054	163,409
Deposit with licensed banks	2,101	2,053
<b>Total Cash</b>	<b>133,155</b>	<b>165,462</b>

	Group	
	2025 (RM)	2024 (RM)
<b>Conventional Account/Instruments</b>		
Cash in banks	116,263,282	116,055,783
<b>Total Cash</b>	<b>116,263,282</b>	<b>116,055,783</b>

**ADDITIONAL COMPLIANCE INFORMATION  
(CONT'D)**

**DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONT'D)**

**(c) Component of Financial Position (cont'd)**

**(ii) Debt Components**

<b>Islamic Financing</b>	<b>Group</b>	
	<b>2025 (RM)</b>	<b>2024 (RM)</b>
Current	-	-
Non-current	-	-
<b>Total</b>	-	-

<b>Conventional Borrowing</b>	<b>Group</b>	
	<b>2025 (RM)</b>	<b>2024 (RM)</b>
Current	-	-
Non-current	-	-
<b>Total</b>	-	-

## DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are required by the Companies Act 2016 ("Act") to prepare financial statements for each financial year. These are to be made out in accordance with the applicable approved accounting standards and to give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year, as well as of the results and cash flows of the Group and the Company for the financial year.

In the preparation of these financial statements, the Directors have:

- Exercised diligent governance over the Group and Company's strategic management.
- Adopted and applied appropriate accounting principles consistently.
- Made assessments and estimates that are prudent and reasonable.
- Conformed to all relevant accounting standards, subject to any material departure and explanation in the financial statements.
- Assessed the robustness and comprehensiveness of the internal control and management information systems.
- Adopted a going concern basis, substantiated by the Directors' confident assertion post-enquiries, affirming the Group and Company's capability to sustain operational existence in the projected future.

The Directors are responsible for maintaining accurate accounting records for the Group and the Company, ensuring these records reflect the financial status accurately and are compliant with the Act, Malaysian Financial Reporting Standards, IFRS Accounting Standards, and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are satisfied that in preparing the financial statements of the Group and the Company for the financial year ended 31 December 2025, the Group and the Company have used appropriate accounting policies and applied them consistently and are supported by reasonable and prudent judgements and estimates.

The Directors also consider that all applicable approved accounting standards have been complied with and further confirm that the financial statements have been prepared on a going concern basis.

# AUDIT COMMITTEE REPORT

## INTRODUCTION

The Board presents the Audit Committee (“AC”) Report to provide perspectives on the AC’s performance in executing its duties for the Financial Year Ended 31 December 2025 (“FYE 2025”), adhering to Paragraph 15.15(1) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”).

The AC was established with the main goal of aiding the Board of Directors (“the Board”) in upholding the principles of accountability, integrity, and sound corporate governance in assisting the Board in fulfilling its fiduciary responsibilities relating corporate accounting, financial reporting practices, system of risk management and internal control, the audit process and adherence to laws and regulatory requirements. The Terms of Reference for the AC can be accessed on the Company’s website, <https://www.scgmberhad.com/>.

## COMPOSITION AND MEETINGS

The present AC members comprise of three (3) Independent Non-Executive Directors, which is in accordance with Paragraph 15.09 (1) and 15.10 of the MMLR of Bursa Securities as well as Practice 9.4 of the MCCG 2021. The present members of the AC are as follows:-

Directors	Directorship	Designation
Lim Peng Peng	Independent Non-Executive Director	Chairperson
Patricia Rangene Packium	Senior Independent Non-Executive Director	Member
Lee Yee Ling	Independent Non-Executive Director	Member

The AC Chairperson, Ms Lim Peng Peng is a member of CPA Australia and Malaysian Institute of Accountants (“MIA”). Therefore, the AC is in compliance with Paragraph 15.09(1)(c) of the MMLR of Bursa Securities. The AC shall elect a Chairperson from among its members and the elected Chairperson shall be an Independent Director. All members of AC are not alternate directors and financially literate in discharging their duties and responsibilities as member of AC.

The Company acknowledged the importance of preserving the independence of its external auditors, ensuring the absence of any potential conflicts of interest. None of the AC members had previously served as audit partners for External Auditors of the Group. The Company will comply with a cooling-off period of at least three (3) years if a prospective AC member was formerly an audit partner for the Group’s external auditors. This practice has been incorporated into the AC’s Terms of Reference.

During FYE 2025, a total of five (5) AC meetings were held and the record of the attendance by each member are as follow:

Directors	Number of AC meetings attended	%
Lim Peng Peng	5/5	100%
Patricia Rangene Packium	5/5	100%
Lee Yee Ling	5/5	100%

Before each AC meeting is held, the Company Secretary will distribute the meeting agendas along with the relevant meeting materials to the AC members no later than seven (7) days from the date of the AC meeting. This process allows the AC members to thoroughly review the agenda items, including the supporting documents, and if necessary, request additional information or clarification from Management.

At the invitation of the AC, other Board members and members of Management may also participate. The Internal Auditors and External Auditors are invited to present their audit plans and findings. All meeting proceedings are minuted, confirmed at the following AC meeting, and subsequently presented to the Board for notation.

## AUDIT COMMITTEE REPORT (CONT'D)

### SUMMARY OF ACTIVITIES

The Chairperson of AC reports to the Board at each Board meeting on the activities carried out by the AC in discharge of its duties and responsibilities. The major work undertaken by the AC during the financial year were as follows:

#### 1. FINANCIAL REPORTING

- (i) Reviewed the quarterly unaudited financial results of the Group and the Company including the announcements pertaining thereto, before recommending to the Board for approval and release the results to Bursa Securities;
- (ii) Reviewed the annual audited financial statements of the Group and the Company, together with the external auditors, before recommending the same to the Board for approval;
- (iii) Reviewed the impact of changes in accounting policies and adoption of new accounting standards, together with significant matters highlighted in the financial statements;
- (iv) Reviewed related party transactions and conflict of interest situation that may arise within the Group and/or the Company, to ensure that transactions entered into were on arm's length basis and on normal commercial terms; and
- (v) Report to the Board on its activities and significant findings and results.

#### 2. EXTERNAL AUDIT

- (i) Reviewed the External Auditors' reports regarding audit and accounting issues stemming from the audit, as well as updates on new developments in accounting standards issued by the Malaysia Accounting Standard Board prior to submission to the Board for approval. The review was to ensure the financial reporting and disclosures requirements are in compliance with the relevant rules and regulations;
- (ii) Reviewed the Audit Planning Memorandum for FYE 2025 and thereafter recommended the same to the Board for notation and approval;
- (iii) Reviewed and discussed with the external auditors of their audit findings inclusive of system evaluation, audit fees, issues raised, audit recommendations and management's response to these recommendations;
- (iv) Evaluated the performance of the external auditors for FYE 2025 covering areas such as calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence and considered and recommended the re-appointment of the external auditors;
- (v) Reviewed and approved the non-audit services provided/to be provided by the External Auditors and its affiliates to ensure the provision of the non-audit services does not impair their independence or objectivity as External Auditors of the Group and the Company;
- (vi) Reviewed the Statement on Risk Management and Internal Control before recommending to the Board for approval and inclusion in the Annual Report; and
- (vii) Reviewed the proposed fees for the External Auditors in respect of their audit and non-audit of the Group and the Company.

The Company has appointed Grant Thornton Malaysia PLT as the Auditor of the Company to conduct the external audit for FYE 2025.

## AUDIT COMMITTEE REPORT (CONT'D)

### SUMMARY OF ACTIVITIES (CONT'D)

The Chairperson of AC reports to the Board at each Board meeting on the activities carried out by the AC in discharge of its duties and responsibilities. The major work undertaken by the AC during the financial year were as follows (cont'd):

#### 3. INTERNAL AUDIT

- (i) Discussed with the internal auditors and reviewed the overall adequacy, competency and effectiveness of the system of internal controls;
- (ii) Reviewed and approved the Internal Audit Plan during the first AC meeting each year to ensure adequacy of resources, competencies and coverage of auditable entities with significant and high risks. Any subsequent changes to the Internal Audit Plan are approved by the AC;
- (iii) Reviewed and assessed the adequacy of scope, functions and resources of the firm of internal auditors (that was engaged to undertake the internal audit function) and that it has the necessary authority to carry out its work;
- (iv) Reviewed the major findings of internal audit, areas required improvements, and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function; and
- (v) Reviewed the proposed fees for the Internal Auditors in respect of their audit of the Group and the Company.

#### 4. MATTERS RELATING TO RELATED PARTY TRANSACTION AND CONFLICT OF INTEREST

- (i) Reviewed the quarterly and annual financial statements on disclosures relating to related party transactions and conflict of interest that arose within the Group, if any.

#### 5. CONFLICT OF INTEREST OR POTENTIAL CONFLICT OF INTEREST SITUATION

- (i) Pursuant to Paragraph 15.12(1)(h) of the MMLR of Bursa Securities, the AC is responsible for reviewing any conflict of interest situations that arise, persist, or may arise within the Group, including transactions, procedures, or conduct that could raise concerns regarding management integrity, as well as the measures taken to address, eliminate, or mitigate such conflicts.

### INTERNAL AUDIT FUNCTIONS

The Group has outsourced its internal audit function to GovernanceAdvisory.com Sdn. Bhd. ("the Internal Auditors"), a professional firm which has an ample team of audit professionals dedicated to conducting the internal audit review, led by Mr Wong Tchen Cheg.

Internal audit provides independent assessment on the effectiveness and efficiency of internal controls utilising a global audit methodology and tool to support the corporate governance framework and an efficient and effective risk management framework to provide assurance to the AC. The appointment and resignation of the Internal Auditors as well as the proposed audit fees are subject to review by the AC and to the Board for approval.

The AC approves the Internal Audit plan during the first AC meeting each year. Any subsequent changes to the Internal Audit plan are approved by the AC. The scope of internal audit covers the audits of all units and operations, including subsidiary as stated in the letter of engagement.

The Internal Auditors support the AC in evaluating the effectiveness of the internal control systems, ensuring that an appropriate balance between controls and risks is maintained across the Group to achieve its business objectives. With the establishment of the internal audit function, any deficiencies identified in the systems and controls of the respective operating units can be addressed. The purpose of this function is to enhance resource management and improve operational efficiency throughout the Group.

## **AUDIT COMMITTEE REPORT (CONT'D)**

### **INTERNAL AUDIT FUNCTIONS (CONT'D)**

During the FYE 2025, the following activities were carried out by the Internal Auditors in discharge of its responsibilities:

- (i) Executed the internal audit function based on an Internal Audit Plan tabled and approved by the AC;
- (ii) The Internal Audit Plan encompasses critical functional areas and business activities of the Group. It also addresses issues related to control deficiencies and areas for improvement, providing pertinent recommendations to rectify these issues.
- (iii) Emphasis on implementing best practices and ensuring management assurance across all business risks, with a particular focus on operational effectiveness and efficiency, reliability of reporting, compliance with applicable laws and regulations, and safeguarding of assets;
- (iv) Performed follow-ups on the status of management-agreed action plans on recommendations raised in previous internal audit cycles, specifying timelines for the resolution of outstanding matters;
- (v) Presentation of reports issued by the internal audit function at AC meetings with management in attendance to provide the clarifications or additional information to address questions raised by AC members in relation to the matters raised.

The AC and the Board agree that the internal audit review and the coverage is adequate.

The cost incurred for the internal audit function in respect of the financial year is approximately RM18,000.

For more details of the internal controls, internal audit function and risk management, please refer to the Statement on Risk Management and Internal Control included in this Annual Report.

This AC Report has been reviewed by the AC and approved by the Board on 20 April 2026.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC)

## INTRODUCTION

The Board of Directors (“the Board”) is pleased to provide the following Statement on Risk Management and Internal Control pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Malaysian Code on Corporate Governance, with guidance from the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guidelines”).

## RESPONSIBILITIES

The Board recognises the essential of sound system of risk management and internal controls as a platform for good corporate governance. The Board acknowledges its responsibility for maintaining a sound system of risk management framework and internal control system and ensuring its adequacy and effectiveness.

Due to inherent limitations, such systems deployed by management are designed to manage rather than eliminate all the risks and may affect achievement of the Group’s business objectives. As such, it can only provide reasonable and not absolute assurance against material misstatement, fraud or loss or the occurrence of unforeseeable circumstances.

The Board through Audit Committee (“AC”) has implemented an ongoing process for identifying, evaluating and managing significant risks encountered by the Group. This process includes continuous enhancements to the risk management and internal control system to address evolving business conditions and regulatory requirements. The process is subject to periodic review by the Board and the AC.

Management assists the Board in established risk and control policies through the identification and evaluation of risks encountered by the Group and designing and operating appropriate internal control measures to mitigate these risks.

The Board is of the view that, for the period under review and up to the date of issuance of the annual report, the risk management and internal control system is adequate and effective in managing key risks and safeguarding shareholders’ investments, as well as the interests of customers, regulators, employees, and the Group’s assets.

## RISK MANAGEMENT FRAMEWORK

The Board regards risk management as a core element of the Group’s management system, critical to safeguarding the Group’s sustainability and enhancing shareholder value. The Board is accountable for ensuring that all identified risks are effectively managed within established parameters and standards.

Periodic Board meetings are held to:

- Effectively communicate the Group’s vision, strategic priorities and organizational roles to employees and key stakeholders to ensure alignment and engagement.
- Identification, analysis and measurement of risks impacting the Group’s goals and objectives for the year under review.
- Propose appropriate risk management tools and the monitoring and assessment of the measures taken.

The Board meets regularly to review the risks encountered by the Group and to effectively manage risks and make use of any opportunities. This is based on an effective and efficient risk and opportunity management strategy. Ability to react quickly and flexibly by identifying, measuring and managing risks, that could pose a threat to the success of the business.

In view that the Group currently has minimal or no active business operations, its exposure to ESG-related risks during the financial year is assessed to be limited. Accordingly, ESG risk considerations have not yet been formally integrated into the Group’s risk management framework. Nevertheless, the Group acknowledges the importance of ESG risk management and intends to progressively incorporate ESG considerations, including the development of relevant ESG-related Key Performance Indicators (KPIs) and a structure ESG risk register, as its operations expand.

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

### INTERNAL CONTROL SYSTEM

The key elements of the internal control system that provide governance and oversight are as follows:

- Clearly defined lines of authority within a divisional organisational structure to ensure a robust framework for decision-making at the appropriate levels of authority, while reserving critical matters for approval by the Board.
- A formal delegation of authority established clear decision-making responsibilities at various management levels, ensuring that matters of significant importance are referred to the Board for approval.
- The Board, through the AC, meets on a quarterly basis to review and deliberate on unaudited quarterly financial reports, annual financial statements, and other relevant matters. Management presents and discusses necessary actions to address any identified weaknesses in internal controls.

### INTERNAL AUDIT FUNCTION

The Group's internal audit function, responsible for assessing the adequacy and effectiveness of risk management and internal control system, is entrusted to an external service provider acting as the Internal Auditors ("IA"). The IA reports directly to the AC, ensuring independence and objectivity.

Internal audit provides an independent assessment of the effectiveness and efficiency of internal controls utilising a global audit methodology and tool to support the corporate governance framework, such as International Professional Practices Framework ("IPPF") and an efficient and effective risk management framework to provide assurance to the AC.

The IA Function applies a risk-based approach to draw up the Annual Internal Audit Plan and to determine the audit cycle of each auditable area. The Annual Internal Audit Plan is approved by the AC.

For the FYE 2025, an internal audit review was conducted, focusing on Human Resources and Treasury Cycle. All audit findings, along with Management's responses and recommendations for improvement, were presented to the AC during the AC meeting.

### REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report in accordance with the relevant requirements and have reported to the Board that nothing has come to their attention that cause them to believe that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the Group's internal control system.

### CONCLUSION

For the financial year under review and up to the date of approval of this statement, the Board is of the opinion that the Group's current risk management and internal control system is adequate and effective to safeguard Group's interests and assets.

The Board has received assurance from the Executive Directors that the Group's risk management and internal control system is adequate and operates effectively in all material respects.

The Board remains committed to overseeing and evaluating the adequacy and effectiveness of the Group's risk management and internal control system and will strengthen it as necessary.

This Statement has been reviewed by the AC and approved by the Board on 20 April 2026.

## ANALYSIS OF SHAREHOLDINGS AS AT 31 MARCH 2026

### A. SHARE CAPITAL

Total Number of Shares	:	193,599,641
Issued Share Capital	:	RM63,117,846.00
Class Of Shares	:	Ordinary Shares
Voting Rights	:	One vote for each Ordinary Share held

### B. DISTRIBUTION OF SHAREHOLDINGS AS AT 31 MARCH 2026

SIZE OF HOLDING	NO. OF SHAREHOLDERS	NO. OF SHARES HELD	%
LESS THAN 100	160	5,844	0.00
100 – 1,000	1,220	807,658	0.42
1,001 – 10,000	2,180	9,201,992	4.78
10,001 – 100,000	673	21,842,831	11.34
100,001 AND BELOW 5% OF ISSUED SHARES	148	108,841,016	56.52
5% AND ABOVE OF ISSUED SHARES	4	51,861,700	26.93
<b>TOTAL</b>	<b>4,385</b>	<b>192,561,041</b>	<b>100.00</b>

Notes:-

The number of 193,599,641 ordinary shares is inclusive of 1,038,600 treasury shares retained by SCGM Bhd.

### C. DIRECTORS' SHAREHOLDINGS AS AT 31 MARCH 2026

NO.	NAME OF DIRECTORS	DIRECT INTEREST		INDIRECT INTEREST	
		NO. OF SHARES	%	NO. OF SHARES	%
1.	DATO' SRI LEE HOCK SENG	10,004,453	5.20	318,200 <sup>(1)</sup>	0.17
2.	DATO' SRI LEE HOCK CHAI	1,654,871	0.86	–	–
3.	PATRICIA RANGENE PACKIUM	–	–	–	–
4.	LIM PENG PENG	–	–	–	–
5.	LEE YEE LING	–	–	–	–
6.	LEE LIH CHYONG (Alternate Director to Dato' Sri Lee Hock Seng)	111,800	0.06	10,210,853 <sup>(2)</sup>	5.30

Notes:

<sup>(1)</sup> Deemed interested under Section 8 of the Companies Act 2016 by virtue of shares held through his daughter, Lee Lih Chyong and son in law, Tai Chin Lian's shareholdings in SCGM Bhd.

<sup>(2)</sup> Deemed interested under Section 8 of the Companies Act 2016 by virtue of shares held through her spouse, Tai Chin Lian and her father, Dato' Sri Lee Hock Seng's shareholdings in SCGM Bhd.

## ANALYSIS OF SHAREHOLDINGS (CONT'D)

### D. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS AT 31 MARCH 2026

NO.	NAME OF SHAREHOLDERS	DIRECT INTEREST		INDIRECT INTEREST	
		NO. OF SHARES	%	NO. OF SHARES	%
1.	DATO' SRI LEE HOCK SENG	10,004,453	5.20	318,200 <sup>(1)</sup>	0.17
2.	LEE LIH CHYONG	111,800	0.06	10,210,853 <sup>(2)</sup>	5.30
3.	CHIN KOK TIAN	15,500,000	8.05	15,552,000 <sup>(3)</sup>	8.08
4.	YAN HUA LAN	15,500,000	8.05	15,552,000 <sup>(4)</sup>	8.08
5.	TAN AH TEK	15,500,000	8.05	–	–
6.	SAW CHAI SOON	10,861,700	5.64	–	–

**Notes:**

- <sup>(1)</sup> Deemed interested under Section 8 of the Companies Act 2016 by virtue of shares held through his daughter, Lee Lih Chyong and son in law, Tai Chin Lian's shareholdings in SCGM Bhd.
- <sup>(2)</sup> Deemed interested under Section 8 of the Companies Act 2016 by virtue of shares held through her spouse, Tai Chin Lian and her father, Dato' Sri Lee Hock Seng's shareholdings in SCGM Bhd.
- <sup>(3)</sup> Deemed interested under Section 8 of the Companies Act 2016 by virtue of shares held through his spouse, Yan Hua Lan and his son, Chin Kai Ying.
- <sup>(4)</sup> Deemed interested under Section 8 of the Companies Act 2016 by virtue of shares held through her spouse, Chin Kok Tian and her son, Chin Kai Ying.

### E. LIST OF 30 LARGEST SECURITIES ACCOUNT HOLDERS AS AT 31 MARCH 2026

NO.	NAME OF SHAREHOLDERS	SHARES HELD	%
1.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR YAN HUA LAN (PB)	15,500,000	8.05
2.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR CHIN KOK TIAN (PB)	15,500,000	8.05
3.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SAW CHAI SOON (E-KLC)	10,861,700	5.64
4.	DATO' SRI LEE HOCK SENG	10,000,000	5.19
5.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD, PLEDGED SECURITIES ACCOUNT FOR TAN AH TEK (7013283)	9,400,000	4.88
6.	LEE HOCK GUAN	8,952,544	4.65
7.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GOH TING HONG	8,880,000	4.61
8.	GOH LI LI	6,500,000	3.38
9.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG DEK KONG	4,743,000	2.46
10.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR TAN AH TEK (PB)	3,500,000	1.82
11.	CHAI SIEW MOOI	3,089,500	1.60
12.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN AH TEK	2,600,000	1.35
13.	TING POI LING	2,506,200	1.30

ANALYSIS OF SHAREHOLDINGS  
(CONT'D)

E. LIST OF 30 LARGEST SECURITIES ACCOUNT HOLDERS AS AT 31 MARCH 2026 (CONT'D)

NO.	NAME OF SHAREHOLDERS	SHARES HELD	%
14.	GOH KONG WANG	2,306,366	1.20
15.	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR ACADIAN EMERGING MARKETS MICRO-CAP EQUITY MASTER FUND	2,297,500	1.19
16.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD, EXEMPT AN FOR AHAM ASSET MANAGEMENT BERHAD (TSTAC/CLNTT)	2,120,000	1.10
17.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIEW JEW FOOK (E-PDG)	1,939,200	1.01
18.	KENANGA NOMINEES (ASING) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENT ACCOUNT)	1,834,500	0.95
19.	DATO' SRI LEE HOCK CHAI	1,654,871	0.86
20.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG DEK KING	1,415,000	0.73
21.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PHILIP LAU YAT KIONG	1,313,500	0.68
22.	CHIA SHIN MIIN	1,272,300	0.66
23.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIENG YEW LIAN	1,250,000	0.65
24.	MOOMOO NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ENG GUO MIAO	1,100,000	0.57
25.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR BEH AH BAB	1,062,000	0.55
26.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHOON SOO (E-BBB)	1,032,000	0.54
27.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEW HOE CHING	1,029,200	0.53
28.	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	1,000,000	0.52
29.	CHIA HUA BOON	918,000	0.48
30.	MOOMOO NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG DEK KONG	850,000	0.44

## NOTICE OF NINETEENTH (19<sup>TH</sup>) ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Nineteenth (19<sup>th</sup>) Annual General Meeting (“19<sup>th</sup> AGM”) of SCGM BHD (“SCGM” or the “Company”) will be held at Creator Hotel Ballroom, 3rd Floor, Kulai Centre Point, Lot 1566, Batu 20, Jalan Kulai-Air Hitam 81000 Kulai, Johor, Malaysia on Tuesday, 26 May 2026 at 10:30 a.m. or at any adjournment for the transaction of the following businesses:

### AGENDA

#### As Ordinary Business

- |    |  |  |
|----|--|--|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon.   | <i>(Please refer to Explanatory Note 1 on Ordinary Business)</i>   |
| 2. | To re-elect the following Directors who shall retire by rotation pursuant to Article 86 of the Company’s Constitution and being eligible, have offered themselves for re-election.   |  |
|    | <ul style="list-style-type: none"> <li>a) Dato’ Sri Lee Hock Chai</li> <li>b) Lee Yee Ling</li> </ul>  | <ul style="list-style-type: none"> <li><i>Ordinary Resolution 1</i></li> <li><i>Ordinary Resolution 2</i></li> </ul> |
| 3. | To approve the Directors’ fees and other benefits payable up to RM130,000.00 to be divided amongst Non-Executive Directors of the Company for the period commencing from the conclusion of the 19 <sup>th</sup> AGM of the Company until the conclusion of the next AGM of the Company in the year 2027. | <i>Ordinary Resolution 3</i>   |
| 4. | To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.  | <i>Ordinary Resolution 4</i>   |

#### As Special Business

To consider and if thought fit, to pass the following resolution:

- |    |   |                              |
|----|---|------------------------------|
| 5. | <b>AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016</b>  | <i>Ordinary Resolution 5</i> |
|    | <p>THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 (“the Act”) and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time 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 issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company or such higher percentage as Bursa Malaysia Securities Berhad (“Bursa Securities”) allowed for the time being and that the Directors be and are hereby also empowered to obtain approval from Bursa Securities for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next AGM of the Company.”</p> |                              |
| 6. | To transact any other business of the Company of which due notice shall have been given in accordance with the Company’s Constitution and the Act.  |                              |

## NOTICE OF NINETEENTH (19<sup>TH</sup>) ANNUAL GENERAL MEETING (CONT'D)

By Order of the Board  
**SCGM BHD**

**TAN TONG LANG (MAICSA 7045482/ SSM PC No. 202208000250)**  
**THIEN LEE MEE (LS0010621/ SSM PC No. 201908002254)**  
Company Secretaries  
Kuala Lumpur  
27 April 2026

### Notes:-

1. A member of the Company who is entitled to attend, speak, and vote at this 19<sup>th</sup> AGM may appoint a proxy to attend, speak and vote on his/her behalf. A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
2. A member (other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 entitled to attend and vote at the meeting is entitled to appoint a maximum of 2 proxies to attend, participate, speak and vote on his/her behalf. The appointment of two (2) proxies shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
3. Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account (“**omnibus account**”) as defined under the Securities Industry (Central Depositories) Act 1991, one (1) or more proxies may be appointed to attend on the same occasion. Where a member appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment of two (2) or more proxies shall not be valid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
4. The Form of Proxy shall be signed by the appointer, or his/her attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.
5. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority by a notary public, must be deposited at our Share Registrar’s office at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time holding the 19<sup>th</sup> AGM or adjourned general meeting at which the person named in the instrument, proposes to vote or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default, the instrument of proxy shall not be treated as valid or in such other period(s) as may be provided or permitted under the Applicable Laws and stipulated in the Form of Proxy or in the notice of meetings.
6. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available a Record of Depositors as at 14 May 2026 and only Members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at this meeting and entitled to appoint proxy or proxies.
7. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Securities, all the resolutions set out in the Notice of the 19<sup>th</sup> AGM will be put to vote by way of poll.

## NOTICE OF NINETEENTH (19<sup>TH</sup>) ANNUAL GENERAL MEETING (CONT'D)

### **Personal data privacy:**

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 19<sup>th</sup> 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 19<sup>th</sup> AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 19<sup>th</sup> 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 collection, use and disclosure by the Company (or its agents) of the personal data 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.*

### **Explanatory Notes:-**

#### **1. Item 1 of the Agenda**

Agenda item no. 1 is meant for discussion only as the provisions of Section 340 of the Act, it does not require formal approval of shareholders for the Audited Financial Statements. Hence, this item on the agenda is not put forward for voting.

#### **2. Items 2 of the Agenda**

The Board of Directors have considered the eligibility and contribution of each of the retiring Directors and have also assessed the independence of the Independent Non-Executive Director seeking for re-election.

Based on the evaluation conducted on each of the retiring Directors, it was found to be satisfactory. In addition, each of the retiring Directors had provided their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.

The Board recommended that the Directors who retire in accordance with Article 86 of the Constitution, namely Dato' Sri Lee Hock Chai and Lee Yee Ling are eligible to stand for re-election.

#### **3. Item 3 of the Agenda**

Section 230(1) of the Act provides amongst others, that "the fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 19<sup>th</sup> AGM on the Directors' remuneration.

In determining the estimated total amount of Directors' Meeting Allowance, the Board has considered various factors, among others, the estimated claimable Directors' Meeting Allowance and estimated number of meetings for the Board and Board Committees held for the period commencing from the conclusion of the 19<sup>th</sup> AGM until the next AGM of the Company.

The exact amounts which are receivable by each individual Directors are provided in Note of the Audited Financial Statements for the FYE 2025.

In the event the proposed amount is insufficient (e.g., due to more meetings or enlarged Board size), approval will be sought at the next AGM for additional fees to meet the shortfall.

Any Directors who are shareholders of the Company will abstain from voting on Resolution 3 concerning remuneration to the Directors at the 19<sup>th</sup> AGM.

## NOTICE OF NINETEENTH (19<sup>TH</sup>) ANNUAL GENERAL MEETING (CONT'D)

### Explanatory Notes (cont'd):-

#### 4. Item 4 of the Agenda

The Board, through the Audit Committee had reviewed and was satisfied with the performance and independence of Grant Thornton Malaysia PLT ("Grant Thornton") during the financial year under review. The Board has therefore recommended the re-appointment of Grant Thornton as external auditors of the Company for the financial year ending 31 December 2026.

#### 5. Item 5 of the Agenda

The Ordinary Resolution 5, if passed, will give flexibility to the Directors of the Company to issue shares and allot up to a maximum of 10% of the total number of issued SCGM's Shares at the time of such allotment and issuance of SCGM's Shares and for such purposes as they consider would be in the best interest of the Company without having to convene separate general meetings. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

The rationale for this resolution is to eliminate the need to convene general meeting(s) from time to time to seek shareholders' approval as and when the Company issues new SCGM's Shares for future business opportunities for the purpose of funding investment project(s), working capital and/or acquisitions and thereby reducing administrative time and cost with the convening of such meeting(s).

As at the date of this Notice, no new shares were issued by the Company pursuant to the General Mandate granted to the Directors at the 18th AGM held on 19 May 2025 and which will be lapse at the conclusion of the 19<sup>th</sup> AGM.

## STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING (PURSUANT TO PARAGRAPH 8.27(2) OF MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES)

1. The profile of the Directors who are standing for re-election as per Agenda 2 of the Notice of 19<sup>th</sup> AGM is as follows:

### ORDINARY RESOLUTION 1

Dato' Sri Lee Hock Chai (Managing Director)

Nationality/ Age/ Gender	Malaysian/ 64/ Male
Date of Appointment	19 December 2007
Qualification	<ul style="list-style-type: none"> <li>Sijil Pelajaran Malaysia</li> </ul>
Working experience and occupation	<ul style="list-style-type: none"> <li>Factory Manager, Lee Soon Seng Plastic Industries ("LSSPI") (1984)</li> <li>Operation Manager, LSSPI (1998)</li> <li>Executive Director, SCGM Bhd (2007 - 2015)</li> <li>Managing Director, SCGM Bhd (2015 – present)</li> </ul>
Other directorships in public companies and listed issuers	Nil
Details of any interest in the securities	1,654,871 ordinary shares

Dato' Sri Lee Hock Chai is the brother of Dato' Sri Lee Hock Seng, who is the Executive Chairman of the Company and the uncle of Lee Lih Chyong, the Alternate Director to Dato' Sri Lee Hock Seng. He has no conflict of interest or potential conflict of interest, including any interest in any competing business with SCGM Bhd and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the FYE 2025.

### ORDINARY RESOLUTION 2

Lee Yee Ling (Independent Non-Executive Director)

Nationality/ Age/ Gender	Malaysian/ 42/ Female
Date of Appointment	16 August 2019
Qualification	Bachelor of Science (Hons) in Business and Management Studies, University of Bradford, United Kingdom
Working experience and occupation	<ul style="list-style-type: none"> <li>Production Planning Executive, Hitachi Koki (M) Sdn. Bhd. (2006)</li> <li>Marketing Executive, Lee Heng High Precision Engineering Sdn. Bhd. (2008)</li> <li>Marketing Manager, Lee Heng High Precision Engineering Sdn. Bhd. (2010)</li> <li>General Manager, Lee Heng High Precision Engineering Sdn. Bhd. (2013)</li> <li>Executive Director, Lee Heng High Precision Engineering Sdn. Bhd. (2013 – present)</li> </ul>
Other directorships in public companies and listed issuers	SDS Group Berhad
Details of any interest in the securities	Nil

Lee Yee Ling has no family relationship with any Director and/or major shareholder of SCGM Bhd. She has no conflict of interest or potential conflict of interest, including any interest in any competing business with SCGM Bhd and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the FYE 2025.

2. The detailed information relating to general mandate for issue of securities pursuant to Paragraph 6.03(3) of the Listing Requirements of Bursa Securities are set out under Explanatory Notes for Ordinary Resolution 5 of the Notice of 19<sup>th</sup> AGM of the Company.



SCGM BHD

SCGM BHD  
Registration No. 200701021012 (779028-H)  
(Incorporated in Malaysia)

**FORM OF PROXY**

No. of shares held	
CDS Account No.	

I/We \_\_\_\_\_ [Full Name in Block Letters] NRIC/  
 Passport/Company Registration No. \_\_\_\_\_ of \_\_\_\_\_  
 \_\_\_\_\_ [Full Address],  
 \_\_\_\_\_ [Email Address], \_\_\_\_\_ [Contact No.] being a member(s)  
 SCGM BHD, hereby appoint:

Full Name in Block Letters		Proportion of shareholdings to be presented %
Email Address		
NRIC/Passport No.		
Full Address		
Contact No.		

and/or

Full Name in Block Letters		Proportion of shareholdings to be presented %
Email Address		
NRIC/Passport No.		
Full Address		
Contact No.		
		100%

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 Nineteenth (19<sup>th</sup>) Annual General Meeting (“19<sup>th</sup> AGM”) of the Company will be held at Creator Hotel Ballroom, 3rd Floor, Kulai Centre Point, Lot 1566, Batu 20, Jalan Kulai-Air Hitam 81000 Kulai, Johor, Malaysia on Tuesday, 26 May 2026 at 10:30 a.m. or any adjournment thereof to vote as indicated below:

The proxy is to vote on the Resolutions set out in the Notice of the Meeting as indicated with an “X” or “√” in the appropriate spaces. If no specific direction as to the voting is given, the Proxy will vote or abstain from voting at his/her discretion.

		FOR	AGAINST
Ordinary Resolution 1	To re-elect Dato’ Sri Lee Hock Chai who retires in accordance with Article 86 of the Constitution of the Company.		
Ordinary Resolution 2	To re-elect Lee Yee Ling who retires in accordance with Article 86 of the Constitution of the Company.		
Ordinary Resolution 3	To approve the Directors’ fees and other benefits payable up to RM130,000.00 to be divided amongst Non-Executive Directors of the Company for the period commencing from the conclusion of the 19 <sup>th</sup> AGM of the Company until the conclusion of the next AGM of the Company in the year 2027.		
Ordinary Resolution 4	To re-appoint Grant Thornton Malaysia PLT as auditors of the Company for the ensuing year and to authorise the directors to fix their remuneration.		
Ordinary Resolution 5	Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016		

Signed this ..... day of ..... 2026

.....  
 Signature of Shareholder(s)  
 (if Shareholder(s) is a corporation, this form should be executed under the seal)



**Notes:-**

1. A member of the Company who is entitled to attend, speak, and vote at this 19<sup>th</sup> AGM may appoint a proxy to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
2. A member (other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 entitled to attend and vote at the meeting is entitled to appoint a maximum of 2 proxies to attend, participate, speak and vote on his/her behalf. The appointment of two (2) proxies shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
3. Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act 1991, one (1) or more proxies may be appointed to attend on the same occasion. Where a member appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment of two (2) or more proxies shall not be valid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
4. The Form of Proxy shall be signed by the appointer, or his/her attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.
5. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority by a notary public, must be deposited at our Share Registrar's office at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time holding the 19<sup>th</sup> AGM or adjourned general meeting at which the person named in the instrument, proposes to vote or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default, the instrument of proxy shall not be treated as valid or in such other period(s) as may be provided or permitted under the Applicable Laws and stipulated in the Form of Proxy or in the notice of meetings.
6. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available a Record of Depositors as at 14 May 2026 and only Members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at this meeting and entitled to appoint proxy or proxies.
7. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the 19<sup>th</sup> AGM will be put to vote by way of poll.

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AFFIX  
STAMP

The Share Registrar of  
**SCGM BHD**  
Registration No. 200701021012 (779028-H)

**c/o Aldpro Corporate Services Sdn Bhd**  
B-21-1, Level 21, Tower B  
Northpoint Mid Valley City  
No. 1, Medan Syed Putra Utara  
59200 Kuala Lumpur  
Wilayah Persekutuan

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**SCGM BHD**®

(Registration No. 200701021012 (779028-H))

PTD 109444, Jalan Senkang, Kawasan Perusahaan Sri Sengkang  
81000 Kulai, Johor Darul Ta'zim, Malaysia.

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