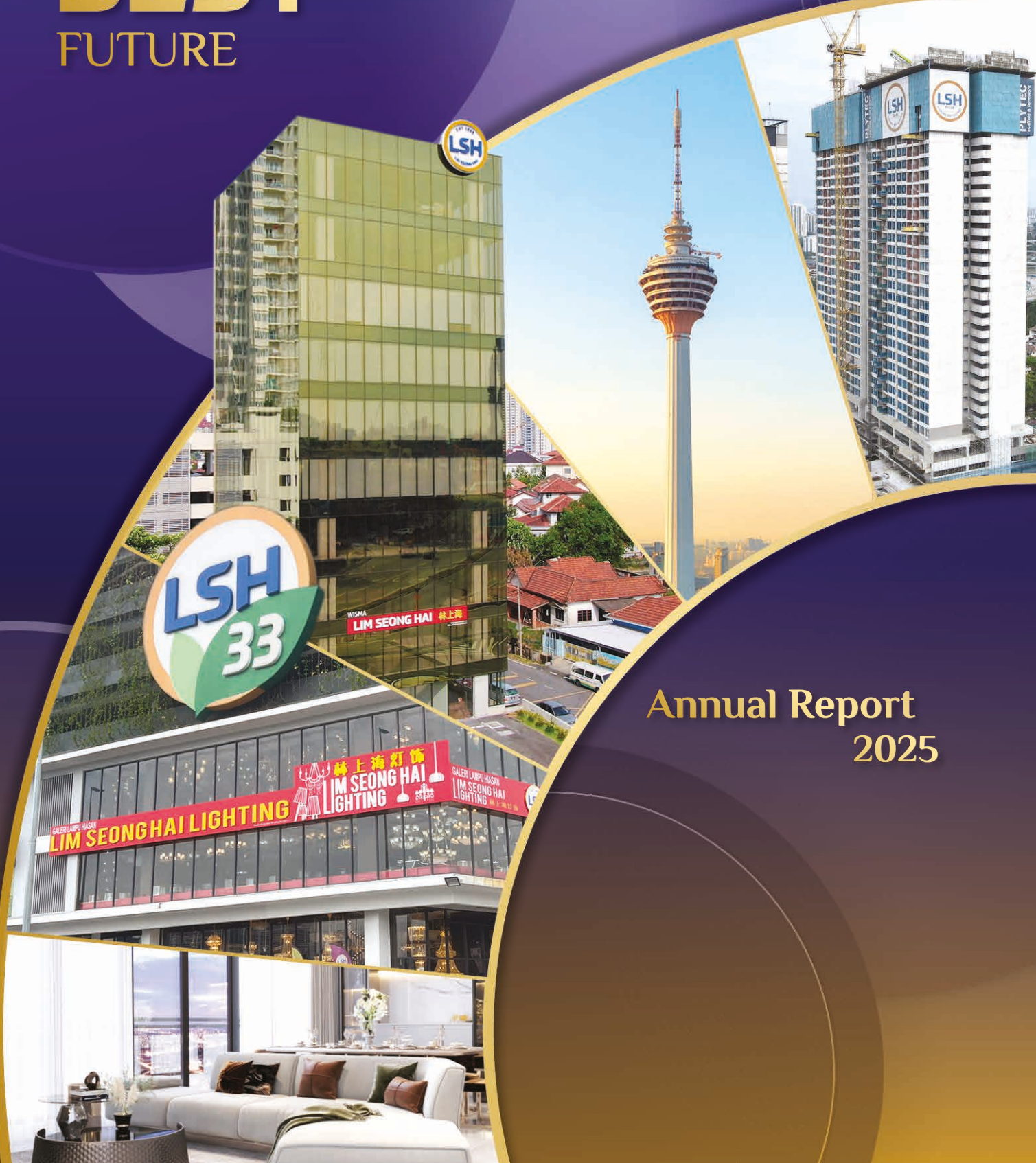


LIM SEONG HAI CAPITAL BERHAD
Registration No. 202001036664 (1392985-A)

REIMAGINING THE BEST FUTURE



Annual Report
2025

FORGING OUR FOUNDATION. BUILDING OUR FUTURE.

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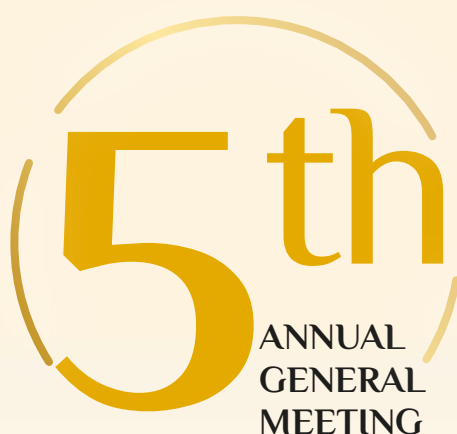
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Form of Proxy



VENUE

HEMISFERA Luxury Sky Hall,
Kuala Lumpur Tower,
No. 2, Jalan Punchak,
Off Jalan P. Ramlee,
50250 Kuala Lumpur,
Wilayah Persekutuan Kuala Lumpur.

DATE & TIME

26 February 2026
Thursday
9.00 a.m.

Scan QR code to view our Annual Report 2025 online or visit
<https://www.limseonghai.com/investors/annual-reports>



FORGING
OUR
FOUNDATION.
BUILDING
OUR
FUTURE.

1

MARKING OUR LISTING JOURNEY

Cover
Story



Reimagining the BEST Future

We believe every future is shaped by intention.

By how we choose to build, who we build for and the values we carry forward with us. What began as a commitment to deliver has grown into a purpose to shape spaces, experiences and environments that endure beyond the present.

The story reflected on our Annual Report 2025 is one of reimagining continuity and care. From the foundations we lay to the communities we bring to life, our work touches lives at different stages nurturing growth, connection and belonging. These moments define what progress truly means to us.

As we move forward beyond creating structures, we are shaping places where people live, learn, work and play. It is a responsibility we embrace with discipline, foresight and respect for the future. Every step we take is guided by collaboration, thoughtful execution and a commitment towards a brighter future.

We move with confidence, we adapt, we innovate and we grow while remaining grounded in the principles that have carried us here. To reimagine the best future is not to start anew, but to build upon what matters most with trust, purpose and shared progress.

“

This is how we move forward.

This is how we shape tomorrow.

This is Reimagining the BEST Future.

”





BUILDING THE BEST ECOSYSTEM

Lim Seong Hai Capital Berhad (“LSH Capital” or “Company”) was incorporated in Malaysia under the Act on 11 November 2020 as a private limited company under the name of Lim Seong Hai Capital Sdn. Bhd. On 21 May 2021, our Company was converted into a public limited company to facilitate our listing on the LEAP Market which took place on 30 July 2021.

Following our listing on the LEAP Market, our Company completed the acquisition of 100% equity interest in LSH Best Builders Sdn. Bhd. (“LSHBB”) from LSH Resources Sdn. Bhd. on 15 October 2021, which resulted in the diversification of our Group’s then principal activities to include construction and provision of construction-related services and solutions. We further diversified our Group’s principal activities to include property development activities, following the completion of the acquisitions of 100% equity interest in Astana Setia Sdn. Bhd. (“ASSB”) and LSH Ventures Sdn. Bhd. from our Group’s related parties on 17 April 2023.

To-date, we are a full-fledged construction company with capabilities to engage in a broad range of construction and engineering works, provide construction-related services and solutions, as well as supply construction products that are complementary to our construction and engineering works as well as the needs of the wider construction industry.

In addition to our primary focus as a construction company, we are also involved in property development activities which allows our Group to leverage on our strengths and prowess in the construction segment, whilst providing an additional revenue stream for our Group through the sales of property units under our own property development projects.

We operate entirely in Malaysia where we carry out construction and engineering works, construction-related services and solutions as well as supply of buildings materials for construction projects located in various states in Malaysia. We also engage in the wholesale and retail of lighting and related mechanical & electrical products as well as hardware products and tools through 12 physical retail stores located across the Klang Valley region, online e-commerce platforms such as Lazada and Shopee, as well as our own online stores. Apart from our wholesale and retail operations, we also provide rental services for machinery and equipment for construction projects based in Malaysia. In addition, the property development projects for which our Group is involved in are all located in the Klang Valley region.

Construction and Construction- Related Services



Property Development



3 Business Segment



Facilities Management

DEFINING OUR PURPOSE

About
Us



ABOUT US

We are an investment holding company and through our subsidiaries, namely LSH BEST Builders Sdn. Bhd., Astana Setia Sdn. Bhd., Lim Seong Hai Lighting Sdn. Bhd., Knight Auto Sdn. Bhd., and Lim Seong Hai Ventures Sdn. Bhd. we are principally engaged in the business of construction and construction-related services & solutions, provision of building materials, lighting products and related mechanical & electrical ("M&E") products and services, hardware and tools, and rental of machinery and property development.

The experience and expertise of LSH Capital promoters and directors in the fields of construction, engineering, property development, accounting and finance and M&E has positioned LSH Capital to be one of the preferred construction services and solution provider in line with our BEST Collaboration Framework.

TO BE A RENOWNED
PROPERTY DEVELOPER AND
CONSTRUCTION COMPANY,
AS WELL AS A READILY
ACCESSIBLE RETAILER IN
MALAYSIA.

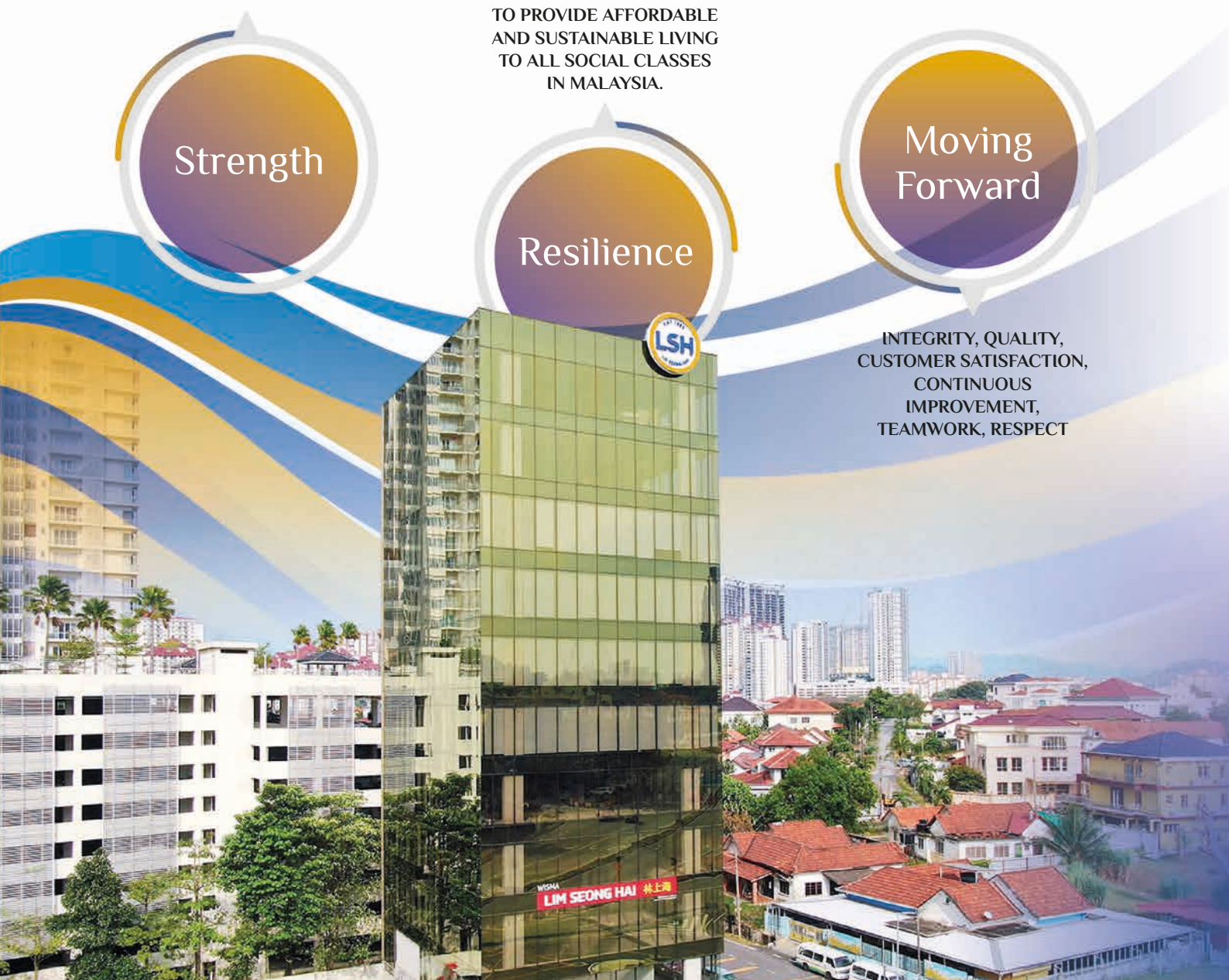
TO PROVIDE AFFORDABLE
AND SUSTAINABLE LIVING
TO ALL SOCIAL CLASSES
IN MALAYSIA.

Strength

Resilience

Moving
Forward

INTEGRITY, QUALITY,
CUSTOMER SATISFACTION,
CONTINUOUS
IMPROVEMENT,
TEAMWORK, RESPECT



OUR VISION

“
TO BE THE PREFERRED CONSTRUCTION SERVICES
AND SOLUTION PROVIDER IN LINE WITH OUR
BEST COLLABORATION FRAMEWORK.
”

The **BEST** Collaboration Framework adopted by the LSH Capital Group aims to transform the core foundation of the construction industry, which comprises the following:

B LUE OCEAN STRATEGY

— leverage experience and knowledge in assisting clients to secure and manage tenders for infrastructure, building and property development projects from both the public and private sectors.

E NHANCEMENT SOLUTION FOR FINANCE

— to connect clients to financial institutions and to assist clients in structured financing and cash flow planning to meet the financial requirements of the projects.

S USTAINABILITY, MADE AFFORDABLE

— to formulate sustainable business policies and project management directives for cost optimisation.

T RANSFORMATION AND INNOVATION

— to recommend and source cost-effective materials, construction technology and to propose suitable alternative designs with similar fit, function and safety to clients.

OUR BRAND STORY

THE HISTORY OF THE “LIM SEONG HAI” TRADE NAME CAN BE TRACED BACK TO 1966 WHEN THE LATE LIM SEONG HAI, WHO WAS THE FATHER OF TAN SRI DATUK SERI LIM KENG CHENG, DATUK LIM KENG GUAN, LIM PAK LIAN AND LIM KENG HUN (COLLECTIVELY, THE “LIM SIBLINGS”), SET UP A SOLE PROPRIETORSHIP UNDER THE NAME OF LIM SEONG HAI CONSTRUCTION.

Lim Seong Hai Construction operated as a Class D contractor registered with the Public Works Department of Malaysia, which enabled it to undertake construction projects which are not more than RM100,000 in value at that time. The business of Lim Seong Hai Construction was later transferred to Lim Seong Hai Construction and Company, a partnership which was set up in 1975 and passed on to the Lim Siblings before the passing of their father. Lim Seong Hai Construction and Company is presently owned by the Lim Siblings.

In 1995, Lim Pak Lian set up Lim Seong Hai Lighting Sdn Bhd (“LSH Lighting”) to supply lighting and related M&E products as well as provide related M&E services for various construction and property development projects. LSH Lighting then ventured into retailing of lighting products under the ‘Fablelite’ trade name when it opened its first lighting retail store at Jalan Gombak, Kuala Lumpur in year 2000. LSH Lighting’s retail operations have expanded to include five (5) physical retail stores across the Klang Valley region.



“

OVER THE YEARS, LSH LIGHTING WAS ALSO INVOLVED IN SEVERAL MAJOR PROJECTS THROUGH THE SUPPLY OF LIGHTING PRODUCTS AND PROVISION OF RELATED M&E WORKS.

”

Over the years, LSH Lighting was also involved in several major projects through the supply of lighting products and provision of related M&E works.

Aside from the establishment of LSH Lighting, Lim Keng Hun and Lim Pak Lian also set up Knight Auto Sdn. Bhd. (“Knight Auto”) in 1999 to venture into the wholesaling of hardware products, as well as rental of machinery and equipment for the construction industry. With the opening of its first retail store in Kajang Perdana, Selangor in 2004, Knight Auto began expanding its range of hardware products, machinery and equipment to also include tools. Over the years, Knight Auto continued to expand its business footprint and currently has five (5) physical retail stores across the Klang Valley region.

Driven by LSH Lighting and Knight Auto’s business expansion over the years, the Lim Siblings embarked on the journey of listing these businesses with the formation of our Group through our Company’s acquisition of LSH Lighting and Knight Auto on 6 January 2021. Following our successful listing on the LEAP Market on 30 July 2021, we continued our business expansion with the acquisition of LSH Best Builders Sdn. Bhd. (“LSHBB”) on 15 October 2021, which resulted in the diversification of our Group’s then business to include construction and the provision of construction-related services and solutions. We further enhanced our construction capabilities and diversified our Group’s principal activities to include property development, following the completion of the acquisitions of Astana Setia Sdn. Bhd. (“ASSB”) and Lim Seong Hai Ventures Sdn. Bhd. on 19 April 2023.

As an integral part of our Group’s principal activities, we introduced our BEST Collaboration Framework in end 2021. Our BEST Collaboration Framework functions as a framework for collaboration between our Group and our clients (such as land owners, property developers or contractors) to achieve the shared objective of value-engineering for construction projects or property development projects undertaken by our clients by leveraging on our extensive experience and expertise in the construction industry.

Over the years, our Group has grown from just a supplier/provider of construction products and services (i.e. lighting products and related M&E products and services, hardware products, tools, construction machinery and equipment) to becoming a full-fledged construction company with capabilities to provide a comprehensive range of construction and engineering works, construction-related services, solutions and products as well as being involved in property development.

BUILT ON INTEGRITY

Corporate
InformationBOARD OF
DIRECTORS**TAN SRI DATUK SERI
LIM KENG CHENG**Non-Independent
Non-Executive Chairman**DATUK LIM KENG GUAN**Non-Independent
Executive Vice Chairman**LIM PAK LIAN**Non-Independent
Group Managing Director**LIM KENG HUN**Non-Independent Managing
Director of Machinery, Hardware
and Tools Division**LIM DING SHYONG**Non-Independent
Executive Director**DATO' SERI IR. HJ.
MOHD NOOR BIN
YAACOB**Independent
Non-Executive Director**LEE SWEE KHENG**Independent
Non-Executive Director**DATO' WANG SZE YAO
@ WANG MING WAY**Independent
Non-Executive Director**NURULHUDA HAYATI
BINTI IBRAHIM**Independent
Non-Executive Director**AR. ALINA BINTI
ABDULLAH**Independent
Non-Executive Director**AUDIT AND RISK
MANAGEMENT COMMITTEE**

Lee Swee Kheng (Chairman)

Dato' Seri Ir. Hj. Mohd Noor Bin
YaacobDato' Wang Sze Yao @ Wang Ming
Way**NOMINATION AND
REMUNERATION COMMITTEE**Dato' Wang Sze Yao @ Wang
Ming Way (Chairman)Dato' Seri Ir. Hj. Mohd Noor Bin
Yaacob

Lee Swee Kheng

SUSTAINABILITY COMMITTEEDato' Seri Ir. Hj. Mohd
Noor Bin Yaacob
(Chairman)Nurulhuda Hayati Binti
IbrahimAr. Alina Binti
Abdullah**COMPANY SECRETARY**Tai Yit Chan
[MAICSA 7009143]
[SSM Practising Certificate No.
202008001023]**REGISTERED OFFICE**12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Telephone No. : +603 7890 4800
Fax : +603 7890 4650
Email address :
boardroom-kl@boardroomlimited.com**HEAD OFFICE**Wisma Lim Seong Hai
No. 33, Jalan Gombak
53000 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Telephone No. : +603 4021 8899
Fax : +603 4021 3819
Website : www.limseonghai.com
Email address :
info.LSHCapital@limseonghai.com**PRINCIPAL ADVISER**AmInvestment Bank Berhad
22nd Floor, Bangunan
AmBank Group
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Telephone No. : +603 2036 2633**AUDITORS**Crowe Malaysia PLT (AF 1018)
Level 16, Tower C, Megan Avenue II
No. 12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Telephone No. : +603 2788 9999**SOLICITORS**Lee Hishammuddin Allen & Gledhill
Level 6, Menara 1 Dutamas
Solaris Dutamas
No. 1, Jalan Dutamas 1
50480 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Telephone No. : +603 6208 5888**SHARE REGISTRAR**Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Telephone No. : +603 7890 4700
Fax : +603 7890 4670
Email address :
bsr.helpdesk@boardroomlimited.com**STOCK EXCHANGE LISTING**ACE Market
Bursa Malaysia Securities Berhad
Sector: Construction
Stock Name: LSH
Stock Code: 0351

ANCHORING OUR STRENGTH

Corporate
Structure



Lim Seong Hai CAPITAL BERHAD

Lim Seong Hai Lighting Sdn. Bhd.

Knight Auto Sdn. Bhd.

LSH BEST Builders Sdn. Bhd.

LSH Service Master Sdn Bhd (70%)

Astana Setia Sdn. Bhd.

Astana Setia & Euro Saga Sdn Bhd (6.25%)

Lim Seong Hai Ventures Sdn. Bhd.

Astana Setia & Euro Saga Sdn Bhd (87.5%)

LSH Infra Sdn. Bhd.

LSH Pertama Markmur Infra Sdn Bhd (50%)

Lim Seong Hai Development Sdn. Bhd.

Astana Setia Development Sdn. Bhd.

LEGACY TO GROWTH



Where it began...

1966

LSH
Group was
founded

Jul 2021

LSH Capital listed on
LEAP Market

Oct 2021

Acquired LSH BEST
Builders

Jan 2022

Reported PAT of
RM7.9 million for
FYE 2021

Sept 2022

Signed collaboration with Gamuda
Diversified into construction and
construction related services &
solutions

Dec 2022

Completion of pilot
project using digital
IBS

Best Builders in collaboration with Gamuda IBS
Corporate
Milestones

Nov 2025

Achieved record PAT
of > RM100 million in
FYE 2025

Mar 2025

- Successful transfer of listing to the ACE Market
- LSHSM officially tookover as the new concessionaire of Kuala Lumpur Tower

May 2025

Topping-off the Tower A
of LSH segar project
- one of the Group's
notable ongoing property
development project

Sep 2024

The completion of LSH 33
Project - the Group's first
building construction project
as main contractor

July 2024

Government of Malaysia had agreed
in principle for LSH Service Master
Sdn Bhd ("LSHSM") to undertake
the operation and maintenance
management of Kuala Lumpur Tower
for 20 years

Mar 2024

- Announced details of public offering for the Proposed Transfer of Listing from the LEAP Market to ACE Market
- Signed Intent to Collaborate Agreement with Permodalan Negeri Selangor Berhad & IJM Corporation Berhad

Nov 2023

Reported PAT of
RM58.9 million for
FYE 2023

Jan 2023

Reported PAT of
RM41.8 million for
FYE 2022

Apr 2023

Acquired Astana Setia Sdn
Bhd & Lim Seong Hai Ventures
Sdn Bhd and diversified into
Property Development

Oct 2023

Announced proposed
transfer of listing from
the LEAP Market to the
ACE Market

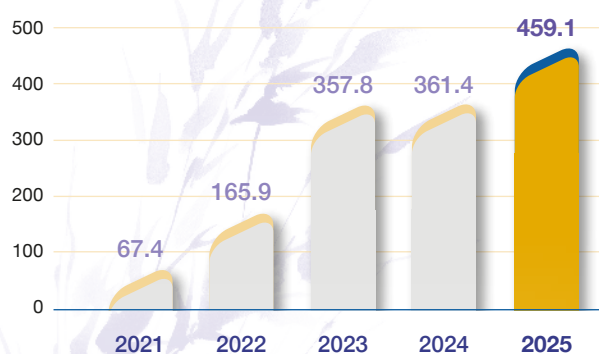
PERFORMANCE AT A GLANCE

2

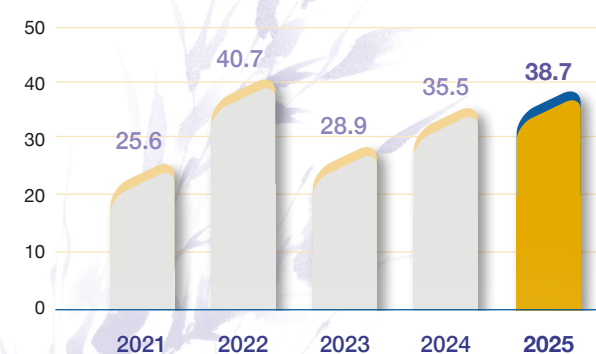
5-YEAR FINANCIAL HIGHLIGHTS

	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FYE 2025 (RM'000)
Revenue	67,416	165,866	357,755	361,405	459,087
GP	17,278	67,520	103,472	128,187	177,666
PBT	10,865	55,066	75,724	97,743	138,027
PAT/Total comprehensive income	7,930	41,812	58,883	74,283	102,783
Equity attributable to owners of our Company/ NA	43,351	79,501	420,828	475,309	655,516
Total borrowings (excluding lease liabilities)	9,653	3,779	14,041	39,985	10,865
Key financial ratios:					
GP margin (%)	25.63	40.71	28.92	35.47	38.70%
PBT margin (%)	16.12	33.20	21.17	27.05	30.07%
PAT margin (%)	11.76	25.21	16.46	20.55	22.39%
Basic and diluted EPS (sen)	2.38	11.77	11.45	10.52	12.98
Current ratio (times)	2.94	1.93	2.54	2.93	3.59
Gearing ratio (times)	0.22	0.05	0.03	0.08	0.02

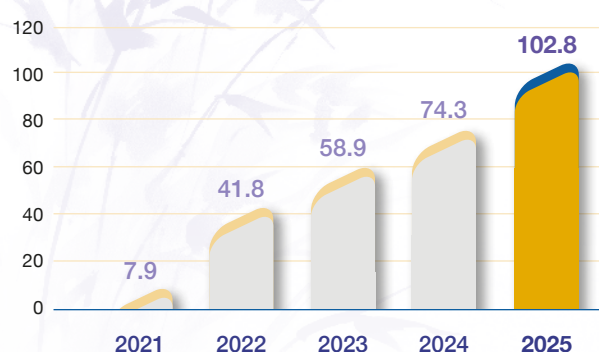
REVENUE (RM'000)



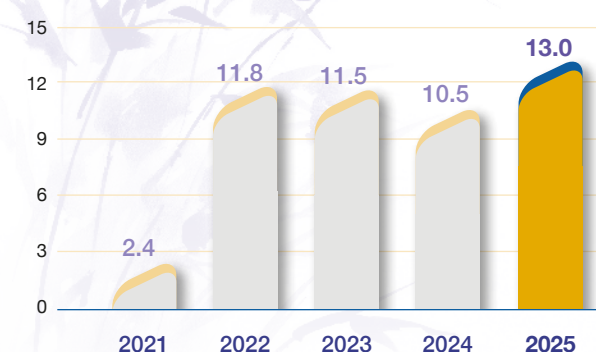
GROSS PROFIT MARGIN (%)



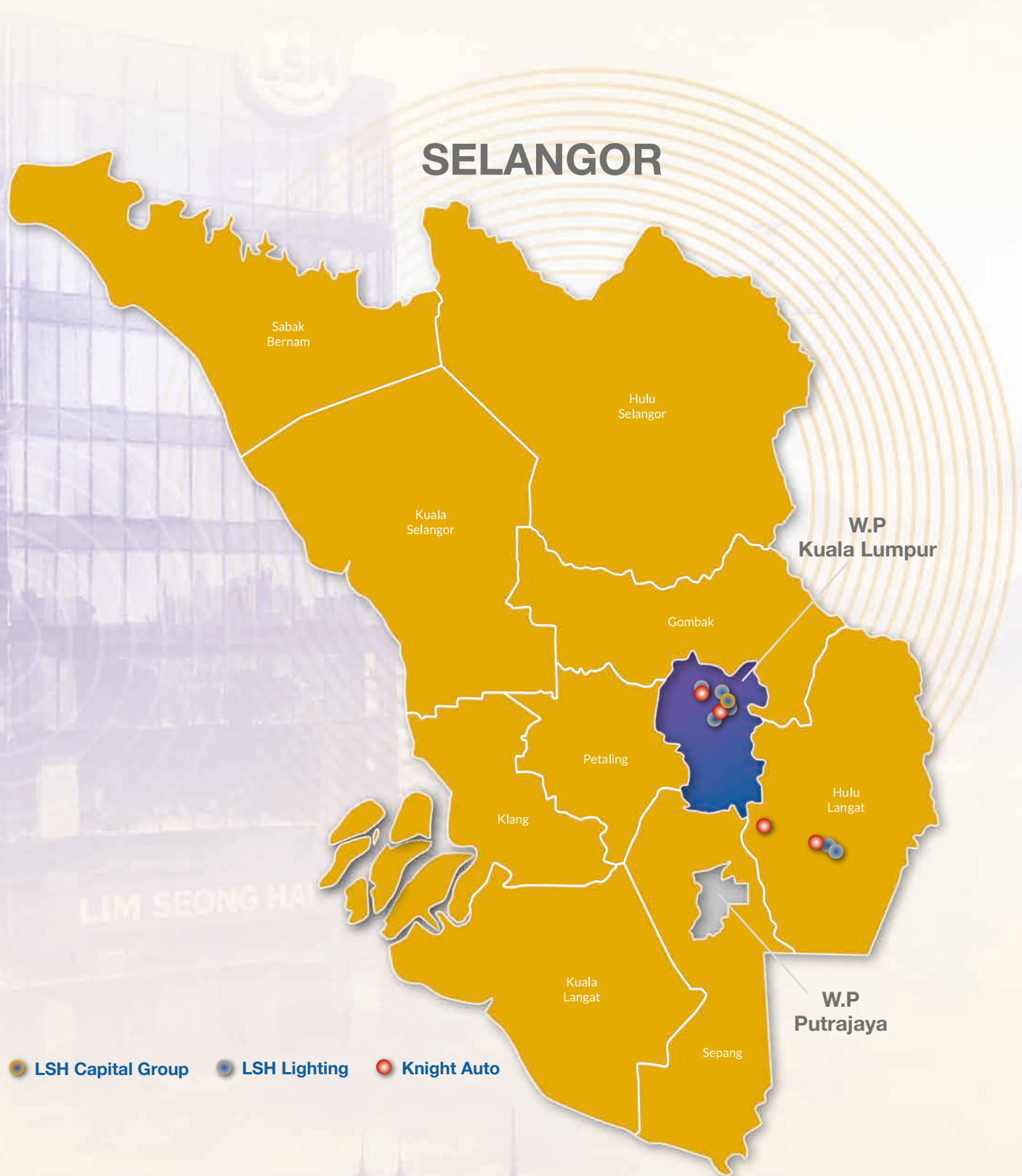
PROFIT AFTER TAX (RM'000)



EARNINGS PER SHARE (SEN)



OPERATIONAL FOOTPRINT



BUSINESS HIGHLIGHTS



The Group's profit after tax ("PAT") has grown from RM7.9 million in FYE 2021 to more than

RM100 million
in FYE 2025

The successful completion of our
**transfer listing to the
ACE Market**

**BURSA
MALAYSIA**

LSH took site possession and commencement of the
**concession for
Kuala Lumpur
Tower.**

Revenue
**RM459.1
million**
in FYE 2025

The **BEST** Collaboration Framework contributed
RM4.9 million
in fee income during the year.

The construction and engineering works as well as construction products contributed

**RM272.3
million**
in revenue



The Property Development segment contributed

**RM158.6
million**
in revenue

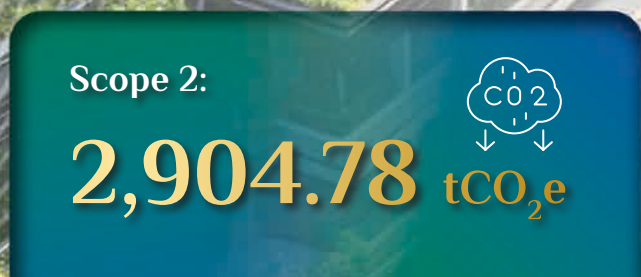
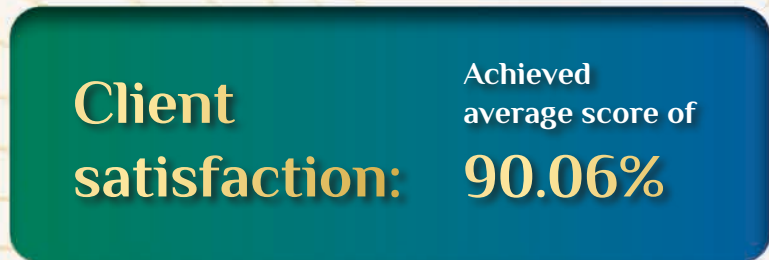


The Facilities Management segment contributed

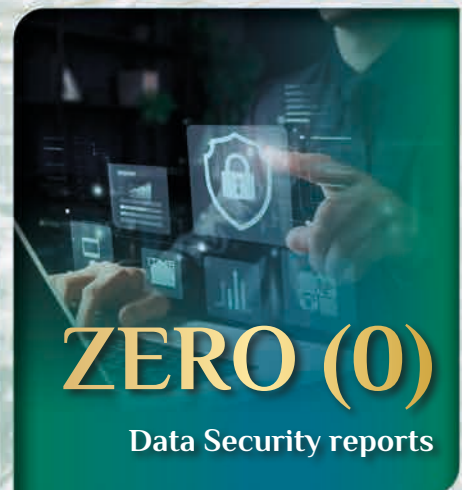
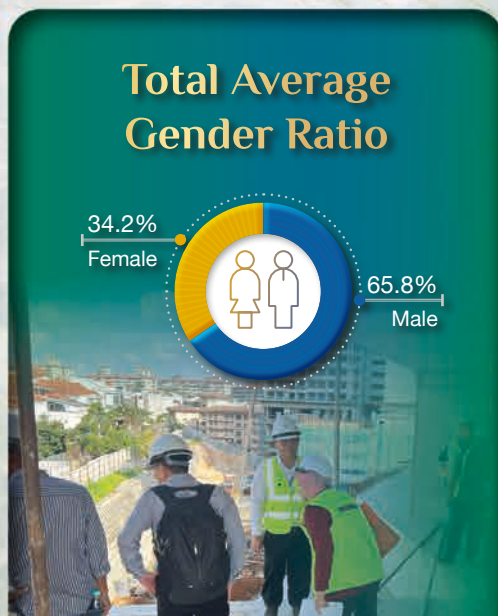
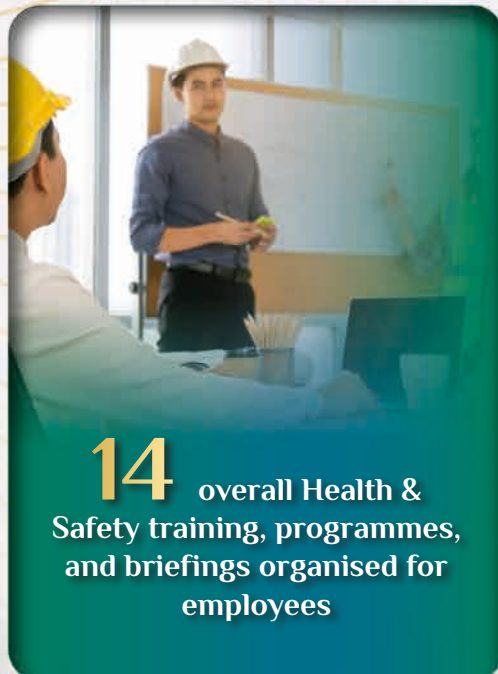
**RM23.3
million**
in revenue



SUSTAINABILITY HIGHLIGHTS



SUSTAINABILITY HIGHLIGHTS (CONT'D)



STRATEGIC LEADERSHIP & DIRECTION

A large, stylized number '3' in a gold outline font, positioned in the lower right quadrant of the page. The background features a dark blue gradient with large, overlapping circles and a series of concentric circles in the bottom left corner.

BUILDING CONFIDENCE, CREATING VALUE.

Chairman's
Statement



Dear Valued Shareholders,

On behalf of the Board of Directors ("Board") of Lim Seong Hai Capital Berhad ("LSH" or the "Group"), it is my privilege to present our first Annual Report following our successful transfer of listing to the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("ACE Market"). This achievement marks an important milestone in the Group's corporate journey and reflects the confidence placed in us by the investing community, regulators and business partners.

Financial Year Ended 2025 ("FYE 2025") was a pivotal year that showcased the strength of our integrated business model and our ability to deliver consistent, high-quality performance across economic cycles. Since our initial listing on the LEAP Market of Bursa Securities, the Group's profit after tax (PAT) has grown from RM7.9 million in FYE 2021 to exceed RM100.0 million in FYE 2025, reflecting the extraordinary growth trajectory that underscores the scalability of our businesses, the discipline of our execution and the trust placed in us by our stakeholders. This performance, together with the expansion of our business portfolio, positions us to pursue our medium-term aspiration of strengthening our market presence and valuation over the next three (3) years, in line with our strategic growth objectives.

“



Since our initial listing on the LEAP Market of Bursa Securities, the Group's profit after tax (PAT) has grown from RM7.9 million in FYE 2021 to exceed RM100.0 million in FYE 2025, reflecting the extraordinary growth trajectory that underscores the scalability of our businesses, the discipline of our execution and the trust placed in us by our stakeholders.

”

Non-Executive Chairman

Tan Sri Datuk Seri Lim Keng Cheng

BUILDING CONFIDENCE, CREATING VALUE (CONT'D)

Throughout the year, we have reached several symbolic milestones:

The successful completion
of our transfer
listing to the
ACE Market;



**BURSA
MALAYSIA**



Our market
capitalisation
surpassing
RM1.0 billion;
and



After taking site
possession and
commencement of the
concession for
**Kuala Lumpur
Tower**, an enduring
national landmark
that now anchors our
**Facilities Management
("FM") business.**

These achievements are the result of the dedication and sacrifices of our employees, the guidance of our advisers, particularly AmInvestment Bank Berhad as our listing Sponsor and the support and oversight of Bursa Malaysia and other regulators. The Board of Directors (the "Board") of Lim Seong Hai Capital Berhad extends its sincere appreciation to every member of the LSH family and to our external partners for their unwavering commitment.

A YEAR OF STRENGTHENED
CONFIDENCE AND EXPANDING
VALUE

FYE 2025 represented a financially transformative year for the Group. We recorded revenue of RM459.1 million, driven by healthy activity across construction, property development and facilities management. Our profit before tax (PBT) rose to RM138.0 million, while profit after tax (PAT) exceeded RM100.0 million, continuing the strong upward trajectory from RM7.9 million in FYE 2021.

The Group achieved a gross profit of RM177.7 million, representing a gross profit margin of 38.7%, reflecting disciplined project execution and strong cost management. Net profit margin remained healthy at 22.4%, underscoring the resilience and scalability of our business model.

The Group maintained financially sound cash and bank balances totalling RM73.4 million (excluding a RM27.2 million fixed deposit placed at a licensed bank), prudent borrowings of RM10.9 million and a net gearing ratio of 2.0%, providing a solid foundation to support future growth, investment and expansion plans.



BUILDING CONFIDENCE, CREATING VALUE (CONT'D)

GAINING MOMENTUM IN MALAYSIA'S STRENGTHENING ECONOMIC LANDSCAPE

The year under review was supported by a resilient Malaysian economy. In 2024, national GDP expanded by approximately 5.1%, underpinned by strong domestic demand, private investment and targeted fiscal measures. The momentum continued into 2025, with the first nine months recording 4.7% growth, reflecting sustained economic activity and broad-based sectoral recovery.

The construction sector, which is central to LSH's business, recorded robust double-digit expansion in 2024. According to the Department of Statistics Malaysia (DOSM), the sector grew by 20.2%, driven by strong performance across key sub-sectors including special trade activities, residential buildings, non-residential buildings and civil engineering works. Sectoral momentum was also supported by strategic national initiatives such as the New Industrial Master Plan (NIMP) 2030 and the National Energy Transition Roadmap (NETR) all of which catalyse infrastructure development, industrial upgrading and long-term construction demand.

“

According to the Department of Statistics Malaysia (DOSM), the sector grew by 20.2%, driven by strong performance across key sub-sectors including special trade activities, residential buildings, non-residential buildings and civil engineering works.

For LSH, these favourable sector dynamics translated into healthy demand across the construction and property value chain, aided by major housing and infrastructure allocations under recent national budgets and the Twelfth Malaysia Plan (12MP). At the same time, we recognise that the operating landscape was not without challenges, most notably tight labour market conditions and lingering supply chain constraints which required careful planning, disciplined execution and close coordination at project level.



Looking ahead, the Thirteenth Malaysia Plan (13MP) for 2026–2030 and Budget 2026 are expected to reinforce Malaysia's long-term shift towards sustainable, higher-value growth, with continued emphasis on public infrastructure, urban development and social facilities areas directly aligned with the Group's core competencies and growth trajectory.

Within this context, our strategy is to:



Strengthen financial and technical capabilities in achieving increasingly demanding project requirements;



Leverage our early adoption of Industrialised Building System (IBS) and sustainability practices to position the Group for infrastructure and maintenance contracts, especially under the Government's Public-Private Partnership (PPP) initiative ; and



Align ourselves with policy reforms such as the Government Procurement Act 2025, which aims to create a more transparent and competitive contract procurement system, thereby opening opportunities to players that can demonstrate strong governance, technical capacity and value-for-money solutions.

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BUILDING CONFIDENCE, CREATING VALUE (CONT'D)

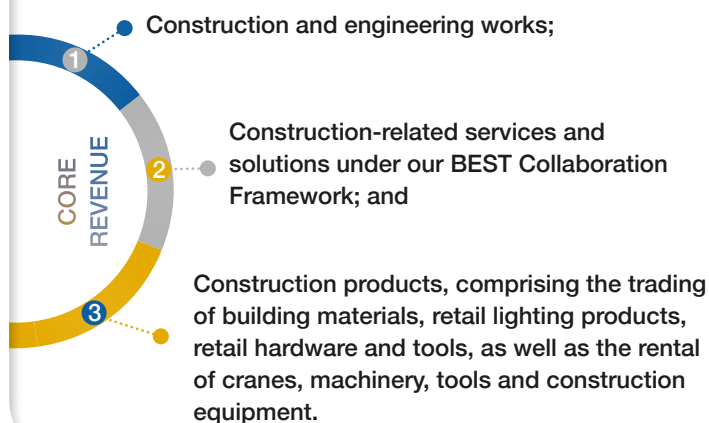
MARKING NEW MILESTONES: ADVANCING PERFORMANCE



Construction and Construction-Related Services:

Going Beyond Project Execution to Drive Innovation and Engineer Added Value

The Construction segment remained the Group's largest contributor, anchored by an integrated model and the continued expansion of our BEST Collaboration Framework, that spans three core revenue streams:



During the year the Construction segment contributed RM277.2 million in revenue, representing 60.4% of the Group's turnover. This was supported by ongoing civil, building and engineering activities, as well as the continued scaling of the BEST Collaboration Framework. The segment delivered a segment profit of RM96.0 million, translating to a margin of 34.6%, anchored by disciplined project selection, efficient site management and strategic sourcing.

Our consolidated order book for this segment stands at RM1.31 billion as of the end of FYE 2025, providing earnings visibility over the next five (5) years and positioning the segment for continued resilience amid evolving market conditions.



Property Development:

Shaping Sustainable Communities That Create Generational Value

The Property Development ("PD") segment recorded revenue of RM158.6 million, mainly driven by progressive billings from LSH Segar. Segment profit reached RM64.2 million, supported by steady take-up rates, disciplined cost control and continued recognition of construction progress.

Within property development, the Group's flagship LSH Segar project continued to gain traction, with sales progressing at a steady pace and contributing RM158.6 million in segment revenue. Construction works are now nearing 90.1% completion, keeping us on track to deliver completed units to buyers by the 2nd quarter of FYE 2026.

For Lake Side Homes, construction resumed just before the start of FYE 2025 following the upliftment of an interim stay order. These positive developments restored our confidence in the segment's development trajectory, enabling us to continue with construction.

The project is currently approximately 2.0% complete and we expect to launch it to the public in the 2nd quarter of FYE 2026, providing an additional catalyst for property development sales in FYE 2026.

The segment ended the year with estimated unbilled sales of RM71.8 million, providing earnings visibility into FYE 2026 as key development milestones progress as planned.



BUILDING CONFIDENCE, CREATING VALUE (CONT'D)



Facilities Management:

Unlocking Long-Term Value Through Strategic Asset Stewardship

The most exciting development this year was the rapid progress of our FM segment, completing the Group's evolution into a full value-chain player from construction to long-term asset operation and maintenance.

The Facilities Management segment delivered revenue of RM23.2 million in its first full year of meaningful contribution. Despite minimal topline, FM remained the highest-margin segment, recording a segment profit of RM16.7 million, or a margin of 72.0%, reflecting the long-term recurring nature of FM activities.

The commencement of the Kuala Lumpur Tower concession is expected to significantly expand the segment's contribution in the coming years as operational efficiencies, visitor management initiatives and asset enhancement programmes are progressively implemented.

The segment's cornerstone is the 20-year concession to operate and maintain Kuala Lumpur Tower, awarded during the year under review. Although FM currently accounts for a smaller share of Group revenue, it generally records a higher gross profit margin than our construction and PD segments, presenting substantial potential to lift overall Group profitability over time.



BEST Collaboration Framework:

Driving Strategic Value Through the BEST Collaboration Framework

In parallel, our BEST Collaboration Framework continued to unlock strategic value. During the year, the BEST Collaboration Framework played a pivotal role for the KL Tower concession that was awarded to the joint venture between LSH Best Builders Sdn. Bhd. and Service Master (M) Sdn. Bhd., a partnership under the BEST Collaboration Framework. This collaboration reflects the growing recognition of BEST as a value-adding solution for community-focused and sustainable development initiatives.

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From a financial perspective, the BEST Collaboration Framework contributed RM4.9 million in fee income during the year, stemming from advisory, optimisation and value-engineering solutions offered across multiple projects. It continues to be a scalable value creation engine for both LSH and our clients.

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BUILDING CONFIDENCE, CREATING VALUE (CONT'D)

SUSTAINABILITY & ESG STEWARDSHIP: ELEVATING ESG AS A DRIVER OF RESPONSIBLE GROWTH

At LSH, we view environmental, social and governance (“ESG”) performance not as a compliance cost but as a driver of efficiency, resilience and long-term value creation.

Operational Sustainability:

Enhancing Operational Excellence Through Responsible Practices

On our construction sites, we have progressively replaced traditional timber formwork typically discarded after a single use, with reusable aluminium and steel formwork. This shift reduces raw material consumption, minimises waste and improves productivity, as formwork does not need to be rebuilt for every application, thereby generating both environmental and economic benefits.

In terms of safety, the Group continues to uphold the stringent requirements of our ISO 45001:2018 Occupational Health and Safety Management System. In FYE 2025, our LSH Segar project recorded an outstanding 2.0 million man-hours without a single lost-time injury (LTI), surpassing the previous high of 1.8 million man-hours. This reflects our deep commitment to ensuring that every employee and partner returns home safely at the end of each workday.

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In FYE 2025, our LSH Segar project recorded an outstanding 2.0 million man-hours without a single lost-time injury (LTI), surpassing the previous high of 1.8 million man-hours.

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ESG Governance & Reporting:

Elevating ESG Governance to Global Disclosure Standards

To embed ESG more deeply across the organisation, we have established a Board-level Sustainability Committee, supported by a management-level Sustainability Steering Committee comprising Executive Directors and senior management. The Board committee is responsible for governance and strategic direction on sustainability, while the Steering Committee translates this into concrete action plans, implementation programmes and regular performance reviews.

In line with Bursa Malaysia’s Enhanced Sustainability Reporting Framework, we are in the midst of adopting IFRS S1 and IFRS S2 climate-related disclosures while aligning our operations with certain Sustainable Development Goals (SDGs). This will form the baseline for future targets and reporting, ensuring that our disclosures are robust, decision-useful and aligned with emerging global standards.

Our “Sustainability Made Affordable” pillar under the BEST Collaboration Framework encapsulates our aspiration to make sustainable design and construction solutions accessible to a broader range of clients. By optimising designs, re-using materials where possible and advising clients on lifecycle cost savings, we aim to demonstrate that sustainable construction practices can also be commercially compelling.



BUILDING CONFIDENCE, CREATING VALUE (CONT'D)

CORPORATE CITIZENSHIP & STAKEHOLDER ENGAGEMENT: ENRICHING COMMUNITIES AND STRENGTHENING STAKEHOLDER TRUST

We are committed to being a responsible corporate citizen and a trusted partner to all stakeholders.

Each year, the Group allocates approximately 10.0% of PAT for CSR and ESG-related activities, focusing on initiatives that deliver meaningful impact. For the period under review, we launched three new CSR programmes that:



Looking forward, we intend to leverage our position as concessionaire of Kuala Lumpur Tower to sponsor and organise educational tours for school students, using the tower as a living classroom to inspire interest in science, history, and culture while instilling pride in a national landmark.

Beyond community contributions, we also work to earn and maintain the trust of capital market stakeholders. Since our LEAP Market listing and throughout our ACE Market transfer, we have consistently kept shareholders informed of key developments through Bursa Malaysia announcements. Ahead of the transfer listing, we launched a dedicated Investor Relations section on our corporate website to ensure that essential information including financial results, corporate governance documents and press releases, is easily accessible to investors, analysts and the public.

During FYE 2025, we intensified our engagement with analysts and the investing community, recognising that regular, transparent communication is crucial to help the market understand our business philosophy, BEST-driven approach and long-term strategy. The Board remains committed to continuously strengthening stakeholder trust and reputation.

Capital Management & Dividend Policy: Disciplined Capital Management for a Resilient Future

Prudent capital management remained a key priority for the Board throughout FYE 2025. The Group continued to maintain a healthy liquidity position supported by disciplined working capital practices and proactive cashflow management. Borrowings remained at manageable levels, enabling the Group to fund operations and expansion without compromising balance sheet strength.

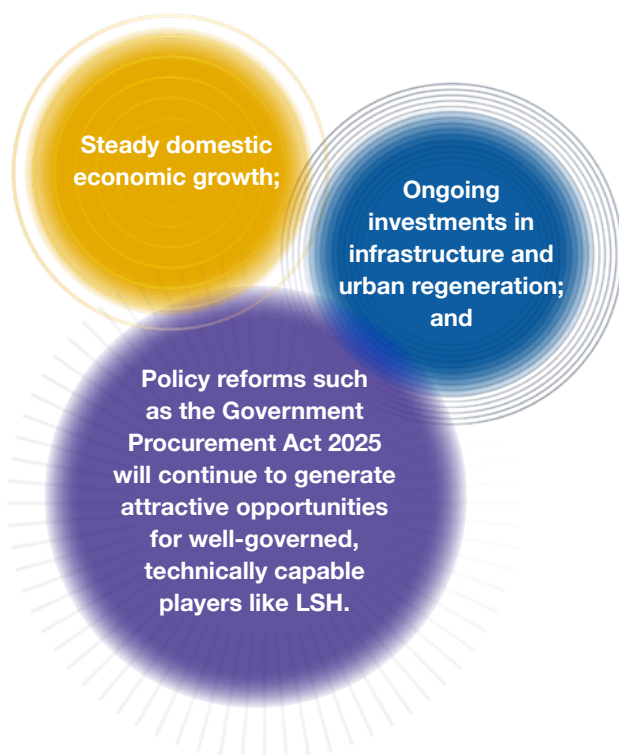
The Board remains committed to a stable and sustainable dividend policy aligned with the Group's long-term growth strategy, capital expenditure requirements and cashflow visibility. For FYE 2025, this commitment was demonstrated through the declaration of a single-tier interim dividend every quarter, representing a payout ratio of 30.0% of Profit after Tax (PAT). This quarterly distribution underscores the Group's confidence in our financial position, while reinforcing our dedication to generating value for our shareholders on a consistent basis.



BUILDING CONFIDENCE, CREATING VALUE (CONT'D)

FUTURE OUTLOOK AND BOARD PRIORITIES: CHARTING THE NEXT PHASE OF CONFIDENT AND SUSTAINABLE GROWTH

The Board maintains an optimistic outlook on Malaysia's construction, property development and facilities management sectors for the coming financial year. In our view, the combination of:



Over the next one (1) to three (3) years, we see opportunities in:

	Public infrastructure projects and maintenance contracts under transparent procurement processes;
	Value-added construction solutions that integrate design, financing and sustainability;
	The scaling-up of our FM business, anchored by Kuala Lumpur Tower and potentially extended to other assets; and
	The further commercialisation of IBS and sustainable construction methods as clients prioritise speed, quality and ESG outcomes.

We are equally mindful of the risks ahead, including the possibility of project delays, cost inflation in materials and labour, and the need to replenish our order book in a timely manner to support cash flow. At the Board level, these are monitored through our Audit and Risk Management Committee, which provides oversight of financial, operational and strategic risks and ensures that mitigation actions are implemented promptly. Our Sustainability Committee also provides oversight over long-term sustainability strategies and initiatives that align with the Company's business plans.

In terms of strategic priorities, the Board will continue to place equal emphasis on all three (3) core divisions – Construction & Construction-related Services and Solutions, PD and FM – while using the BEST Collaboration Framework principles as the compass for our next phase of expansion:

B **lue Ocean Strategy:**
Pursuing projects that allow us to differentiate through innovative structuring and value-added solutions;

E **nhancement Solutions for Finance:**
Optimising financial structures to create mutually beneficial outcomes for both clients and LSH;

S **ustainability Made Affordable:**
Embedding ESG into project design and execution in a commercially attractive way; and

T **ransformation Through Innovation**
Investing in new methods, technologies and digital tools to keep LSH ahead of competitors.

These four (4) principles are complementary and must operate cohesively for us to realise our RM5.0 billion market capitalisation aspiration. The Board will continue to provide support and guidance to management to facilitate the formulation of more innovative and sustainable growth strategies under the BEST Collaboration Framework.

BUILDING CONFIDENCE, CREATING VALUE (CONT'D)

Looking ahead, the Group continues to explore selective long-term development opportunities that align with its capabilities and risk appetite. In November 2025, the Group announced an agreement in principle by Seriemas Resort Sdn. Bhd. (SRSB), Seriemas Development Sdn. Bhd. (SDSB) and Permodalan Negeri Selangor Berhad (PNSB) to the salient terms relating to the proposed Golf Course Rejuvenation and Land Development Partnership in Morib, involving LSH Best Builders Sdn. Bhd. (LSHBB) and our proposed partner Besteel Engtech Sdn. Bhd. (BESB).

The proposed arrangements, which encompass long-term land leases and development rights agreements across approximately 150 acres of land held under separate ownerships by SRSB, SDSB, and PNSB, are intended to establish a structured platform for the rejuvenation of the existing golf course, future economic regeneration, and mixed-use development at Morib. Subject to the finalisation of definitive agreements, the Board will continue to exercise prudence in progressing this initiative while ensuring appropriate governance and stakeholder safeguards are maintained.

These opportunities strengthen our strategic positioning, particularly within facilities management and value-enhancing construction solutions, and reinforce the Group's confidence in sustaining its growth momentum into the next financial year.

APPRECIATION: WITH GRATITUDE, WE ADVANCE TOGETHER TOWARDS GREATER VALUE

As we conclude this report, the Board wishes to reiterate our deepest appreciation for the trust and confidence you have placed in LSH throughout our journey. Your continued support has been instrumental in enabling a smooth transition to the ACE Market and in strengthening market recognition of the Group's capabilities, as reflected in the oversubscription of our public offering on the ACE Market. We remain humbled by this vote of confidence. Guided by this responsibility, we are fully committed to advancing the Group's long-term growth agenda and to delivering sustainable value for all shareholders in the years ahead.

Tan Sri Datuk Seri Lim Keng Cheng
Group Non-Executive Chairman



OPERATIONS IN ACTION

4

GROUP OVERVIEW & PERFORMANCE

Management Discussion & Analysis



For the financial year under review, Lim Seong Hai Capital Berhad (“LSH” or the “Group”) delivered a commendable and resilient performance, reflecting the strength of its diversified business model, disciplined execution and prudent financial stewardship. Supported by sustained progress in its construction activities and stable contributions from its property development and facilities management segments, the Group continued to deliver consistent results in a challenging operating environment.

The Group recorded revenue of RM459.1 million, representing robust 27.0% year-on-year growth, driven primarily by strong progress across construction projects, continued revenue recognition from property development activities and the expanding scale of the facilities management segment. This performance underscores the Group’s effective project execution capabilities and growing operational footprint.

In tandem with the higher revenue growth, the Group achieved a gross profit of RM177.7 million, translating into a healthy gross profit margin of 38.7%. Net profit margin remained resilient at 22.4% with profit before tax (“PBT”) increasing to RM138.0 million and profit after tax (“PAT”) exceeded RM100 million. These results reflect continued improvements in operational efficiency, disciplined cost management and the benefits of operating leverage achieved across the Group’s construction activities.

Overall, the Group’s financial performance for the year reaffirms the soundness of its strategic direction, operational discipline, and commitment to delivering sustainable value to shareholders.

During the financial year, the Group completed its transfer listing from LEAP Market of Bursa Malaysia Securities Berhad to the ACE Market of Bursa Malaysia Securities Berhad, marking a significant milestone in its corporate journey. This achievement reflects the Group’s continued growth, enhanced governance standards, and readiness to engage a broader investor base as it enters its next phase of expansion.

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As at year end, shareholders’ equity strengthened to RM 655.5 million, while the gearing ratio remained low at approximately 0.02 times. This strong balance sheet positions the Group well to fund ongoing projects, pursue selective growth opportunities and withstand market volatility while maintaining financial flexibility.

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As at year end, shareholders’ equity strengthened to RM655.5 million, while the gearing ratio remained low at approximately 0.02 times. This strong balance sheet positions the Group well to fund ongoing projects, pursue selective growth opportunities and withstand market volatility while maintaining financial flexibility.

Operationally, the Group maintained strong momentum across its construction projects while advancing its property development activities. During the year, the Group also commenced its facilities management business, marking a strategic entry into post construction asset operations and an initial step towards building recurring income streams over the longer term.

As at year end, the Group’s outstanding orderbook stood at approximately RM1.3 billion, largely secured through BEST-linked projects, providing earnings visibility over the next five (5) years (FY2030), subject to project execution timelines and continued replenishment of the orderbook.



OPERATING LANDSCAPE & MARKET DRIVERS

MACROECONOMIC AND INDUSTRY ENVIRONMENT

Malaysia's economic environment remained supportive during the financial year under review, underpinned by resilient domestic demand, continued investment activity and public sector development spending. Bank Negara Malaysia ("BNM") reported that Malaysia's economy continued to be driven primarily by domestic consumption and investment, providing a stable backdrop for infrastructure-related and construction activities.¹

The construction sector remains a contributor to the Malaysian economy. According to the Department of Statistics Malaysia ("DOSM"), the construction industry has consistently contributed approximately 4%–5% of Malaysia's Gross Domestic Product (GDP) in recent years, supported by civil engineering works, building construction and specialised construction activities.² DOSM also reported that construction sector performance has been primarily driven by infrastructure and non-residential building works, while residential construction activity has shown gradual stabilisation.²

Looking ahead, construction activity is expected to grow moderately, supported by infrastructure rollouts and development programmes under national plans. Over the medium term, public sector infrastructure projects and urban development needs are expected remain the primary demand drivers for this sector. In addition to macroeconomic and policy drivers, the operating environment during the year was characterised by strong demand for public-sector civil works and selected private developments, alongside a gradual improvement in property market sentiment. During the year, the industry continued to face tight labour conditions following the pandemic, while material prices showed signs of normalisation, though volatility persisted, necessitating continued attention to cost management and execution planning across longer-duration projects.

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The construction industry has consistently contributed approximately 4%–5% of Malaysia's Gross Domestic Product (GDP) in recent years, supported by civil engineering works, building construction and specialised construction activities.

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INFRASTRUCTURE AND DEVELOPMENT PIPELINE

Malaysia's construction outlook continues to be anchored by a substantial national infrastructure pipeline. Key projects and initiatives include, but are not limited to:



- 1 • **Mass Rapid Transit Line 3 (MRT3)**, which is expected to drive significant civil engineering and systems works over multiple years;



- 2 • **East Coast Rail Link (ECRL)**, one of Malaysia's largest infrastructure undertakings, involving extensive rail, bridge and tunnel construction;



- 3 • **Pan Borneo Highway** and associated road upgrading works;



- 4 • **Flood mitigation and drainage projects;** and



- 5 • **Government-supported housing and urban development initiatives.**

These projects align with national development priorities under the Twelfth Malaysia Plan (12MP) and successive Federal Budgets, which continue to allocate funding towards infrastructure, connectivity, flood mitigation and public facilities.³

For construction groups with established delivery capabilities, integrated project expertise and balance sheet strength, this pipeline provides medium to long term visibility across civil engineering, building and supporting construction services.

¹ Source: Bank Negara Malaysia, Annual Report 2024

² Source: Department of Statistics Malaysia (DOSM), Construction Statistics & National Accounts, 2024

³ Source: Ministry of Economy Malaysia, Twelfth Malaysia Plan (2021–2025)

OPERATING LANDSCAPE & MARKET DRIVERS (CONT'D)

INPUT COSTS AND OPERATING CONSIDERATIONS

The construction industry continued to face cost pressures during the year, particularly in relation to:



Building materials, including cement, steel and other construction inputs;



Energy and utilities costs, which affect both construction activities and manufacturing-related supply chains; and



Labour availability, especially for skilled and semi-skilled workers.

Data from both DOSM and BNM indicate that while specific input cost pressures have moderated from earlier peaks, volatility remains a key operating consideration, particularly for long-duration projects^{1,2}.

In this environment, contractors with sound procurement practices, effective resource deployment and cost management discipline are better positioned to manage margin pressures and execution risks.

GOVERNMENT POLICIES AND STRATEGIC ENABLERS

Malaysia's policy landscape continues to support the construction and built-environment sectors through a range of national frameworks and initiatives, including:

- 1 Twelfth Malaysia Plan (12MP)**, which prioritises infrastructure development, affordable housing, flood mitigation, sustainability and regional connectivity;³
- 2 National Investment Aspirations and the New Industrial Master Plan 2030 (NIMP 2030)**, which emphasise productivity, technology adoption and higher-value economic activities, including construction-related supply chains;⁴
- 3 National Energy Transition Roadmap (NETR)**, which promotes energy efficiency, decarbonisation and sustainable development, influencing construction standards and asset design;⁵ and
- 4 Federal Budget allocations**, including Budget 2025 and forward-looking Budget 2026 policy directions, which continue to support infrastructure, digitalisation and ESG-related initiatives.

Collectively, these policies reinforce demand for construction services, encourage more efficient and sustainable construction practices, and support long-term industry transformation.

MARKET OPPORTUNITIES AND INDUSTRY OUTLOOK

Within this operating environment, market opportunities across the construction and built-environment sectors are expected to centre on:

- | | |
|---|---|
| <p>1 Infrastructure-led construction, driven by rail, road, flood mitigation and public facilities projects;</p> <hr/> <p>2 Integrated delivery and value-engineering models, where early-stage collaboration enhances constructability, cost efficiency and execution certainty;</p> | <p>3 Green and sustainable construction, aligned with evolving regulatory expectations, environmental standards and energy-efficiency requirements; and</p> <hr/> <p>4 Digital engineering and lifecycle services, including post-construction operations and facilities management, which enhance asset performance and long-term value.</p> |
|---|---|

While industry conditions remain competitive and operational challenges persist, the medium-term outlook for the sector remains supported by structural development needs and continued policy alignment.^{1,3,4}

¹ Source: Bank Negara Malaysia, Annual Report 2024

² Source: Department of Statistics Malaysia (DOSM), Construction Statistics & National Accounts, 2024

³ Source: Ministry of Economy Malaysia, Twelfth Malaysia Plan (2021–2025)

⁴ Source: Ministry of Investment, Trade and Industry (MITI), New Industrial Master Plan 2030 (NIMP 2030)

⁵ Source: Ministry of Economy / Energy Commission, National Energy Transition Roadmap (NETR)

GROUP STRATEGY – THE BEST COLLABORATION FRAMEWORK

The Group's growth strategy is anchored by its **BEST Collaboration Framework**, which provides a consistent strategic reference and execution approach across its business segments.



4

The four pillars
of the BEST
Framework are:

B

Blue Ocean Strategy

Identifying differentiated opportunities beyond conventional contracting by engaging earlier in the project lifecycle and participating in integrated delivery arrangements where appropriate.

E

Enhancement Solutions for Finance

Supporting project execution through structured financial solutions and prudent working capital management, enhancing project bankability and delivery efficiency.

S

Sustainability Made Affordable

Embedding practical, cost-effective sustainability measures into operations without compromising commercial viability.

T

Transformation Through Innovation

Leveraging value-engineering, alternative construction methods and selective digitalisation to improve productivity and execution quality.

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Through the BEST Framework, the Group has strengthened client collaboration, supported margin quality and improved execution certainty, positioning itself as an integrated delivery partner with capabilities beyond a conventional contractor.

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GROUP STRATEGY – THE BEST COLLABORATION FRAMEWORK (CONT'D)

SEGMENTAL REVIEW



Construction
Segment:

**DRIVING
INTEGRATED
STRENGTH
ACROSS THE
VALUE CHAIN**



Key Operational Highlights

1 Continued advancement of major construction projects with progress in line with contractual timeliness and execution milestones;

2 Effective utilisation of internal machinery and equipment across multiple project sites, reducing reliance on third-party resources;

3 Integration of value-engineering and alternative construction methodologies to enhance constructability and cost efficiency; and

4 Stable demand for construction products, materials and equipment rental, supported by both internal requirements and external customers.

During the year, the construction segment was the Group's largest revenue contributor, recording revenue of RM277.2 million and accounting for approximately 60.4% of the Group's total revenue. Performance was supported by steady progress across infrastructure and building projects, reflecting the breadth and depth of the Group's construction portfolio.



Revenue:

277.2 MILLION

FYE 2024: RM289.1 Million

Operational performance reflected continued progress across ongoing projects, supported by disciplined project oversight, effective utilisation of internal machinery and equipment and consistent project oversight. The integration of value engineering and alternative construction methodologies under the BEST Collaboration Framework contributed to improvements in constructability, cost efficiency and delivery reliability.

As at year end, the construction segment's outstanding order book stood at approximately RM1.3 billion, comprising ongoing civil and building projects to be executed progressively in accordance with contractual timelines. Construction segment margins remained stable, reflecting prudent cost management, as well as the application of value-engineering solutions.

GROUP STRATEGY – THE BEST COLLABORATION FRAMEWORK (CONT'D)

Risk Management & Resilience

The construction segment is exposed to a range of operational risks, including execution delays, cost volatility, labour availability constraints and regulatory compliance requirements. The Group remains proactive in managing these risks through a structured and integrated risk management framework.

Robust project management and scheduling controls;

Early-stage value-engineering and constructability reviews under the BEST Collaboration Framework;

Proactive procurement planning and internal sourcing of materials and equipment;

Deployment of experienced in-house technical teams to reduce subcontractor dependency; and

Regular monitoring of work progress, costs and contractual obligations.

While industry-wide cost volatility and labour constraints remain ongoing considerations², the Group's integrated operating model enables effective risk management and supports consistent delivery across the segment.

Sustainability Linkage & Value Creation

Sustainability considerations within the construction segment are focused on practical environmental management, safety and operational efficiency. During the financial year, the Group implemented site-level environmental controls to manage waste, dust, noise and emissions, in line with regulatory requirements set by the relevant authorities³. These measures support regulatory compliance, reduce environmental risk exposure and minimise disruption to surrounding communities. Safety remains a core operational priority. The Group continued to reinforce its safety culture through regular safety briefings, toolbox talks and on-site supervision. Notably, no lost time injury incidents were recorded during the year, reflecting ongoing focus on on-site discipline and adherence to safety procedures. These practices help maintain continuity of work, limit execution risk and support predictable project outcomes, reinforcing operational resilience and contributing to stable performance for the Group.

Future Outlook – Transforming The Best Future

Strategic priorities for the segment include:

Deepening the application of the BEST Collaboration Framework to secure higher value and integrated delivery contracts;

Strengthening upstream involvement in project planning and design development, enabling greater execution certainty and margin quality;

Maintaining prudent cost discipline and risk management amid prevailing industry challenges; and

leveraging internal technical capabilities to improve productivity and operational efficiency.

The construction segment is expected to remain a key earnings contributor, supported by the existing order book and continued demand for infrastructure and building works. This outlook is underpinned by the Group's integrated delivery capabilities, disciplined execution approach and continued focus on creating sustainable value for shareholders.

² Source: Department of Statistics Malaysia (DOSM), Property & Construction Statistics, 2024

³ Source: Department of Environment (DOE), Malaysia, Environmental Regulatory Guidelines



GROUP STRATEGY – THE BEST COLLABORATION FRAMEWORK (CONT'D)

SEGMENTAL REVIEW



Property Development
Segment:

CREATING COMMUNITIES OF SUSTAINABLE VALUE



Key Operational Highlights

- 1 Continued construction progress across ongoing developments, enabling consistent revenue recognition in line with project milestones;
- 2 Encouraging sales take-up for residential units positioned within the affordable to mid-market pricing segments;
- 3 Measured phased launch strategies aligned with prevailing market conditions and buyer sentiment; and
- 4 Effective coordination between development and construction teams, supporting timely execution and quality outcomes.

During the year under review, the property development segment delivered steady performance, contributing revenue of RM158.6 million to the Group, underpinned by sustained construction progress and sales momentum across the Group's ongoing residential developments. The segment focuses on demand-driven projects within established urban locations, leveraging the Group's internal construction capabilities to enhance cost control, delivery certainty and execution quality.



Revenue:

158.6 MILLION

FYE 2024: RM72.3 Million

Sales take-up for ongoing developments remained encouraging at approximately 88%, driven largely by demand for affordably priced units in established urban locations. This performance underscores the relevance of the Group's product positioning amid a selective property market environment.

The Group's integrated development and construction model enabled tighter oversight over design optimisation, construction scheduling and cost management, contributing to stable project execution amid a selective property market environment.

GROUP STRATEGY – THE BEST COLLABORATION FRAMEWORK (CONT'D)

Risk Management & Resilience

The property development segment is exposed to market-related risks, including demand fluctuations, buyer sentiment, regulatory approvals, construction cost movements and financing conditions. The Group manages these risks through a structured and measured approach to project selection and execution.

Key mitigation measures include:

Focus on developments with strong location fundamentals and accessibility;

Product positioning aligned with affordability thresholds and prevailing market demand;

Phased launch strategies to manage inventory risk and cash flow exposure;

Internal construction execution to mitigate external cost escalation; and

Close monitoring of development approvals, compliance requirements and project timelines.

While the domestic property market remains selective, demand for well-located and affordably priced residential developments has shown resilience, as reflected in national property statistics². The Group's measured approach to project selection and execution enhances its ability to navigate market cycles and manage downside risks effectively.

Sustainability Linkage & Value Creation

Sustainability considerations within the property development segment focus on creating liveable, functional and cost-efficient residential environments while ensuring compliance with applicable environmental and planning regulations.

Key sustainability practices include:

Practical design layouts that optimise space utilisation, ventilation and natural lighting;

Construction practices aimed at minimising material wastage and improving resource efficiency;

Consideration of community spaces and amenities to enhance liveability; and

Compliance with local laws and regulations in line with local authorities' requirements

These measures support long-term project value, enhance buyer appeal and contribute to responsible development outcomes without compromising affordability.

² Source: Department of Statistics Malaysia (DOSM), Property & Construction Statistics, 2024

Future Outlook – Transforming The Best Future

Strategic priorities for the segment include:

Advancing existing projects in a disciplined and timely manner;

Maintaining measured launch strategies aligned with market conditions;

Leveraging in-house construction capabilities to strengthen cost control and delivery certainty; and

Evaluating selective development opportunities that align with the Group's integrated operating model and risk appetite.

The Group expects the property development segment to continue progressing steadily, supported by ongoing construction advancement and steady launches of existing projects. The Group will continue to prioritise developments that align with market demand, affordability considerations and prudent capital allocation.

Within a stabilising domestic property market environment², the Group remains cautiously optimistic on the prospects of its property development business and its contribution to sustainable long-term value creation.



GROUP STRATEGY – THE BEST COLLABORATION FRAMEWORK (CONT'D)

SEGMENTAL REVIEW



Facilities Management
Segment:

BUILDING RECURRING, LIFECYCLE-DRIVEN GROWTH



Key Operational Highlights

1. Commencement of facilities management services under long-term contractual arrangements, intended to provide a recurring service-based revenue streams;
2. Establishment of operational teams, processes and standard operating procedures to support consistent and reliable service delivery;
3. Deployment of preventive and corrective maintenance programmes to ensure asset reliability, safety and operational continuity; and
4. Close coordination with the Group's engineering and construction expertise to support efficient asset upkeep and effective technical oversight.



Revenue:

23.3 MILLION

FYE 2024: Nil

The facilities management segment represents an expansion of the Group's capabilities into post-construction asset operations and lifecycle management. During the financial year under review, the segment commenced operations and recorded an initial revenue contribution of RM23.3 million, reflecting the start of long-term contractual arrangements.

While still in its formative phase, the facilities management segment's primary focus is on establishing operating stability, meeting contractual requirements and building a credible service delivery track record.

GROUP STRATEGY – THE BEST COLLABORATION FRAMEWORK (CONT'D)

Risk Management & Resilience

The facilities management segment is exposed to operational and execution risks associated with service continuity, safety compliance, workforce capability and early-stage scaling. These risks are managed through a measured and disciplined operating approach.

Key risk mitigation measures include:

Structured maintenance schedules and service protocols to minimise unplanned downtime and service disruptions;

Strong emphasis on safety management, training and supervision across operational teams;

Gradual scaling of operations to ensure readiness and service quality; and

Leveraging the Group's engineering expertise to manage technical and asset-related risks effectively.

Regulatory compliance and environmental considerations are integral to FM operations, with services delivered in accordance with applicable standards and guidelines issued by relevant authorities³.

By adopting a measured approach to growth and prioritising operational discipline, the Group seeks to manage execution risks while strengthening the segment's long-term sustainability.

Sustainability Linkage & Value Creation

Sustainability within the facilities management segment is intrinsically linked to asset longevity, operational efficiency and safety performance. The Group adopts a lifecycle oriented approach to asset management, focusing on reliability, efficiency and compliance.

Key sustainability practices include:

Preventive maintenance to extend asset lifespan and reduce resource-intensive repairs;

Monitoring and management of operational activities to minimise environmental impact;

Adherence to safety standards to protect personnel, asset users and the public; and

Compliance with environmental and operational regulations, including guidelines issued by the Department of Environment ("DOE")³.

These practices support reliable asset performance and efficient operations, while aligning service delivery with the Group's sustainability priorities.

Future Outlook – Transforming The Best Future

Strategic priorities for the facilities management segment include:

Strengthening operational processes, safety standards and service delivery capabilities;

Selectively expanding the FM portfolio in line with operational readiness and risk appetite;

Leveraging the Group's construction and engineering expertise to offer integrated lifecycle solutions; and

Evaluating incremental system enhancements to support monitoring, reporting and operational efficiency as scale increases.

Looking ahead, facilities management is expected to complement the Group's construction and property development businesses by providing a recurring, service-based earnings stream. Anchored by long-term contractual arrangements, the segment is positioned to enhance earnings visibility and diversification as operations stabilise and the service portfolio expands.

With increasing emphasis on asset lifecycle management, safety compliance and operational reliability across Malaysia's built environment^{1,2}, the Group remains cautious in its outlook for the facilities management segment and its medium-term growth potential.



¹ Source: Bank Negara Malaysia, Annual Report 2024

² Source: Department of Statistics Malaysia (DOSM), Construction & Services Statistics, 2024

³ Source: Department of Environment (DOE), Malaysia, Environmental Regulatory Guidelines

GROUP RISK & SUSTAINABILITY GOVERNANCE

Risk management and sustainability oversight form an integral part of the Group's governance framework. The Board, supported by management, provides oversight over the identification, assessment and mitigation of key risks, including operational, financial, regulatory and environmental risks, as outlined in the Statement on Risk Management and Internal Control on page 116 of this Annual Report.

At the Group level, sustainability considerations are integrated into decision-making processes, project execution and asset management practices. This approach supports responsible economic performance while ensuring compliance with applicable laws, regulations and industry standards.

GROUP OUTLOOK & FORWARD STRATEGY

The Group expects the operating environment to remain broadly supportive, underpinned by resilient domestic demand, continued investment activity and public sector development spending. Malaysia's economic growth is expected to continue to be driven primarily by domestic consumption and investment, providing a stable operating backdrop for infrastructure, development and asset-related services, notwithstanding ongoing global uncertainties¹.

The Group continues to maintain a prudent capital structure. As at year-end, gearing remained low at approximately 0.02 times, supported by strengthened shareholders' equity and adequate liquidity. This provides financial flexibility to support ongoing operations and selective growth initiatives while maintaining disciplined risk management.

Within this environment, the Group anticipates sustained opportunities across its construction, property development and facilities management businesses, supported by long-term infrastructure needs, urban development trends and the increasing emphasis on asset lifecycle management. Strategic priorities remain focused on execution quality, integration across business segments and disciplined value delivery.

Key areas of focus for FY2026 include maintaining cost and delivery discipline across construction and development activities, deepening integration under the BEST Collaboration Framework to enhance delivery certainty and margin quality and selectively expanding the facilities management business to build recurring income streams while preserving operational readiness.

Prudent capital and risk management will continue to guide the Group's strategy. Management will maintain a cautious approach to leverage, actively manage working capital and integrate sustainability considerations into operational and asset management decisions in line with regulatory expectations and stakeholder priorities. This positions the Group to navigate market volatility while supporting sustainable long-term growth.

¹ Source: Bank Negara Malaysia, Annual Report 2024

SUSTAINABILITY IN MOTION

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SUSTAINABILITY STATEMENTS

EXECUTIVE SUMMARY

OBJECTIVES

The objective of this report is to present Lim Seong Hai Capital Berhad (“LSH Capital”) management the proposed Sustainability Statement of LSH Capital for the Financial Year Ended (“FYE”) 30 September 2025. The proposed Statement in this report will be submitted to the Board of Directors (“Board”) for approval.

PREPARATION PROCESSES

This Sustainability Statement was prepared using the data and information made available by LSH Capital. We have not validated or confirmed its accuracy and validity as agreed with LSH Capital in our engagement letter dated 12 June 2023.

Desktop review complemented by multiple discussions with key members of the management team and relevant process owners was conducted to gather and assess the information required for the preparation of the Sustainability Statement for the FYE 30 September 2025.

LIMITATION TO THIS REPORT

This report is prepared and provided to LSH Capital in accordance with the engagement letter dated 12 June 2023. The use of this report is solely for the internal purposes of the management and the Board of LSH Capital, pursuant to the terms of engagement and it should not be distributed outside of LSH Capital. This report has been prepared exclusively for the intended use of the Senior Management and Board of LSH Capital for the purposes of this engagement and should not be used for any other purpose. It is not for general circulation or publication, nor may it be reproduced, in part or in full, for any other purpose without our prior written consent. We also wish to draw attention to the restrictions set out in Axcelasia’s standard terms of reference, as referred to in the engagement contract.

The proposed Sustainability Statement contained in this report is provided for the management and the Board to review and customise for disclosure and inclusion in the Annual Report for the FYE 30 September 2025.

SUSTAINABILITY STATEMENTS

OUR SUSTAINABILITY COMMITMENT

Lim Seong Hai Capital Berhad (“LSH Capital” or “the Company”) through our subsidiaries (collectively referred to as “the Group” or “we” or “our”) are principally engaged in construction and construction-related services & solutions, provision of building materials, lighting products and related mechanical & electrical (“M&E”) products and services, hardware and tools, and rental of machinery and property development. In addition, we are now engaged in facilities management services for the operation and maintenance of Kuala Lumpur Tower.

As part of our commitment to delivering comprehensive construction-related services and solutions to our clients, we developed the in-house BEST Collaboration Framework (“BEST Framework”) to serve as a structured model for collaboration between the Group and our clients, including landowners, property developers, and contractors. The construction-related services and solutions provided under our BEST Framework primarily involve value engineering aimed at enhancing value creation for construction and property development projects undertaken by our clients, leveraging the Group’s extensive industry experience and technical expertise.

Our BEST Collaboration Framework primarily reflects the following key principles:

B Blue Ocean Strategy:
To leverage on our experience and knowledge in assisting our clients to secure and manage tenders for infrastructure, building and property development projects from both the public and private sectors. This strategy introduces a new and unconventional approach to construction that is centred around collaboration with stakeholders in the construction industry and leveraging on our experience and knowledge to achieve the mutual objective of value-enhancement;

E Enhancement Solution for Finance:
To formulate financial solutions to our clients, i.e. assisting them in structure financing and cash flow planning in order to meet the financial requirements for the projects and connecting them to financial institutions;

S Sustainability Made Affordable:
To formulate sustainable business policies and project management directives for cost optimisation; and

T Transformation & Innovation:
To recommend and/or source cost-effective materials and construction methodology as well as to propose suitable alternative designs with similar fit, function and safety to our clients.



“

Guided by our BEST Framework, we are committed to delivering long-term value for our stakeholders while contributing to a sustainable future.

”

SUSTAINABILITY STATEMENTS (CONT'D)

Aligned with our mission to deliver quality, reliability and value through excellence and innovation, we strive to enhance stakeholder value through sustainable and cost-effective solutions. At the same time, we prioritise client satisfaction through quality improvement, robust safety standards and environmental protection while ensuring timely and efficient project delivery.

As part of our commitment to continuously improve the value-engineering services and solutions offered under our BEST Framework, we have a 3-year collaboration agreement with Gamuda Industrial Building System Sdn. Bhd. to promote the use of digital IBS to boost construction efficiency and support the industry's transition towards Industrial Revolution (IR) 4.0 via digitalisation of work processes and automation of construction works. This is also expected to result in less construction wasted, increased productivity, shorter construction period, as well as reducing reliance on foreign labour due to majority of the work processes being performed at a manufacturing facility using an automated system.

In this report, we present the Group's Sustainability Statement ("Statement") for the Financial Year Ended ("FYE") 30 September 2025, outlining our progress and initiatives in integrating sustainability into our operations. We aspire to be recognised for our commitment to sustainability and our positive impact on the industry, society and environment.

REPORTING SCOPE AND PERIOD

This Sustainability Statement covers the sustainability activities and performance of the Group for the financial year ended 30 September 2025 ("FYE 2025"). The reporting scope of this Statement includes the following entities under the Group:

LSH BEST Builders Sdn. Bhd.

Businesss of construction and provision of construction and business-related services and solutions

Astana Setia Sdn. Bhd.

Business of building construction contractor, property development and investment holding

Lim Seong Hai Lighting Sdn. Bhd.

Provision of building materials as well as lighting products and related M&E products and services

Knight Auto Sdn. Bhd.

Provision of hardware and tools and rental of machinery

Lim Seong Hai Ventures Sdn. Bhd.

Investment holding

LSH Service Master Sdn Bhd

Business activities of building and industrial cleaning, tour operator and real estate activities with own of leased property

REPORTING FRAMEWORKS AND STANDARDS

In line with our ongoing commitment to transparency and accountability, we continue to follow a comprehensive set of reporting standards to ensure that our sustainability practices align with the industry standards. For FYE 2025, we have been guided by the following reporting standards:

- Malaysia Code of Corporate Governance ("MCCG"), Updated April 2021
- Bursa Malaysia Guidance Note 11 for ACE Market-listed Corporation
- Sustainability Reporting Guide, 3rd Edition ("SRG")
- Global Reporting Initiative ("GRI"), 2021

FEEDBACK

We appreciate and value the feedback, suggestions, and input from our stakeholders regarding this Statement. Your insights on any aspect of our sustainability practices and performance are welcome. For any comments, queries or suggestions regarding the content of this Statement, please email us at sustainability@limseonghai.com

SUSTAINABILITY STATEMENTS (CONT'D)

OUR APPROACH ON SUSTAINABILITY

SUSTAINABILITY GOVERNANCE

LSH Capital has established a structured sustainability governance structure to ensure effective oversight and accountability across all levels of the organisation. The structure integrates Environmental, Social and Governance (“ESG”) considerations into strategic decision-making, operations and value chain management, in line with Bursa Malaysia’s Guidance Note 11 for ACE Market-listed Corporation and global standards such as the GRI.

SUSTAINABILITY
GOVERNANCE
STRUCTURE

The Board of Directors (“the Board”) holds ultimate responsibility for the Group’s sustainability agenda. The Board provides strategic direction, approves sustainability-related policies, targets, and disclosures and ensures that sustainability considerations are embedded throughout the organisation. The Board’s Terms of Reference have been expended to include sustainability governance, demonstrating its commitment to addressing material ESG risks and opportunities in alignment with regulatory and stakeholder expectations.

To support the Board, the Sustainability Committee (“SC”), comprising three Independent Directors, assists in overseeing the Group’s sustainability strategy, policies and performance. The SC ensures that the Group’s sustainability structure remains aligned with national and international best practices, reviews the draft Sustainability Statement prepared by the management and provides recommendations for the Board’s approval.

The Sustainability Steering Committee (“SSC”), led by senior management including the Chief Financial Officer, Chief Legal Officer, Head of Corporate Department and Project Director is responsible for translating strategic direction into actionable initiatives. The SSC formulates and recommends sustainability strategies, key performance indicators (“KPIs”), and targets, ensuring that sustainability risks and opportunities are integrated into the overall risk management framework. It continuously monitors the Group’s performance against established objectives and provides bi-annual updates to the SC on progress, key developments and outcomes.

At the operational level, the Sustainability Working Group (“SWG”) is led by respective Heads of Department and manages the day-to-day execution of sustainability initiatives. The SWG is responsible for data collection, stakeholder engagement, and materiality assessment, and reports quarterly to the SSC. This ensures that sustainability implementation remains practical, data-driven and consistent across all business units.

The performance of the Board and the SC in addressing the Group’s material sustainability risks and opportunities is reviewed by the Nomination & Remuneration Committee (“NRC”), ensuring accountability and continuous improvement. The sustainability governance structure is reviewed regularly to remain effective and aligned with evolving regulatory and global ESG expectations.

SUSTAINABILITY STATEMENTS (CONT'D)

SUSTAINABILITY POLICY

The Sustainability Policy, effective from 28 November 2023, affirms the Group's commitment to ethical business conduct, minimising environmental impact, fostering social responsibility, and ensuring long-term economic sustainability.

The Policy aims to achieve the following key objectives:



Governance Sustainability

Clearly outline Economic, Environmental and Social ("EES")-related duties for the Board and employees, ensuring accountability, transparency, maintaining ethical conduct, and complying with all relevant laws, regulations and industry standards.



Environmental Sustainability

Promote environmentally responsible practices by minimising waste, conserving energy and water, protecting biodiversity, reducing greenhouse gas emissions, and complying with environmental regulations.



Economic Sustainability

Strengthen economic resilience by improving efficiency, reducing costs, engaging stakeholders, and upholding integrity and transparency in all business activities.



Social Sustainability

Embed sustainability principles into the Group's core values by ensuring fair and respectful treatment of employees, promoting diversity and equal opportunities, supporting community initiatives, and fostering a safe and healthy workplace.

These objectives reflect LSH Capital's commitment to integrating sustainability into our business practices, creating long-term value for stakeholders, and contributing positively to the environment, economy, and society.

GOVERNANCE EXCELLENCE: POLICIES AND GUIDELINES

We remain dedicated to upholding the highest standards of corporate governance across the Group. The sustainability governance at LSH Capital is supported by various policies and guidelines to manage our economic, environmental and social responsibilities. These policies include the following:



Anti-Bribery & Corruption Policy



Code of Conduct & Ethics



Whistleblowing Policy



Sustainability Policy



Quality, Environmental, Health & Safety Policy










Privacy Policy

POLICIES AND GUIDELINES

SUSTAINABILITY STATEMENTS (CONT'D)

STAKEHOLDER ENGAGEMENT

We believe that active stakeholder engagement is fundamental to creating sustainable value for the Group. Across our business operations, we work closely with our key stakeholders to align their interests and expectations with our business objectives. The following table summarises our engagement platforms, key areas of concern, and how we respond to our stakeholders' needs.

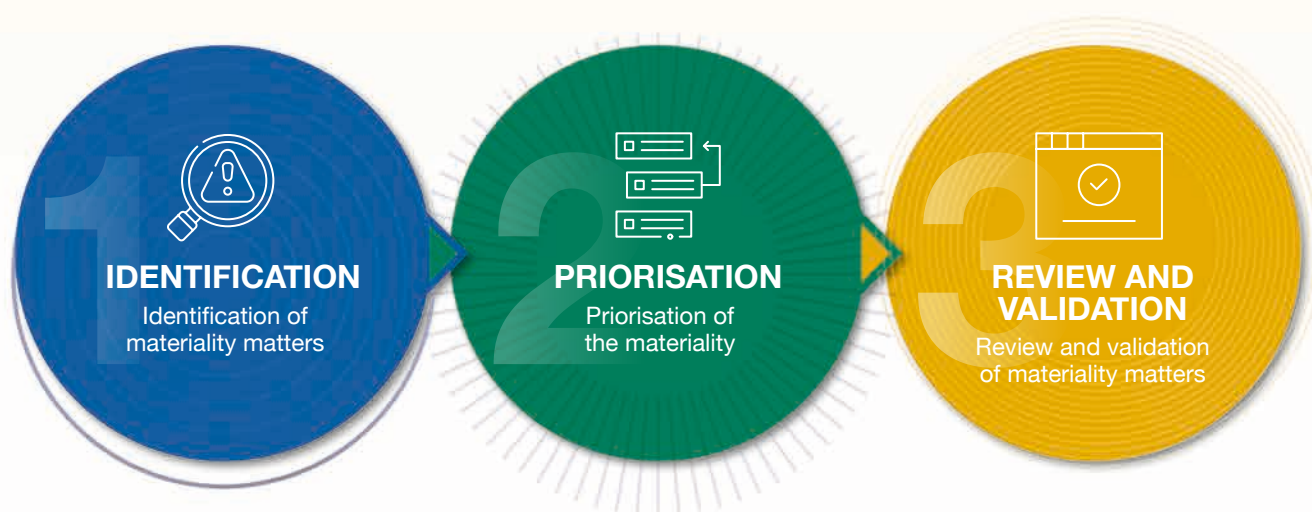
Stakeholder Group	Engagement & Communication Platform	Frequency	Purpose / Focus Areas
 SHAREHOLDERS	<ul style="list-style-type: none"> Announcement on Bursa Link Press releases Shareholders General Meeting 	<ul style="list-style-type: none"> At minimum 5 times a year 	<ul style="list-style-type: none"> Transparency and accountability Updates on Group performance, strategies and governance matters
 GOVERNMENT & REGULATORS	<ul style="list-style-type: none"> Meetings with DBKL, JKR, CIDB Participation in regulatory briefings, seminars and trainings 	<ul style="list-style-type: none"> As required 	<ul style="list-style-type: none"> Regulatory compliance Licensing and approvals
 CLIENTS	<ul style="list-style-type: none"> Client consultant meetings Client Satisfaction Surveys 	<ul style="list-style-type: none"> As required Annually or when a job is completed 	<ul style="list-style-type: none"> Service quality and satisfaction Responsiveness to client requirements Continuous improvement
 EMPLOYEES	<ul style="list-style-type: none"> Weekly sports activities Townhalls and internal meetings Performance reviews and training programmes 	<ul style="list-style-type: none"> Weekly As required 	<ul style="list-style-type: none"> Workplace communication and morale Professional development and wellbeing Retention and engagement
 FINANCIAL INSTITUTION	<ul style="list-style-type: none"> Official correspondence and letters Board meetings with bankers and sponsors Annual financial reviews 	<ul style="list-style-type: none"> As required 	<ul style="list-style-type: none"> Financial performance and reporting Trust and transparency
 SUPPLIERS	<ul style="list-style-type: none"> Procurement and tender processes Supplier evaluation and performance reviews 	<ul style="list-style-type: none"> As required 	<ul style="list-style-type: none"> Quality and delivery assurance Strengthening long-term partnerships
 LOCAL COMMUNITIES	<ul style="list-style-type: none"> Corporate Social Responsibility ("CSR") activities Donations and sponsorships 	<ul style="list-style-type: none"> As and when needed 	<ul style="list-style-type: none"> Community wellbeing Social contribution and inclusivity

SUSTAINABILITY STATEMENTS (CONT'D)

MATERIALITY MATTERS

Materiality is central to our value creation journey, helping us identify the economic, environmental, and social issues most relevant to our business and stakeholders. By conducting materiality assessments, we enhance decision-making and address the issues that could significantly influence our business performance and stakeholder relationships.




Materiality Assessment Process



In FYE 2025, the Management have reviewed the Group's material sustainability matters to ensure their continued relevance and subsequently endorsed by the Board. The review was conducted in accordance with the Sustainability Reporting Guide (3rd Edition), ensuring that the identified matters remain aligned with our business environment. Going forward, we plan to carry out a comprehensive materiality assessment every three years, complemented by an annual review to evaluate the relevance of previously prioritised economic, environmental and social impacts arising from our day-to-day operations.

The Board recognises that the identification and effective management of material sustainability matters are fundamental to the Group's ability to deliver sustainable performance and long-term value creation. These matters have been prioritised as they directly influence the Group's financial robustness, operational performance, and reputation while also shaping stakeholder trust and investor confidence. In addressing these matters, we demonstrate our commitment to prudent financial and risk management, transparent governance, responsible environmental stewardship, and social responsibility, thereby reinforcing LSH Capital's position as a sustainable and trusted investment.

The material matters identified for the Group are outlined in the table below.

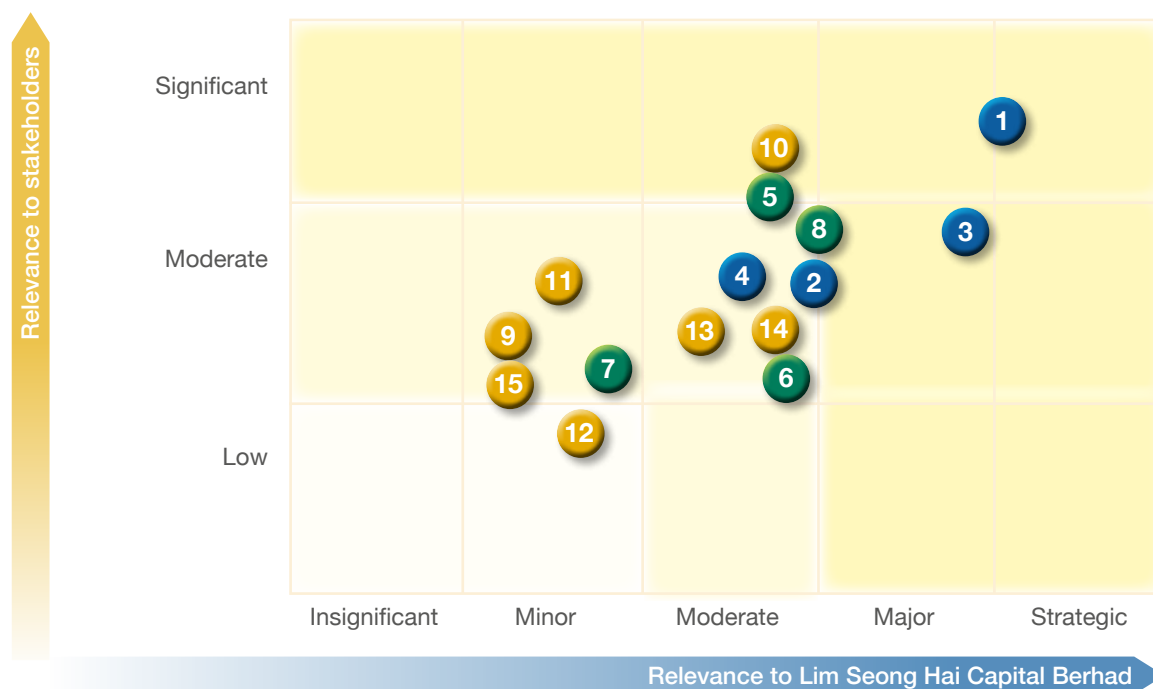
Material Matters		Relevance and Impact to LSH
	ECONOMIC PERFORMANCE	Strong financial performance ensures sustainable returns to shareholders & investors. Maintaining healthy margins and financial prudence reduces risks during economic downturns while supporting growth opportunities.
	PROCUREMENT PRACTICES	Sustainable and transparent procurement reduces leakages & supply chain risks, ensures timely project completion, and ensures compliance with client and government standards. It also builds trust with suppliers, partners, and customers through responsible sourcing.
	ANTI-CORRUPTION	Anti-corruption practices safeguard against reputational damages, legal penalties and financial losses. Transparent governance reinforces stakeholder confidence and more importantly our relationship with the government, attracting responsible investors and partners.

SUSTAINABILITY STATEMENTS (CONT'D)

Material Matters		Relevance and Impact to LSH
	CLIENT SATISFACTION	High client satisfaction drives recurring and repeat business, long-term contracts, and market competitiveness. Meeting client expectations also strengthens brand reputation in all our value chains and trust in delivering and completing projects.
	ENERGY	Energy use in construction affects both operational costs and environmental impact. Improving efficiency supports sustainability by lowering expenses, reducing emissions, and enhances stakeholder perception of sustainability.
	WATER AND EFFLUENTS	Effective water management reduces operating costs, ensures regulatory compliance, and prevents harm to surrounding communities. Sustainable practices also mitigate risk of fines or reputational damage arising from environmental issues.
	EMISSIONS	Controlling emissions is crucial to meeting environmental and climate commitments under Bursa Malaysia's Listing Requirements and to align with the National Energy Transition Roadmap ("NETR"). Proactive management reduces carbon-related risks, improves efficiency, and positions the company as one of the leaders in sustainability practices.
	WASTE	Proper waste management minimises environmental harm, disposal costs, and regulatory risks. Recycling and reusing materials also create cost-saving opportunities and demonstrate responsible practices to stakeholders.
	EMPLOYMENT	Providing stable employment strengthens workforce loyalty, reduces turnover costs, and supports long-term growth. Job creation also enhances the company's reputation with local communities and the government.
	OCCUPATIONAL SAFETY	Strong safety standards reduce accident risks, project delays, and compensation costs. Demonstrating care for employee welfare builds trust with stakeholders and enhances workforce productivity.
	TRAINING AND EDUCATION	Investing in employee training improves skills, innovation, and project quality. It also attracts and retains top talent by supporting long-term competitiveness and efficiency at work.
	DIVERSITY AND EQUAL OPPORTUNITIES	Promoting diversity and ensuring equal opportunities which reflects our commitment to fairness and inclusivity while nurturing a resilient workforce and reducing risk related to discrimination. It strengthens stakeholder confidence and reinforce our reputation as a responsible and progressive employer.
	LOCAL COMMUNITIES	Engaging local communities builds social license to operate, reduces conflict risks, and fosters long-term project support. Community contributions also enhance corporate reputation and stakeholder trust.
	PRODUCT QUALITY AND SAFETY	Delivering high-quality, safe construction outcomes minimizes rework, liability risks, and client dissatisfaction. Consistent quality strengthens brand reputation and ensures regulatory compliance.
	DATA SECURITY	Protecting sensitive project and stakeholder data reduces risks of cyberattacks, financial loss, and reputational harm. Strong data security builds client and investor confidence in the company's operations.

SUSTAINABILITY STATEMENTS (CONT'D)

Materiality Matrix Profile FYE 2025



ECONOMIC

- 1 Economic Performance
- 2 Procurement Practices
- 3 Anti-Corruption
- 4 Client Satisfaction

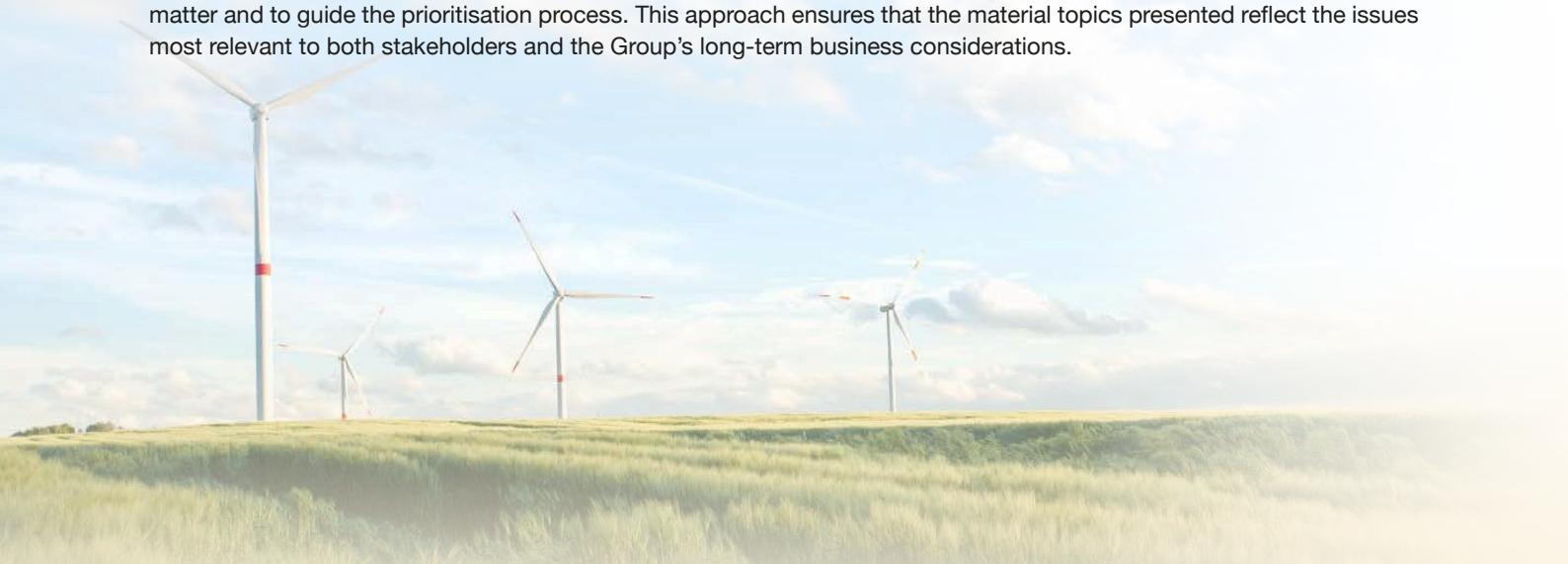
ENVIRONMENT

- 5 Energy
- 6 Water and Effluents
- 7 Emissions
- 8 Waste

SOCIAL

- 9 Employment
- 10 Occupational Health & Safety
- 11 Training and Education
- 12 Diversity and Equal Opportunities
- 13 Local Communities
- 14 Product Quality and Safety
- 15 Data Security

The materiality matrix was developed through an assessment of each sustainability matter's impact on stakeholders and on Lim Seong Hai Capital Berhad. An internal rating scale was applied to determine the relative significance of each matter and to guide the prioritisation process. This approach ensures that the material topics presented reflect the issues most relevant to both stakeholders and the Group's long-term business considerations.



SUSTAINABILITY STATEMENTS (CONT'D)

ECONOMIC

No.	Materiality Matter	Relevant SDGs
1	Economic Performance	 
2	Procurement Practices	  
3	Anti-Corruption	
4	Client satisfaction	 

ENVIRONMENT

No.	Materiality Matter	Relevant SDGs
5	Energy	 
6	Water and Effluents	 
7	Emissions	
8	Waste	

SOCIAL

No.	Materiality Matter	Relevant SDGs
9	Employment	
10	Occupational Safety	
11	Training and Education	
12	Diversity and Equal Opportunities	
13	Local Communities	 
14	Product Quality and Safety	 
15	Data Security	 

SUSTAINABILITY STATEMENTS (CONT'D)

RISK AND OPPORTUNITIES

Identifying material issues is essential to shaping our strategy, as it allows us to anticipate risks and uncover opportunities. By understanding their significance, we can set clear targets and implement action plans that mitigate potential risks while maximising opportunities for sustainable growth.

Material Matters	Risk	Opportunity	Management Approach
ECONOMIC PERFORMANCE	Weak project pipeline, insufficient working capital, or operational inefficiencies can impact profits.	Diversifying revenue (e.g., KL Tower), stable margins, financial resilience.	Strong order book (~RM1.5 billion), prudent working capital from IPO/ACE listing, cost negotiation (e.g., Tangkak project)
PROCUREMENT PRACTICES	Poor supplier quality may delay projects, erode margins, or lead to contract disputes.	Stable supply chain, cost savings, enhanced project quality.	Supplier assessments, local sourcing, quality controls in construction & development inputs.
ANTI-CORRUPTION	Legal risk, reputation damage, erosion of investor trust, especially in public facilities management (KL Tower).	Strong governance builds credibility, supports ACE Market standing.	Enforce clear Anti-Bribery and Corruption policies & Code of Conduct, compliance with Bursa's listing rules, and public-private project ethics.
CLIENT SATISFACTION	Dissatisfied buyers or clients can harm brand and future sales in development projects.	Enhanced reputation, repeat business, stronger market position.	Resident / purchaser engagement programs, transparent project timelines (e.g., LSH Segar, Lake Side Homes).
ENERGY	Rising energy costs, carbon intensity, non-compliance with climate policies.	Energy saving reduces cost, aligns with sustainability transition.	Energy efficiency in buildings and operations; assess renewable options in construction activities & future developments.
WATER AND EFFLUENTS	Regulatory fines, local complaints, water scarcity impacts.	Water efficiency, cost savings, positive community relations.	Implement water reuse in developments, monitor site runoff, manage construction effluent.
EMISSIONS	Regulatory penalties, public scrutiny, and carbon footprint impact.	Lower emissions can boost ESG ratings, funding, and investor appeal.	Track emissions; promote low-carbon construction methods; integrate climate transition plan per ACE Market phased requirement.
WASTE	Site waste management failures lead to environmental harm and disposal costs.	Cost savings through recycling; positive environmental image.	Waste segregation on-site / HQ and recycling partnerships; track waste performance over years.

SUSTAINABILITY STATEMENTS (CONT'D)

Material Matters	Risk	Opportunity	Management Approach
EMPLOYMENT	Labor shortages or turnover disrupt operations.	Stable workforce improves project continuity and efficiency.	Retention strategies, training and upskilling (e.g., for M&E operations), fair labour policies.
OCCUPATIONAL SAFETY	Accidents cause injury, delays, legal issues, and worker dissatisfaction.	Safer worksites improve morale, reduce costs, boost compliance.	Enforce safety training, audits, PPE, and strong safety record across construction sites, ISO certification.
TRAINING AND EDUCATION	Skill gaps affect innovation and project delivery.	Skilled teams drive quality, innovation, and adaptability.	Structured training programs in construction technology, facility management (e.g., KL Tower operations), and ESG compliance.
DIVERSITY AND EQUAL OPPORTUNITIES	Limited inclusivity can restrict talent and harm reputation.	Diverse teams boost creativity and community acceptance.	Adopt inclusive hiring; promote diversity across roles and leadership.
LOCAL COMMUNITIES	Construction or management operations may spark resistance if community needs aren't addressed.	Strong relations aid project smoothness and brand trust.	Engage communities, prioritise local hiring, support CSR around housing developments communities and KL Tower.
PRODUCT QUALITY AND SAFETY	Substandard building/ materials lead to complaints, legal issues, or project failure.	Superior reputation, compliance, fewer issues, client satisfaction.	Rigorous quality controls, certifications for materials, product testing for lighting/ M&E units.
DATA SECURITY	Cyber threats could harm financial or project data, reducing investor trust.	Strong cybersecurity builds stakeholder confidence, especially with digital property sales or management.	Implement cybersecurity protocols, secure client/ property data, and conduct regular security audits.



SUSTAINABILITY STATEMENTS (CONT'D)

KEY PERFORMANCE INDICATORS (“KPI”)

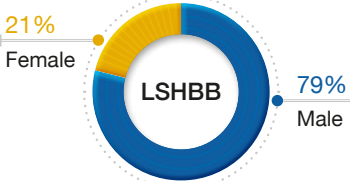
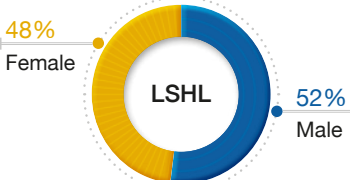
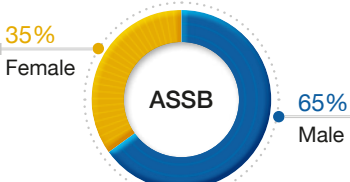
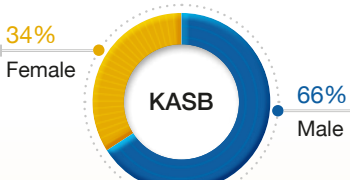
A set of sustainability targets and Key Performance Indicators (“KPIs”) have been established for Management, aligned with our sustainability pillars and developed in consultation with relevant Heads of Department. To support the achievement of these KPIs, specific sustainability targets have been set, as outlined in the table below.

Material Matters	FYE 2025 Performance	FYE 2026 Sustainability Target
ECONOMIC PERFORMANCE	<ul style="list-style-type: none"> Revenue: RM459.1 million (based on Audited Financial Statement FYE 2025) 	<ul style="list-style-type: none"> To achieve a 30% growth in revenue compared to previous year
PROCUREMENT PRACTICES	<ul style="list-style-type: none"> Building Materials (LSHBB): 100% spending on local suppliers Lighting Products (LSHL): 100% spending on local suppliers Hardware & Tools (KASB): 81.07% spending on local suppliers Total Overall Local Spending: 93.69% 172 suppliers assessed with 3 Stars and above 	<ul style="list-style-type: none"> To maintain an Overall Local Spending percentage above 90% To achieve 200 suppliers assessed in the reporting year To start assessing supplier for retail side: Knight Auto Sdn. Bhd. and Lim Seong Hai Lighting Sdn. Bhd.
ANTI-CORRUPTION	<ul style="list-style-type: none"> Updated the Group's ABAC policy ZERO (0) bribery and corruption case reported ZERO (0) whistleblowing case reported 	<ul style="list-style-type: none"> Maintain zero corruption and bribery cases To attend and resolve all whistleblowing case reported within 60 days To include Anti-Corruption Awareness briefing module for new employees during induction programme To organise annual refresher course on Anti-Corruption for all employees
CLIENT SATISFACTION	<ul style="list-style-type: none"> Achieved average score of 90.06% on client satisfaction 	<ul style="list-style-type: none"> Maintain 90% of average client satisfaction score To resolve 90% of complaints within 30 days


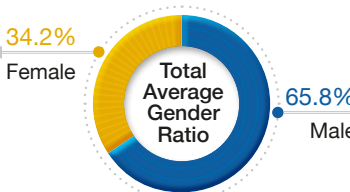
SUSTAINABILITY STATEMENTS (CONT'D)

Material Matters	FYE 2025 Performance	FYE 2026 Sustainability Target												
ENERGY	<ul style="list-style-type: none">Total energy consumed: 3,752,941 kWhElectricity Intensity (total energy consumed / revenue) : 0.0081746 kWh/RM (revenue of RM459.1 million FYE 2025)	<ul style="list-style-type: none">To achieve a 2% reduction in electricity intensityTo develop an action plan to explore the use of alternative energy sources (e.g. solar power)												
WATER AND EFFLUENTS	<ul style="list-style-type: none">Total water consumed 61,155 m³Water intensity (total volume of water consumed / revenue): 0.0001332 m³ /RM (revenue of RM459.1 million FYE 2025)	<ul style="list-style-type: none">To achieve a 2% reduction in water intensity												
EMISSIONS	<ul style="list-style-type: none">Scope 1: 898.91 tCO₂e (amount of diesel used – office & operations / machinery /gen-set)Scope 2: 2,904.78 tCO₂e (energy consumption)	<ul style="list-style-type: none">To ensure overall GHG emissions are not more than 5% from the previous yearTo begin structured tracking and reporting of Scope 3												
WASTE	<ul style="list-style-type: none">142 Roro trips out of the site for waste removal4,176.97 m³ of waste sent to landfill for one project (LSH Segar) based on the volume of each Roro Bins	<ul style="list-style-type: none">To start measuring baseline volume in tonnes and categorising wasteTo reduce waste by 2% for each projectHeadquarters to start measuring recycling waste (paperless, etc)												
EMPLOYMENT	<ul style="list-style-type: none">Employee turnover (%): <table><thead><tr><th>Entity</th><th>Turnover Rate (%)</th></tr></thead><tbody><tr><td>LSHBB</td><td>14.8%</td></tr><tr><td>LSHL</td><td>39.0%</td></tr><tr><td>ASSB</td><td>23.9%</td></tr><tr><td>KASB</td><td>17.9%</td></tr><tr><td>LSHSM</td><td>6.9%</td></tr></tbody></table>Average employee turnover rate: 20.5%	Entity	Turnover Rate (%)	LSHBB	14.8%	LSHL	39.0%	ASSB	23.9%	KASB	17.9%	LSHSM	6.9%	<ul style="list-style-type: none">Reduce average turnover by 5%
Entity	Turnover Rate (%)													
LSHBB	14.8%													
LSHL	39.0%													
ASSB	23.9%													
KASB	17.9%													
LSHSM	6.9%													

SUSTAINABILITY STATEMENTS (CONT'D)

Material Matters	FYE 2025 Performance	FYE 2026 Sustainability Target
OCCUPATIONAL SAFETY	<ul style="list-style-type: none"> ZERO (0) accident cases at project sites 13 incident cases at KL Tower since April 2025 till September 2025 ZERO (0) workplace fatality 14 overall Health & Safety training, programmes, and briefings organised for employees 	<ul style="list-style-type: none"> To maintain the number of accident cases at zero To reduce the incident cases at KL Tower To maintain zero workplace fatality To increase overall number of Health & Safety training for employees by 5%
TRAINING AND EDUCATION	<ul style="list-style-type: none"> Number of trainings conducted in 2025: 14 trainings RM 35,206 invested in employee training (HRD Corp Claimable) 	<ul style="list-style-type: none"> To achieve a minimum of 2 trainings per employee (Executive level and above) To increase amount invested in employee training (HRD Corp Claimable) by 10%
DIVERSITY AND EQUAL OPPORTUNITIES	<ul style="list-style-type: none"> LSHBB  <p>21% Female, 79% Male</p> LSHL  <p>48% Female, 52% Male</p> ASSB  <p>35% Female, 65% Male</p> KASB  <p>34% Female, 66% Male</p> 	<ul style="list-style-type: none"> Maintain an average gender ratio of approximately: 60% male 40% female

SUSTAINABILITY STATEMENTS (CONT'D)

Material Matters	FYE 2025 Performance	FYE 2026 Sustainability Target
DIVERSITY AND EQUAL OPPORTUNITIES	<ul style="list-style-type: none"> LSHSM  Total Average Gender Ratio  	
LOCAL COMMUNITIES	<ul style="list-style-type: none"> 12 of community engagement activities (KL Tower + Legacy Cup) RM 2,166,332.04 invested in community initiatives / projects LSH Legacy Cup KI Tower Education & Cultural, Sports & Events 	<ul style="list-style-type: none"> 20 programs To increase investment in community initiatives / projects by 10%
PRODUCT QUALITY AND SAFETY	<ul style="list-style-type: none"> 93 cases where products are deemed to be defective 13 Non-Conformance Reports (NCRs) issued by consultants in the financial year per approximately RM300 million Contract Value for LSH Segar project 7 NCRs closed within 30 working days 	<ul style="list-style-type: none"> To reduce the number of cases where products are deemed to be defective to 80 cases To target number of NCRs issued to 10 per RM100 million contract value To ensure that 70% of NCRs are closed within 30 working days or within an approved timeline
DATA SECURITY	<ul style="list-style-type: none"> ZERO (0) reports 	<ul style="list-style-type: none"> To maintain zero reports on data security breaches

SUSTAINABILITY STATEMENTS (CONT'D)

OUR SUSTAINABILITY PROGRESS

ECONOMIC



ECONOMIC PERFORMANCE

Strong economic performance is fundamental to LSH Capital's long-term sustainability as it ensures our ability to deliver quality projects, reinvest in innovation, and maintain operational resilience across market cycles. For a diversified group, consistent financial results provide the resources needed to support local suppliers, create employment opportunities, contribute to community development, and meet stakeholder expectations. Sustained profitability also enables LSH Capital to navigate economic fluctuations, fund strategic growth initiatives, and uphold our commitments to EES priorities. At the same time, strong financial performance ensures sustainable returns to shareholders and investors, while maintaining healthy margins and financial prudence reduces risks during economic downturns and supports future growth opportunities.

Our Approach

LSH Capital manages economic performance through prudent financial management, disciplined project execution and continuous efficiency improvement. We integrate EES considerations into business planning and investment decisions, diversify revenue streams, engage actively with key stakeholders including clients, financiers and suppliers and apply structured risk management to address market, cost and liquidity exposures.

Indicator	Unit	Performance in FY2025
Economic value generated (Profit)	RM'000	102,783
Economic value distributed (Dividend)	RM'000	33,321
Economic value retained	RM'000	237,630

**For further details on financial performance, please refer to the Audited Financial Statement for FYE 2025*



PROCUREMENT PRACTICES

Procurement is a key driver of quality, cost efficiency, and sustainability in LSH Capital's construction, property development, and manufacturing operations. By ensuring fair, transparent, and responsible procurement practices, the Group supports supply chain resilience, reduces operational and reputational risks, and strengthens relationships with suppliers. Sustainable and transparent procurement reduces leakages and supply chain risks given our need for building materials, equipment, and specialist services. This ensures timely project completion, meeting client expectations and compliance with government standards. These practices also build trust with suppliers, partners, and customers through responsible sourcing, while creating positive economic impacts for local suppliers and SMEs.

Our Approach

LSH Capital manages procurement through the Group's Procurement Operating Procedures Manual ("OPM") that governs all sourcing, vendor selection and approval processes. The SOP establishes clear authority limits, documentation requirements and reviews mechanisms to ensure integrity, transparency and accountability in procurement activities.

As part of vendor pre-qualification and selection, suppliers are assessed on their compliance with laws and regulations, financial soundness, product quality and standards, operational capacity and resources, ethical and social responsibility, sustainability practices and environmental impact, as well as adequate insurance coverage.

SUSTAINABILITY STATEMENTS (CONT'D)

PROCUREMENT PRACTICES (cont'd)

In line with the OPM, all appointed suppliers and subcontractors undergo evaluation and monitoring of their performance to ensure continued competency and ability to meet project, client, and quality requirements. The OPM is aligned with the requirements of ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018, whereby LSH Capital conducts supplier evaluations annually, and subcontractor evaluations either annually or upon completion of the contract – whichever comes first – using the Performance Evaluation Form.



ISO 9001:2015



ISO 14001:2015



ISO 45001:2018

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Suppliers and subcontractors are graded from 5-stars (Outstanding) to 1-star (Fail), with improvement notices issued to those scoring 2-stars and disqualification for 1-star. Evaluation records

are maintained to ensure accountability and continuous improvement across the supply chain.

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This systematic approach allows the Group to strengthen supply chain resilience while ensuring that procurement decisions support quality, safety, environmental responsibility, and cost-effectiveness — in line with our BEST Framework, “S – Sustainability Made Affordable.” By prioritising reliable, compliant, and locally capable vendors, the Group maintains cost efficiencies while embedding sustainability considerations into every procurement decision.

Our Performance

In FYE 2025, the Group continues to prioritise local procurement to support the domestic economy and strengthen supply chain resilience. Across its subsidiaries, 93.69% of total supplier spending was channelled to Malaysian-based vendors.

Building Materials (LSHBB):



100% of procurement spending was directed to local suppliers, reflecting strong support for local construction and building material partners.

Lighting Products (LSHL):



100% of products and components were sourced from local suppliers, ensuring reliable quality and reduced logistics emissions.

Hardware & Tools (KASB):



81.07% of purchases were made from local suppliers, with the remaining 18.93% sourced from international suppliers – primarily from China – to meet specific material requirements not available locally.

The Group remains committed to maintaining a high proportion of local procurement — targeting at least 90% local supplier spending in the coming financial year. Efforts will focus on strengthening partnerships with qualified local vendors and explore localisation opportunities for imported materials.

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Across its subsidiaries, 93.69% of total supplier spending was channelled to Malaysian-based vendors.

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SUSTAINABILITY STATEMENTS (CONT'D)



ANTI-CORRUPTION

Anti-corruption is critical for LSH Capital as it safeguards the Group's reputation, ensures compliance with the Malaysian Anti-Corruption Commission ("MACC") Act 2009 and Bursa Malaysia's Listing Requirements, and strengthens stakeholder trust. Effective anti-corruption practices help mitigate financial, legal and reputational risks while promoting transparency, integrity and accountability in business dealings. Strict anti-corruption practices also safeguard against reputational damage, legal penalties and financial losses, while transparent governance reinforces stakeholder confidence, particularly in our relationship with the government, and attracts responsible investors and partners. This unwavering commitment not only protects shareholder value but also supports long-term sustainability and competitiveness.

Our Approach

LSH Capital adopts zero-tolerance stance against bribery and corruption, guided by our Anti-Bribery and Corruption ("ABC") Policy and Whistleblowing Policy, which are aligned with the MACC Act 2009, its 2018 amendment and international best practices. These policies apply to all Directors, employees and business associates, covering dealings within both public and private sectors. The Group prohibits bribery and facilitation payments while embedding clear procedures on gifts, entertainment, and donations and conflict-of-interest situations.

All employees undergo mandatory ABC training on a continuing basis and are required to declare compliance annually. The Group also conducts due diligence on suppliers and contractors to ensure compliance with anti-bribery requirements. In addition, a Whistleblowing mechanism provides secure and confidential reporting channels for employees, business partners and the public, with protection against retaliation. Reports are investigated by the Audit and Risk Management Committee, and non-compliance may result in disciplinary action, termination of contracts or referral to enforcement authorities.

Indicator	Performance Target	Performance in FY2025
Number of reported corruption cases	Zero	Zero
Number of reported whistleblowing cases	Zero	Zero



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LSH Capital adopts zero-tolerance stance against bribery and corruption, guided by our Anti-Bribery and Corruption ("ABC") Policy and Whistleblowing Policy, which are aligned with the MACC Act 2009, its 2018 amendment and international best practices.

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SUSTAINABILITY STATEMENTS (CONT'D)



CLIENT SATISFACTION

Client satisfaction is a key material topic for LSH Capital as it directly influences business growth, competitiveness and long-term stakeholder trust. As a Group operating across construction, property development, and construction-related services & solutions, our ability to consistently deliver high-quality outcomes that meet client expectations in terms of cost, timelines, safety, technical performance, and service excellence is critical to sustaining recurring business and strengthening market reputation.

The BEST Framework serves as the foundation of LSH Capital's client satisfaction efforts, integrating the "Blue Ocean Strategy", with the aim of creating differentiated and new value propositions for clients. Through this strategy, the Group moves beyond conventional construction practices by encouraging early-stage collaboration with landowners, developers, and contractors that will enable cost-optimisation, design efficiency and mutually beneficial project solutions for all parties. This approach positions LSH Capital as not only a service provider but as a strategic partner focused on elevating value creations, improving project feasibility, and enhancing client experience across the project lifecycle.

High client expectations support long-term partnerships, stronger referrals. And repeat engagements which is particularly important in a highly competitive industry. Conversely, failure to meet client expectations may lead to reputational impacts, financial losses and weakened stakeholder confidence. By prioritising client satisfaction, LSH Capital sustains its competitive edge and reinforces its commitment responsible business practices and sustainable value creation.

Our Approach

LSH Capital embeds client satisfaction at the core of its operations through structured processes and continual improvement to ensure quality, safety and timely delivery in all projects and services. Guided by our ISO-certified Quality, Environmental, Safety and Health ("QESH") Management System, the Group implements a formal Client Satisfaction Evaluation procedure where feedback is obtained from clients upon project completion to assess technical performance, service quality, contractual compliance, timeliness, safety and environmental management.

All findings are compiled, analysed and presented during Management Review Meetings to identify improvement areas, enhance internal processes and strengthen employee capabilities. This meeting also ensures transparency and accountability, while driving informed decision-making through structured data collection.

The BEST Framework further enhances our approach by embedding the principles of the "Blue Ocean Strategy" into project execution. Under this framework, the Group works collaboratively with clients to deliver value-engineered solutions such as alternative designs, cost-effective materials, optimised construction methodologies, and technical advisory services during tendering. Through this structured and proactive approach, LSH Capital ensures that clients' needs are met while maintaining its reputation as a trusted partner committed to quality, efficiency, and sustainable project delivery.



SUSTAINABILITY STATEMENTS (CONT'D)

OUR SUSTAINABILITY PROGRESS

ENVIRONMENT



ENERGY

Efficient energy management is essential to reduce operating costs, minimise environmental impact and support LSH Capital's commitment to lowering greenhouse gas emissions. Energy use in construction affects both operational costs and environmental impact, making it a critical factor in the Group's operations. By optimising energy use and adopting cleaner technologies, the Group aims to improve operational efficiency, ensure regulatory compliance and contribute to a more sustainable future. Enhancing energy efficiency also supports sustainability by lowering expenses, reducing emissions and reinforcing stakeholder confidence in the Group's commitment to responsible practices.

Our Approach

LSH Capital manages energy consumption through continuous monitoring, efficiency improvements and the adoption of sustainable practices. Energy usage is tracked across key operations, and reduction measures are implemented where feasible including optimising equipment performance, using energy-efficient lighting and machinery and promoting energy-conscious behaviour among employees. Where possible, the Group explore the use of renewable and cleaner energy sources to further minimise our environmental footprint. This approach not only lowers operational costs but also supports our commitment to reducing greenhouse gas emissions and contributing to climate change mitigation.

As part of its ongoing commitment to energy efficiency, LSH Capital aims to develop an action plan to explore alternative and renewable energy sources, including solar power. This plan will serve as a roadmap for assessing technical feasibility, potential cost savings, and carbon-reduction benefits across the Group's operations. Through this initiative, the Group seeks to progressively transition towards cleaner energy solutions that align with national sustainability goals and support long-term climate resilience.

Our Performance

Indicator	Unit	Performance in FY2025
Electricity consumption	kWh	3,752,941
Energy intensity (total energy consumed / revenue)	kWh / RM	0.0081746

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As part of its ongoing commitment to energy efficiency, LSH Capital aims to develop an action plan to explore alternative and renewable energy sources, including solar power.

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SUSTAINABILITY STATEMENTS (CONT'D)



WATER AND EFFLUENTS

Water and effluent management are material to LSH Capital because efficient water use and proper wastewater handling are critical to ensuring regulatory compliance, minimising environmental impact and supporting sustainable operations. Construction and related activities can consume significant amounts of water and generate wastewater that, if not managed responsibly, may affect local water resources and surrounding communities. Effective water management reduces operating costs, ensures regulatory compliance and prevents harm to surrounding communities. Sustainable practices also mitigate the risk of fines or reputational damage arising from pollution while reinforcing the Group's responsibility to protect shared natural resources.

“The Group also practices rainwater harvesting through rainwater-harvesting tanks and On-Site Detention (OSD) tanks at project sites, which allows for the collection and reuse of rainwater for non-potable applications such as site cleaning and dust suppression.

Our Approach

The Group tracks and manages water consumption across our operations to improve efficiency and reduce environmental impact. We optimise water use through efficient equipment and processes, minimising wastage at project sites and prevent environmental harm and reduce environmental impact. Regular inspections, maintenance and employee awareness programs further support responsible water management, safeguarding natural resources and reducing operational risks.

At the project-site level, pollution control measures are implemented to prevent water contamination and soil erosion. These include the use of silt fences, sediment basin, sand bag, silt curtain and earth drain to manage surface runoff effectively. The Group also practices rainwater harvesting through rainwater-harvesting tanks and On-Site Detention (OSD) tanks at project sites, which allows for the collection and reuse of rainwater for non-potable applications such as site cleaning and dust suppression.

Our Performance

Indicator	Unit	Performance in FY2025
Total volume of water used	m ³	61,155
Water intensity (total water consumed / revenue)	m ³ / RM	0.0001332
Total volume of water (effluent) discharge over the reporting period	Megalitres (ML)	Data to be established in subsequent reporting period

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SUSTAINABILITY STATEMENTS (CONT'D)



EMISSIONS

Emissions management is important for LSH Capital as the Group recognises its operations generate greenhouse gases (“GHG”) emissions that contribute to climate change. In line with national climate ambitions and recognised sustainability practices, the Group is committed to progressively identifying, measuring and managing its GHG emissions to strengthen environmental stewardship and operational resilience. Efforts are currently focused on monitoring and reporting emissions arising from fuel and electricity consumption (Scope 1 and Scope 2), supporting compliance with regulatory requirements while enhancing energy efficiency across operations. By aligning its practices with Malaysia’s transition towards a low-carbon economy, LSH Capital reaffirms its responsibility towards environmental protection and long-term climate resilience.

Our Approach

In this initial reporting year, LSH Capital began tracking its direct (Scope 1) and indirect (Scope 2) GHG emissions. Scope 1 emissions include fuel and diesel consumption from office operations, machinery and generator sets, while scope 2 relates electricity usage across the Group’s facilities. The Group’s focus during this period has been on establishing reliable measurement processes, improving data completeness, and identifying emission-intensive processes across the Group’s operational footprint.

The Group’s approach to emissions reduction is further strengthened by the “T – Transformation & Innovation” principle embedded in the BEST Collaboration Framework. Under this principle, LSH Capital drives forward-looking solutions that promote efficiency, reduce wastage, and support sustainable construction practices. One of the most notable initiatives demonstrating this commitment is the adoption of Industrialised Building System (“IBS”) technology in its construction projects.

A key example is LSH33 in Sentul, where reusable aluminium formwork systems were implemented. Unlike traditional disposable formwork materials, aluminium formwork can be used repeatedly from floor to floor, significantly reducing the need for transporting new temporary materials to the site. This reduces fuel and diesel consumption associated with multiple deliveries, directly contributing to lower Scope 1 emissions. This initiative reflects the Group’s commitment to innovative, low-carbon construction methodologies that align with the value-engineering and sustainability principles of the BEST Framework.

Looking ahead, LSH Capital plans to expand its emissions inventory to include Scope 3 (value chain) emissions in the next reporting period, reflecting a broader assessment of its carbon footprint. The Group will also continue exploring cleaner energy solutions to further support emissions reduction and advance its broader sustainability commitments.

Our Performance

Indicator	Unit	Performance in FY2025
Scope 1 Emissions	tonnes of CO ₂ e	898.91
Scope 2 Emissions	tonnes of CO ₂ e	2,904.78

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One of the most notable initiatives demonstrating this commitment is the adoption of Industrialised Building System (“IBS”) technology in its construction projects.

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SUSTAINABILITY STATEMENTS (CONT'D)

WASTE

Waste management is a key material focus for LSH Capital as its construction and operational activities generate solid waste that requires proper handling and disposal to minimise environmental impact. Responsible waste practices support regulatory compliance, cost efficiency, and the Group's long-term commitment to sustainable resource use under the BEST Framework, particularly the principle of "S – Sustainability Made Affordable." By embedding sustainability into construction methodology and site practices, the Group strives to reduce waste generation at source while promoting circular resource utilisation across our value chain.

Our Approach

In the first year of reporting, LSH Capital began consolidating waste data across its subsidiaries to understand the types and quantities of waste generated from construction activities. Waste is tracked primarily through purchase orders and Roro bin records, which provide estimates of total waste volumes sent for disposal. The Group emphasises waste reduction at the source by encouraging reuse and recycling where possible, ensuring proper segregation, and engaging licensed waste contractors for collection and disposal. Regular monitoring, employee training and engagement with suppliers and subcontractors supports continuous improvement in waste management practices.

A central enabler of waste reduction is the Group's adoption of reusable aluminium formwork, consistent with the BEST Framework's drive for sustainable innovation. Unlike traditional timber or plywood formwork that creates substantial construction waste, aluminium formwork can be used repeatedly from floor to floor and across multiple projects. This significantly reduces disposal of temporary materials and minimises overall construction waste. In addition, the formwork used in the LSH33 project was repurposed from a previous development, demonstrating LSH Capital's commitment to a circular materials approach that extends the lifespan of existing resources.

Beyond material innovation, LSH Capital has implemented other creative upcycling initiatives that further reduce waste and enhance project value, for example:

The Journey of Old Wood – Turning Excavated Waste into Public Furniture



During the Nibong Tebal bridge project, the construction team uncovered weathered old timber during excavation. Instead of discarding it as waste, LSH Capital repurposed the material into handcrafted wooden benches for the LSH33 development and also at Kuala Lumpur Tower. These benches—featuring unique natural imperfections—serve as functional public seating as well as a symbolic reminder of the Group's commitment to waste reduction, creativity, and environmental stewardship. This initiative highlights how overlooked materials can be transformed into meaningful, value-added features within new developments.

SUSTAINABILITY STATEMENTS (CONT'D)

WASTE (cont'd)



Transformed Boulders – From Excavated Obstacles to Landscape Enhancements



A similar circular approach was applied during the LSH Segar development, where large boulders unearthed during earthworks were retained instead of being treated as waste. Some were used on-site for slope protection and beautification, while others were transported to the LSH33 project. There, they were integrated into the riverside landscape as natural aesthetic elements and functional erosion-control structures. This thoughtful reuse not only avoided unnecessary disposal but also enhanced ecological resilience and reduced the need for new construction materials.

Together, these initiatives demonstrate how the Group's BEST Framework principles guide practical, on-site waste minimisation—transforming what would traditionally be classified as construction waste into purposeful design features and functional site elements.

Looking ahead, LSH Capital plans to develop a baseline waste database and begin measuring recycling volumes to establish waste-to-landfill and waste diversion ratios. These efforts will enable the Group to set measurable reduction targets and enhance resource efficiency in the coming reporting periods.

Our Performance

Indicator	Unit	Performance in FY2025
Total waste sent to landfill (based on Roro bin records)	m ³	4,176.97 <i>(from one project – LSH Segar)</i>
Total Roro trips for waste removal	Number	142



SUSTAINABILITY STATEMENTS (CONT'D)

OUR SUSTAINABILITY PROGRESS

SOCIAL



EMPLOYMENT

Employment is a key material topic for LSH Capital as it directly supports workforce stability, business continuity and long-term growth. Providing stable and fair employment strengthens workforce loyalty, ensures the Group retains critical skills to deliver projects effectively, and enhances organisational resilience during changing market conditions. By maintaining transparent and compliant hiring and retention practices, LSH Capital reinforces its commitment to social responsibility and sustainable business growth.



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We offer competitive remuneration and employee benefits to attract and retain talent, while providing clear employment term to protect employee rights.

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Our Approach

At LSH Capital, we manage employment matters through fair, transparent and compliant hiring and retention practices that align with labour laws and industry standards. We offer competitive remuneration and employee benefits to attract and retain talent, while providing clear employment term to protect employee rights. A formal grievance mechanism is in place to enable employees to raise concerns in a safe and structured manner, ensuring issues are addressed fairly and promptly. Workforce planning is conducted to align skills with operational needs, while stable employment practices help strengthen organisational loyalty and reduce turnover risks.

During this reporting period, the Group began consolidating employment data across its subsidiaries to establish a baseline for monitoring workforce trends. A list of employee benefits is as follows:

Types of Benefits	Description
Paid Leave Entitlement	Annual Leave, Medical Leave, Maternity Leave, Paternity Leave, Marriage Leave, Compassionate Leave
Fringe Benefits Healthcare	Mileage Claim, Accommodation Claim, Food and Beverage, Medical Benefits, Hospitalisation Benefits, Dental and Optical care

Our Performance

Indicator	Unit	FY2025
Total new hires	Number	275
Total resignees	Number	75
Average employee turnover rate	Percentage	20.5



SUSTAINABILITY STATEMENTS (CONT'D)



OCCUPATIONAL HEALTH & SAFETY

Occupational health and safety are highly important for LSH Capital, as its site activities and equipment use in our sectors pose inherent safety risks. Ensuring a safe working environment protects employees, contractors and visitors from harm, reduces the likelihood of accidents and ensures compliance with safety regulations. Strong safety standards also reduce accident risks, project delays and compensation costs, while demonstrating care for employee welfare. A proactive safety culture builds trust with stakeholders and enhances workforce morale and productivity, contributing to sustained operational performance and stakeholder confidence.

Our Approach

LSH Capital manages occupational safety through a structured safety framework supported by internationally certified certifications and the integrated Quality, Environmental, Safety and Health (QESH) Management System, ensuring compliance with regulatory requirements and alignment with industry best practices.

Through our subsidiary, LSH Best Builders Sdn. Bhd., the Group maintains the following certifications:

- Integrated – 45001:2018/14001:2015/9001:2015 Occupational Health and Safety, Quality & Environmental Management System;
- ISO 9001:2015 Quality Management System;
- ISO 14001:2015 Environmental Management System; and
- ISO 45001:2018 Occupational Health and Safety Management System.

Subsequent to the year-end, Astana Setia Sdn. Bhd. was also awarded the same suite of certifications:

- Integrated – 45001:2018/14001:2015/9001:2015 Occupational Health and Safety, Quality & Environmental Management System;
- ISO 9001:2015 Quality Management System;
- ISO 14001:2015 Environmental Management System; and
- ISO 45001:2018 Occupational Health and Safety Management System.

These systems form the foundation of our safety governance, incorporating risk assessments, safety audits, toolbox briefings and continuous safety training. We prioritise hazard prevention, incident reporting and corrective action while fostering a strong safety culture through active employee engagement and open communication.



SUSTAINABILITY STATEMENTS (CONT'D)

OCCUPATIONAL HEALTH & SAFETY (cont'd)



Safety Initiatives and Programmes

In FY2025, LSH Capital implemented a range of health and safety initiatives to reinforce site safety performance and awareness:



Weekly safety briefings conducted at all project sites;



Mandatory safety inductions for all site personnel prior to project commencement;



Dedicated Health & Safety Officers and Site Safety Supervisors stationed on-site to monitor compliance and safety practices;



All machinery operators are competent as mandated by the Occupational Safety and Health Act 1994 (OSHA); and



Regular safety training and awareness sessions, with 14 overall Health & Safety training programmes and briefings conducted during the reporting year.

Our Performance

Indicator	Unit	Performance in FY2025
Workplace fatalities	Number	Zero (0)
Accident cases at project sites	Number	Zero (0)
Incident cases (KL Tower site) ^a	Number	13
Safety training and briefings conducted	Sessions	14

Note: a - The 13 incidents recorded at the KL Tower site were non-fatal. Most cases have been resolved following investigation and implementation of corrective and preventive measures.

In May 2025, the Group, through its wholly-owned subsidiary, Astana Setia Sdn. Bhd., marked the topping-off ceremony of LSH Segar Tower A, celebrating the successful completion of structural works and a major safety milestone. The project recorded over 2,000,000 man-hours with zero loss-time injury, reflecting LSH Capital's strong safety culture, disciplined site management, and commitment to workplace well-being.

In conjunction with the ceremony, the Group also celebrated World Occupational Safety and Health Day and Labour Day, with approximately 600 participants in attendance. All three celebrations featured training components, including appreciation, exposure and awareness activities aimed at cultivating a safe working culture and recognising injury-free achievements.

Additionally, the Group's flagship property development, LSH Segar in Cheras, has been recognised for its strong safety performance, achieving a 4-star rating under the Safety and Health Assessment System in Construction ("SHASSIC") with a score of 87.29%. Awarded by CIDB Malaysia, this certification reflects LSH Capital's systematic approach to safety management, rigorous onsite supervision, and continuous commitments to elevating health and safety standards across all construction projects.

SHASSIC

Safety and Health Assessment System in Construction

CIDB
MALAYSIA



“

LSH Segar in Cheras, has been recognised for its strong safety performance, achieving a 4-star rating under the Safety and Health Assessment System in Construction ("SHASSIC") with a score of 87.29%.

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SUSTAINABILITY STATEMENTS (CONT'D)



TRAINING AND EDUCATION

Training and education are essential to LSH Capital's commitment to building a capable and resilient workforce. By equipping employees with relevant technical skills and professional competencies, the Group ensures its teams remain adaptable to industry advancements, regulatory changes, and evolving client expectations.

Continuous investment in employee learning not only enhances operational quality and efficiency but also strengthens talent development and career growth opportunities.

Our Approach

At LSH Capital, we approach training and education through a continuous learning framework designed to enhance employee capabilities, support career development and ensure alignment with the Group's needs and strategic goals. Training requirements are identified through competency assessments and evolving business requirements. Programmes cover technical skills, safety and compliance leadership development and sustainability awareness, delivered through a mix of in-house sessions, external courses and on-the-job training.

The Group also collaborates with industry bodies, educational institutions and professional trainers to ensure training content remains current and relevant. Training effectiveness is assessed through participant feedback, post-training evaluations, and ongoing monitoring of skill application in the workplace to support continuous improvement. By investing in targeted and high-quality training, LSH Capital aims to build a skilled and adaptable workforce capable of driving operational excellence and innovation across all business divisions.

Our Performance

Employees that received regular performance and career development review in LSH Capital is stated below:

Description	Unit	Performance in FY2025
Total trainings conducted	Number	14
Amount invested in employee training	RM	35,206



DIVERSITY AND EQUAL OPPORTUNITIES

Diversity and equal opportunities are important to LSH Capital as they foster an inclusive workplace where individuals are valued based on merit, free from discrimination or bias. Promoting diversity in recruitment, leadership and decision-making enriches perspectives, drive innovation and reflects our commitment to fairness and respect for all employees.

Our Approach

The Group manages diversity and equal opportunities by fostering an inclusive workplace culture where all employees are treated with fairness, respect and dignity, regardless of gender, age, ethnicity, religion or background. Recruitment, promotion and remuneration processes are merit-based, supported by transparent policies that ensures equal access to opportunities.

The Group actively promotes diversity in leadership roles, encourages cross-functional collaboration and implements awareness programmes to cultivate understanding and respect among employees. Regular reviews of workforce composition and employment practices are conducted to ensure alignment with legal requirements, industry standards and LSH Capital's own diversity objectives. In line with this, women currently make up 40% of the Board of Directors, exceeding the 30% minimum representation recommended under Bursa Malaysia Listing Requirements and the Malaysian Code on Corporate Governance (MCCG) 2021.

SUSTAINABILITY STATEMENTS (CONT'D)

DIVERSITY AND EQUAL OPPORTUNITIES (cont'd)



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In line with this, women currently make up 40% of the Board of Directors, exceeding the 30% minimum representation recommended under Bursa Malaysia Listing Requirements and the Malaysian Code on Corporate Governance (MCCG) 2021.

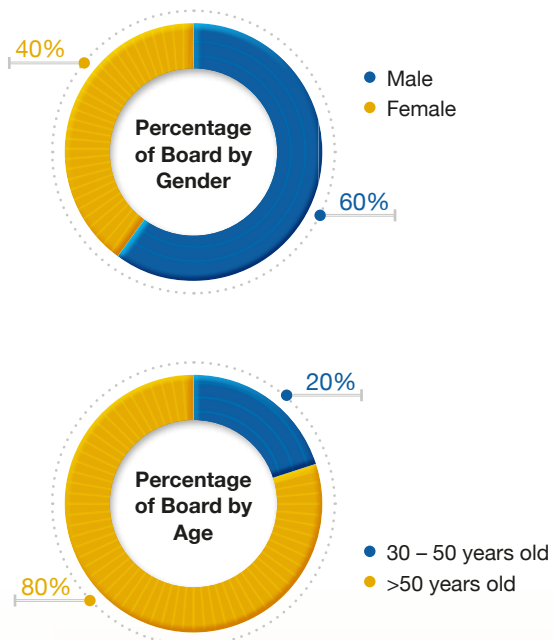
Recruitment is carried out through formal and transparent platforms, including JobStreet, online job portals and internal job advertisements, ensuring equal access to employment opportunities and a fair selection process based on merit.

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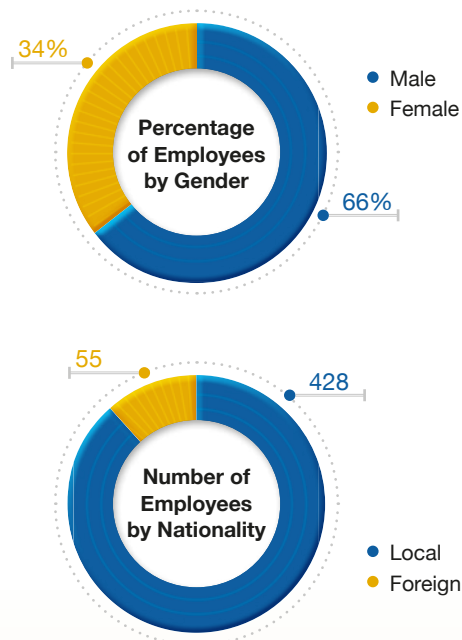
Through these measures, LSH Capital seeks to harness the strength of a diverse workforce, enhance innovation and reflect the varied communities in which it operates.

Our Performance

Board of Directors



Employees



Board's Composition	FY2025
Percentage of Board by Gender	
Male	60%
Female	40%
Percentage of Board by Age	
<30 years old	-
30 – 50 years old	20%
>50 years old	80%

Description	FY2025
Total Number of Employees	483
Percentage of Employees by Gender	
Male	66%
Female	34%
Number of Employees by Nationality	
Local	428
Foreign	55

SUSTAINABILITY STATEMENTS (CONT'D)



LOCAL COMMUNITIES

Local communities are an important stakeholder for our Group as our projects and operations can directly influence the social and economic well-being of the areas where we operate. Building positive relationships with local communities helps foster trust, minimise potential conflicts and create mutual benefits. Through community-focused initiatives in education, cultural preservation, socio-economic support, and youth development, we continue to contribute to long-term social value.

Our Approach

LSH Capital is committed to making a meaningful contribution to the communities in which we operate by supporting education, cultural preservation, socio-economic development and community welfare and youth development. We engage with local stakeholders, including schools, universities, industry associations, and charitable organisations to ensure our initiatives address real community needs. Our corporate social responsibility ("CSR") efforts are aimed at fostering goodwill, enhancing quality of life and creating long-term value for society.

In FYE 2025, we carried out various initiatives through financial contributions, in-kind support and active participation. These included:

Education support:

1



Sponsorship for schools and universities, provision of classroom equipment, laboratory instruments and educational tools as well as support for academic awards and extracurricular programmes

Cultural and Heritage Preservation:

2



Launch of the LSH Legacy Cup at LSH33 – a community-centric cultural programme held in conjunction with the Mid-Autumn festival, comprising four cultural competitions; Chinese Calligraphy, Chinese chess, lantern making, and colouring competitions. Organised in collaboration with The Federation of Calligraphy Society Malaysia, Malaysia XiangQi Association, Kuala Lumpur XiangQi Association, and ARTIVO Art Studio, the initiative celebrates Chinese cultural traditions while fostering inter-community engagement and creativity

Community Welfare and Development:

3



Donations to welfare organisations, religious institutions, and social groups, including the provision of essential items to improve livelihoods.

Sports and Youth Development:

4



Support for sports tournaments, youth activities, and skill-building programmes that encourage healthy lifestyles and personal growth.

In addition, in September 2025, LSH Capital signed a Research Collaboration Agreement ("RCA") with the International Islamic University Malaysia ("IIUM") to conduct seven urban-planning research studies in Kuala Lumpur. These studies focus on topics such as flood resilience, redevelopment of ageing neighbourhoods, and enhancing liveability in urban communities. LSH Capital contributed a research grant of RM350,000 to support this two-year initiative, which engages local academics and students in applied research for the benefit of local communities.

“

In FYE 2025, the Group invested a total of RM 2,166,332.04 in community initiatives across these four focus areas reflecting our commitment to inclusive social development and long-term community empowerment.

”

SUSTAINABILITY STATEMENTS (CONT'D)



PRODUCT QUALITY AND SAFETY

Product quality and safety are important for LSH Capital's success as they directly influence client satisfaction, brand reputation and long-term business sustainability. In the construction, property development and manufacturing sectors, delivering products and services that meet or exceed quality and safety standards is essential to ensure compliance with regulatory requirements, minimise defects and prevent potential hazards to end users. Delivering high-quality, safe construction outcomes also minimises rework, liability risks and client dissatisfaction. Maintaining consistent quality strengthens brand reputation, supports repeat business and enhances LSH Capital's competitive advantage in the market.

Our Approach

LSH Capital implements a Quality, Environmental, Safety and Health Management System ("QESH-MS"), operationalised through detailed procedures through our Operating Procedures Manual for Project Implementation: Inspection and Test to ensure compliance with legislation, industry standards and client specifications by mandating systematic Inspection and Test Plans ("I&TPs") for all projects.

We conduct quality and safety assessments through inspections and tests on materials, M&E equipment and construction works on a project as per the I&TP. This includes monitoring supplier and subcontractor performance. All materials and equipment are inspected upon delivery, and no item is released for use prior to verification, ensuring traceability and compliance. Employees receive regular training on quality control and safety protocols.

Non-Conformance Reports ("NCRs") are issued (by internal parties) or received (From external parties) by any inspection or test failure. These NCRs are monitored systematically to track the closure of quality issues, with corrective actions – such as re-inspection or re-testing – implemented promptly to prevent recurrence. Customer and authority feedback is integrated through formal submission of records for acceptance, ensuring alignment with client and regulatory expectations.

“

In FY2025, LSH Capital recorded 93 cases of product defects identified and rectified as part of its continuous quality monitoring process.

”

Our Performance

In FY2025, LSH Capital recorded 93 cases of product defects identified and rectified as part of its continuous quality monitoring process. During the same period, 13 Non-Conformance Reports (NCRs) were issued by project consultants for the LSH Segar project. Out of these, 7 NCRs were successfully closed within 30 working days, demonstrating the Group's commitment to timely resolution and continuous improvement.

By maintaining rigorous quality assurance protocols and embedding a culture of accountability among employees, subcontractors, and project teams, LSH Capital ensures that its products and services consistently meet client expectations while supporting the Group's long-term vision of operational excellence and stakeholder trust.



SUSTAINABILITY STATEMENTS (CONT'D)



DATA SECURITY

Data security is critical for LSH as it safeguards the confidentiality, integrity and availability of sensitive information, including client data, financial records, employee details and proprietary requirements. Protecting sensitive project and stakeholder data reduces the risks of cyberattacks, financial loss and reputational harm, while maintaining the trust of stakeholders. Strong data security practices also build client and investor confidence in the Group's operations and governance standards. As LSH Capital continues to digitalise its operations and adopt technology-driven platforms, ensuring robust data protection is essential to minimise risks of unauthorised access or system disruptions, uphold business continuity and strengthen overall operational resilience.

Our Approach

LSH Capital manages data security in line with our Privacy Policy, which governs the collection, use, disclosure and protection of personal business information. The Group's approach is designed to safeguard sensitive data, ensure regulatory compliance and protect stakeholder trust.

Key
practices
include:

Privacy and Data
Collection Policy; and

Incorporation of the Personal Data
Protection Act ("PDPA") principles into
employee management processes –
introduced during the interview process and
reinforced again during onboarding through
the Employee Handbook.

MOVING FORWARD

As LSH Capital embarks on its sustainability journey, this inaugural statement marks the foundation for ongoing improvement in managing, monitoring, and communicating the Group's environmental, social, and governance (ESG) performance. Moving forward, the Group will focus on strengthening its sustainability governance structure, improving data collection processes, and fostering greater collaboration across subsidiaries to enhance the consistency and reliability of reporting.

LSH Capital also aims to build stronger engagement with stakeholders, identify areas for operational efficiency, and continue integrating sustainability considerations into business planning and decision-making. Through these efforts, the Group strives to create long-term value for its stakeholders while contributing to responsible and sustainable business growth.



SUSTAINABILITY STATEMENTS (CONT'D)

GRI CONTENT INDEX

Statement of use	Lim Seong Hai Capital Berhad has reported information cited in this GRI content index for the period of 1 October 2024 to 30 September 2025 in accordance with the GRI Standards.
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GRI STANDARD / OTHER SOURCE	DISCLOSURE ITEM	REFERENCE PAGES(S) IN ANNUAL REPORT
GRI 2: General Disclosures 2021		
2-1	Organisation details	5 - 9
2-2	Entities included in the organisation's sustainability reporting	43
2-3	Reporting period, frequency and contact point	43
2-4	Restatement of information	N/A
2-5	External assurance	N/A
2-6	Activities, value chain and other business relationship	28 - 39
2-7	Employees	67, 71
2-8	Workers who are not employees	N/A
2-9	Governance structure and composition	44
2-10	Nomination and selection of highest governance body	108 - 109
2-11	Chair of the highest governance body	8
2-12	Role of the highest governance body in overseeing the management of impacts	45
2-13	Delegation of responsibility for managing impacts	45
2-14	Role of the highest governance body in sustainability reporting	45
2-15	Conflict of interest	126
2-16	Communication of critical concerns	105
2-17	Collective knowledge of the highest governance body	84 - 94
2-18	Evaluation of the performance of the highest governance body	N/A
2-19	Remuneration policies	111
2-20	Process to determine remuneration	111
2-21	Annual total compensation ratio	N/A
2-22	Statement on sustainable development strategy	24
2-23	Policy commitments	46
2-24	Embedding policy commitments	60
2-25	Processes to remediate negative impacts	105
2-26	Mechanism for seeking advice and raise concerns	105
2-27	Compliance with laws and regulations	60
2-28	Membership associations	N/A
2-29	Approach to stakeholder engagement	47
2-30	Collective bargaining agreements	N/A

SUSTAINABILITY STATEMENTS (CONT'D)

GRI STANDARD / OTHER SOURCE	DISCLOSURE ITEM	REFERENCE PAGES(S) IN ANNUAL REPORT
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	48 - 50
3-2	List of material topics	50
3-3	Management of material topics	48 - 50
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	58
201-2	Financial implications and other risks and opportunities due to climate change	N/A
201-3	Defined benefit plan obligations and other retirement plans	N/A
201-2	Financial assistance received from government	N/A
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	59
GRI 205: Anti-corruption 2016		
205-1	Operation assessed for risks related to corruption	60
205-2	Communication and training about anti-corruption policies and procedures	60
205-3	Confirmed incidents of corruption and actions taken	60
GRI 416: Customer Health & Safety 2016		
416-1	Assessment of health and safety impacts on product and service categories	73
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	N/A
GRI 302: Energy 2016		
302-1	Energy consumption within the organisation	62
302-4	Reduction of Energy Consumption	62
GRI 303: Water and Effluents 2018		
303-5	Water consumption	63
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	64
305-2	Energy indirect (Scope 2) GHG emissions	64
305-3	Other indirect (Scope 3) GHG emissions	N/A
305-4	GHG emissions intensity	N/A
305-5	Reduction of GHG emissions	64
GRI 306: Waste 2020		
306-3	Waste generated	65 - 66
306-4	Waste diverted from disposal	N/A
306-5	Waste directed to disposal	66

SUSTAINABILITY STATEMENTS (CONT'D)

GRI STANDARD / OTHER SOURCE	DISCLOSURE ITEM	REFERENCE PAGES(S) IN ANNUAL REPORT
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	67
401-2	Benefit provided to full-time employees that are not provided to temporary or part-time employees	67
401-3	Parental leave	67
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	68 - 69
403-2	Hazard identification, risk assessment, and incident investigation	68 - 69
403-3	Occupational health services	N/A
403-4	Worker participation, consultation, and communication on occupational health and safety	69
403-5	Worker training on occupational health and safety	69
403-6	Promotion of worker health	68 - 69
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	N/A
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	N/A
404-2	Programs for upgrading employee skills and transition assistance programs	70
404-3	Percentage of employees receiving regular performance and career development reviews	N/A
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	71
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	72
413-2	Operations with significant actual and potential negative impacts on local communities	N/A
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	74

SUSTAINABILITY STATEMENTS (CONT'D)

BURSA PERFORMANCE TABLE

Lim Seong Hai Capital Berhad
BMLR Transition Period

Date & Time: 2026-01-20_10:00:17

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Economic Performance	Revenue	RM in million	4591	30% growth in revenue	No assurance
Procurement Practices	Average percentage spending on local suppliers	%	93.69	To maintain overall local spending above 90%	No assurance
Anti-corruption	Amount of bribery and corruption cases	Number	Zero (0)	Maintain zero number of corruption and bribery cases	No assurance
Client Satisfaction	Average score on client satisfaction survey	%	90.06	Maintain a 90% average of client satisfaction score	No assurance
Energy	Electricity intensity (total energy consumed / revenue)	kWh/RM	0.008746	To achieve 2% reduction in electricity intensity	No assurance
Water and Effluents	Water Intensity (total volume of water consumed / revenue)	metre cubic /RM	0.0001332	To achieve 2% reduction in water intensity	No assurance
Emissions	Scope 1 (amount of diesel used - office & operations / machinery / gen-set)	tCO ₂ e	898.91	To ensure overall GHG emissions are not more than 5% than previous years	No assurance
Emissions	Scope 2 (energy consumption)	tCO ₂ e	2,904.78	To ensure overall GHG emissions are not more than 5% than previous years	No assurance
Waste	Amount of waste sent to landfill for one ongoing project (LSH Segar) based on volume of Roro bin trips out of site	metre cubic	476.97	To reduce waste by 2% for each ongoing project	No assurance
Employment	Average employee turnover	%	20.50	Reduce average turnover by 5%	No assurance
Occupational Safety	Incident cases at Kuala Lumpur Tower since commencement of consession	Number	13	To reduce the number of incident cases at Kuala Lumpur Tower	No assurance
Occupational Safety	Health & Safety training	Number	14	To increase overall Health & Safety training for employees by 5%	No assurance

SUSTAINABILITY STATEMENTS (CONT'D)

Lim Seong Hai Capital Berhad

BMLR Transition Period

Date & Time: 2026-01-20_10:00:17

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Training & Education	Number of trainings conducted in the reporting period	Number	14	To achieve a minimum of 2 trainings per employee	No assurance
Training & Education	Investment in employee training (HRD Corp Claimable)	RM	35,206	To increase amount invested in employee trainings (HRD Corp Claimable) by 5%	No assurance
Diversity & Equal Opportunities	Average gender ratio	%	65.8% male : 34.2% female	To maintain an average gender ratio of approximately 60% male : 40% female	No assurance
Local Communities	Amount invested in community initiatives / projects	RM	2,166,332	To increase investment in community initiatives / projects by 10%	No assurance
Product Quality & Safety	Number of cases where products are deemed defective	Number	93	To reduce the number of cases to 80 cases	No assurance
Product Quality & Safety	Number of Non-Conformance Reports (NCRs) per contract value	Number	13 reports	Target the number of NCRs issued to 10 per RM100 million contract	No assurance

SUSTAINABILITY STATEMENTS (CONT'D)

Lim Seong Hai Capital Berhad
BMLR Transition Period

Date & Time: 2026-01-20_10:00:17

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Product Quality & Safety	Number of NCRs closed within 30 working days	Number	7	To ensure 70% of NCRs are closed within 30 working days or within the approved timeline	No assurance
Data Security	Number of reports on data security breaches	Number	Zero (0)	To maintain zero reports of data security breaches	No assurance
Occupational Safety	Number of accident cases at project sites	Number	Zero (0)	To maintain the number of accident cases at zero	No assurance
Diversity	Lim Seong Hai Capital Berhad - Management under 30	%	1	—	No assurance
Diversity	Lim Seong Hai Capital Berhad - Management between 30-50	%	5	—	No assurance
Diversity	Lim Seong Hai Capital Berhad - Management over 50	%	1	—	No assurance
Diversity	Lim Seong Hai Capital Berhad - Executive & Non-executive under 30	%	19	—	No assurance
Diversity	Lim Seong Hai Capital Berhad - Executive & Non-executive between 30-50	%	45	—	No assurance
Diversity	Lim Seong Hai Capital Berhad - Executive & Non-executive over 50	%	6	—	No assurance

GOVERNANCE & ACCOUNTABILITY

6

BOARD OF DIRECTORS

BOARD COMPOSITION

Non-Independent
Non-Executive Chairman

1

Non-Independent
Executive Vice Chairman

1

Non-Independent
Group Managing Director

1

Non-Independent
Managing Director of Machinery,
Hardware and Tools Division

1

Executive Director

1

Independent
Non-Executive Director

5

Total of directors

10

**TAN SRI
DATUK SERI
LIM KENG CHENG**
Non-Independent
Non-Executive Chairman



**DATUK
LIM KENG GUAN**
Non-Independent
Executive Vice Chairman



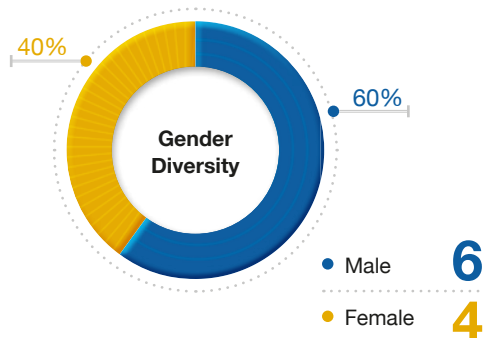
LIM PAK LIAN
Non-Independent
Group Managing Director



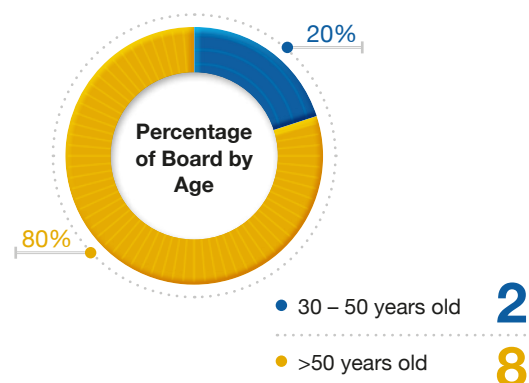
LIM KENG HUN
Non-Independent
Managing Director of
Machinery, Hardware
and Tools Division



BOARD GENDER DIVERSITY



BOARD AGE



BOARD OF DIRECTORS (CONT'D)

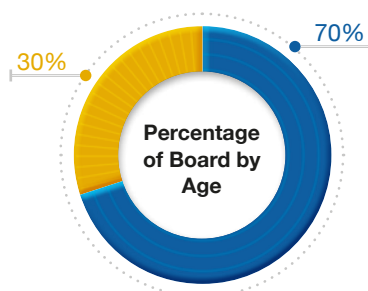


BOARD NATIONALITY



100%
Malaysian

BOARD ETHNICITY



• Chinese

7

• Malay

3

BOARD OF DIRECTORS' PROFILE



**TAN SRI DATUK SERI
LIM KENG CHENG**
Non-Independent Non-Executive Chairman

Date of Appointment
11 November 2020

Board Committee(s)
Nil

Total Board Meetings Attended in FY2025

5/5

Nationality:
MALAYSIAN

Age:
63

Gender:
M

Tan Sri Datuk Seri Lim Keng Cheng (“Tan Sri KC Lim”) was appointed to the Board on 11 November 2020. As the Non-Independent Non-Executive Chairman, Tan Sri KC Lim plays a pivotal role in providing strategic insights, guidance and advice to our Group. While he does not engage in the day-to-day operations of our Group, Tan Sri KC Lim is instrumental in shaping the strategic roadmap of our Group based on his industry experience and supporting our Board in fulfilling its governance responsibilities. His role involves overseeing the Board’s functions to ensure effective decision-making, compliance with governance standards and alignment with our Group’s strategic objectives.

After completing his high school education at Sekolah Menengah Jenis Kebangsaan Chong Hwa, Kuala Lumpur in 1980 and further education at Sekolah Menengah Tinggi Setapak, Kuala Lumpur to obtain the Malaysia Higher School Certificate (STPM) in 1982, Tan Sri KC Lim began his career in December 1982 at Wincon Machinery & Trading Company, a partnership which is involved in the trading and rental of construction machinery, where he was responsible for managing the sales and purchasing activities of the partnership.

In June 1987, Tan Sri KC Lim left Wincon Machinery & Trading Company to join Pembinaan Hamid Abd. Rahman Sdn Bhd, a private limited construction company, as a director. In this role, he was responsible for managing the company’s operations and overseeing its construction activities. During his tenure there, he was involved in various construction works for infrastructure and social amenities projects. Concurrently, he served as Project Manager at Lim Seong Hai Construction and Company, where he led an infrastructure construction project for Felda Sahabat, Sabah.

Tan Sri KC Lim left Pembinaan Hamid Abd. Rahman Sdn Bhd in June 1996 and was appointed as a director of Pembinaan Sahabatjaya Sdn Bhd, a company involved in building, civil and M&E contractor works. In March 1997, he ceased being a director of Pembinaan Sahabatjaya Sdn Bhd and joined another construction company, Viro M&E Sdn Bhd as a director. During his tenure at both Pembinaan Sahabatjaya Sdn Bhd and Viro M&E Sdn Bhd, he led the construction and operations team and was responsible for securing civil and building projects. He ceased being the director of Viro M&E Sdn Bhd in June 2010.

He then joined Knusford Berhad, a company presently listed on the Main Market of Bursa Securities, as the Chief Executive Officer in November 2008. In this role, he spearheaded the Iskandar Coastal Highway project, an infrastructure development in Iskandar Malaysia, Johor which connects Iskandar Puteri to Johor Bahru. He left this role in Knusford Berhad in August 2013.

In May 2011, Tan Sri KC Lim was appointed as the Managing Director of Ekovest Berhad (“Ekovest”), a company also presently listed on the Main Market of Bursa Securities. Through its subsidiaries, Ekovest is principally involved in civil engineering and construction works, property development and investment, toll operations, as well as plantation and agricultural (through its 61.57% equity interest in PLS Plantations Berhad (“PLS”), a public company listed on the Main Market of Bursa Securities).



The Malaysian Construction Industry
Excellence Awards 2024
Excellence has no limitation

BOARD OF DIRECTORS' PROFILE (CONT'D)

PROMINENT PLAYER

TAN SRI DATUK SERI LIM KENG CHENG



While he was in Ekovest, Tan Sri KC Lim contributed significantly to the success of the construction of DUKE Phases 1 and 2 and was instrumental in securing the concession agreement for the Setiawangsa-Pantai Expressway (also known as the DUKE Phase 3) (SPE) in 2016. Tan Sri KC Lim also oversaw and ensured the timely completion of several design and build projects, namely Labuan Financial Park, Universiti Malaysia Sabah (UMS) in Sabah and Universiti Tun Hussein Onn in Johor during his stint in Ekovest.

After 13 years of experience and contribution as the Managing Director of Ekovest, due to his other commitments, Tan Sri KC Lim was re-designated from the position of Managing Director to Non-Independent Non-Executive Director of Ekovest on 6 March 2024.

Tan Sri KC Lim has more than 40 years of experience in the field of construction and property development related industries, including but not limited to building, civil, design and build, turnkey construction works and projects, machinery trading as well as property development.

In February 2016, Tan Sri KC Lim was appointed as the Deputy Chairman for the Construction Industry Transformation Programme (CITP) Thrust Working Group on Environment Sustainability by the CIDB, a position he held until 2020. He has also been serving as the Chairman of the Board of Governors of Chong Hwa Independent High School, Kuala Lumpur, since 2016, and as the Chairman of the Board of Governors of Sekolah Menengah Jenis Kebangsaan Chong Hwa, Kuala Lumpur, since November 2022. In these roles, he actively supports the development of both private Chinese and vernacular schools in the country. Tan Sri KC Lim has also been appointed as the Chairman of the Malaysian National Chinese Secondary School Development Council on 25 May 2024. He has also been awarded the Prominent Player Award at the Malaysian Construction Industry Excellence Awards (MCIEA) 2024.

Other than Lim Seong Hai Capital Berhad and Ekovest, he does not hold any directorship in other public companies and listed corporations.

BOARD OF DIRECTORS' PROFILE (CONT'D)


DATUK LIM KENG GUAN
Non-Independent
Executive Vice Chairman
Date of Appointment
 11 November 2020

Board Committee(s)
 Nil

Total Board Meetings Attended in FY2025

5/5

Nationality:
 MALAYSIAN

Age:
 62

Gender:
 M

Datuk Lim Keng Guan ("DLKG") was appointed to the Board on 11 November 2020. DLKG is responsible for overseeing the overall management of our Group's operations, strategic planning and development of our Group's business strategies and direction.

DLKG graduated with a Diploma in Engineering (Quantity Surveying) from the Federal Institute of Technology Malaysia in June 1987.

DLKG began his career with PLS (then known as Pembinaan Limbongan Setia Sdn Bhd) as a Project Director in 1988. PLS, currently listed on the Main Market of Bursa Securities, was principally involved in the management and operation of forest plantation and oil palm plantation, as well as construction, before diversifying into durian plantation, production, distribution and related businesses in 2019. At PLS, DLKG was responsible for overseeing the daily operational activities of the project team to ensure the quality and timely completion of construction and plantation projects. He was also involved in pursuing new business opportunities and managing relationships with the company's clients.

In 2000, DLKG left PLS to join Iskandar Waterfront Holdings Sdn Bhd ("IWH") as the Group Head of Procurement and Contract Administration. In this role, he was responsible for overseeing project budgeting and costing, reviewing and evaluating tender applications, managing the procurement and contract administration team, as well as evaluating procurement strategies. He was also responsible for overseeing IWH group's projects, including the Iskandar Coastal Highway project and the land reclamation project in Johor during his stint in IWH. DLKG was also instrumental in the extensive upgrading and reclamation works carried out by IWH's group of companies in Johor.

In July 2013, DLKG was appointed as the Executive Director of Iskandar Waterfront City Bhd ("IWCity"), a subsidiary of IWH presently listed on the Main Market of Bursa Securities and is principally involved in investment holding and property development. At IWCity, DLKG managed the group's assets, established company targets and advised the board of directors on various company-related matters. On 8 March 2024, he was re-designated from the position of Executive Director to Non-Independent Non-Executive Director of IWCity.

DLKG co-founded Astana Setia & Euro Saga Sdn Bhd ("ASES") in October 2002 with Lim Pak Lian. ASES was principally involved in the trading of lighting products and accessories before ceasing business operation in April 2015. The company resumed business operation in April 2018, shifting its focus to property development. At ASES, DLKG was responsible for overseeing the strategic planning and development of both the lighting product business and the subsequent property development business.

In August 2015, DLKG was appointed as a director of Astana Setia Sdn Bhd ("ASSB"), a company he co-founded with Lim Pak Lian in 2010 and which is presently our wholly-owned subsidiary. He was responsible for the overall direction of the company's business performance and strategies. Under his leadership, ASSB evolved from a company initially involved in road construction works to one engaged in infrastructure and building construction projects, as well as property development with its own development, namely the LSH Segar Project.

With his vast industry experience, DLKG was also pivotal in overseeing and ensuring a smooth transition of our Group's diversification into construction works, construction-related services and solutions, as well as property development. He also oversees all our Group's construction projects. In April 2021, DLKG assumed his current position as our Executive Vice Chairman.

To-date, DLKG has acquired more than 30 years of in-depth commercial experience in property development and construction related activities, such as building and civil engineering works, design and build, turnkey projects as well as trading in building materials, reconditioning and rental of machinery.

Other than Lim Seong Hai Capital Berhad and IWCity, he does not hold any directorship in other public companies and listed corporations.

BOARD OF DIRECTORS' PROFILE (CONT'D)



LIM PAK LIAN Non-Independent Group Managing Director

Date of Appointment
11 November 2020

Board Committee(s)
Nil

Total Board Meetings Attended in FY2025

5/5

Nationality:
MALAYSIAN

Age:
60

Gender:
F

Lim Pak Lian was appointed to the Board on 11 November 2020. She is responsible for overseeing the overall management of our Group's financial and administrative activities as well as the implementation of our Group's business plans, strategies and policies approved by our Board. In addition, she also manages our Group's construction products sub-segment, in particular the distribution and retail of building materials, lighting and related M&E products and services.

Lim Pak Lian graduated with a Diploma in Commerce (Management Accounting) from Kolej Tunku Abdul Rahman in 1989. She was a member of the Chartered Institute of Management Accountants ("CIMA") in November 1993. She is a member of the Malaysian Institute of Accountants (MIA) since September 1994.

Lim Pak Lian began her career as an Audit Associate at PC Chan & Partners, an audit firm, in August 1989. She was primarily involved in assisting the audit team with drafting of financial statements, preparing budgets and conducting statutory audits. In July 1990, she left PC Chan & Partners to further her studies for Stage 4 of the CIMA in the United Kingdom. In March 1991, she returned to Malaysia and resumed her career at PC Chan & Partners where she served as Audit Senior and was later promoted to Assistant Audit Manager. During her tenure in PC Chan & Partners, she was responsible for monitoring and managing client engagements throughout the audit process. She left PC Chan & Partners in July 1995.

In June 1995, Lim Pak Lian founded LSH Lighting, which is principally involved in the supply of lighting products and related M&E products and services. She was appointed as a director in May 1999, and has since been responsible for the business development, growth and strategic planning of LSH Lighting. Under her leadership, the company has expanded from a single physical lighting retail store in 2000 to six (6) physical retail stores across the Klang Valley region to-date.

LSH Lighting has also successfully undertaken several major M&E projects, including supplying lighting products and related M&E works, and/or building materials for the Labuan Financial Park, Universiti Malaysia Sabah's campus, a residential development project in Danga Bay, Johor Bahru, Kluang Prison Complex, Universiti Tun Hussein Onn's campus, DUKE, EkoCheras mixed development project as well as the LSH 33 Project.

In January 1999, Lim Pak Lian also co-founded Knight Auto with Lim Keng Hun, which was involved in the wholesaling of hardware products and the rental of machinery and equipment for the construction industry. During this period, she concurrently managed the finance and administrative activities of Knight Auto.

Whilst expanding LSH Lighting and overseeing the finance and administrative activities of Knight Auto, Lim Pak Lian also co-founded ASSES with DLKG in October 2002. She managed the trading of lighting products and accessories business of ASSES before ASSES ceased its lighting products trading business in April 2015. Subsequently, as ASSES ventured its business into property development in April 2018, she assisted DLKG in overseeing the strategic management of this new venture.

In January 2003, Lim Pak Lian was appointed as a director of LSHBB, which was then involved in trading of furniture and timber. LSHBB ceased its furniture and timber trading business in 2009 and ventured into the provision of construction works in 2020. Her role at LSHBB encompassed overseeing the management, finance and administrative functions of the company.

She later co-founded LSH Ventures in April 2005 with Lim Keng Hun, an entity which was then involved in the trading and retailing of lighting and related M&E products. Lim Pak Lian was responsible for overseeing the day-to-day operation, managing business development, finance, administration, and overall performance of LSH Ventures until 2017 when the company ceased its lighting and related M&E products business and shifted its focus to becoming an investment holding company.

In October 2010, she co-founded ASSB with DLKG. ASSB was initially involved in M&E works and trading of lighting and related M&E products before it ventured into the business of building construction contractor and investment holdings in 2015, and property development in 2017. Her role in ASSB in 2017 onwards, includes overseeing the management, finance and administrative functions of the company.

Lim Pak Lian assumed her present position as our Group Managing Director in April 2021.

Other than Lim Seong Hai Capital Berhad, she does not hold any directorship in other public companies or listed corporations.

BOARD OF DIRECTORS' PROFILE (CONT'D)

Nationality:
MALAYSIANAge:
58Gender:
M

LIM KENG HUN

**Non-Independent Managing Director of
Machinery, Hardware and Tools Division**Date of Appointment
11 November 2020Board Committee(s)
Nil

Total Board Meetings Attended in FY2025

 5/5

Lim Keng Hun was appointed to the Board on 11 November 2020. He is responsible for managing our Group's construction products sub-segment, in particular the wholesale and retail of hardware and tools, as well as rental of construction machinery and equipment.

Lim Keng Hun completed his high school education at Sekolah Menengah Chong Hwa, Kuala Lumpur in December 1986. Upon completing his high school education, Lim Keng Hun was involved in various part-time works. He began his career as a Supervisor at Wincon Machinery & Trading Company in 1990, a partnership which was involved in the trading and rental of construction machinery. In 1995, he joined Wengcon Machinery Sdn Bhd as a Plant Manager where he was in charge of managing the trading and rental activities of new and used construction machinery.

Lim Keng Hun co-founded Knight Auto in January 1999 with Lim Pak Lian and was appointed as a director in March 1999. In October 2011, he was appointed as the Managing Director of Knight Auto. Since the commencement of business operation of Knight Auto, Lim Keng Hun has played an important role in the growth of our Group's construction products sub-segment, in particular the wholesale and retail of hardware products and tools, as well as rental of construction machinery and equipment. Under his leadership, Knight Auto has grown from a company with a single physical retail store in 2004 to six (6) physical retail stores across the Klang Valley region to-date. In April 2021, Lim Keng Hun assumed his current position as our Managing Director of Machinery, Hardware and Tools Division.

Other than Lim Seong Hai Capital Berhad, he does not hold any directorship in other public companies and listed corporations.

BOARD OF DIRECTORS' PROFILE (CONT'D)



LIM DING SHYONG Executive Director

Date of Appointment
6 March 2024

Board Committee(s)
Nil

Total Board Meetings Attended in FY2025

5/5

Nationality:
MALAYSIAN

Age:
37

Gender:
M

Lim Ding Shyong was appointed as an alternate director to Lim Keng Hun on 19 January 2024, and subsequently as an Executive Director to the Board on 6 March 2024. He is responsible for overseeing all activities related to the construction and engineering works, construction-related services and solutions as well as property development segments of our Group.

Lim Ding Shyong graduated with a Bachelor of Engineering with Business Management in August 2010 and a Master of Science in Robotics in August 2012 from King's College London.

In November 2013, he joined Ekovest Capital Sdn Bhd, a subsidiary of Ekovest Berhad ("Ekovest"), as Sales and Marketing Manager. In this role, he was involved in the sales and material activities, as well as operational aspects of EkoCheras mall, which is Ekovest's first commercial property development project located in Cheras, Kuala Lumpur. Additionally, he was involved in the planning, design and construction of the extension of DUKE Phase 2 and the SPE (also known as the DUKE Phase 3). He was appointed as an Alternate Director to Tan Sri Datuk Seri Lim Keng Cheng at Ekovest Berhad in February 2017. He subsequently resigned from the position and left Ekovest Capital Sdn Bhd in March 2024.

In August 2021, he also joined Besteel Engtech Sdn Bhd as the Head of Property Development, where he managed the sales and marketing activities of the LSH 33 Project. He left Besteel Engtech Sdn Bhd in March 2023.

Lim Ding Shyong was also appointed as a director of Astana Setia Sdn Bhd ("ASSB") in February 2022. He assumed the position of the Head of Property Development of our Group following the acquisition of ASSB by our Company in April 2023, and was appointed as Executive Director of our Company in March 2024. Lim Ding Shyong brings with him almost 13 years of experience in the construction and property development industry.

Other than Lim Seong Hai Capital Berhad, he does not hold any directorship in other public companies and listed corporations.

BOARD OF DIRECTORS' PROFILE (CONT'D)

Nationality:
MALAYSIANAge:
71Gender:
M
**DATO' SERI IR. HJ. MOHD
NOOR BIN YAACOB**
Independent Non-Executive Director
Date of Appointment
 5 October 2021

Board Committee(s)

- Sustainability Committee (Chairman)
- Audit and Risk Management Committee (Member)
- Nomination and Remuneration Committee (Member)

Total Board Meetings Attended in FY2025

5/5

Dato' Seri Ir. Hj. Mohd Noor Bin Yaacob ("Dato' Seri Mohd Noor") was appointed to the Board on 5 October 2021. He is the Chairman of the Sustainability Committee and a member of the Audit and Risk Management Committee, and Nomination and Remuneration Committee.

Dato' Seri Mohd Noor graduated with a Bachelor of Civil Engineering from the Universiti Teknologi Malaysia in 1977.

Upon graduating in 1977, Dato' Seri Mohd Noor joined the civil service as a Works Engineer in the Public Works Department ("JKR") at the Federal Territory of Kuala Lumpur. He was responsible for supervising the construction of roads and buildings as well as other civil construction works under JKR's scope in the Federal Territory of Kuala Lumpur. He was later transferred to the education branch of JKR's headquarter in Kuala Lumpur ("JKR HQ") as a Senior Engineer in January 1980. During this time, he was involved in the design, implementation and coordination of all of JKR's education projects in Malaysia. In March 1983, he was transferred to JKR Petaling District as a District Engineer where he was involved in the implementation of JKR's projects within the Petaling District, including the maintenance of roads and building works.

In August 1987, Dato' Seri Mohd Noor was transferred to the Implementation Coordination Unit under the Prime Minister's Department as the Director of Infrastructure and Transport Engineering Branch, where he was responsible for coordinating all the development projects under the Prime Minister's Department. In August 1990, he was transferred to JKR HQ to lead a team in the Airport unit and was subsequently tasked to lead the Special Project unit. During his seven (7)-year tenure with JKR HQ, he was responsible for coordinating projects in relation to the development of airports in Malaysia, and supervising the development of the Menara MATRADE in Kuala Lumpur, which was one of the special projects.

Dato' Seri Mohd Noor was then posted to JKR Johor as the Deputy Director in May 1997, where he was responsible for the coordination of all development projects involving road, building and civil works in Johor. In January 2000, he was promoted to the Director of JKR Negeri Sembilan, where he led the entire division in the implementation of development projects in Negeri Sembilan. A year later, he was transferred back to JKR Johor as a Director, where he led the division in the implementation of development projects in Johor. In May 2005, he was transferred to the Malaysian Highway Authority (Lembaga Lebuhraya Malaysia ("LLM")), a statutory body under the Malaysian Ministry of Works, as the Director General where he was responsible for the strategic direction and planning of LLM.

A year later, he was promoted to Deputy Director General of JKR Malaysia where he assisted the Director General of JKR Malaysia in strategic direction and planning for the future direction of JKR. In May 2011, he was promoted as Director General of JKR Malaysia and led the entire department's strategic direction and planning in order to ensure that all government development projects are completed on a timely basis and within budget and are in line with the required quality standards. After serving in JKR for 37 years, Dato' Seri Mohd Noor retired in March 2014.

Dato' Seri Mohd Noor was also appointed as the President of the Board of Engineers of Malaysia between 2012 and 2014.

Other than Lim Seong Hai Capital Berhad, he does not hold any directorship in other public companies and listed corporations.

BOARD OF DIRECTORS' PROFILE (CONT'D)


LEE SWEE KHENG
Independent
Non-Executive Director

Date of Appointment
1 February 2024

Board Committee(s)

- Audit and Risk Management Committee (Chairman)
- Nomination and Remuneration Committee (Member)

Total Board Meetings Attended in FY2025

5/5

Nationality:
MALAYSIAN

Age:
61

Gender:
F

Lee Swee Kheng was appointed to the Board on 1 February 2024. She is the Chairperson of the Audit and Risk Management Committee and a member of the Nomination and Remuneration Committee.

Lee Swee Kheng holds a Diploma in Financial Accounting from Kolej Tunku Abdul Rahman (now known as Tunku Abdul Rahman University of Management and Technology). She is a member of the Malaysian Institute of Accountants and Fellow of the Association of Chartered Certified Accountants.

Lee Swee Kheng has brought with her more than 37 years of notable working experiences in the fields of property development, construction, hotel and leisure. She began her career in public accounting firms before joining various public listed companies as Accountant, General Manager (Finance) and Chief Financial Officer.

Apart from the Company, Lee Swee Kheng is also the Independent Non-Executive Chairman of Seal Incorporated Berhad for which she was appointed since 17 October 2023 and also sits on the Board of several private limited companies.

Other than Lim Seong Hai Capital Berhad and Seal Incorporated Berhad, she does not hold any directorship in other public companies and listed listed corporations.

BOARD OF DIRECTORS' PROFILE (CONT'D)

Nationality:
MALAYSIANAge:
58Gender:
M
DATO' WANG SZE YAO
@ WANG MING WAY
Independent Non-Executive Director
Date of Appointment
 22 February 2024

Board Committee(s)

- Nomination and Remuneration Committee (Chairman)
- Audit and Risk Management Committee (Member)

Total Board Meetings Attended in FY2025
 5/5

Dato' Wang Sze Yao @ Wang Ming Way ("Dato Wang") was appointed to the Board on 22 February 2024. He is the Chairman of the Nomination and Remuneration Committee and a member of the Audit and Risk Management Committee.

Dato' Wang graduated with a Bachelor of Law from the University of Wales, United Kingdom in 1990. He is a barrister-at-law upon his admission to the Bar of England and Wales by The Honourable Society of the Middle Temple in 1992. He was called to the Malaysian Bar in June 1994. He is currently the Chairperson of the Malaysian Bar Council Risk Management Committee and a member of the Malaysian Bar Council Professional Indemnity Insurance ("PII") Committee. He is also the Chairperson of the Claims Committee of Bar Council Malaysia, Counsel for the Bar Council Disciplinary Committee and is on the Panel of Counsel representing Bar Council Malaysia.

Upon admission to the Bar of England and Wales, Dato' Wang was a Pupil for The Honourable Society of Middle Temple, United Kingdom. Upon completing his pupillage in 1992, he joined British Telecom as Legal Officer, where he assisted in contractual disputes, as well as labour and litigation related matters.

Upon his return to Malaysia in 1993, Dato' Wang joined Messrs Raja, Daryl & Loh as a Pupil. In July 1994, he joined Messrs Michael Chen & Lee as Legal Assistant. In October 1995, he was promoted to Head of Litigation of the firm. During his tenure in Messrs Michael Chen & Lee, he was involved in various legal matters relating to foreclosure, banking, civil and commercial litigations, contract disputes, torts, matrimonial and probate cases.

In October 1997, Dato' Wang left Messrs Michael Chen & Lee to set up his own law firm, Messrs Arthur Wang & Associates. The firm was later renamed to Messrs Arthur Wang, Lian & Associates in 1999. Since he started the law firm, the firm's portfolio has grown from the provision of legal services locally, to providing legal services in foreign countries such as Hong Kong, Singapore, United Kingdom, South Korea and China through the establishment of associates. The firm specialises in varied corporate litigation. In addition, the firm also provides legal advice on non-contentious matters relating to property, estate, trust, family, insurance, construction, labour and industrial law, criminal law, as well as corporate, commercial and securities matters which include corporate re-organisation, venture capital and private equity, mergers and acquisitions, joint ventures, property development, strata management and other corporate and commercial transactions.

In addition to his directorship in our Company, Dato' Wang is currently an Independent Non-Executive Director of P.A. Resources Berhad.

Other than Lim Seong Hai Capital Berhad and P.A. Resources Berhad, he does not hold any directorship in other public companies and listed corporations.

BOARD OF DIRECTORS' PROFILE (CONT'D)



NURULHUDA HAYATI BINTI IBRAHIM Independent Non-Executive Director

Date of Appointment
26 November 2024

Board Committee(s)
• Sustainability Committee
(Member)

Total Board Meetings Attended in FY2025

4/4

Nationality:
MALAYSIAN

Age:
60

Gender:
F

Nurulhuda Hayati Binti Ibrahim was appointed to the Board on 26 November 2024. She also serves as member of the Sustainability Committee.

Puan Nurulhuda graduated with a Bachelor of Landscape Architecture from Utah State University, United States of America in June 1988 and obtained a Master in Landscape Architecture from Harvard University, United States of America in June 1990. She has been a Corporate Member of the Institute of Landscape Architects Malaysia ("ILAM") since June 1991 and was admitted as a Fellow of ILAM since May 2013. She is also currently a Member of Persatuan Arborist Malaysia.

Puan Nurulhuda began her career as a Landscape Architect with Veritas Architects in September 1990 where she was principally involved in assisting with the design of outdoor spaces for clients. After serving her notice at Veritas Architects, she officially left Veritas Architects in October 1991.

In August 1991, Puan Nurulhuda joined as a partner of NR Consultants, a partnership focused on providing landscape architectural consultancy services. As a partner of NR Consultants, she was responsible for overseeing the daily business operations of the partnership, including managing the firm's landscape architectural projects and leading the project teams. NR Consultants became dormant in November 2008 after the other partners retired from the business and all projects secured by NR Consultants were completed.

In February 2000, Puan Nurulhuda founded Landskap Integrasi, a sole proprietorship which was principally involved in the provision of landscape architectural consultancy services. As the Principal Landscape Architect of Landskap Integrasi, she oversees and manages the overall business operations of the firm, including strategic planning, business development and the delivery of day-to-day landscape architectural consultancy services.

Over the years as a landscape architect, Puan Nurulhuda has gained extensive experience in designing and managing landscape architectural projects, contributing to both the creative and operational aspects of the profession. She was involved in the provision of landscape architectural designs and the related project management for the development of several notable projects, including KLCC Park, Taman Putra Perdana Putrajaya, Taman Tasik Titiwangsa and Universiti Malaysia Sabah.

In November 2017, Puan Nurulhuda was appointed to the board of directors of ILAM Centre of Excellence Sdn Bhd, which is principally involved in the provision of trainings, seminars, technical visits and events for the members of ILAM. During her stint in ILAM Centre of Excellence Sdn Bhd, Puan Nurulhuda was responsible for ensuring that the landscape architectural knowledge of ILAM's members were aligned with global standards by guiding the company in organising events that were aimed at upskilling or reskilling the ILAM members and enhancing their knowledge. She later ended her seven (7)-year tenure as a director of ILAM Centre of Excellence Sdn Bhd in May 2024.

Other than Lim Seong Hai Capital Berhad, she does not hold any directorship in other public companies and listed corporations.

BOARD OF DIRECTORS' PROFILE (CONT'D)


ALINA BINTI ABDULLAH
Independent
Non-Executive Director
Date of Appointment

26 November 2024

Board Committee(s)

- Sustainability Committee (Member)

Total Board Meetings Attended in FY2025

4/4

Nationality:
MALAYSIAN
Age:
43
Gender:
F

Alina Binti Abdullah was appointed to the Board on 26 November 2024. She also serves as member of the Sustainability Committee.

Puan Alina graduated with a Bachelor of Architecture from the Universiti Teknologi Malaysia in September 2006. She was initially registered as a Graduate Architect with the Board of Architects Malaysia in January 2007, and was subsequently elevated to Professional Architect in August 2023, a profession she holds to-date. She is also a Corporate (Ordinary) Member of the Malaysian Institute of Architects since March 2024.

Upon completing her studies but prior to her graduation ceremony in September 2006, Puan Alina began her career as a Junior Architect with Arkitek KDI Sdn Bhd in July 2006. During her career as an architect at Arkitek KDI Sdn Bhd, she was principally involved in providing consultancy services and developing design concepts aimed to ensure the functionality and safety of the constructed building or infrastructure. She was subsequently promoted in 2013 to head Arkitek KDI Sdn Bhd's Johor Bahru office as branch manager, wherein she was responsible for leading the branch office team in providing architectural designs and drawings for multiple construction and development projects.

During her 16-year tenure with Arkitek KDI Sdn Bhd, she was involved in the architectural designs for several notable projects, including the Royale Chulan Kuala Lumpur – a luxurious 5-star hotel part of the development initiated under the cultural scheme by the Government and River of Life projects in Kuala Lumpur, as well as the award-winning Sunway Grid Residence and Sunway Emerald Residence development projects in Johor Bahru. She left Arkitek KDI Sdn Bhd in August 2022 and took a one (1)-month career break.

In October 2022, Puan Alina established A&A Studio, a sole proprietorship involved in the provision of graphic and interior designs as well as project management consultancy and coordination services in related fields. As the Principal, Puan Alina oversees multiple construction projects, liaises with clients to ensure the design meets their expectations, and liaises with local authorities to ensure the design complies with local regulations. In addition, she is also in charge of the strategic planning and direction of A&A Studio. Puan Alina has successfully led the completion of renovation works for several residential projects in Johor Bahru. She is presently overseeing the construction project for a medical facility in Johor Bahru and a storage & facilities in Tanjung Langsat, wherein she monitors and ensures that the construction activities are carried out according to schedule, in addition to ensuring the construction design aligns with the client's requirements and complies with local regulations.

In September 2023, she also founded Alina Architect, a sole proprietorship registered as an architectural consultancy practice with the Board of Architects Malaysia. As the Principal Architect, she is responsible for overseeing and managing the business operations of Alina Architect which is principally involved in the design, planning and provision of architectural services for construction and development projects. She is presently involved in the provision of architectural design services for the Johor Golf and Country Club project in Johor Bahru – appointed for Phase 3, consisting of the design and planning of the main clubhouse, ballroom and driving range.

Other than Lim Seong Hai Capital Berhad, she does not hold any directorship in other public companies and listed corporations.

BOARD OF DIRECTORS' PROFILE (CONT'D)

NOTES TO DIRECTORS' PROFILE:-

1 Family Relationships with any Director and/or major shareholders of the Company

Tan Sri KC Lim, DLKG, Madam Lim Pak Lian and Mr Lim Keng Hun are Directors and major shareholders of the Company by virtue of their interest in Lim Seong Hai Holdings Sdn. Bhd., a major shareholder of the Company.

Tan Sri KC Lim, DLKG, Madam Lim Pak Lian and Mr Lim Keng Hun are siblings. Mr Lim Ding Shyong is the son of Tan Sri KC Lim and a nephew of DLKG, Madam Lim Pak Lian and Mr Lim Keng Hun.

Save for the aforesaid Directors, the remaining Directors do not have any family relationship with any Director and/or major shareholders of the Company.

2 Conflict of Interest / Potential Conflict of Interest

- (i) The Group has entered into recurrent related party transactions ("RRPT(s)") with the parties in which the Directors of the Company, namely Tan Sri KC Lim, DLKG, Lim Pak Lian and Lim Keng Hun have direct and/or indirect interest, details of which as disclosed in the Circular to Shareholders dated 23 January 2026.
- (ii) Messrs Arthur Wang, Lian & Associates ("AWL") had on 28 March 2025 entered into a professional service engagement to act as solicitor representing the wholly-owned subsidiary of the Company, LSH Best Builders Sdn. Bhd. and its 70%-owned subsidiary, LSH Service Master Sdn. Bhd. ("LSHSM") for the legal proceedings in relation to the Concession Agreement entered between LSHSM and the Government for the operation, management and maintenance of Kuala Lumpur Tower.

Dato' Wang is an Independent Non-Executive Director of the Company, and also a partner of AWL.

Save for the aforesaid Directors, none of the Directors have any conflict of interest / potential conflict of interest with the Group.

3 Conviction of Offences

None of the Directors have been convicted of any offences other than traffic offences (if any) within the past 5 years and have no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

4 Attendances at Board Meetings

Please refer to Corporate Governance Overview Statement on page 104 of this Annual Report for the Directors' attendance at the Board meetings held for the financial year 2025.

5 Shareholdings

The details of the Directors' interest in the securities of the Company are set out on page 238 of this Annual Report.

KEY SENIOR MANAGEMENT'S PROFILE (CONT'D)



LOR KAR MUN
Chief Legal Officer

Nationality:
MALAYSIAN

Age:
29

Gender:
F

Lor Kar Mun is responsible for overseeing and advising our Group on all legal and corporate matters.

Lor Kar Mun graduated with a Bachelor of Laws (Honours) from Queen Mary University of London in June 2018. She completed her Bar Professional Training Course at The City Law School in July 2019. She is a barrister-at-law upon her admission to the Bar of England and Wales by The Honourable Society of the Middle Temple in July 2019. In October 2020, she was admitted as an Advocate and Solicitor of the High Court of Malaya.

Upon returning from the United Kingdom in October 2019, Lor Kar Mun commenced her pupillage at the corporate, mergers and acquisitions ("M&A"), real estate and corporate finance practice division of Lee Hishammuddin Allen & Gledhill ("LHAG"). Upon completion of her pupillage in July 2020, she was confirmed as a legal associate at LHAG in the same division. During her tenure at LHAG, she was primarily engaged in various corporate advisory works such as carrying out legal due diligence exercises for M&A transactions, drafting transaction agreements and commercial contracts for private and listed companies from various industries, namely construction, real estate development, hospitality, power plant development, manufacturing, education, semi-conductor and information technology industries. She was also involved in several complex real estate acquisitions and tenders, as well as corporate financing exercises.

In October 2021, Lor Kar Mun left LHAG and joined our Group where she spearheaded the establishment of our Group's legal department. On 1 November 2021, she assumed her present position as Chief Legal Officer. She is primarily responsible for managing all legal aspects of our Group, including reviewing all legal documentations such as construction contracts, collaborations and joint arrangements under our BEST Collaboration Framework, acquisitions and disposals of real estate assets, service agreements and financing matters.

Over the years, Lor Kar Mun has also led several of our Group's key corporate and due diligence exercises, including our Group's diversification into the construction and construction-related services, acquisitions of Astana Setia Sdn Bhd and Lim Seong Hai Ventures Sdn Bhd, debt settlement of Lim Seong Hai Ventures Sdn Bhd, diversification into property development, as well as the transfer of listing exercise from the LEAP Market to the ACE Market of Bursa Malaysia.

Lor Kar Mun also represents our Group in negotiations and discussions with government departments and agencies, and other stakeholders of our Group on the terms of agreements, such as the concession agreement and lease agreement for Kuala Lumpur Tower. Additionally, she assists with the legal and corporate aspect of our Group's tender documentation processes for construction projects as well as managing our Group's debt recovery procedures. For our Group's litigation matters, she coordinates with external legal counsels and reviews affidavits, written submissions, legal opinions and out-of-court settlements.

Since joining our Group, Lor Kar Mun has streamlined all of our Group's legal, corporate and internal documents and processes, such as creating the Group's template agreements, implementing our Group's first employee handbook while enhancing our Group's human resource related agreements and has introduced several internal policies to effectively manage our Group's legal and commercial risks.

Under Lor Kar Mun's leadership, our Group's legal team provides support for our strategic growth initiatives and helps our Group navigate complex commercial transactions. Overall, she ensures all legal aspects of our Group are robust, aligned with industry standards, complies with statutory and regulatory requirements and internal audit functions.

KEY SENIOR MANAGEMENT'S PROFILE (CONT'D)



LEE CHEN WAH
Chief Financial Officer

Nationality:
MALAYSIAN

Age:
35

Gender:
M

Lee Chen Wah is responsible for overseeing the daily finance and accounting functions, including financial reporting, budgeting, treasury management, tax planning, internal controls, and continuous enhancement of Group-wide financial policies and procedures.

He graduated with a Certified Accounting Technicians ("CAT") from Sunway College in June 2011. Upon obtaining his CAT certificate, he continued to pursue his studies in the accounting field at Sunway College until December 2012. He completed the Association of Chartered Certified Accountants ("ACCA") examinations in October 2019 and was admitted as a member of ACCA in August 2023. He is also a member of the Malaysian Institute of Accountants (MIA) since September 2023.

He began his career at Wong Yow Seng & Co as an Audit and Tax Assistant in February 2013, where he conducted statutory audits for SMEs, prepared consolidated financial statements, performed analytical reviews and handled corporate tax planning and submission. He left Wong Yow Seng & Co in December 2015 to pursue his studies for the remaining ACCA papers. While studying, he also provided accounting services to Weng Tuck System Engineering Sdn Bhd on a part-time basis.

In March 2017, he joined Dynamic Management Sdn Bhd (a subsidiary of IOI Properties Group Berhad ("IOI Prop") which is principally involved in property development, provision of management services and investment holding) as Executive, Financial Reporting, where he was responsible for handling the accounts and preparing the budgets of five (5) companies within the IOI Prop group, including property developers, investment properties and treasuries. He left Dynamic Management Sdn Bhd in May 2019 and joined Swissmann (M) Sdn Bhd, a company principally involved in the supply of customised luxury hotel and resort guestroom products, as its Accounts Manager. During this period, he was responsible for preparing the company's financial reports, dealing with treasury function, advising the board of directors on financial analysis and tax planning, as well as managing and overseeing the accounts department. He left Swissmann (M) Sdn Bhd in July 2020 and joined Aircomaster (M) Sdn Bhd, a company specialised in information technology, communication technology and electrical engineering services, as Finance Manager. He was responsible for handling the accounts of its M&E construction department, dealing with treasury as well as managing and overseeing the accounts department. He then left Aircomaster (M) Sdn Bhd in March 2021.

In April 2021, he joined Astana Setia Sdn Bhd as Accounts Manager and was subsequently promoted to Senior Accounts Manager in March 2022. He played a key role in strengthening the accounting operations and full-set financial management of the group. He subsequently joined LSH Best Builders Sdn Bhd in February 2023 and was appointed as the Senior Accounts Manager to head the account department in managing the financial activities of our Group, a function which was previously led by an Accounts Managers of our Group with the support from our Group Managing Director. He was promoted to his current position as Chief Financial Officer of our Group on 1 October 2023. In this role, he continues to spearhead enhancements in financial systems, processes, governance, and reporting to support the Group's strategic direction.

KEY SENIOR MANAGEMENT'S PROFILE



IR. TIMOTHY PANG TZE CHIN
Project Director

Nationality:
MALAYSIAN

Age:
37

Gender:
M

Ir. Timothy Pang Tze Chin ("Timothy") is responsible for overseeing and monitoring construction and property development projects of our Group as well as business development of these segments. He is also in charge of proposing construction designs which will optimise costs, functionality and ease of construction works based on the site condition and/or client's requirements, providing construction and technical solutions, offering alternative construction methodologies and suggesting alternative building materials for projects tendered and/or carried out by our Group.

Timothy graduated with a Bachelor of Engineering in Civil Engineering from Karlsruhe University of Applied Sciences in July 2012. He subsequently obtained a Master of Engineering in Structural Engineering from Beuth University of Applied Sciences in December 2014. In addition, he earned a Master of Business Administration (MBA) from Putra Business School in 2024. He was certified as a Project Management Professional (PMP) by the Project Management Institute in September 2020 and a Professional Engineer by the Board of Engineers Malaysia in August 2022. He has been a member of The Institute of Engineers, Malaysia since November 2022 and a Graduate Technologist of the Malaysia Board of Technologists since January 2023.

Timothy began his career in March 2015 when he joined Ekovest Construction Sdn Bhd (a subsidiary of Ekovest Berhad ("Ekovest")) as a Project Engineer, where he was involved in the coordination works for the preliminary design, detailed design and tender drawings of highway projects with various project stakeholders. In March 2017, he was promoted to Assistant Technical Manager at Ekovest, where he was responsible for coordinating and liaising with authorities and other project stakeholders for project design and construction. In January 2019, he was promoted to Technical Manager, where he led the technical department in ensuring the construction projects carried out by the group comply with the requirements of the relevant authorities and stakeholders, while making sure that the construction project designs are optimised to meet clients' and contractors' expectations. Additionally, he was also involved in conducting sustainability assessments on construction projects and made recommendations where necessary to improve the sustainability performance of the construction projects. He left Ekovest in September 2021.

In October 2021, Timothy joined SLP Construction Sdn Bhd as a Project Director, where he was responsible for overseeing and monitoring the construction projects of the company to ensure that quality and costs are well-managed as well as the timely completion of the construction project milestones. He left SLP Construction Sdn Bhd in November 2021 and joined LSH Best Builders Sdn Bhd as Project Director on 1 November 2021, a position he continues to hold today.

KEY SENIOR MANAGEMENT'S PROFILE (CONT'D)



TENG LIANG YEN
Senior Contract Manager

Nationality:
MALAYSIAN

Age:
46

Gender:
M

Teng Liang Yen is responsible for the management and administration of our Group's construction and property development contracts. This includes reviewing tender documents, drafting, reviewing and negotiating contract terms, as well as overseeing legal documentation for construction and property development projects. For property development projects, he is also involved in the feasibility study and cost checking, as well as advising, monitoring and awarding tender to sub-contractors.

Teng Liang Yen graduated with a Bachelor of Science in Housing, Building and Planning (Quantity Surveying) from the University Sains Malaysia in August 2003.

Teng Liang Yen began his career in June 2003 as a Project Executive in Baharuddin Ali & Low Sdn Bhd, where he was responsible for preparing tender documents and reports, conducting site valuation and preparing final accounts for the contracts. He left Baharuddin Ali & Low Sdn Bhd in July 2007 to join Takenaka (Malaysia) Sdn Bhd as a Senior Quantity Surveyor, where he was involved in various contract-related activities, including the preparation of sub-contractor awards. He left Takenaka (Malaysia) Sdn Bhd and joined Wira Syukur (M) Sdn Bhd in July 2008 as a Senior Contract Executive, where he was involved in the management of the company's high-rise building projects, including awarding sub-contract works, drafting letters of award, as well as monitoring progress claims and variation orders.

Teng Liang Yen left Wira Syukur (M) Sdn Bhd in March 2010 to join Mayland Universal Sdn Bhd as a Contract Executive, where he managed tender and contract-related activities for the company's high-rise building projects until May 2013. In May 2013, he joined Mulpha Land & Property Sdn Bhd as an Assistant Manager, Contracts and was subsequently transferred to Mulpha Land Berhad in September 2013. During this period, he oversaw various aspects of the group's high-rise building projects, including conducting feasibility studies, ensuring cost efficiency, monitoring work progress, and managing the tender process, including the evaluation and awarding of tenders to contractors. He resigned and joined Mayland Venue Sdn Bhd in July 2015 as an Assistant Contract Manager, where he was responsible for overseeing operations including conducting feasibility studies, preparing tender documents, verifying progress claims as well as preparing variation orders and final accounts for contracts under his purview.

Teng Liang Yen left Mayland Venue Sdn Bhd in September 2016 and joined Sunway Integrated Properties Sdn Bhd in October 2016 as Manager for Supply Chain and Contract Management, where he performed similar responsibilities for the company's projects involving building renovation, commercial building extension and hostel extension. He was transferred from Sunway Integrated Properties Sdn Bhd to Sunway REIT Management Sdn Bhd in May 2018 and re-designated as Manager for Contract and Project Management, overseeing activities involving tenders, quotations and approval for contract awards, as well as managing resource requirements for projects under the Contract Department. He left Sunway REIT Management Sdn Bhd in November 2018 and took a four (4)-month career break.

In February 2019, he joined Astana Setia Sdn Bhd as Contract Manager, overseeing and managing the construction and property development contracts of Astana Setia Sdn Bhd. Following the acquisition of ASSB by our Company in 2023, his oversight and management responsibility expanded to include the construction and property development contracts of our Group. He was subsequently promoted to Senior Contract Manager on 1 April 2024, a position he holds to-date.

KEY SENIOR MANAGEMENT'S PROFILE (CONT'D)



OH CHOOI HOON
Operations Manager of
Lim Seong Hai Lighting Sdn Bhd ("LSH Lighting")

Nationality:
MALAYSIAN

Age:
49

Gender:
F

Oh Chooi Hoon is responsible for managing the daily operational activities of all LSH Lighting's retail stores which include sales, marketing, procurement and inventory management.

Oh Chooi Hoon completed her high school education at Sekolah Menengah Kebangsaan (P) Air Panas, Kuala Lumpur in 1993. She began her career in 1993 as a clerk with an insurance agency and was involved in handling the paperwork of insurance policies and related documents. She left the insurance agency in September 1994 and joined Computer Forms (Malaysia) Bhd, a company that provides business forms and data print services, as an artwork artist, where she was involved in designing cheque templates and other commercial documents, such as invoices and delivery notes. She later left Computer Forms (Malaysia) Bhd in March 2000 and joined Syarikat Roda Bina Sdn Bhd as a clerk, where she was involved in the preparation, copying and filing of invoices, receipts and delivery notes.

She left Syarikat Roda Bina Sdn Bhd in October 2000 and took a one-year break. In December 2001, she joined Max Automart Sdn Bhd as Sales Assistant, where she was involved in retailing car accessories at the company's store until March 2003. After taking another break, she joined Beenion Sdn Bhd in May 2005 as a Clerk, where she was mainly involved in preparing invoices for the company's wholesale business. She left Beenion Sdn Bhd in May 2009 to join LSH Lighting.

Oh Chooi Hoon joined LSH Lighting (then known as Fablelite Sdn Bhd) in June 2009 as an Invoicing Clerk and has been promoted over the years in line with her increasing experience and roles and responsibilities in the business of LSH Lighting. Initially tasked with preparing and managing commercial documents such as invoices and purchase orders, she was subsequently promoted to Purchasing Co-Ordinator in July 2011, where she was involved in managing the purchasing activities of LSH Lighting and the activities and resources of LSH Lighting's physical retail outlets to ensure smooth running of business operations. During her employment with our Group, Oh Chooi Hoon was also involved in overseeing and managing the procurement of lighting products for showrooms and projects of our Group. She was later promoted to the role of Operations Manager of LSH Lighting on 1 July 2023, a position she continues to hold today.

KEY SENIOR MANAGEMENT'S PROFILE (CONT'D)

NOTES TO KEY SENIOR MANAGEMENT'S PROFILE:-

1 Directorship in Public Companies or Listed Corporations

None of the Key Senior Management have any directorship in public companies and listed corporations.

2 Family Relationships with any Director and/or major shareholders of the Company

Ms Lor Kar Mun is the daughter of Madam Lim Pak Lian, a nephew of Tan Sri KC Lim, DLKG and Mr Lim Keng Hun, and a cousin of Mr Lim Ding Shyong.

Save for the above, the remaining Key Senior Management do not have any family relationship with any Director and/or major shareholders of the Company.

3 Conflict of Interest / Potential Conflict of Interest

None of the Key Senior Management have any conflict of interest / potential conflict of interest with the Group.

4 Conviction of Offences

None of the Key Senior Management have been convicted of any offences other than traffic offences (if any) within the past 5 years and have no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Lim Seong Hai Capital Berhad (“Board”) (“LSH Capital” or “the Company”) recognises the importance of upholding high standards of corporate governance throughout the Company and the Group as a cornerstone of discharging its responsibilities to safeguard and enhance shareholders’ value while driving sustainable financial performance.

The Board is committed to implementing the Malaysian Code on Corporate Governance which was issued by the Securities Commission on 28 April 2021 (“MCCG 2021”) wherever applicable and appropriate in the best interest of the shareholders of the Company.

In preparing this Corporate Governance Overview Statement (“Statement”), the Company is guided by Guidance Note 11 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and the Corporate Governance Guide (4th edition) issued by Bursa Securities.

This Statement sets out how the Company has applied the three (3) key principles outlined in the MCCG 2021 and observed the recommendations supporting the principles.

This Statement should be read together with the Corporate Governance Report 2025 (“CG Report”), which is made available on the Company’s corporate website at <https://www.limseonghai.com/> as well as announcement made on the website of Bursa Securities. The detailed disclosures and explanations on the application of the corporate governance practices are provided in the CG Report.



PRINCIPLE A
BOARD LEADERSHIP AND
EFFECTIVENESS



PRINCIPLE B
EFFECTIVE AUDIT AND
RISK MANAGEMENT



PRINCIPLE C
INTEGRITY IN
CORPORATE REPORTING
AND MEANINGFUL
RELATIONSHIP WITH
STAKEHOLDERS

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Principle A

BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

Roles and Responsibilities

The Board is led by the Non-Independent Non-Executive Chairman and supported by experienced Board members with a wide range of expertise, who play an important role in the stewardship of the direction and operations of the Company and its subsidiaries ("Group").

The Board assumes ultimate responsibility for setting the strategic direction, future expansion, overseeing corporate governance practices, managing risks and investments made by the Group, monitoring financial performance and ensuring sustainability and ethical conduct across all operations.

The Board delegates day-to-day management and implementation of approved directions and strategies to the management of the Company ("Management") while maintaining effective oversight to ensure proper conduct of the Group's business.

To effectively and efficiently discharging its duties, the Board delegates specific authorities and responsibilities to its Board Committees, namely Audit and Risk Management Committee ("ARMC"), Nomination and Remuneration Committee ("NRC") and Sustainability Committee ("SC") which operate within the defined Terms of Reference. The Chairperson of each Board Committee reports to the Board on key matters deliberated at the respective Board Committee meetings and make recommendations to the Board for final decision, where necessary.

The Board conducts meetings on a quarterly basis following the Company's listing on ACE Market of Bursa Securities on 21 March 2025. An annual meeting calendar structured with pre-set meeting agendas was prepared and circulated in advance to facilitate the directors of the Company ("Directors") to plan their schedule ahead. Additional meetings are held as and when necessary to address any urgent matters. Notice of meetings were circulated to the Directors at least seven (7) days prior to the convening of meetings. The meeting papers prepared by the Management provide the relevant facts and analysis for the Directors' information, which are distributed to Directors and Board Committee members prior to the meetings to provide them with sufficient time to read to facilitate effective discussion and informed decision-making at the meetings.

BOARD

**AUDIT AND RISK
MANAGEMENT
COMMITTEE**

**NOMINATION AND
REMUNERATION
COMMITTEE**

**SUSTAINABILITY
COMMITTEE**

All Directors have unrestricted access to the information relevant for the furtherance of their duties and responsibilities as well as to the advice and services of the secretary of the Company ("Company Secretary"). The directors may obtain independent professional advice to enhance their duties whenever necessary at the Company's expense, subject to approval by the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Principle A

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

Roles and Responsibilities (Cont'd)

The Board adheres to the recommendation of MCGG 2021 which requires the Directors to notify the Chairman before accepting any new directorship in listed companies. The Board is satisfied with the level of commitment given by its members to fulfilling their roles and responsibilities. All directors have satisfied the minimum 50% attendance requirement in respect of the Board meetings under the Listing Requirements.

Details of the Board members' attendance at the Board and Board Committee meetings for the financial year ended 30 September 2025 ("FYE 2025") are as follows:-

DIRECTORS	BOARD	ARMC	NRC	SC ⁽¹⁾
Tan Sri Datuk Seri Lim Keng Cheng	5/5	-	-	-
Datuk Lim Keng Guan	5/5	-	-	-
Lim Pak Lian	5/5	-	-	-
Lim Keng Hun	5/5	-	-	-
Lim Ding Shyong	5/5	-	-	-
Dato' Seri Ir. Hj. Mohd Noor Bin Yaacob	5/5	4/4	4/4	-
Lee Swee Kheng	5/5	4/4	4/4	-
Dato' Wang Sze Yao @ Wang Ming Way	5/5	4/4	4/4	-
Nurulhuda Hayati Binti Ibrahim ⁽²⁾	4/4	-	-	-
Alina Binti Abdullah ⁽²⁾	4/4	-	-	-

Notes:

⁽¹⁾ SC was established on 27 August 2025. No meeting was held during the FYE 2025.

⁽²⁾ Appointed on 26 November 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Principle A

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

Board Charter

The Board adopts the Board Charter which outlines the manner in which its constitutional powers and responsibilities are exercised and discharged, having regard to principles of good corporate governance, best practices and applicable laws. It is also established to provide guidance and clarity on the Board's roles and responsibilities, Board processes, remunerations and matters reserved for the Board.

The Board Charter was last reviewed on 27 August 2025 which is made available on the Company's website at <https://www.limseonghai.com/>. The Board will review the Board Charter and make necessary amendments as and when required to ensure it remains consistent with the Board's objectives, regulatory changes, current law and practices.

Code of Conduct and Ethics, Anti-Bribery and Corruption Policy, and Whistleblowing Policy and Procedure

The Board recognises the importance of upholding high standard of ethics and has adopted the Code of Conduct and Ethics which outlines the ethical values and standards expected from both Directors and employees of the Group whilst discharging their designated duties and responsibilities.

On top of that, the Board has adopted Anti-Bribery and Corruption Policy which serves as a guide to all Directors, employees and stakeholders on their obligation to prevent and mitigate any forms of bribery and corruption that may arise in the ordinary course of business, and to promote highest standards of ethical conduct of business within the Group as guided by the Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

The Board has also adopted a Whistleblowing Policy and Procedure to provide a secured and confidential channel for all stakeholders to raise genuine concerns and report instances of suspicious misconduct, malpractice or irregularity without fear of reprisal.

The Whistleblowing Policy and Procedure outlines the relevant reporting procedures such as when, how and to whom a concern may be properly raised about the genuinely suspected or instances of improper conduct exist within the Group. The whistleblower's identity will be kept confidential and will not be disclosed without prior consent, and protection is accorded to the whistleblower against any form of reprisal or retaliation. All reports will be channelled directly to the Chairperson of the ARMC and Group Managing Director. The reports will be managed by the Chairperson of ARMC. In the case where the whistleblower reports the improper misconduct of the Chairperson of the ARMC, such reports will be managed by the Group Managing Director.

The Code of Conduct and Ethics, Anti-Bribery and Corruption Policy, and Whistleblowing Policy and Procedure are made available on the Company's website at <https://www.limseonghai.com/>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Principle A

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

Governance of Sustainability

One of the key responsibilities of the Board as outlined in the Board Charter is to ensure the strategic initiatives and directions of the Group support long-term value creation and include strategies on economic, environmental, social and governance considerations underpinning sustainability. To reinforce this commitment, the Board has adopted a Sustainability Policy which serves as a guide for the Group's conduct of business, communicating the sustainability commitment of the Group to stakeholders and serves as a mechanism to enhance its long-term sustainability and reputation as well as stakeholders' trust.

The Sustainability Policy encompasses the following core areas:-

Environmental stewardship:



The Group endeavours to minimise the environmental impact of the Group's business operations by promoting sustainable practices in design, construction method, and operations, with emphasis on "Reduce, Reuse and Recycle".

Economy viability:



The Group recognises that sustainability is essential for long-term success, and aims to improve efficiency, reduce costs and strengthen economic resilience through sustainable practices.

Social responsibility:



The Group is committed to making a positive impact in the communities in which it operates. This involves engaging with local stakeholders, ensuring a safe and healthy working environment and supporting initiatives that enhance the educational qualities for Malaysian students.

On 27 August 2025, the Board established SC to assist in overseeing the sustainability agenda of the Group and ensuring alignment with applicable laws, recognised best practices and stakeholders' expectations. The authorities, duties and responsibilities of SC are clearly defined in its Terms of Reference. The SC comprised exclusively of Independent Non-Executive Directors ("INED") as follows:-

NAME	COMMITTEE DESIGNATION	DIRECTORATE
Dato' Seri Ir. Hj. Mohd Noor Bin Yaacob	Chairman	INED
Puan Nurulhuda Hayati Binti Ibrahim	Member	INED
Puan Alina Binti Abdullah	Member	INED

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Principle A

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

Governance of Sustainability (Cont'd)

The detailed disclosures on the sustainability practices and performance of the Group are set out in the Sustainability Statement on Pages 41 to 80 of this Annual Report.

Separation of Positions of the Chairman, Executive Vice Chairman and Group Managing Director

There is a clear division of responsibilities among the Board Chairman, Executive Vice Chairman and Group Managing Director to ensure that there is an appropriate balance of power and authority in the Group. These positions are held by separate individuals to prevent any individual from having unfettered power over decision making.

TAN SRI DATUK SERI LIM KENG CHENG	Board Chairman	Is responsible for providing leadership to the Board and overseeing the Board's functions to ensure effective decision-making, compliance with governance standards and alignment with the Group's strategic objectives. He also plays a pivotal role in offering strategic insights, guidance and advice to the Group leveraging his extensive industry experience to shape the Group's strategic roadmap.
DATUK LIM KENG GUAN	Executive Vice Chairman	Is responsible for overseeing the overall management of our Group's operations, strategic planning and development of the Group's business strategies and direction.
MADAM LIM PAK LIAN	Group Managing Director	Acts as the conduit between the Board and Management in ensuring the success of the Group's governance and management function. She is also responsible for overseeing the overall management of our Group's financial and administrative activities as well as the implementation of our Group's business plans, strategies and policies approved by the Board.

The details of the roles and responsibilities of the Board Chairman, Executive Vice Chairman and Group Managing Director are clearly defined in the Board Charter.

Furthermore, the Board concurred with the guidance of MCCG 2021 that the Board Chairman should not involve in any Board Committees to ensure check and balance as well as the objectivity of Board Committees will not be impaired or influenced by the presence of Board Chairman. Accordingly, the Board Chairman does not serve as a member of any Board Committee.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Principle A

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

Company Secretary

The Board is supported by a suitably qualified and competent Company Secretary who plays an advisory role in advising the Board on matters relating to the Company's Constitution, Board policies and procedure, corporate governance, and compliance with the applicable regulatory requirements and legislations. The Board was updated by the Company Secretary on the relevant statutory and regulatory changes from time to time at the Board meetings.

The Company Secretary ensures that all Board and Board Committee meetings are properly convened and that records of the deliberations, proceedings and resolutions passed are properly recorded and statutory registers are properly maintained at the registered office of the Company.

II. BOARD COMPOSITION

Composition and Diversity

During the financial year under review, the Board consists of ten (10) members, comprising a Non-Independent Non-Executive Chairman, four (4) Executive Directors ("ED") and five (5) INEDs as follows:-

NAME	DESIGNATION	AGE	GENDER
Tan Sri Datuk Seri Lim Keng Cheng	Non-Executive Chairman	63	Male
Datuk Lim Keng Guan	Executive Vice Chairman	62	Male
Madam Lim Pak Lian	Group Managing Director	60	Female
Mr Lim Keng Hun	Managing Director – Machinery, Hardware and Tools Division	58	Male
Mr Lim Ding Shyong	ED	37	Male
Dato' Seri Ir. Hj. Mohd Noor Bin Yaacob	INED	71	Male
Madam Lee Swee Kheng	INED	61	Female
Dato' Wang Sze Yao @ Wang Ming Way	INED	58	Male
Puan Nurulhuda Hayati Binti Ibrahim	INED	60	Female
Puan Alina Binti Abdullah	INED	43	Female

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Principle A

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Composition and Diversity (Cont'd)

Our Board recognises the significant contribution by the INEDs to our Group in providing fair and unbiased judgements / perceptions to our Board during the decision-making process. The current Board composition complies with Rule 15.02(1) of the Listing Requirements, which requires that at least two (2) or one-third (1/3) of the Board, whichever is higher, comprises INEDs as well as Practice 5.2 of MCCG 2021 of having at least half of the Board comprises INEDs.

INEDs who are retained beyond nine (9) years must be re-assessed as our Board is required to provide justification and seek shareholder's approvals for their re-appointment through a two-tier voting process.

At present, there are no instances where any of the INEDs' tenure have exceeded a cumulative term of nine (9) years as recommended by MCCG 2021.

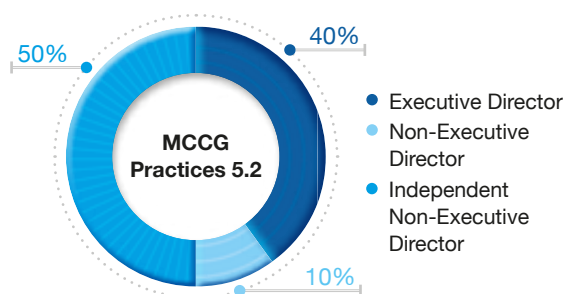
The Board strives to maintain a balanced and diverse composition, considering the necessary mix of skills, age, gender, ethnicity, background, and experience amongst its directors, senior management and employees. During the financial year under review, the Board comprised four (4) female Directors, which constitutes 40% of the female representation on the Board and in alignment with Practice 5.9 of MCCG 2021 of having at least 30% female representation on the Board.

The Board supports the initiative to increase female representation on the Board and has adopted a gender diversity policy. Therefore, suitably qualified female candidates will be considered for appointment when a vacancy arises.

The Directors, with their diverse backgrounds and specialisation, collectively bring with them a wide range of experience and expertise in relevant fields which are vital for the strategic success of the Group.

The profile of each Director is presented on Pages 84 to 95 of this Annual Report.

The summary of Board composition as at 30 September 2025 is set out below:-



(At least half of the Board comprises Independent Directors)



(The Board comprises at least 30% female Directors)

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

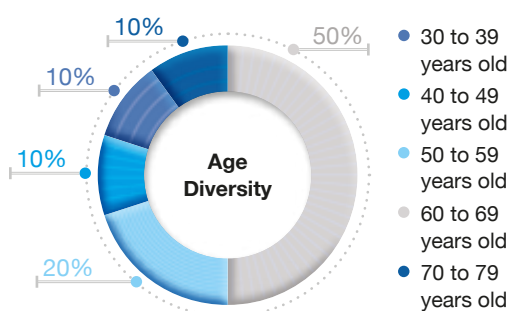
Principle A

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Composition and Diversity (Cont'd)

The summary of Board composition as at 30 September 2025 is set out below (Cont'd):-



The Board is of the view that its current composition provides an appropriate and effective balance of knowledge, skills and experience necessary for the stewardship of the Group. The Board composition also comprises sufficient mix of independent and non-independent directors such that the decisions made are fully discussed and examined, and the interest of minority shareholders of the Company are fairly represented.

Nomination and Remuneration Committee

For the FYE 2025, the NRC comprised exclusively of three (3) INEDs as follows:-

NAME	COMMITTEE DESIGNATION	DIRECTORATE
Dato' Wang Sze Yao @ Wang Ming Way	Chairman	INED
Dato' Seri Ir. Hj. Mohd Noor Bin Yaacob	Member	INED
Madam Lee Swee Kheng	Member	INED

The NRC is responsible for ensuring that the Board comprises individuals with the requisite skills, knowledge, professional expertise and character, and recommending the remuneration framework and policy as well as the remuneration packages for both executive and non-executive Directors to ensure the rewards commensurate with their contributions to the profit and growth of the Group. In case of non-executive Directors, the level of remuneration reflects their experience and scope of responsibilities undertaken. Nevertheless, the Board reserves the ultimate rights to approve the appointment of Directors, and remuneration of Directors and key senior management whenever needed. The fees and allowances for executive and non-executive directors are subject to the approval from shareholders at the Annual General Meeting ("AGM") of the Company.

Details of the remuneration of Directors and top five (5) senior management for the FYE 2025 are disclosed in the CG Report which is made available on the Company's website.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Principle A

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Nomination and Remuneration Committee (Cont'd)

During the financial year under review, the following activities were undertaken by the NRC:-



Reviewed and recommended to the Board the re-election of Directors at the Fourth AGM pursuant to the Company's Constitution.



Reviewed and recommended to the Board the Directors' fees and benefits payable to the Directors of the Company and its subsidiaries for the period from 7 January 2025 until the conclusion of the next AGM to be held in year 2026;



Reviewed and recommended to the Board the appointment of Puan Alina Binti Abdullah and Puan Nurulhuda Hayati Binti Ibrahim as INEDs of the Company after having reviewed their profile in details and assessed their fit and proper criteria;



Reviewed and recommended to the Board the Directors' fees and benefits payable to Puan Alina Binti Abdullah and Puan Nurulhuda Hayati Binti Ibrahim as INEDs of the Company;



Reviewed and recommended to the Board the meeting allowances for Board Committee Meeting;



Reviewed and recommended to the Board the bonus provisions for key senior management;



Reviewed and recommended to the Board the salary increment for the EDs and key senior management; and



Reviewed and recommended to the Board the formation of SC and its composition.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Principle A

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Appointment to the Board and Re-election of Directors

The Board delegates to the NRC the responsibility of recommending the appointment of any new Director if there is any vacancy arising from resignation, retirement or any other reason. The NRC is responsible for ensuring that the procedure for appointing new Directors is transparent and that appointments are made on merit.

The Board has adopted a Directors' Fit and Proper Policy which sets out the approach, guidelines and procedures to ensure a formal, rigorous and transparent process is being adhered to for the appointment, re-appointment and/or re-election of the Directors of the Company.

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

In evaluating the suitability of candidates for the Board, the NRC reviews the completed fit and proper self-declaration form together with third-party verification checks and ensures that the candidates possess the necessary background, skills, professional expertise, experience, track record, character and integrity.

During the FYE 2025, Puan Nurulhuda Hayati Binti Ibrahim and Puan Alina Binti Abdullah were appointed as INEDs of the Company.

The Company's Constitution provides that at least one-third (1/3) of the Directors be subject to retirement by rotation at each AGM, and that all Directors retire once every three (3) years and be eligible to offer themselves for re-election. The Directors to retire each year are the Directors who have been longest in office since their last appointment or re-election. The Directors appointed by the Board during the financial year are subject to retirement at the next AGM held following their appointments in accordance with the Company's Constitution. All retiring Directors are eligible for re-election. The re-election of each Director is voted on separate resolution during the AGM of the Company.

The following Directors are subject to retirement pursuant to Clause 116 of the Company's Constitution at the forthcoming Fifth AGM:-

i. **Madam Lee Swee Kheng**

ii. **Madam Lim Pak Lian**

iii. **Mr Lim Keng Hun**

All the aforesaid retiring Directors have expressed their intention to seek re-election at the forthcoming AGM and their profiles are provided in the Annual Report to facilitate shareholders to make informed decision.

The NRC had also taken into consideration the outcome of the Directors' self-assessment before making recommendations to the Board for the Directors who would be seeking re-election at the AGM, and whether the directors are 'fit and proper' under the Directors' Fit and Proper Policy after receiving the submission from the aforesaid retiring Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Principle A

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Board Effectiveness

The NRC took reasonable steps to conduct checks using external information as part of the assessment process on whether the Directors have the (i) Character and Integrity; (ii) Experience and Competence; and (iii) Time and Commitment to do the job in accordance with the Directors' Fit and Proper Policy. The fit and proper assessments are supported by the relevant independent sources in relation to the persons being assessed.

The Board recognises the importance of evaluating the effectiveness of individual directors, our Board as a whole, and its Board Committees. The NRC assists the Board in conducting annual assessments via questionnaire, with the results and comments summarised and discussed at the NRC meeting before being reported to the Board. Based on the annual assessment results for the FYE 2025, the NRC is satisfied with the current composition of the Board, concluding that each director possesses the necessary competence to serve and has demonstrated sufficient commitment to the Group.

Continuing Professional Development of Directors

All Directors had completed the Mandatory Accreditation Programme ("MAP") Part I and will complete the MAP Part II within the prescribed timeframe pursuant to the Listing Requirements. As at 30 September 2025, nine (9) out of ten (10) Directors had completed MAP Part II.

The Board recognises that continuous training is essential for the Directors to enhance their skills and knowledge, and to enable them to discharge their duties effectively. Accordingly, the Directors will continue attending relevant training programmes, conferences, seminars, exhibitions and/or forums to keep abreast of the current developments in the various industries, as well as the current changes in laws and regulatory requirements.

During the FYE 2025, our Directors attended the relevant seminars, exhibitions, forums and/or training programmes as follows:-

- **HASiL-CTiM Tax Forum Roadshow 2025;**
- **Building a Culture of Good Governance and Sustainability: The Role of the Board and Management;**
- **Tax Seminar on Budget 2025;**
- **Preparing for IFRS Sustainability Disclosure Standards in Malaysia;**
- **Malaysia E-Invoicing: A Comprehensive Guide with Post Implementation Insights;**
- **AI Monitor – Exploring Trends, Innovations and AI Challenges; and**
- **Strategic Oversight in Strategy Implementation: Getting Execution Right at the Board Level.**

The Board will continuously evaluate and determine the training needs of its members to assist them in the discharge of their duties as directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Principle B

EFFECTIVE AUDIT AND RISK MANAGEMENT

I. ARMC

The ARMC is tasked with assisting and supporting the Board in fulfilling its statutory and fiduciary responsibilities related to areas such as financial reporting, risk management, internal controls, external and internal audit functions, review of related party transactions, governance, and other matters impacting our Group's and Company's businesses and financial conditions.

The ARMC is chaired by Madam Lee Swee Kheng, an INED and is supported by two (2) other INEDs, namely Dato' Seri Ir. Hj. Mohd Noor Bin Yaacob and Dato' Wang Sze Yao @ Wang Ming Way. All ARMC members have unrestricted access to Management, as well as to the external and internal audit functions, to effectively carry out their roles and responsibilities.

All ARMC members are financially literate and have sufficient understanding of the Group's business. This enables them to continuously apply a critical probing view on the Group's financial reporting process, transactions and other financial information, and effectively challenge management's assertions on the Company's financials.

The Company has adopted an External Auditors Assessment Policy which outlined the guidelines and procedures for the ARMC to review the performance, suitability and independence of the external auditors. The ARMC ensures the external audit function is independent of the activities it audits and reviews the non-audit engagements to avoid conflict of interest. The external auditors confirmed that they are and have been independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board acknowledges the significance of maintaining a robust system of risk management and internal control to manage the overall risk exposure of the Group.

The Group has engaged Cirrus Consulting Sdn. Bhd. to conduct a review on the Group's Corruption Risk Management to ensure proper management of bribery and corruption risks within the Group.

Axcelasia Sdn. Bhd. was appointed to carry out internal audit function and reports directly to the ARMC. The resources and scope of works covered by the internal audit function during the financial year under review are provided in the ARMC Report of this Annual Report.

The Board affirms its overall responsibility with established and clear functional responsibilities and accountabilities which are carried out and monitored by the ARMC. The adequacy and effectiveness of the internal controls and risk management framework were reviewed by the ARMC.

The details of the risk management and internal control are provided in the Statement on Risk Management and Internal Control of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Principle C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. COMMUNICATION WITH STAKEHOLDERS

The Company has adopted a Corporate Disclosure Policy that serves as a guide to ensure all material information is disclosed accurately, clearly and in timely manner. To augment the process of disclosure, the Board has developed and maintained a dedicated section on the Company's website for the disclosure of relevant corporate information such as announcements, financial details, annual reports, quarterly financial results, share prices, performance updates, and activities. The website serves as the primary communication channel for the Group, providing relevant information and contact details to address any queries from shareholders and other stakeholders.

II. CONDUCT OF GENERAL MEETING

The AGM serves as an important and effective platform for the Directors and key senior management to communicate with our shareholders. Shareholders will be given the opportunity to seek clarification on any issue on the resolutions being proposed as well as the matter relating to the performance, developments and future direction of the Group.

In line with good corporate governance practice, the notice of the Fifth AGM together with the Annual Report 2025 is issued to shareholders at least 28 days before the date of meeting to allow sufficient time for the shareholders to go through the Annual Report 2025 and consider the proposed resolutions to be tabled at the AGM. The notice of AGM was also accompanied by explanatory notes which provides further explanation on each resolution proposed to facilitate informed decision-making by the shareholders.

Barring unforeseen circumstances, all Directors as well as the Chairman of the respective Board Committees shall present at the forthcoming AGM of the Company to enable shareholders to raise questions and concerns directly to those responsible.

FOCUS AREAS ON CORPORATE GOVERNANCE

Notably, LSH Capital successfully transferred its listing from LEAP Market to the ACE Market of Bursa Securities on 21 March 2025. The Board takes cognisance of the needs to continually strengthen its corporate governance processes and practices and in this regard, strives to ensure adequate attention is paid to practices of MCCG 2021 that have yet to be adopted by the Group so as to ensure that the intended outcomes of MCCG 2021 are achieved, after taking into consideration the current business environment, culture and operational needs of the Group.

Whilst there are departures by the Group from certain recommended practices advocated by MCCG 2021, the Board is satisfied that the corporate governance processes and practices of the Group remain in line with the principles and intended outcomes of MCCG 2021. Hence, the Board is of the view that our Group has, in all material aspects, satisfactorily applied the practices that support the principles outlined in MCCG 2021.

This Statement together with the CG Report was approved by the Board on 5 January 2026.

STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL



INTRODUCTION

The Board of Directors (“the Board”) of Lim Seong Hai Capital Berhad (“the Group”) remains committed to sound governance practices supported by a robust system of risk management and internal control. This Statement outlines the key features of the Group’s internal control framework that operated throughout the financial year and up to the date of approval of this Statement, in accordance with Paragraph 15.26(b) of the ACE Market Listing Requirements and the *Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers*.

BOARD’S RESPONSIBILITIES

The Board recognises that maintaining an effective risk management and internal control system is essential to achieving the Group’s strategic objectives and safeguarding stakeholders’ interests. In fulfilling its responsibilities, the Board provides oversight, guidance and direction to ensure that risks are identified, assessed and managed in a structured and disciplined manner.

The Board is responsible for:

1. **Establishing the governance structure for risk management and internal controls.**
2. **Defining the Group’s risk appetite and ensuring alignment with business strategies.**
3. **Overseeing the implementation of internal controls by Management.**
4. **Reviewing the adequacy and integrity of the risk management and internal control system.**
5. **Ensuring compliance with relevant laws, regulations and internal policies.**

While the internal control system is designed to mitigate risks, it provides reasonable not absolute assurance against material misstatement, operational losses or irregularities.

The ARMC assists the Board in overseeing the Group’s risk exposures, as well as the design and operating effectiveness of the underlying risk management and internal control systems. Guided by its Terms of Reference, the ARMC reviews risk reports, internal audit findings, compliance matters and financial reporting controls.

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

During the financial year, the ARMC:

1. Evaluated key risks and Management's mitigation actions.
2. Reviewed internal audit reports and monitored the status of corrective measures.
3. Assessed the adequacy of internal controls based on audit coverage and observations.
4. Ensured that regulatory and policy compliance matters were addressed.
5. Reviewed the Statement on Risk Management and Internal Control prior to recommending it to the Board.

The Audit and Risk Management Committee ("ARMC") is entrusted by the Board with the responsibility of overseeing the effectiveness of the Group's risk management and internal control systems. The ARMC is empowered under its Terms of Reference to investigate any matter within its purview and is granted unrestricted access to all required information, internal and external auditors, and members of Management to support the discharge of its duties

During the financial year ended 30 September 2025 ("FYE 2025"), the ARMC convened four meetings. Prior to the Company's transfer from the LEAP Market to the ACE Market on 21 March 2025, the ARMC met on a semi-annual basis, in line with LEAP Market requirements. Following the transfer, the ARMC now observes a quarterly meeting cycle, and will fully align with the ACE Market Listing Requirements' expectation of a minimum of four meetings annually in the current financial year. The Committee will fully adopt this quarterly frequency in the next financial year.

The Board relies on the ARMC to provide focused oversight on matters relating to governance, financial reporting integrity, internal audit findings, regulatory compliance, and the adequacy of the Group's risk management practices. Through its regular engagements with Management and internal auditors, the ARMC ensures continuous monitoring and enhancement of the Group's control environment.

GOVERNANCE STRUCTURE

The Group's governance structure is designed to support disciplined risk oversight and effective internal control practices. Key components include:

- 1 **Board Committees: Oversight by ARMC and Nomination & Remuneration Committee (NRC).**
- 2 **Management: Implementation by Group Managing Director and key management personnel.**
- 3 **Board Review: Regular review of risk management and internal control effectiveness through established reporting mechanisms.**

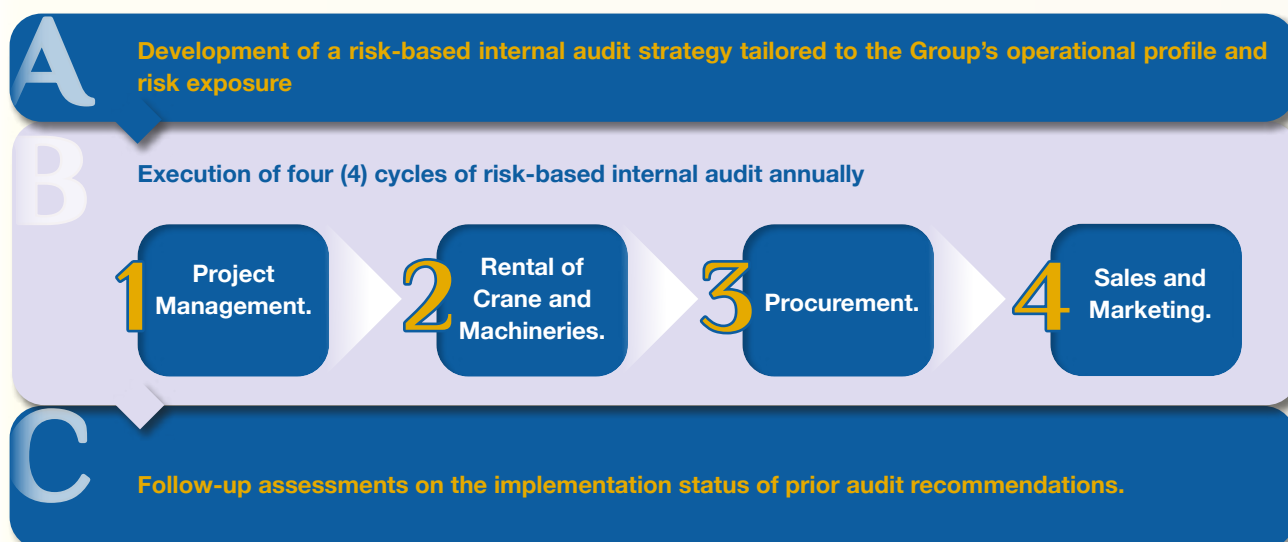
STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

INTERNAL AUDIT FUNCTION

The Board recognises that an effective internal control environment requires continuous monitoring and independent evaluation. In this regard, the Group has outsourced its internal audit function to Axcelasia Sdn Bhd, an external professional firm appointed for its independence, objectivity and expertise. Axcelasia reports directly to the ARMC, thereby ensuring that the internal audit function operates independently and remains free from management influence.

The internal audit function plays a key role in assisting the ARMC and the Board by providing independent assessments on the adequacy and effectiveness of the Group's governance, risk management and internal control systems. In carrying out its responsibilities, the internal auditors evaluate compliance with the Group's policies and procedures, identify control gaps, and recommend improvements to strengthen operational efficiency and risk mitigation.

During the financial year ended 30 September 2025, the internal audit scope covered the following areas:



Findings from each audit cycle, together with Management's responses and action plans, were presented to the ARMC for deliberation. The ARMC monitors the status of corrective actions to ensure that improvements are implemented effectively and within agreed timelines.

The internal audit function operates with full independence and does not hold any operational responsibilities within the Group. This independence enables objective evaluation and enhances the credibility of audit observations. The ARMC provides oversight of the internal audit function by reviewing the annual audit plan, resourcing, scope, competency requirements and overall performance of the internal auditors.

In addition to routine audits, the ARMC also reviews Management's responses to significant risks, oversees the handling of fraud-related investigations where necessary, and ensures continuous reinforcement of internal controls across the Group.

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

SYSTEM OF RISK MANAGEMENT AND INTERNAL CONTROL

Risk Assessment and Key Risks

The Group's risk management practices are underpinned by a formally established Enterprise Risk Management ("ERM") Policy and Framework, guided by ISO 31000:2018 Risk Management, effective 15 April 2024, which sets out the methodology, responsibilities, and governance structure for managing risks across the organisation.

Risk management is embedded into strategic planning, budgeting, operational decision-making, and policy development, ensuring that risk considerations are consistently factored into day-to-day operations. In addition, the Group has embedded Environmental, Social and Governance ("ESG") risks into its overall risk management and internal control framework.

Through the Sustainability Committee ("SC") and Sustainability Steering Committee ("SSC"), ESG risks are systematically evaluated and escalated into the ERM process. Material sustainability matters undergo the same risk assessment steps identification, likelihood-impact analysis, control evaluation, and mitigation planning as financial and operational risks. This ensures that sustainability-related risks, including climate-related risks, regulatory compliance, environmental impacts, workplace safety, and community expectations, are incorporated into strategic decision-making and monitored through the Group's established governance structure.

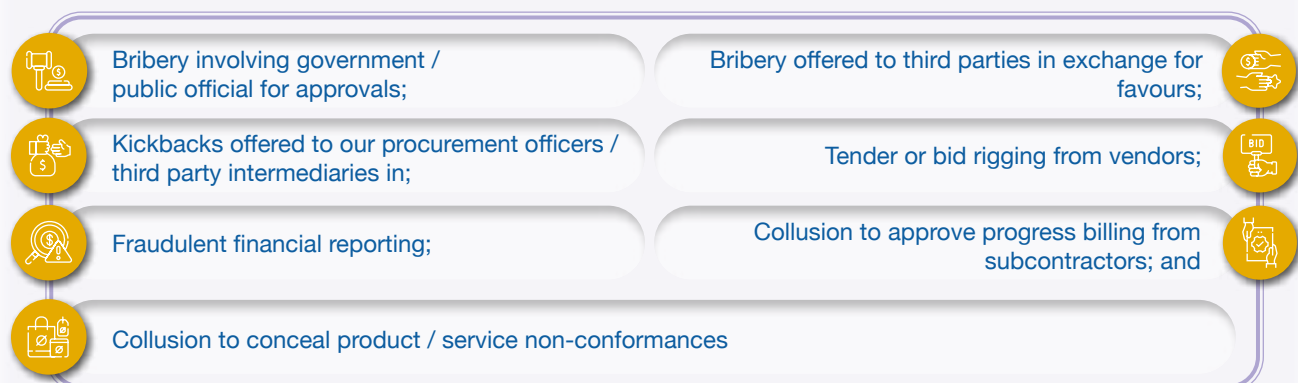
During the financial year ended 30 September 2025, the Group undertook a structured risk reassessment exercise facilitated by Axcelasia Sdn Bhd ("Axcelasia"). This assessment served to re-evaluate the Group's principal risks by identifying significant exposures, analysing their potential impact, and determining whether existing controls remained adequate in the context of the Group's evolving operations.

The reassessment covered both *existing material risks* and *emerging risks*, ensuring that the Group's risk profile remains current, relevant and responsive to operational developments. The results of the exercise were first deliberated by the Audit and Risk Management Committee ("ARMC"), and subsequently communicated to Senior Management for validation and further action planning. The updated risk register and refined risk profile are scheduled for presentation to the Board for final endorsement on 5 January 2026.

Throughout the financial year, Axcelasia also provided periodic updates to the Board detailing internal control observations, areas requiring enhancement and progress on mitigation measures. These updates supported the Board's ongoing oversight of the Group's control environment.

Key Risks Identified

Based on the assessment conducted, the Group identified the following top seven key risks, together with mitigation efforts to address them:



The Group adopts a proactive and structured approach to managing these risks by reinforcing ethical standards, strengthening segregation of duties, enhancing transparency in procurement and tendering processes, and improving compliance monitoring. Risk mitigation strategies continue to evolve as the Group expands, ensuring alignment between risk responses and organisational objectives.

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

Internal Control Processes and Policies

The Board implements a range of internal control mechanisms designed to safeguard the Group's assets, support operational effectiveness, and promote high standards of governance. The key components of the Group's internal control system are summarised below:



Establishment implementation of key corporate policies

i. Code of Conduct and Business Ethics Policy

The Group's Code of Conduct and Ethics sets clear expectations for integrity, professionalism and lawful behaviour across all operations. It emphasises maintaining a safe and healthy working environment, prohibits any form of harassment or discrimination, and requires employees to uphold fairness, respect and non-discriminatory practices in their dealings. The Code also mandates strict compliance with applicable laws, regulations and internal policies, and prohibits the use of company resources for illegal activities. Employees are expected to act ethically at all times and seek guidance when faced with uncertainties.

ii. Whistleblowing Policy

The Whistleblowing Policy provides a secure and confidential mechanism for reporting suspected misconduct or improper activities. It ensures protection for individuals who report in good faith and outlines the procedures for independent investigation under the oversight of the Audit and Risk Management Committee (ARMC). All reports, investigation outcomes and corrective actions are centrally logged and monitored, ensuring issues are addressed promptly and fairly while safeguarding whistleblower confidentiality.

iii. Anti-Bribery and Corruption Policy

The Group adopts a zero-tolerance stance on bribery and corruption. Its ABAC Policy outlines the requirement for all employees, Directors and business partners to conduct business ethically and in compliance with relevant laws, including the MACC Act 2009 and other regulatory obligations. The Policy prohibits offering or accepting bribes in any form, promotes responsible decision-making and provides channels for reporting suspected corrupt practices. It reinforces the Group's commitment to transparency, integrity and ethical conduct.

iv. Director's Fit and Proper Policy

The Group's Directors' Fit and Proper Policy ensures that Board members possess the integrity, competence, experience and professionalism required to carry out their duties effectively. The NRC evaluates new and existing Directors based on criteria such as character, financial soundness, reputation, qualifications and leadership capabilities. This Policy promotes a transparent and rigorous selection process and supports strong corporate governance at the Board level.



Defined organisational structure and authority limit

The Group maintains a clear organisational structure supported by a formalised Discretionary Authority Limit ("DAL"). These frameworks delineate reporting lines, decision-making authority and approval thresholds, ensuring accountability, transparency and effective segregation of duties throughout the organisation.

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



Management reporting

Management reporting forms an integral component of the Group's oversight mechanism. Division heads regularly present operational updates and financial performance reports to the Management Committee / Executive Committee. In addition, the annual budget—incorporating operating targets and key performance indicators—is reviewed and approved by the Board. Actual performance is monitored against the approved budget, with significant variances analysed and corrective measures implemented where necessary.



Defined Standard Operating Procedures and maintaining accreditations

The Group has developed a comprehensive set of Standard Operating Procedures ("SOPs") that serve as operational guidelines across key functions. SOPs are periodically reviewed and updated to maintain relevance and consistency. Core processes supported by SOPs include:

- **Finance:** The Accounts Department Policies and Procedures Manual and the Credit & Collection Control SOP outline controls over financial transactions, payment processes, creditor management, statutory payments, credit evaluation and receivable monitoring.
- **Procurement:** The Procurement SOP and Tender SOP govern supplier selection, price evaluation, purchasing, goods receiving, subcontractor appointment and contract administration. Retail operations are further supported by Retail SOPs covering stock control and sales processes.
- **Information Technology (IT):** The IT SOP and IT User Policy define controls for system access, cybersecurity practices, password policies, device management and data protection.
- **Health, Safety, and Environmental (HSE):** HSE compliance is supported by the QESH Environmental Instruction Manual (P10 series) and Safety & Health Instruction Manual (P11 series), covering air and water quality control, erosion and sedimentation control, hazardous materials, waste management, monitoring, emergency response, confined space, demolition, electrical safety, working at height, scaffolding, PPE, fire prevention, machinery operation, excavation, traffic management and welfare facilities.
- **Project Management:** The Project SOP documents procedures for project planning, site setup, work progress monitoring, variation orders, subcontractor claims, progress billing, inspections, defect management, and project handover.

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



Defined Standard Operating Procedures and maintaining accreditations (Cont'd)

In addition, the Group, through its wholly owned subsidiary company, LSH Best Builders Sdn Bhd ("LSH Best Builders"), also maintains rigorous adherence to international and industry standards, as evidenced by its comprehensive certification portfolio.

ISO Certifications:

ISO 9001:2015 Quality Management Systems certification from Certified by Sustainable Certification Pty Ltd (Certificate No. 2023-81255), this accreditation valid until 2 August 2026 demonstrates the subsidiary's adherence to structured quality controls across the Provision of Construction & Construction Related Services and Solutions in Building and Civil Engineering works. The certification promotes consistent performance, customer satisfaction and well-documented operational processes.

ISO 14001:2015 Environmental Management System, certified under Certificate No. 2023-81256 and valid until 2 August 2026, this accreditation reflects the Group's commitment to identifying, managing and minimising environmental impacts throughout its construction activities, including compliance with environmental legislation and continuous environmental performance improvement.

ISO 45001:2018 certification for Occupational Health and Safety Management Systems, certified under Certificate No. 2023-81254 and valid until 2 August 2026, this certification affirms the Group's systematic approach to safeguarding workplace health and safety, reducing operational risks and fostering a safe working environment across project sites.

Collectively, these certifications demonstrate LSH Best Builders' structured approach to governance and its compliance with globally benchmarked quality, safety and environmental standards.

Industry Registration:

The Group's wholly owned subsidiary Lim Seong Hai Lighting Sdn Bhd ("LSH Lighting") maintains an active Construction Industry Development Board (CIDB) Registration with a G7 classification, the highest grading awarded by CIDB. This classification enables the company to tender for projects of unlimited contract value within the following categories:

- **Building (B);**
- **Civil Engineering (CE); and**
- **Mechanical and Electrical (ME) services**



This CIDB certification remains valid until July 18, 2027, contingent upon adherence to CIDB's terms and conditions, including renewal requirements and ethical construction practices. This accreditation reflects LSH Lighting's capability and proven track record to undertake and deliver complex construction and engineering-related projects.

These certifications and industry registrations collectively reinforce the Group's commitment to quality assurance, environmental stewardship, workplace safety, and regulatory compliance, providing assurance to clients, business partners and stakeholders of the Group's continued conformance to internationally recognised standards.

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

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

The external auditors have performed a review of this Statement on Risk Management and Internal Control in accordance with the scope prescribed under the Audit and Assurance Practice Guide (“AAPG”) 3, issued by the Malaysian Institute of Accountants (“MIA”). AAPG 3 provides guidance to auditors in reporting on the Statement included in a listed issuer’s annual report.

Based on their review, the external auditors have reported to the Board that nothing has come to their attention that would indicate that this Statement:



Has not been prepared in compliance with the disclosure requirements of paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.



Contains factual inaccuracies.

It should be noted that AAPG 3 does not require the external auditors to express an opinion on the adequacy or effectiveness of the Group’s risk management and internal control system. The review also does not involve assessing whether all significant risks and controls have been fully addressed, nor does it require auditors to determine whether the processes described by Management will successfully remedy internal control issues identified or disclosed in the annual report.

CONCLUSION

The Board has received assurance from the Vice Executive Chairman and Chief Financial Officer that the Group’s risk management and internal control system operated adequately and effectively in all material aspects throughout the financial year, based on the framework adopted by the Group.

The Board remains committed to maintaining a sound internal control environment and effective risk management practices across the Group. In the Board’s view, the systems in place are sufficient to safeguard shareholders’ interests and protect the Group’s assets. The Board also confirms that there was no material losses incurred during the financial year arising from weaknesses in internal controls that would warrant separate disclosure in this Annual Report.

The Board will continue to review and strengthen the Group’s risk management and internal control processes where necessary, ensuring that they remain robust, effective and responsive to the evolving business environment.

This Statement has been reviewed by the Audit and Risk Management Committee (ARMC) and subsequently approved by the Board on 5 January 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors is pleased to present the Audit and Risk Management Committee (“ARMC”) Report for the financial year ended 30 September 2025 (“FYE 2025”).

COMPOSITION

Presently, the ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors. The current composition of the ARMC is as follows:-

Lee Swee Kheng

Chairperson

(Independent Non-Executive Director)

Dato’ Seri Ir. Hj. Mohd Noor Bin Yaacob

Member

(Independent Non-Executive Director)

Dato’ Wang Sze Yao @ Wang Ming Way

Member

(Independent Non-Executive Director)

The following best practices of the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”) has been adopted by the ARMC:-

The Chairman of the Board is not a member of the ARMC pursuant to Practice 1.4;

The Chairperson of the ARMC is also not the Chairman of the Board pursuant to Practice 9.1; and

The ARMC comprises solely of Independent Directors pursuant to Step Up Practice 9.4.

Madam Lee, the Chairperson of the ARMC, is a fellow member of the Association of Chartered Certified Accountants and a Chartered Accountant of the Malaysian Institute of Accountants. None of the ARMC members serve as alternate directors in the Board. With the above composition and professional memberships obtained, the ARMC has met the requirements of Rules 15.09 and 15.10 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

ATTENDANCE OF MEETINGS

The ARMC held four (4) meetings for the FYE 2025 and the attendance of the members at the ARMC meetings is as follows:-

NAME OF MEMBERS

NO. OF MEETINGS ATTENDED

Lee Swee Kheng

4/4

Dato’ Seri Ir. Hj. Mohd Noor Bin Yaacob

4/4

Dato’ Wang Sze Yao @ Wang Ming Way

4/4

The Group’s External Auditors, Internal Auditors, other Directors and Key Senior Management (where applicable) have attended the ARMC meetings at the invitation of the ARMC to present their reports and provide updates on issues arising from the audit reports.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

TERMS OF REFERENCE

Detailed Terms of Reference of the ARMC, comprising its scope of duties and responsibilities, authority and other relevant matters, is made available on the Sustainability & Governance section of the corporate website at <https://www.limseonghai.com/>.

SUMMARY OF ACTIVITIES

During the FYE 2025, the ARMC carried out the following activities in discharging its function and duties:-

Financial Reporting

- Reviewed the unaudited financial results of our Group for as at 30 September 2024, 31 December 2024, 31 March 2025 and 30 June 2025 including the announcements pertaining thereto prior to presentation to the Board for their consideration and approval.
- Assessed the appropriateness of the adoption and application of accounting policies throughout the financial year.
- Assessed whether the Management applied appropriate estimates, key assumptions and judgements over the recognition, measurement and presentation of the financial results.
- Discussed the following matters highlighted by the External Auditors:-
 - + Key audit findings including revenue recognition, recoverability of trade receivables, inventories, impairment assessment of the carrying amount of goodwill, impairment of property, plant and equipment, related parties, utilisation of proceeds and significant events during the financial year under review; and
 - + Financial reporting and disclosure requirements in accordance with the applicable accounting standards.
- Reviewed and recommended the Group's audited consolidated financial statements for the financial year ended 30 September 2024 ("FYE 2024") to the Board for their approval.

Internal Audit

- Received and reviewed a total of four (4) internal audit reports, covering various aspects, functions and processes within the Group, which were tabled during the ARMC meetings.
- Evaluated and approved the internal audit plan submitted by the Internal Auditors to ensure adequate coverage over the key business activities of the Group.
- Reviewed and discussed the implementation actions taken by the management in response to the audit recommendations raised in the internal audit reports to ensure appropriate and prompt remedial actions were taken, and that identified control lapses were properly addressed.
- Reviewed the follow up reports on the status of implementation by the Management and operational units on recommendations highlighted in the previous audit findings to ensure no recurrence of non-compliance or poor operational practices.
- Discussed with the Internal Auditors, without the presence of Executive Directors and management on key audit concerns and findings of the Group.
- Reviewed the adequacy of the scope, functions, competency and resources of the internal audit function.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

External Audit

- Reviewed the External Auditors' audit planning memorandum for the FYE 2025, outlining the auditors' responsibility, audit approach, areas of audit emphasis, financial reporting standards adopted and proposed fees for the statutory audit and other ancillary works.
- Discussed the audit results with the External Auditors, which include significant accounting and auditing issues, quantitative aspect of accounting policies and management's assistance extended to the audit.
- Assessed the suitability, performance and effectiveness of the External Auditors, by evaluating, among others, their independence and objectivity, terms of engagement, supervisory ability, professional scepticism, technical knowledge and skills, experience and expertise, communication and interaction, capability and competency of engagement team and resources assigned to the Group.
- Discussed with the External Auditors, without the presence of Executive Directors and management, on key audit concerns and findings of the Group.
- Reviewed the matters concerning the fees for audit and non-audit services performed by the External Auditors and/or its affiliates.

Conflict of Interest Situation

- Reviewed any conflict of interest and/or potential conflict of interest situations that may arise within the Group on a quarterly basis, including any transactions, procedure or course of conduct that may give rise to questions on management integrity.

Related Party Transaction ("RPT")

- Reviewed the RPT and/or Recurrent RPT ("RRPT") to ensure that they are undertaken on normal commercial terms, no more favourable to the related parties than those generally available to the public and not detrimental to the interest of the minority shareholders of the Company.
- The Company had applied for and received approval from Bursa Securities for an extension of time up to next annual general meeting or extraordinary general meeting after its listing on the ACE Market of Bursa Securities on 21 March 2025, whichever is held earlier, to procure the shareholders' ratification and new mandate for RRPTs entered or to be entered into by the Group. During the financial year under review, the ARMC reviewed the RRPTs on a quarterly basis and ensured compliance with the disclosure requirements under the Listing Requirements from the listing date until the shareholders' ratification is obtained.

Risk Management and Internal Control Management

- Reviewed and received the Corruption Risk Management Report of the Group prepared by an independent risk management professional firm to understand on the significant risk profile of the Group and assessed the adequacy of its risk management system.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

Other Matters

- Reviewed and recommended the declaration of following interim single-tier dividends to our Board for approval after having duly reviewed the projected statement of comprehensive income and cash flow of the Company for the next twelve (12) months:-
 - Second interim single-tier dividend in respect of the FYE 2024 declared on 25 November 2024;
 - First interim single-tier dividend in respect of the FYE 2025 declared on 19 March 2025;
 - Second interim single-tier dividend in respect of the FYE 2025 declared on 29 May 2025; and
 - Third interim single-tier dividend in respect of the FYE 2025 declared on 27 August 2025.
- Reviewed and recommended the adoption of the following policies to the Board for approval:-
 - + Enterprise Risk Management Policy;
 - + Whistleblowing Policy and Procedure;
 - + Anti-Bribery and Corruption Policy;
 - + Code of Conduct and Ethics;
 - + Corporate Disclosure Policy; and
 - + Related Party Transactions Policy.
- Reviewed and recommended the Business Plan and Financial Budget for the financial year ending 30 September 2026 for the Board for approval.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is carried out by an independent external firm of professional internal auditors, Axcelasia Sdn Bhd, headed by its Managing Director, Mr Chang Ming Chew, who is a Certified Internal Auditor and a professional member of the Institute of Internal Auditors Malaysia, which reports directly to the ARMC on its activities based on the approved annual Risk-based Internal Audit Plan. The approved annual Risk-based Internal Audit Plan is designed to cover key risk functions and processes of the Group.

Internal audit function is essential in providing independent and objective assurance on the adequacy, effectiveness and efficiency of the Group's internal control systems and forms an integral part of the risk management process. The Internal Auditors assist the ARMC in discharging its oversight responsibilities and provide the ARMC with the reports on the state of internal controls of the operating entities within the Group and the extent of compliance of such entities with the Group's established policies and procedures.

The Internal audit reviews are conducted in accordance with the annual audit plan approved by the ARMC, focusing on the key risk areas and relevant business processes.

During the FYE 2025, the Internal Auditors had carried out following audit assignments:-

- + Review of project management function of LSH Best Builders Sdn. Bhd. for LSH Segar Project;
- + Review of rental of crane and machinery function of Knight Auto Sdn. Bhd.;
- + Review of the Group's procurement function; and
- + Review of sales and marketing function (Property Development Business Units) of Astana Setia Sdn. Bhd..

The costs incurred for the Internal Audit Function of the Group for FYE 2025 was RM84,000.00.

Further details on the activities of Internal Audit Function are set out in the Statement on Risk Management and Internal Control on page 118 of this Annual Report.

This report has been reviewed by the ARMC and approved by our Board on 5 January 2026.

STATEMENT OF DIRECTORS' RESPONSIBILITY

In respect of Audited Financial Statements for the financial year ended 30 September 2025

Pursuant to the Companies Act 2016 ("Act"), the Directors are responsible for preparing the financial statements of the Group and of the Company for each financial year in accordance with the applicable Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the provisions of the Act.

The Directors are responsible to ensure that the audited financial statements give a true and fair view of the financial position, financial performance and cash flow of the Group and the Company for the financial year ended 30 September 2025 ("FYE 2025"). Where there are new accounting standards or policies that become effective during the year, the impact of these new treatments would be stated in the notes to the financial statements, accordingly.

In preparing the financial statements for the FYE 2025, the Board is satisfied that the Directors have: -

- consistently adopted and applied appropriate accounting policies;
- ensured compliance with applicable accounting standards, including MFRS, IFRS and the Act, with any material departures clearly explained in the financial statements;
- made judgements and estimates which are reasonable and prudent; and
- prepared the financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Act.

The Directors have overall responsibility for taking such steps as are reasonably available to them to safeguard the assets of the Group and of the Company to prevent and detect fraud and other irregularities.

This statement was approved by the Board on 5 January 2026.

ADDITIONAL COMPLIANCE INFORMATION

UTILISATION OF PROCEEDS FROM IPO

On 21 March 2025, Lim Seong Hai Capital Berhad (“LSH Capital” or “the Company”) was listed on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) upon the successful completion of its transfer listing from LEAP Market of Bursa Securities. Pursuant to the listing, the Company undertook a public issue of 132,000,000 new ordinary shares at an issue price of RM0.88 per share (“Public Issue”), raising gross proceeds of RM116.16 million.

As at 30 September 2025, the Company has utilised approximately RM74.90 million of the proceeds raised from the Public Issue, further details are as follows:-

Description of utilisation	Proposed utilisation RM'000	Actual utilisation RM'000	Unutilised amount RM'000	Intended timeframe for utilisation of proceeds upon the completion of the Transfer of Listing
Working capital for the Group's construction projects	108,860	(67,599)	41,261	Within 24 months
Estimated listing expenses in relation to the Transfer of Listing	7,300	(7,300)	-	Within 1 months
Total Public Issue proceeds	116,160	(74,899)	41,261	

AUDIT AND NON-AUDIT FEES

The fees incurred for audit and non-audit services rendered to the Group and the Company by the External Auditors or their affiliated companies for the financial year ended 30 September 2025 (“FYE 2025”) are as follows:-

	The Group RM'000	The Company RM'000
Audit fees	417	10
Non-Audit Fees	192	101
	609	111

MATERIAL CONTRACTS

Save as disclosed below, there were no material contracts entered into by the Company and/or its subsidiaries involving the interests of Directors and major shareholders, which subsisted at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year:-

- Sale and Purchase Agreement dated 30 May 2025 between Lim Seong Hai Development Sdn. Bhd., a wholly-owned subsidiary of the Company and Lim Seong Hai Holdings Sdn. Bhd. for the acquisition of one (1) parcel of freehold land held under No. Hakmilik Geran 30506, Lot 19, Seksyen 86A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur, measuring approximately 910.51 square meters in land area for a cash consideration of RM7,600,000.00, which completed on 7 August 2025.
- Conditional Sale and Purchase Agreement dated 30 May 2025 between Lim Seong Hai Development Sdn. Bhd., a wholly-owned subsidiary of the Company and Lim Seong Hai Holdings Sdn. Bhd. to acquire one (1) parcel of leasehold land held under No. Hakmilik Pajakan Negeri 53608, Lot 20009 Seksyen 86A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur, measuring approximately 286.00 square meters in land area for a cash consideration of RM2,600,000.00, which completed on 7 August 2025.

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

- (c) On 14 November 2025, the Company, on behalf of its wholly-owned subsidiary, LSH Best Builders Sdn. Bhd. and its proposed partner, Besteel Engtech Sdn. Bhd., received and accepted a letter from Seriemas Resort Sdn. Berhad confirming an agreement-in-principle on the key commercial terms in relation to the proposed Morib Rejuvenation Project. The project will be undertaken through a special purpose vehicle to be incorporated, in which LSH Best Builders Sdn. Bhd. shall hold 70% equity interest and Besteel Engtech Sdn. Bhd. shall hold the remaining 30% equity interest. The incorporation of the special purpose vehicle is expected to take place prior to the execution of the definitive agreements.

RECURRENT RELATED PARTY TRANSACTIONS

The Company will be seeking its first shareholders' ratification and mandate for the recurrent related party transactions of a revenue or trading nature ("RRPT") at the forthcoming Fifth Annual General Meeting to be held on 26 February 2026, following its listing on the ACE Market of Bursa Securities on 21 March 2025. The details of the proposed shareholders' ratification and mandate for RRPTs entered or to be entered with the related parties are disclosed in the Circular to Shareholders dated 23 January 2026, which include the name of the related parties and their relationship with the Company.

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DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 September 2025.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 6 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM'000	The Company RM'000
Profit after taxation for the financial year	102,783	40,351
Attributable to:		
Owners of the Company	100,791	40,351
Non-controlling interests	1,992	-
	102,783	40,351

DIVIDENDS

Dividends paid or declared by the Company since 30 September 2024 are as follows:-

	RM'000
<u>In respect of the financial year 30 September 2024</u>	
A second interim single tier dividend of 1.94 sen per ordinary share, paid on 13 December 2024	13,704
<u>In respect of the financial year 30 September 2025</u>	
A first interim single tier dividend of 0.67 sen per ordinary share, paid on 18 April 2025	5,617
A second interim single tier dividend of 0.78 sen per ordinary share, paid on 25 June 2025	6,539
A third interim single tier dividend of 0.89 sen per ordinary share, paid on 26 September 2025	7,461
	33,321

DIRECTORS' REPORT (CONT'D)

DIVIDENDS (CONT'D)

On 25 November 2025, the Company declared an interim dividend of 1.55 sen per ordinary share amounting to RM12,994,583 in respect of the current financial year, payable on 22 December 2025, to shareholders whose names appeared in the record of depositors on 10 December 2025. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 30 September 2026.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) the Company increased its issued and paid-up share capital from RM334,768,000 to RM447,505,000 through a public issue of 132,000,000 new ordinary shares. The issuance was carried out in conjunction with the Company's transfer of listing from the LEAP Market to the ACE Market at an issue price of RM0.88 per ordinary share.

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

- (b) There were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

DIRECTORS' REPORT (CONT'D)

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value 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 which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

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, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS' REPORT (CONT'D)

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Tan Sri Datuk Seri Lim Keng Cheng
Datuk Lim Keng Guan
Lim Pak Lian
Lim Keng Hun
Dato' Seri Ir. Hj. Mohd Noor Bin Yaacob
Lee Swee Kheng
Dato' Wang Sze Yao @ Wang Ming Way
Lim Ding Shyong
Alina Binti Abdullah (Appointed on 26 November 2024)
Nurulhuda Hayati Binti Ibrahim (Appointed on 26 November 2024)

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Ariffin Bin Rashid
Dato' Soo Sze Ching
Izzuan Hairi Asfarizal Bin Bahari
Khairil Faizal Bin Othman
Khairunnisa Binti Fadillah
Timothy Pang Tze Chin
Lee Chee Guan (Resigned on 26 May 2025)

DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

	Number of Ordinary Shares			
	At 1.10.2024	Bought/ Allotted	Sold	At 30.9.2025
The Company				
<i>Direct Interests</i>				
Tan Sri Datuk Seri Lim Keng Cheng	29,290,029	-	(14,334,748)	14,955,281
Datuk Lim Keng Guan	29,349,729	-	(14,394,448)	14,955,281
Lim Pak Lian	29,349,729	-	(14,394,448)	14,955,281
Lim Keng Hun	29,349,729	-	(14,394,448)	14,955,281
Dato' Seri Ir. Hj. Mohd Noor Bin Yaacob	2,000,000	500,000	-	2,500,000
Lee Swee Kheng	-	500,000	-	500,000
Dato' Wang Sze Yao @ Wang Ming Way	-	600,000	-	600,000
Lim Ding Shyong	-	500,000	-	500,000
<i>Indirect Interest</i>				
Tan Sri Datuk Seri Lim Keng Cheng #^	543,501,717	6,055,900	(1,481,908)	548,075,709
Datuk Lim Keng Guan #^	543,501,717	6,030,900	(1,481,908)	548,050,709
Lim Pak Lian #^	543,501,717	6,170,900	(1,486,908)	548,185,709
Lim Keng Hun #	543,501,717	6,020,900	(1,481,908)	548,040,709

Deemed interested by virtue of the indirect substantial shareholdings in Lim Seong Hai Resources Sdn. Bhd. via their interests in Lim Seong Hai Holdings Sdn. Bhd.

^ Deemed interested by virtue of his/her children's direct interest in the Company pursuant to Section 59(11)(c) of the Companies Act 2016.

By virtue of their shareholdings in the ultimate holding company, Tan Sri Datuk Seri Lim Keng Cheng, Datuk Lim Keng Guan, Lim Pak Lian and Lim Keng Hun are deemed to have interests in shares in the Company and its related corporations during the financial year to the extent of the ultimate holding company's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares of the Company or its related corporations during the financial year.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors Remuneration" section of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with directors and companies in which certain directors have substantial financial interests as disclosed in Note 35(b) to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	From the Company RM'000	From the Subsidiaries RM'000	Total RM'000
Fees	582	7	589
Salaries, bonuses and other benefits	-	3,829	3,829
Contributions to defined contribution benefits	-	440	440
	582	4,276	4,858

INDEMNITY AND INSURANCE COST

No indemnities were given to, nor insurance effected for, the directors, officers or auditors of the Company.

SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 6 to the financial statements.

The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 40 to the financial statements.

SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

The significant events occurring after the reporting period are disclosed in Note 41 to the financial statements.

DIRECTORS' REPORT (CONT'D)

HOLDING COMPANIES

The immediate and ultimate holding companies are Lim Seong Hai Resources Sdn. Bhd. and Lim Seong Hai Holdings Sdn. Bhd. respectively. Both the aforesaid holding companies are incorporated in Malaysia.

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	The Group RM'000	The Company RM'000
Audit fees	417	10
Non-audit fees	192	101
	609	111

Signed in accordance with a resolution of the directors dated 13 January 2026.

Datuk Lim Keng Guan

Lim Pak Lian

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Datuk Lim Keng Guan and Lim Pak Lian, being two of the directors of Lim Seong Hai Capital Berhad, state that, in the opinion of the directors, the financial statements set out on pages 146 to 236 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 September 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 13 January 2026.

Datuk Lim Keng Guan

Lim Pak Lian

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Lee Chen Wah, MIA Membership Number: 51981, being the officer primarily responsible for the financial management of Lim Seong Hai Capital Berhad, do solemnly and sincerely declare that the financial statements set out on pages 146 to 236 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Lee Chen Wah,
at Kuala Lumpur
in the Federal Territory
on this 13 January 2026

Lee Chen Wah

Before me

Shaiful Hilmi Bin Halim
No. W-804
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIM SEONG HAI CAPITAL BERHAD

(Incorporated in Malaysia) Registration No: 202001036664 (1392985 - A)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Lim Seong Hai Capital Berhad, which comprise the statements of financial position of the Group and of the Company as at 30 September 2025, 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 146 to 236.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 September 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

INDEPENDENT AUDITORS' REPORT (CONT'D)

TO THE MEMBERS OF LIM SEONG HAI CAPITAL BERHAD

(Incorporated in Malaysia) Registration No: 202001036664 (1392985 - A)

Key Audit Matters (Cont'd)

We have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment Assessment of the Carrying Amount of Goodwill Refer to Notes 5.1(b), 5.4 and 11 to the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>As disclosed in Note 11 to the financial statements, the carrying amount of goodwill held by the Group is RM148,967,000, representing approximately 17% of the Group's total assets.</p> <p>We focused on this area as the recoverable amount of goodwill is an area of significant judgement particularly in relation to the estimation of future results and the key assumptions applied to cash flow projection of the cash generating units.</p>	<p>Our procedures included amongst others, the following:-</p> <ul style="list-style-type: none"> • Understand the management's budgetary process over the determination of the forecasted revenues, growth rates, profit margins and discount rates; • Assessed the reasonableness of the key assumptions used by management by comparing to business plans and market data; • Assessed the appropriateness of the inputs used for discount rates and growth rate to market benchmarks; • Checked the mathematical accuracy of the cash flow projection in the management's impairment assessment; and • Performed sensitivity analysis to estimate the reasonable possible changes to the key assumptions in the cash flow projection.
Recoverability of Trade Receivables Refer to Notes 5.1(e), 5.2(a) and 14 to the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>As disclosed in Note 14 to the financial statements, the carrying amount of trade receivables of the Group amounted to RM162,896,000, representing approximately 19% of the Group's total assets.</p> <p>The impairment assessment involved significant judgements and there is inherent uncertainty in the assumptions applied by the management to determine the level of allowance.</p> <p>We focused on this area as the adequacy of the impairment loss for trade receivables involved the use of judgement.</p>	<p>Our procedures included amongst others, the following:-</p> <ul style="list-style-type: none"> • Reviewed the ageing analysis of trade receivables and tested its reliability; • Reviewed the recoverability of receivables including, but not limited to, the review of collection from receivables subsequent to the end of reporting period and debts which have been long outstanding; • Examined other evidence including customers' correspondences and proposed or existing settlement plans; • Obtained and reperformed management's ECL computation; and • Assessed the reasonableness of historical loss rates applied in the ECL computation.

INDEPENDENT AUDITORS' REPORT (CONT'D)

TO THE MEMBERS OF LIM SEONG HAI CAPITAL BERHAD

(Incorporated in Malaysia) Registration No: 202001036664 (1392985 - A)

Key Audit Matters (Cont'd)

Revenue Recognition for Property Development and Construction Activities Refer to Notes 5.1(g), 5.1(h) and 26 to the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>As disclosed in Note 26 to the financial statements, the Group's revenue from property development and construction activities contributed 73% of the Group's revenue.</p> <p>The Group recognises property development and construction revenue in the statements of profit or loss and other comprehensive income by using the input method. The input method is measured by reference to the proportion of actual costs incurred for work performed to date to the estimated total costs for the project.</p> <p>Property development and construction contracts accounting is inherently complex and we focused on this area because there are significant estimates and judgements involved in the following areas:</p> <ul style="list-style-type: none"> • Determination of stage of completion; • Extent of construction costs incurred to date; and • Estimation of total budgeted costs. 	<p>Our procedures included amongst others, the following:-</p> <ul style="list-style-type: none"> • Reviewed the budgeted costs estimation from the management to ensure it is reasonable and supportable; • Tested actual construction costs incurred up to date; • Tested sales of properties to signed sales and purchase agreements and billings raised to property buyers; • Tested the accuracy of revenue recognition towards satisfaction of performance obligation; • Reviewed the cut-off procedures; and • Checked the mathematical computation of recognised revenue and corresponding costs for the projects during the financial year.

There are no key audit matters to report for the Company.

INDEPENDENT AUDITORS' REPORT (CONT'D) TO THE MEMBERS OF LIM SEONG HAI CAPITAL BERHAD

(Incorporated in Malaysia) Registration No: 202001036664 (1392985 - A)

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITORS' REPORT (CONT'D) TO THE MEMBERS OF LIM SEONG HAI CAPITAL BERHAD

(Incorporated in Malaysia) Registration No: 202001036664 (1392985 - A)

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or 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.
- 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.

INDEPENDENT AUDITORS' REPORT (CONT'D) TO THE MEMBERS OF LIM SEONG HAI CAPITAL BERHAD

(Incorporated in Malaysia) Registration No: 202001036664 (1392985 - A)

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

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

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

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

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.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF1018
Chartered Accountants

Kuala Lumpur

Choong Kok Keong
03461/11/2027 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2025

		The Group		The Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
NON-CURRENT ASSETS					
Investment in subsidiaries	6	-	-	319,996	297,995
Investment in an associate	7	-	1,274	-	-
Property, plant and equipment	8	41,893	31,591	-	-
Investment properties	9	7,963	3,671	-	-
Right-of-use assets	10	26,038	1,936	-	-
Intangible assets		152	303	-	-
Goodwill	11	148,967	148,967	-	-
Deferred tax assets	12	1,834	2,172	-	-
		226,847	189,914	319,996	297,995
CURRENT ASSETS					
Inventories	13	221,743	171,734	-	-
Trade receivables	14	162,896	99,181	-	-
Other receivables, deposits and prepayments	15	13,804	8,467	97,470	37,976
Contract assets	16	145,949	123,849	-	-
Current tax assets		456	-	-	-
Fixed deposit with licensed banks	17	65,221	8,595	38,000	150
Cash and bank balances		35,350	40,143	2,989	212
		645,419	451,969	138,459	38,338
TOTAL ASSETS		872,266	641,883	458,455	336,333

The annexed notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION (CONT'D)

AS AT 30 SEPTEMBER 2025

	Note	The Group		The Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	18	447,505	334,768	447,505	334,768
Merger deficit	19	(29,619)	(29,619)	-	-
Retained profits		237,630	170,160	7,045	15
Equity attributable to owners of the Company					
		655,516	475,309	454,550	334,783
Non-controlling interests		2,751	9	-	-
TOTAL EQUITY		658,267	475,318	454,550	334,783
NON-CURRENT LIABILITIES					
Term loans	20	6,162	8,729	-	-
Lease liabilities	21	24,844	432	-	-
Hire purchase payables	22	727	1,185	-	-
Deferred tax liabilities	11	2,347	1,908	-	-
		34,080	12,254	-	-
CURRENT LIABILITIES					
Trade payables	23	82,826	64,158	-	-
Other payables and accruals	24	24,346	16,767	3,222	1,547
Contract liabilities	16	57,895	33,504	-	-
Term loans	20	2,567	17,469	-	-
Lease liabilities	21	1,537	1,789	-	-
Hire purchase payables	22	285	504	-	-
Bankers' acceptances	25	1,124	12,099	-	-
Current tax liabilities		9,339	8,021	683	3
		179,919	154,311	3,905	1,550
TOTAL LIABILITIES		213,999	166,565	3,905	1,550
TOTAL EQUITY AND LIABILITIES		872,266	641,883	458,455	336,333

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

		The Group		The Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
REVENUE	26	459,087	361,405	41,200	21,800
COST OF SALES		(281,421)	(233,218)	-	-
GROSS PROFIT		177,666	128,187	41,200	21,800
OTHER INCOME		3,410	930	4,025	53
SELLING AND MARKETING EXPENSES		(2,214)	(3,837)	(734)	(11)
ADMINISTRATIVE EXPENSES		(37,005)	(26,202)	(3,194)	(3,242)
OTHER EXPENSES		(5,234)	(3,353)	-	-
FINANCE COSTS		(2,109)	(2,335)	(36)	-
REVERSAL OF LOSS ALLOWANCE ON FINANCIAL ASSETS AND CONTRACT ASSETS	27	3,520	4,362	-	-
SHARE OF LOSS OF EQUITY ACCOUNTED ASSOCIATE		(7)	(8)	-	-
PROFIT BEFORE TAXATION	28	138,027	97,744	41,261	18,600
INCOME TAX EXPENSE	29	(35,244)	(23,460)	(910)	(12)
PROFIT AFTER TAXATION		102,783	74,284	40,351	18,588
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE INCOME		102,783	74,284	40,351	18,588

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

		The Group		The Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
PROFIT/(LOSS) AFTER TAXATION					
ATTIBUTABLE TO:-					
Owners of the Company		100,791	74,331	40,351	18,588
Non-controlling interests		1,992	(47)	-	-
		102,783	74,284	40,351	18,588
TOTAL COMPREHENSIVE INCOME/ (EXPENSES) ATTIBUTABLE TO:-					
Owners of the Company		100,791	74,331	40,351	18,588
Non-controlling interests		1,992	(47)	-	-
		102,783	74,284	40,351	18,588
EARNINGS PER SHARE (SEN)					
Basic	30	12.98	10.52		
Diluted	30	12.98	10.52		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	Note	Share Capital RM'000	Merger Deficit RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non- controlling interests RM'000	Total Equity RM'000
The Group							
Balance at 1.10.2023		334,768	(29,619)	115,677	420,826	56	420,882
Contribution by and distribution to the owners of the Company:							
- Dividends paid	32	-	-	(19,848)	(19,848)	-	(19,848)
Acquisition of subsidiaries	31	-	-	-	-	#	#
Profit/(Loss) after taxation/Total comprehensive income/(expenses) for the financial year		-	-	74,331	74,331	(47)	74,284
Balance at 30.9.2024/1.10.2024		334,768	(29,619)	170,160	475,309	9	475,318
Contribution by and distribution to the owners of the Company:							
- Dividends paid	32	-	-	(33,321)	(33,321)	-	(33,321)
Additional investment in a subsidiary by non-controlling interests		-	-	-	-	750	750
Issuance of shares		112,737	-	-	112,737	-	112,737
Profit after taxation/Total comprehensive income for the financial year		-	-	100,791	100,791	1,992	102,783
Balance at 30.9.2025		447,505	(29,619)	237,630	655,516	2,751	658,267

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	Note	Share Capital RM'000	Retained Profits RM'000	Total Equity RM'000
The Company				
Balance at 1.10.2023		334,768	1,275	336,043
Contribution by owners of the Company:				
- Dividends paid	32	-	(19,848)	(19,848)
Profit after taxation/Total comprehensive income for the financial year		-	18,588	18,588
Balance at 30.9.2024/1.10.2024		334,768	15	334,783
Contribution by owners of the Company:				
- Dividends paid	32	-	(33,321)	(33,321)
Issuance of shares		116,160	-	116,160
Shares issuance expenses		(3,423)	-	(3,423)
Profit after taxation/Total comprehensive income for the financial year		-	40,351	40,351
Balance at 30.9.2025		477,505	7,045	454,550

- Amount less than RM1,000.

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES				
Profit before taxation	138,027	97,744	41,261	18,600
Adjustments for:-				
Amortisation of intangible assets	151	152	-	-
Depreciation:				
- property, plant and equipment	5,604	4,263	-	-
- investment properties	55	21	-	-
- right-of-use assets	2,644	1,705	-	-
Inventories written down	226	1	-	-
Interest expense	2,486	2,431	36	-
Loss allowance:				
- trade receivables	-	354	-	-
- other receivables	-	678	-	-
- contract assets	112	411	-	-
Property, plant and equipment written off	6	#	-	-
Gain on disposal of property, plant and equipment	(161)	(38)	-	-
Gain on disposal of investment properties	(67)	-	-	-
Gain on reassessment of lease liabilities	(7)	(24)	-	-
Gain on disposal of associated company	(99)	-	-	-
Interest income	(1,969)	(276)	(4,024)	(53)
Reversal of inventories previously written down	(2)	(58)	-	-
Reversal of loss allowance:				
- trade receivables	(2,159)	(5,215)	-	-
- contract assets	(1,473)	(590)	-	-
Dividend income	-	-	(41,200)	(21,800)
Share of net loss of equity accounted associates	7	8	-	-
Operating profit/(loss) before working capital changes	143,381	101,567	(3,927)	(3,253)
Increase in inventories	(50,233)	(4,100)	-	-
(Increase)/Decrease in trade and other receivables	(66,893)	29,594	(59,494)	64
Increase in contract assets	(20,739)	(54,260)	-	-
Increase/(Decrease) in trade and other payables	26,247	(42,286)	1,675	33
Increase in contract liabilities	24,391	11,370	-	-
CASH FROM/(FOR) OPERATIONS	56,154	41,885	(61,746)	(3,156)

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

		The Group		The Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
CASH FROM/(FOR) OPERATIONS		56,154	41,885	(61,746)	(3,156)
Interest paid		(430)	(544)	(36)	-
Income tax paid		(33,673)	(18,184)	(230)	(17)
Income tax refunded		68	11	-	-
NET CASH FROM/(FOR) OPERATING ACTIVITIES		22,121	23,168	(62,012)	(3,173)
NET CASH (FOR)/FROM INVESTING ACTIVITIES					
Dividends received		-	100	41,200	21,800
Interest income received		1,969	276	4,024	53
Proceeds from disposal of property, plant and equipment		167	39	-	-
Proceeds from disposal of investment properties		810	-	-	-
Proceeds from winding up of an associate		1,366	-	-	-
Purchase of property, plant and equipment	33(b)	(15,638)	(4,541)	-	-
Purchase of investment properties		(5,090)	-	-	-
Additional investments in an existing subsidiary		-	-	(22,000)	(1,250)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	31	-	#	(1)	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(16,416)	(4,126)	23,223	20,603

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

		The Group		The Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES					
Additional investment in a subsidiary by non-controlling interests		750	-	-	-
Dividends paid		(33,321)	(19,848)	(33,321)	(19,848)
Interest paid		(2,058)	(1,579)	-	-
Drawdown of bankers' acceptances	33(a)	16,752	30,371	-	-
Drawdown of term loans	33(a)	35,691	49,768	-	-
Proceeds from issuance of shares		112,737	-	112,737	-
Repayment of bankers' acceptances	33(a)	(27,727)	(21,550)	-	-
Repayment of lease liabilities	33(a)	(2,579)	(1,894)	-	-
Repayment of term loans	33(a)	(53,160)	(33,192)	-	-
Repayment of hire purchase obligations	33(a)	(957)	(1,077)	-	-
Increase in pledged fixed deposits with licensed banks		(776)	(347)	-	-
NET CASH FROM/(FOR) FINANCING ACTIVITIES		45,352	652	79,416	(19,848)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		51,057	19,694	40,627	(2,418)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		40,293	20,599	362	2,780
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	33(d)	91,350	40,293	40,989	362

- Amount less than RM1,000.

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office : 12th Floor, Menara Symphony,
No. 5, Jalan Professor Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya,
Selangor Darul Ehsan.

Principal place of business : Wisma Lim Seong Hai,
33, Jalan Gombak, 53000 Kuala Lumpur.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements of the Company and of the Group are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 13 January 2026.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 6 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. HOLDING COMPANIES

The immediate and ultimate holding companies are Lim Seong Hai Resources Sdn. Bhd. and Lim Seong Hai Holdings Sdn. Bhd. respectively. Both the aforesaid holding companies are incorporated in Malaysia.

4. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

4. BASIS OF PREPARATION (CONT'D)

- 4.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

- 4.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standards and interpretation (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

MFRS 18 Presentation and Disclosure of Financial Statements

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

5. MATERIAL ACCOUNTING POLICY INFORMATION

5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group and the Company anticipates that the residual values of its equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 8 to the financial statements.

(b) Impairment of Goodwill

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at the reporting date is disclosed in Note 11 to the financial statements.

(c) Impairment of Investment in Subsidiaries, Investment in an Associate, Property, Plant and Equipment, Investment Properties and Right-of-use Assets

The Group determines whether investment in subsidiaries, investment in an associate, property, plant and equipment, right-of-use assets and intangible assets are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. The carrying amounts of investment in subsidiaries, investment in an associate, property, plant and equipment, investment properties and right-of-use assets as at the reporting date are disclosed in Note 6, Note 7, Note 8, Note 9 and Note 10 to the financial statements respectively.

(d) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(e) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Note 14 and Note 16 to the financial statements respectively.

(f) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amount of other receivables as at the reporting date is disclosed in Note 15 to the financial statements.

(g) Revenue Recognition for Construction Contracts

The Group recognises certain construction revenue by reference to the construction progress using the input method, determined based on the proportion of construction costs incurred for work performed to date over the estimated total construction costs. The total estimated costs are based on approved budgets, which require assessment and judgement to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, management relies on past experience and the work of specialists. The revenue for construction contracts is disclosed in Note 26 to the financial statements.

(h) Revenue and Cost Recognition of Property Development Activities

The Group recognises property development revenue as and when the control of the asset is transferred to a customer and it is probable that the Group will collect the consideration to which it will be entitled. The control of the asset may transfer over time or at a point in time depending on the terms of the contract with the customer and applicable laws governing the contract.

When the control of the asset is transferred over time, the Group recognises property development revenue and costs by reference to the progress towards complete satisfaction of the performance obligation at the end of the reporting period. This is measured based on the Group's efforts or budgeted inputs to the satisfaction of the performance obligation. Significant judgement is required in determining the completeness and accuracy of the budgets and the extent of the costs incurred. Substantial changes in property development cost estimates in the future can have a significant effect on the Group's results. In making the judgement, the Group evaluates and relies on past experience and works of specialists. The revenue from property development is disclosed in Note 26 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(i) **Income Taxes**

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amount of Group's current tax assets and current tax liabilities as at the reporting date are RM456,000 and RM9,339,000 (2024 - Nil and RM8,021,000) respectively. The carrying amount of Company's current tax liabilities as at the reporting date is RM683,000 (2024 - RM3,000).

(j) **Deferred Tax Assets**

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences could be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the assessment of the probability of the future taxable profits. The carrying amount of deferred tax assets as at the reporting date is disclosed in Note 12 to the financial statements.

(k) **Discount Rates used in Leases**

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

Critical Judgements Made in Applying Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

Financial Assets Through Other Comprehensive Income

The Group has elected to designate the equity instruments as financial assets through other comprehensive income at initial recognition.

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

(b) Financial Liabilities

Financial Liabilities Through Profit or Loss

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest expense.

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.2 FINANCIAL INSTRUMENTS (CONT'D)

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

(d) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

5.3 BASIS OF CONSOLIDATION

The Group applies the acquisition method of accounting for all business combinations except for those involving entities under common control which are accounted for applying the merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the financial statements of the Group at their carrying amounts reported in the individual financial statements. The consolidated statement of profit or loss reflects the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital of the merger entities is reflected within equity as merger reserve or merger deficit, as appropriate. The merger deficit is adjusted against suitable reserves of the merger entities to the extent that laws or statutes do not prohibit the use of such reserves.

5.4 GOODWILL

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

5.5 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries including the fair value adjustments on inter-company loans at inception date, which are eliminated on consolidation, are stated in the financial statements of the Company at cost less impairment losses, if any.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.6 INVESTMENT IN AN ASSOCIATE

Investment in an associate is accounted for using the equity method in the financial statements of the Group.

5.7 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to initial recognition, all property, plant and equipment, other than freehold land and buildings, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Buildings	2%
Furniture and fittings	10%
Office equipment	20%
Signboard	20%
Renovation	20%
Motor vehicles	20%
Showroom equipment	20%
Restaurant and kitchen equipment	10%
Computer and software	20% - 33%
Plant and machinery	10% - 20%
Workshop equipment and storage racking	10%
Cabin	10%
Tools and equipment	10%
Air-conditioners	10%

5.8 INVESTMENT PROPERTIES

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The principal annual depreciation periods and rates are:-

Buildings	2%
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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.9 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

5.10 INTANGIBLE ASSETS

Intangible assets are initially measured at cost. The cost of intangible assets recognised in a business combination is their fair values as at the date of acquisition. Subsequent to the initial recognition, the intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

5.11 INVENTORIES

(a) Trading Inventories

Trading inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out method and comprises all costs of purchase plus other costs incurred in bringing the trading inventories to their present location and condition.

(b) Property Development Costs

Property development costs are stated at the lower of cost and net realisable value. Cost comprises cost associated with the purchase of land, conversion fees, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of common infrastructure costs and borrowing costs capitalised.

The property development costs of unsold units are transferred to unsold completed properties once the development is completed.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

6. INVESTMENT IN SUBSIDIARIES

	The Company	
	2025	2024
	RM'000	RM'000
Unquoted shares, at cost:-		
At 1 October 2024/2023	297,995	296,745
Addition during the financial year	22,001	1,250
At 30 September 2025/2024	319,996	297,995

The details of the subsidiaries are as follows:-

Name of Subsidiaries	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2025 %	2024 %	
Lim Seong Hai Lighting Sdn. Bhd. ("LSH Lighting")	Malaysia	100	100	Provision of building materials, as well as lighting products and related mechanical and electrical products and services.
Knight Auto Sdn. Bhd. ("Knight Auto")	Malaysia	100	100	Provision of hardware and tools and rental of machinery.
LSH BEST Builders Sdn. Bhd. ("LSH BEST Builders")	Malaysia	100	100	Business of construction and provision of construction and business related services & solutions.
LSH Infra Sdn. Bhd. ("LSH Infra")	Malaysia	100	100	Dormant.
Lim Seong Hai Development Sdn. Bhd. ("LSH Development")	Malaysia	100	100	Dormant.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

6. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows (Cont'd):-

Name of Subsidiaries	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2025 %	2024 %	
Astana Setia Sdn. Bhd. ("Astana Setia")	Malaysia	100	100	Business of building construction contractor, property development and investment holdings.
Lim Seong Hai Ventures Sdn. Bhd. ("LSH Ventures")	Malaysia	100	100	Business of investment holdings.
Astana Setia Development Sdn. Bhd. ("Astana Setia Development") @	Malaysia	100	-	Property development, construction and project management.
Subsidiary of LSH Ventures				
Astana Setia & Euro Saga Sdn. Bhd. ("ASES")	Malaysia	93.75	93.75	Property development.
Subsidiary of LSH BEST Builders				
LSH Service Master Sdn. Bhd. ("LSHSM")	Malaysia	70	70	Business activities of building and industrial cleaning, tour operator and real estate activities with own or leased property.
Subsidiary of LSH Infra				
LSH Pertama Makmur Infra Sdn. Bhd. ("LSH Pertama Makmur Infra") @	Malaysia	50	-	Design, construct, operate, manage and maintain road infrastructure.

@ No audit is required as Astana Setia Development and LSH Pertama Makmur Infra were incorporated on 7 August 2025 and 12 August 2025 respectively.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

6. INVESTMENT IN SUBSIDIARIES (CONT'D)

- (a) During the current financial year:
- (i) the Company had subscribed an additional 22,000,000 ordinary shares in LSH BEST Builders, a wholly-owned subsidiary for a total cash consideration of RM22,000,000 on 9 December 2024.
 - (ii) the LSH BEST Builders, a wholly owned subsidiary of the Company, had subscribed an additional 1,749,300 ordinary shares in LSH Service Master Sdn. Bhd., for a total cash consideration of RM1,749,300. The acquisition did not result in any change to the Group's existing 70% equity interest in LSH Service Master, as the additional shares were subscribed from an increase in the issued share capital of the subsidiary on 6 March 2025.
 - (iii) the Company had incorporated of a wholly owned subsidiary, namely Astana Setia Development Sdn. Bhd. with an issued and paid-up share capital of RM1,000 on 7 August 2025.
 - (iv) the LSH Infra, a wholly owned subsidiary of the Company, had acquired 50% equity interest in LSH Pertama Makmur Infra Sdn. Bhd. for a total cash consideration of RM500 on 12 August 2025. Although LSH Infra owned 50% of the voting power in this subsidiary, LSH Infra has control over the financial and operating policies of this subsidiary as majority of the board of directors of this subsidiary is the Group's representatives. Consequently, the Company consolidates the financial statements of its investment of this subsidiary.
- (b) In the previous financial year, the Company had subscribed an additional 1,250,000 ordinary shares in Astana Setia, a wholly-owned subsidiary for a total cash consideration of RM1,250,000 on 10 January 2024.
- (c) Summarised financial information of non-controlling interests has not been presented as the non-controlling interests of the subsidiary are not individually material to the Group.

7. INVESTMENT IN AN ASSOCIATE

	The Group	
	2025 RM'000	2024 RM'000
Unquoted shares, at cost	1,391	1,391
Share of post acquisition profits, net of dividend received	(124)	(117)
Winding up	(1,267)	-
At 30 September 2025/2024	-	1,274

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

7. INVESTMENT IN AN ASSOCIATE (CONT'D)

The details of the associate are as follows:-

Name of Associate	Principal Place of Business and Country of Incorporation	Percentage of Ownership		Principal Activities
		2025 %	2024 %	
Associate of Astana Setia				
Kran World Sdn. Bhd. (“Kran World”)	Malaysia	-	50	Dormant.

Kran World Sdn. Bhd. has wound up on 23 September 2025.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

8. PROPERTY, PLANT AND EQUIPMENT

	At 1.10.2024	Additions	Disposals	Written Off	Depreciation Charges	At 30.9.2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
The Group						
2025						
<i>Carrying Amount</i>						
Freehold land	2,283	-	-	-	-	2,283
Buildings	4,050	-	-	-	(50)	4,000
Furniture and fittings	516	1,007	-	(1)	(136)	1,386
Office equipment	297	1,164	#	-	(226)	1,235
Signboard	43	77	-	-	(28)	92
Renovation	355	779	-	-	(208)	926
Motor vehicles	3,428	680	-	-	(1,172)	2,936
Showroom equipment	#	-	-	-	-	#
Restaurant and kitchen equipment	-	1,686	-	-	(89)	1,597
Computer and software	398	734	-	-	(346)	786
Plant and machinery	7,961	2,475	-	(5)	(1,345)	9,086
Workshop equipment and storage racking	162	78	-	-	(28)	212
Cabin	83	7	-	-	(24)	66
Tools and equipment	12,006	4,345	(6)	-	(1,948)	14,397
Air conditioners	9	2	-	-	(4)	7
Capital work-in-progress	-	2,884	-	-	-	2,884
	31,591	15,918	(6)	(6)	(5,604)	41,893

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At 1.10.2023 RM'000	Additions RM'000	Disposals RM'000	Written Off RM'000	Depreciation Charges RM'000	At 30.9.2024 RM'000
The Group						
2024						
<i>Carrying Amount</i>						
Freehold land	2,283	-	-	-	-	2,283
Buildings	4,101	-	-	-	(51)	4,050
Furniture and fittings	423	170	-	-	(77)	516
Office equipment	309	101	(1)	(#)	(112)	297
Signboard	56	-	-	(#)	(13)	43
Renovation	313	134	-	-	(92)	355
Motor vehicles	2,227	2,182	-	-	(981)	3,428
Showroom equipment	#	-	#	-	-	#
Computer and software	502	165	-	(#)	(269)	398
Plant and machinery	7,671	1,436	-	-	(1,146)	7,961
Workshop equipment and storage racking	193	-	-	-	(31)	162
Cabin	106	-	-	-	(23)	83
Tools and equipment	11,799	1,671	-	-	(1,464)	12,006
Air conditioners	13	-	-	-	(4)	9
	29,996	5,859	(1)	(#)	(4,263)	31,591

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At Cost RM'000	Accumulated Depreciation RM'000	Carrying Amount RM'000
2025			
Freehold land	2,283	-	2,283
Buildings	4,124	(124)	4,000
Furniture and fittings	1,976	(590)	1,386
Office equipment	2,095	(860)	1,235
Signboard	367	(275)	92
Renovation	2,189	(1,263)	926
Motor vehicles	10,157	(7,221)	2,936
Showroom equipment	27	(27)	#
Restaurant and kitchen equipment	1,686	(89)	1,597
Computer and software	2,436	(1,650)	786
Plant and machinery	12,353	(3,267)	9,086
Workshop equipment and storage racking	728	(516)	212
Cabin	240	(174)	66
Tools and equipment	19,467	(5,070)	14,397
Air conditioners	44	(37)	7
Capital work-in-progress	2,884	-	2,884
	63,056	(21,163)	41,893
2024			
Freehold land	2,283	-	2,283
Buildings	4,124	(74)	4,050
Furniture and fittings	976	(460)	516
Office equipment	932	(635)	297
Signboard	289	(246)	43
Renovation	1,411	(1,056)	355
Motor vehicles	9,477	(6,049)	3,428
Showroom equipment	27	(27)	#
Computer and software	1,703	(1,305)	398
Plant and machinery	13,702	(5,741)	7,961
Workshop equipment and storage racking	650	(488)	162
Cabin	233	(150)	83
Tools and equipment	15,131	(3,125)	12,006
Air conditioners	42	(33)	9
	50,980	(19,389)	31,591

- Amount less than RM1,000.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (a) Included in the property, plant and equipment of the Group were freehold land and building with a total carrying amount of RM1,012,000 (2024 - RM1,027,000) have been pledged to a licensed bank as security for banking facilities granted to the Group.
- (b) Included in the property, plant and equipment of the Group were motor vehicles with a total carrying amount of RM1,435,000 (2024 - RM2,513,000) held under hire purchase arrangements as disclosed in Note 22 to the financial statements.

9. INVESTMENT PROPERTIES

	The Group	
	2025 RM'000	2024 RM'000
Cost:-		
At 1 October	3,701	3,701
Addition	5,090	-
Disposal	(743)	-
At 30 September	8,048	3,701
Accumulated depreciation:-		
At 1 October	(30)	(9)
Depreciation during the financial year	(55)	(21)
At 30 September	(85)	(30)
	7,963	3,671
Represented by:-		
Freehold land	2,040	2,040
Buildings	5,923	1,631
At 30 September	7,963	3,671
Fair value	8,610	4,090

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

9. INVESTMENT PROPERTIES (CONT'D)

- (a) The investment properties of the Group are leased to customers under operating leases with rentals payable monthly. The leases contain initial non-cancellable periods ranging from 1 to 3 (2024 - 3) years and an option that is exercisable by the customers to extend their leases ranging from 1 to 3 (2024 - 3) years.

As at the reporting date, the future minimum rental receivables under the non-cancellable operating leases are as follows:-

	The Group	
	2025 RM'000	2024 RM'000
Within 1 year	58	43
Between 1 and 2 years	-	58
	58	101

- (b) The fair value of the investment properties are within level 2 of the fair value hierarchy and are arrived at by reference to market evidence of transaction process for similar properties and are performed by an independent registered valuers having appropriate recognised professional qualification and recent experience in the locations and category of properties being valued. The most significant input into this valuation approach is the price per square foot of comparable properties. Adjustments are then made for differences in location, size, facilities available, market conditions and other factors in order to arrive at a common basis.

10. RIGHT-OF-USE ASSETS

	At 1.10.2024 RM'000	Additions RM'000	Reassessment of Lease Liabilities RM'000	Depreciation Charges RM'000	At 30.9.2025 RM'000
The Group					
2025					
<i>Carrying Amount</i>					
Retail stores	1,132	4,318	976	(1,352)	5,074
Office	621	-	-	(621)	-
Hostel	183	104	(50)	(136)	101
Leasehold land	-	21,398	-	(535)	20,863
	1,936	25,820	926	(2,644)	26,038

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

10. RIGHT-OF-USE ASSETS (CONT'D)

	At 1.10.2023 RM'000	Additions RM'000	Reassessment of Lease Liabilities RM'000	Depreciation Charges RM'000	At 30.9.2024 RM'000
The Group					
2024					
<i>Carrying Amount</i>					
Retail stores	2,212	-	(145)	(935)	1,132
Office	1,225	-	(5)	(599)	621
Hostel	227	32	95	(171)	183
	3,664	32	(55)	(1,705)	1,936

The Group leases various retail stores, office and hostels of which the leasing activities are summarised below:-

- (i) Retail stores The Group has leased a number of retail stores that run between 1 and 3 (2024 - 1 and 3) years, with an option to renew the lease after that date. The Group is not allowed to sublease the retail stores.
- (ii) Office The Group has leased an office for 2 - 4 (2024 - 3) years, with an option to renew the lease after that date. The Group is not allowed to sublease the office.
- (iii) Hostels The Group has leased a number of hostels that run between 1 and 4 (2024 - 1 and 4) years, with an option to renew the lease after that date. The Group is not allowed to sublease the hostel.
- (iv) Leasehold land The Group has entered into a lease agreement with the Federal Lands Commissioner for the lands surrounding Kuala Lumpur Tower for a period of 20 years from 1 April 2025 to 31 March 2045. The lease of 20 years is registered on the issue document of title for the lands. The Group has the right to use, operate, manage, maintain, control and occupy the lands for Kuala Lumpur Tower concession but is not allowed to assign, transfer, or charge the Lease or dispose of its rights and interests under the Lease, without prior written consent of the Federal Lands Commissioner.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

11. GOODWILL

	The Group	
	2025 RM'000	2024 RM'000
Cost:-		
At 1 October/ At 30 September	148,967	148,967

The carrying amounts of goodwill allocated to each cash-generating unit are as follows:-

	The Group	
	2025 RM'000	2024 RM'000
Building construction contractor and property development	148,967	148,967

The Group has assessed the recoverable amount of goodwill allocated using the value in use approach and determined that no impairment is required. The recoverable amount is derived from the cash flows projection based on 5 years of financial budget approved by management. The key assumptions used in the determination of the recoverable amount are as follows:-

- | | | |
|-------|--------------------------|--|
| (i) | Budgeted gross margins | The projected gross profit margins used was based on historical margins achieved or predetermined profit margins for relevant products and services. |
| (ii) | Growth rates | The projected revenue growth rates applied are based on the Group's existing and ongoing property development and construction projects, for which revenue is expected to be recognised progressively over the respective project tenures. |
| (iii) | Discount rates (pre-tax) | The discount rate reflected specific risks relating to the cash-generating unit. |

Management believes that any reasonably possible change in any of these key assumptions would not cause the carrying amount of the cash-generating unit to exceed its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

12. DEFERRED TAX ASSETS/(LIABILITIES)

	At 1.10.2024 RM'000	Recognised in Profit or Loss RM'000	At 30.9.2025 RM'000
The Group			
2025			
Property, plant and equipment	(2,502)	(5,375)	(7,877)
Right-of-use assets	(627)	130	(497)
Trade receivable	893	(135)	758
Lease liabilities	700	4,933	5,633
Inventories	1,464	-	1,464
Contract assets	336	(330)	6
	264	(777)	(513)

	At 1.10.2023 RM'000	Recognised in Profit or Loss RM'000	At 30.9.2024 RM'000
The Group			
2024			
Property, plant and equipment	(2,453)	(49)	(2,502)
Right-of-use assets	(877)	250	(627)
Trade receivable	2,002	(1,109)	893
Lease liabilities	999	(299)	700
Inventories	107	1,357	1,464
Contract assets	414	(78)	336
	192	72	264

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

	The Group	
	2025 RM'000	2024 RM'000
Represented by:		
Deferred tax assets	1,834	2,172
Deferred tax liabilities	(2,347)	(1,908)
	(513)	264

13. INVENTORIES

	Note	The Group	
		2025 RM'000	2024 RM'000
Trading inventories	(a)	10,337	9,799
Property development costs	(b)	211,406	161,935
		221,743	171,734

(a) Trading inventories

	The Group	
	2025 RM'000	2024 RM'000
Goods-in-transit	-	9
Finished goods	10,337	9,790
	10,337	9,799
Recognised in profit or loss:-		
Inventories recognised as cost of sales	15,102	17,341
Inventories written down	226	1
Reversal of inventories previously written down	(2)	(58)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

13. INVENTORIES (CONT'D)

(b) Property development costs

	The Group	
	2025 RM'000	2024 RM'000
At 1 October	161,935	156,099
Additions	49,471	5,836
At 30 September	211,406	161,935
Represented by:-		
Leasehold land	174,849	138,883
Property development costs	36,557	23,052
	211,406	161,935

- (i) In the previous financial year, property development costs with a total carrying amount of RM30,513,000 has been pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Note 20 of the financial statements.
- (ii) Property development costs recognised as an expense in cost of sales during the financial year was RM94,443,000 (2024 - RM33,762,000).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

14. TRADE RECEIVABLES

	The Group	
	2025 RM'000	2024 RM'000
Trade receivables:		
- third parties	55,462	30,774
- amount owing by ultimate holding company	5,674	3,925
- related parties	60,308	59,118
	121,444	93,817
Loss allowance on trade receivables	(1,323)	(3,482)
	120,121	90,335
Unbilled receivables	42,775	8,846
	162,896	99,181
Loss allowance on trade receivables:-		
At 1 October	3,482	8,343
Addition during the financial year (Note 27)	-	354
Reversal during the financial year (Note 27)	(2,159)	(5,215)
At 30 September	1,323	3,482

- (a) The Group's normal trade credit terms range from 30 to 90 (2024 - 30 to 90) days.
- (b) Included in the trade receivables are retention sums totalling RM29,934,000 (2024 - RM24,625,000). These retention sums are expected to be collected within the periods ranging from 12 to 18 (2024 - 12 to 18) months.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Other receivables:				
- third parties	7,272	1,727	-	-
- ultimate holding company	16	16	-	-
- immediate holding company	-	7	-	7
- subsidiaries	-	-	97,390	37,938
	7,288	1,750	97,390	37,945
Loss allowance on other receivables	(678)	(678)	-	-
	6,610	1,072	97,390	37,945
Deposits	2,901	1,367	-	-
Prepayments	4,293	6,028	80	31
	13,804	8,467	97,470	37,976
Loss allowance on other receivables:-				
At 1 October	678	-	-	-
Addition during the financial year (Note 27)	-	678	-	-
At 30 September	678	678	-	-

- (a) The amount owing by ultimate holding company, immediate holding company and subsidiaries are unsecured, interest-free, payment on behalf and repayable on demand. The amounts owing are to be settled in cash.
- (b) Included in the other receivables are advances to immediate holding company and subsidiaries of approximately RM94,757,000 (2024 - RM37,945,000). The interest bearing advances bore interest rates from 4.82% to 5.20% (2024 - Nil) per annum at the end of the reporting period, is unsecured and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

16. CONTRACT ASSETS/(CONTRACT LIABILITIES)

		The Group	
		2025	2024
	Note	RM'000	RM'000
Contract Assets			
Contract assets		146,136	125,397
Loss allowance on contract assets		(187)	(1,548)
	(a)	145,949	123,849
Loss allowance on contract assets:-			
At 1 October		1,548	1,727
Addition during the financial year (Note 27)		112	411
Reversal during the financial year (Note 27)		(1,473)	(590)
At 30 September		187	1,548
Contract Liabilities			
Contract liabilities	(a)	(57,895)	(33,504)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

16. CONTRACT ASSETS/(CONTRACT LIABILITIES) (CONT'D)

- (a) The contract assets and liabilities represent the timing differences in revenue recognition and the milestone billings in respect of the construction activities and property development:-

	The Group	
	2025 RM'000	2024 RM'000
Aggregate costs incurred to date	818,515	768,092
Attributable profits on contract works performed to date	514,045	337,673
	1,332,560	1,105,765
Progress billings	(1,242,083)	(1,007,968)
Advances received	(2,285)	(5,904)
Loss allowance on contract assets	(138)	(1,548)
	88,054	90,345
Represented by:		
Contract assets	145,949	123,849
Contract liabilities	(57,895)	(33,504)
	88,054	90,345

- (b) Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied or partially unsatisfied as at the reporting date is summarised below:-

	The Group	
	2025 RM'000	2024 RM'000
Within 1 year	424,991	272,851
Between 2 to 5 years	83,825	345,771
	508,816	618,622

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

17. FIXED DEPOSITS WITH LICENSED BANKS

- (a) The fixed deposits with licensed banks of the Group at the end of the reporting period bore effective interest rates ranging from 1.75% to 3.30% (2024 - 2.00% to 3.55%) per annum. The fixed deposits have maturity periods of 1 month (2024 - 1 month).
- (b) Included in the fixed deposits with licensed banks of the Group at the end of the reporting period was an amount of RM9,221,000 (2024 - RM8,445,000) which has been pledged to a licensed bank as a security for banking facilities.

18. SHARE CAPITAL

	The Group/The Company			
	2025	2024	2025	2024
	Number of shares '000		RM'000	RM'000
Issued and Fully Paid-Up				
Ordinary Shares				
At 1 October	706,360	706,360	334,768	334,768
Issuance of new shares	132,000	-	116,160	-
Share issuance expenses	-	-	(3,423)	-
	132,000	-	112,737	-
At 30 September	838,360	706,360	447,505	334,768

On 21 March 2025, the Company increased its issued and paid-up share capital from RM334,768,000 to RM447,505,000 through a public issue of 132,000,000 new ordinary shares. The issuance was carried out in conjunction with the Company's transfer of listing from the LEAP Market to the ACE Market at an issue price of RM0.88 per ordinary share for total consideration of RM116,160,000.

The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

19. MERGER DEFICIT

The merger deficit arose from the difference between the carrying value of the investment and the nominal value of the shares of the subsidiaries upon consolidation under the merger accounting principles.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

20. TERM LOANS

	The Group	
	2025	2024
	RM'000	RM'000
Current liabilities	2,567	17,469
Non-current liabilities	6,162	8,729
	8,729	26,198

- (a) The term loans at the end of reporting period bore an interest rate of 1.94% - 5.64% (2024 - 1.94% - 7.55%) per annum.
- (b) Included in the term loans are terms loan provided by the ultimate holding company totalling RM8,729,000 (2024 - RM12,383,000).
- (c) In the previous financial year, certain term loans of the Group totalling RM13,815,000 were secured by property development costs as disclosed in Note 13(b) of the financial statements.

21. LEASE LIABILITIES

	The Group	
	2025	2024
	RM'000	RM'000
At 1 October	2,221	4,161
Additions	25,820	32
Interest expense recognised in profit or loss	708	136
Repayment of principal	(2,579)	(1,894)
Repayment of interest expense	(708)	(136)
Change due to reassessment of lease term	919	(78)
At 30 September	26,381	2,221
Analysed by:-		
Current liabilities	1,537	1,789
Non-current liabilities	24,844	432
	26,381	2,221

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

22. HIRE PURCHASE PAYABLES

	The Group	
	2025	2024
	RM'000	RM'000
Minimum hire purchase payments:		
- not later than 1 year	324	568
- later than 1 year and not later than 5 years	775	1,267
	1,099	1,835
Less: Future finance charges	(87)	(146)
Present value of hire purchase payables	1,012	1,689
Analysed by:-		
Current liabilities	285	504
Non-current liabilities	727	1,185
	1,012	1,689

- (a) The hire purchase payables of the Group are secured by the Group's motor vehicles under finance lease as disclosed in Note 8(b) of the financial statements. The hire purchase arrangements are expiring from 3 to 59 (2024 - 3 to 59) months.
- (b) The hire purchase payables of the Group at the end of the reporting period bore effective interest rates ranging from 3.99% to 5.27% (2024 - 3.99% to 5.27%) per annum. The interest rates are fixed at the inception of the hire purchase arrangements.

23. TRADE PAYABLES

	The Group	
	2025	2024
	RM'000	RM'000
Trade payables:		
- third parties	78,213	59,790
- ultimate holding company	1,123	-
- an associate	-	481
- related parties	3,490	3,887
	82,826	64,158

- (a) The normal trade credit term granted to the Group range from 30 to 90 (2024 - 30 to 90) days.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

23. TRADE PAYABLES (CONT'D)

- (b) Included in trade payables are retention sum payables totalling RM13,800,000 (2024 - RM19,435,000). The retention sums are expected to be settled within the periods ranging from 12 to 18 (2024 - 12 to 18) months.

24. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Other payables:				
- third parties	15,305	4,689	203	773
- ultimate holding company	2	#	-	-
- related parties	26	56	-	-
- subsidiaries	-	-	3,009	764
- associate	-	787	-	-
- deferred revenue	3,151	-	-	-
	18,484	5,532	3,212	1,537
Accruals	1,476	1,026	10	10
Deposits	4,386	10,209	-	-
	24,346	16,767	3,222	1,547

- Amount less than RM1,000.

- (a) Included in other payables is an amount of RM7,044,000 (2024 - RM1,256,000) being advances received from customers.
- (b) The amounts owing to ultimate holding company, related parties, subsidiaries and an associate are non-trade in nature, unsecured, interest-free and repayable on demand. The amounts owing are to be settled in cash.
- (c) Included in the other payables are advances to subsidiaries of approximately RM2,973,000 (2024 - RM764,000). The interest bearing advances bore interest rates from 4.82% to 7.50% (2024 - Nil) per annum at the end of the reporting period, is unsecured and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

25. BANKERS' ACCEPTANCES

	The Group	
	2025 RM'000	2024 RM'000
Bankers' acceptances	1,124	12,099

- (a) The bankers' acceptances bore effective interest rates ranging at 4.50% (2024 - 3.66% to 5.20%) per annum at the end of the reporting period.
- (b) The bankers' acceptances are secured by:-
- (i) corporate guarantees by the Company and the ultimate holding company;
 - (ii) joint and several guarantees of certain directors of the Company; and
 - (iii) a fixed deposit pledged to a licensed bank as disclosed in Note 17(b) to the financial statements.

26. REVENUE

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from Contracts with Customers				
<u>Recognised over time</u>				
Construction contracts	172,299	205,211	-	-
Construction services	4,926	6,866	-	-
Rental of machineries	25,465	18,184	-	-
Property development	158,603	72,354	-	-
Rental income	1,978	-	-	-
	363,271	302,615	-	-
<u>Recognised at a point in time</u>				
Sales of goods	74,520	58,790	-	-
Facilities management	20,550	-	-	-
Rental income	746	-	-	-
	95,816	58,790	-	-
Revenue from Other Source				
Dividend income	-	-	41,200	21,800
	459,087	361,405	41,200	21,800

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

26. REVENUE (CONT'D)

- (a) The revenue of the Group is derived entirely in Malaysia.
- (b) The information on transaction price allocated to unsatisfied and/or partially unsatisfied performance obligations as at the reporting date is disclosed in Note 16(b) to the financial statements.
- (c) The information about the performance obligations in contracts with customers is summarised below:-

Construction Contracts

The construction contracts include multiple distinct promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on the expected cost plus a margin approach.

Revenue from construction contracts is recognised over time in the period when the services are rendered using the input method, determine based the proportion of construction costs incurred for work performed to date over the estimated total construction costs.

Billings to customers are based on agreed milestones under the agreement, certified by architects. The credit period is 30 to 90 days from the invoice date. There is no significant financing component in the selling price as the billings are made on the normal credit terms not exceeding 12 months.

A defect liability period of 12 to 24 months is given to the customers.

Construction Services

Construction services income is recognised over time in the period when services are rendered.

The credit period is 90 days from the invoice date. There is no significant financing component in the selling price as the sales are made on the normal credit terms not exceeding 12 months.

There is no warranty provided to the customers on the services rendered.

Rental of Machinery

Rental of machinery is recognised on a straight-line method basis over the lease term.

Sale of Residential Properties under Construction

Billings to customers are based on agreed milestones under the contracts, certified by architects. The credit period is 30 days from the date of progress billing. There is no significant financing component in the selling price as the billing is made on the normal credit terms not exceeding 12 months.

A defect liability period of 24 months is given to the customers.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

26. REVENUE (CONT'D)

- (c) The information about the performance obligations in contracts with customers is summarised below (Cont'd):-

Sale of Goods

Revenue from sale of goods is recognised at a point in time when goods have been transferred and accepted by customers, net of discount.

Some sale contracts allow the customers to return the goods within a specified period. The Group uses the expected value method to estimate goods that will not be returned in arriving at the amount of revenue. There is no material warranty provided to the customers on the sale of goods.

Facilities Management

Revenue from facilities management is recognised at a point in time upon completion of the service and acceptance by the customers.

There is no warranty provided to the customers on the services rendered.

- (d) The information of the revenue from other source is summarised below:-

Dividend Income

Dividend income is recognised when the right to receive dividend payment is established.

27. REVERSAL OF LOSS ALLOWANCE ON FINANCIAL ASSETS AND CONTRACT ASSETS

	The Group	
	2025	2024
	RM'000	RM'000
Loss allowance:		
- trade receivables	-	(354)
- contract assets	(112)	(411)
- other receivables	-	(678)
Reversal of loss allowance:		
- trade receivables	2,159	5,215
- contract assets	1,473	590
	3,520	4,362

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

28. PROFIT BEFORE TAXATION

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- audit fees:				
- statutory audit	417	404	10	10
- non-statutory audit	-	480	-	480
- non-audit fees:				
- auditors of the Company	92	398	92	398
- member firms of the auditors of the Company	100	404	9	346
Material Expenses/(Income)				
Amortisation of intangible assets	151	152	-	-
Depreciation:				
- property, plant and equipment	5,604	4,263	-	-
- investment properties	55	21	-	-
- right-of-use assets	2,644	1,705	-	-
Interest expense:				
- bankers' acceptances	287	547	-	-
- bank overdrafts	242	416	-	-
- lease liabilities	708	136	-	-
- hire purchase	73	64	-	-
- term loan	990	1,140	-	-
- others	186	128	36	-
Listing expenses	101	63	101	63
Staff cost (including other key management personnel as disclosed in Note 34):				
- short-term employee benefits	29,974	21,650	-	-
- defined contribution benefits	2,485	1,801	-	-
Property, plant and equipment written off	6	#	-	-
Realised loss on foreign exchange	18	3	-	-
Gain on disposal of property, plant and equipment	(161)	(38)	-	-
Gain on disposal of investment properties	(67)	-	-	-
Gain on winding up of an associate	(99)	-	-	-
Gain on remeasurement of lease liabilities	(7)	(24)	-	-
Interest income on financial assets measured at amortised cost:				
- fixed deposits with licensed banks	(1,794)	(241)	(1,336)	(53)
- others	(175)	(35)	(2,688)	-
Dividend income	-	-	(41,200)	(21,800)

- Amount less than RM1,000.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

29. INCOME TAX EXPENSE

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Current tax:				
- current financial year	34,979	22,831	635	12
- (over)/under provision in the previous financial year	(512)	701	275	-
	34,467	23,532	910	12
Deferred tax (Note 12):				
- current financial year	677	953	-	-
- under/(over)provision in the previous financial year	100	(1,025)	-	-
	777	(72)	-	-
	35,244	23,460	910	12

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	138,027	97,744	41,261	18,600
Tax at the statutory tax rate of 24% (2024 - 24%)	33,126	23,459	9,903	4,464
Tax effects of:-				
Non-deductible expenses	3,604	1,644	629	780
Non-taxable income	(1,074)	-	(9,897)	(5,232)
Utilisation of deferred tax assets previously not recognised	-	(1,319)	-	-
(Over)/Under provision of current tax in the previous financial year	(512)	701	275	#
Under/(Over)provision of deferred tax in the previous financial year	100	(1,025)	-	-
	35,244	23,460	910	12

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024 - 24%) of the estimated assessable profit for the financial year.

- Amount less than RM1,000.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

30. EARNINGS PER SHARE

(a) Basic Earnings Per Share

The basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	The Group	
	2025	2024
Profit after taxation for the financial year attributable to owners of the Company (RM'000)	100,791	74,331
Weighted average number of ordinary shares in issue	776,519	706,360
Basic earnings per share (Sen)	12.98	10.52

(b) Diluted Earnings Per Share

The diluted earnings per share is equal to the basic earnings per share because there were no potential ordinary shares during the financial year.

31. ACQUISITION OF SUBSIDIARIES

- (i) On 7 August 2026, the Company had incorporated of a wholly owned subsidiary, namely Astana Setia Development Sdn. Bhd. with an issued and paid-up share capital of RM1,000.
- (ii) On 28 June 2024, LSHBB, a wholly-owned subsidiary of the Company acquired 70% equity interest in LSH Service Master Sdn. Bhd. ("LSH Service Master"), being 700 ordinary shares. The entity was formed to carry out the operations and maintenance management of the Kuala Lumpur Tower.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:-

	The Group 2024 RM
LSH Service Master Sdn. Bhd.	
Purchase consideration settled in cash and cash equivalents	1
Less: Cash and cash equivalents of subsidiary acquired	(1)
Net cash inflow from the acquisition of LSH Service Master Sdn. Bhd	#

- Amount less than RM1,000.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

32. DIVIDENDS

	The Group/The Company	
	2025 RM'000	2024 RM'000
<u>In respect of the financial year ended 30 September 2023</u>		
A second interim single tier dividend of 1.59 sen per ordinary share, paid on 20 December 2023	-	11,231
<u>In respect of the financial year ended 30 September 2024</u>		
A first interim single tier dividend of 1.22 sen per ordinary share, paid on 12 July 2024	-	8,617
A second interim single tier dividend of 1.94 sen per ordinary share, paid on 13 December 2024	13,704	-
<u>In respect of the financial year ended 30 September 2025</u>		
A first interim single tier dividend of 0.67 sen per ordinary share, paid on 18 April 2025	5,617	-
A second interim single tier dividend of 0.78 sen per ordinary share, paid on 25 June 2025	6,539	-
A third interim single tier dividend of 0.89 sen per ordinary share, paid on 26 September 2025	7,461	-
	33,321	19,848

On 25 November 2025, the Company declared an interim dividend of 1.55 sen per ordinary share amounting to RM12,994,583 in respect of the current financial year, payable on 22 December 2025, to shareholders whose names appeared in the record of depositors on 10 December 2025. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 30 September 2026.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

33. CASH FLOW INFORMATION

- (a) The reconciliation of liability arising from financing activities are as follows:-

	Term Loans RM'000	Bankers' Acceptances RM'000	Lease Liabilities RM'000	Hire Purchase RM'000	Total RM'000
The Group					
2025					
At 1 October	26,198	12,099	2,221	1,689	42,207
<u>Changes in Financing Cash Flows</u>					
Proceeds from drawdown	35,691	16,752	-	-	52,443
Repayment of principal	(53,160)	(27,727)	(2,579)	(957)	(84,423)
Repayment of interests	(990)	(287)	(708)	(73)	(2,058)
	(18,459)	(11,262)	(3,287)	(1,030)	(34,038)
<u>Non-cash Changes</u>					
Acquisition of new leases (Note 33(b))	-	-	25,820	-	25,820
Purchase of property, plant and equipment	-	-	-	280	280
Reassessment of leases (Note 21)	-	-	919	-	919
Interest expense recognised in profit or loss	990	287	708	73	2,058
	990	287	27,447	353	(29,077)
At 30 September	8,729	1,124	26,381	1,012	37,246

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

33. CASH FLOW INFORMATION (CONT'D)

(a) The reconciliation of liability arising from financing activities are as follows (Cont'd):-

	Term Loans RM'000	Bankers' Acceptances RM'000	Lease Liabilities RM'000	Hire Purchase RM'000	Total RM'000
The Group					
2024					
At 1 October	9,362	3,230	4,161	1,448	18,201
<u>Changes in Financing</u>					
<u>Cash Flows</u>					
Proceeds from drawdown	49,768	30,371	-	-	80,139
Repayment of principal	(33,192)	(21,550)	(1,894)	(1,077)	(57,713)
Repayment of interests	(880)	(499)	(136)	(64)	(1,579)
	15,696	8,322	(2,030)	(1,141)	20,847
<u>Non-cash Changes</u>					
Acquisition of new leases (Note 33(b))	-	-	32	-	32
Purchase of property, plant and equipment	-	-	-	1,318	1,318
Reassessment of leases (Note 21)	-	-	(78)	-	(78)
Interest expense recognised in profit or loss	1,140	547	136	64	1,887
	1,140	547	90	1,382	3,159
At 30 September	26,198	12,099	2,221	1,689	42,207

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

33. CASH FLOW INFORMATION (CONT'D)

- (b) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets is as follows:-

	The Group	
	2025 RM'000	2024 RM'000
Property, plant and equipment		
Cost of property, plant and equipment purchased	15,918	5,859
Less: Addition of new hire purchase (Note 33(a))	(280)	(1,318)
	15,638	4,541
Right-of-use assets		
Cost of right-of-use assets acquired	25,820	32
Less: Addition of new lease liabilities (Note 33(a))	(25,820)	(32)
	-	-

- (c) The total cash outflows for leases as a lessee are as follows:-

	The Group	
	2025 RM'000	2024 RM'000
Payment of lease liabilities	2,579	1,894
Interest paid on lease liabilities	708	136
	3,287	2,030

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

33. CASH FLOW INFORMATION (CONT'D)

(d) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Fixed deposits with licensed banks	65,221	8,595	38,000	150
Cash and bank balances	35,350	40,143	2,989	212
	100,571	48,738	40,989	362
Less: Fixed deposits pledged to licensed banks	(9,221)	(8,445)	-	-
	91,350	40,293	40,989	362

34. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group include directors of the Group and certain members of senior management of the Group.

The key management personnel compensation during the financial year are as follows:-

	The Group	
	2025 RM'000	2024 RM'000
<u>Directors of the Group</u>		
Short-term employee benefits:		
- fee	589	411
- salaries, bonuses and other benefits	3,829	3,827
Defined contribution benefits	440	441
	4,858	4,679
<u>Directors of the Subsidiaries</u>		
Short-term employee benefits:		
- fees	8	7
- salaries, bonuses and other benefits	371	351
Defined contribution benefits	42	40
	421	398
Total directors' remuneration	5,279	5,077

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

34. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

The key management personnel compensation during the financial year are as follows (Cont'd):-

	The Group	
	2025 RM'000	2024 RM'000
<u>Other Key Management Personnel</u>		
Short-term employee benefits:		
- salaries, bonuses and other benefits	4,894	4,998
Defined contribution benefits	508	532
	5,402	5,530

35. RELATED PARTY DISCLOSURES

(a) Holding companies and Subsidiaries

The holding companies are disclosed in Note 3 to the financial statements.

The subsidiaries are disclosed in Note 6 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

35. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant Related Party Transactions and Balances

In addition to the related party transactions information disclosed in the statement of cash flows, the Group also carried out the following significant transactions with the related parties during the financial year:-

	The Group	
	2025 RM'000	2024 RM'000
Sales to ultimate holding company	59	10
Sales to a related company	237	41
Contract income from ultimate holding company	11,959	7,019
Contract income from company in which certain directors of the Company have financial interest	56,917	122,436
Sales to companies in which certain directors of the Company have substantial financial interests	42,786	14,460
Rental of machineries to ultimate holding company	1	2
Purchases from related company	43	-
Rental of machineries to related company	7	-
Purchases from companies in which certain directors of the Company have substantial financial interests	(3,165)	(12,870)
Purchase from ultimate holding company	(10)	(3,496)
Contract cost to companies in which certain directors of the Company have substantial financial interests	(13,798)	(3,496)
Rental expenses paid or payable to an ultimate holding company	(2,118)	(2,165)
Rental of machineries in which certain directors of the Company have substantial financial interests	21,592	(640)
Rental expense paid or payable to a director of the Company	(132)	(129)
Contract cost from ultimate holding company	(1,123)	-
Rental expenses paid or payable to a related company	(701)	-
	The Company	
	2025 RM'000	2024 RM'000
Dividend income paid or payable from the subsidiary	41,200	21,800
Interest income from the subsidiaries	2,633	-
Interest expenses from the subsidiaries	(36)	-

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in Notes 14, 15, 23 and 24 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

36. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the management as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 8 main reportable segments as follows:-

- Segment A distribution and/or retail of building materials, lighting products and related mechanical and electrical products and services
 - Segment B wholesale and retail of hardware and tools, and rental of machinery
 - Segment C investment holding
 - Segment D business of construction
 - Segment E provision of construction and business related services & solutions.
 - Segment F property development
 - Segment G facilities management
 - Segment H companies which are in dormant status
- (a) The management assesses the performance of the reportable segments based on their profit before interest expense and taxation. The accounting policies of the reportable segments are the same as the Group's accounting policies.
- (b) Each reportable segment assets are measured based on all assets of the segment other than tax-related assets.
- (c) Each reportable segment liabilities are measured based on all liabilities of the segment other than tax-related liabilities.
- (d) Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items.

Transactions between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

36. OPERATING SEGMENTS (CONT'D)

36.1 BUSINESS SEGMENTS

[illegible]

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

36. OPERATING SEGMENTS (CONT'D)

36.1 BUSINESS SEGMENTS (CONT'D)

	Segment A	Segment B	Segment C	Segment D	Segment E	Segment F	Segment G	Segment H	The Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2025									
Results									
Segment results	16,505	9,946	(6,226)	55,304	4,927	56,649	10,093	(324)	146,874
Interest income	171	71			-	64	31	15	1,969
Interest expense	(436)	(106)	5,772	(4,155)	-	(990)	(465)	-	(2,486)
Depreciation of property, plant and equipment	(387)	(3,376)	(51)	(1,503)	-	-	(287)	-	(5,604)
Depreciation of investment properties	-	-	-	(55)	-	-	-	-	(55)
Depreciation of right-of-use assets	(811)	(583)	-	(715)	-	-	(535)	-	(2,644)
Gain on disposal of property, plant and equipment and investment properties	-	161	-	-	-	67	-	-	228
Inventories written down	-	(226)	-	-	-	-	-	-	(226)
Property, plant and equipment written off	#	(6)	-	-	-	#	-	-	(6)
Realised loss on foreign exchange	-	(18)	-	-	-	-	-	-	(18)
Reversal of inventories previously written off	2	-	-	-	-	-	-	-	2
Balance carried forward	15,044	5,863	(505)	48,387	4,927	55,790	8,837	(309)	138,034

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

36. OPERATING SEGMENTS (CONT'D)

36.1 BUSINESS SEGMENTS (CONT'D)

[illegible]

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

36. OPERATING SEGMENTS (CONT'D)

36.1 BUSINESS SEGMENTS (CONT'D)

	Segment A	Segment B	Segment C	Segment D	Segment E	Segment F	Segment G	Segment H	The Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2025									
Assets									
Segment assets	78,391	56,483	462,316	285,144	-	207,822	36,282	18,859	1,145,297
Unallocated assets:-									
Current tax assets									456
Deferred tax assets									1,834
Fixed deposits with licensed banks									65,221
Cash and bank balances									35,350
Consolidation adjustments									(375,892)
Consolidated total assets									872,266
Additions to non-current assets other than financial instruments are:-									
Property, plant and equipment	823	7,442	-	674	-	-	6,979	-	15,918
Right-of-use assets	2,698	1,724	-	-	-	-	21,398	-	25,820

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

36. OPERATING SEGMENTS (CONT'D)

36.1 BUSINESS SEGMENTS (CONT'D)

	Segment A	Segment B	Segment C	Segment D	Segment E	Segment F	Segment G	The Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2024								
Revenue								
External revenue	60,055	33,927	-	188,203	6,866	72,354	-	361,405
Inter-segment revenue	29,292	10,389	22,044	64,965	3,800	-	-	130,490
	89,347	44,316	22,044	253,168	10,666	72,354	-	491,895
Consolidation adjustments								(130,490)
Consolidated revenue								361,405

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

36. OPERATING SEGMENTS (CONT'D)

36.1 BUSINESS SEGMENTS (CONT'D)

2024									
Revenue									
Represented by:-									
	Segment A	Segment B	Segment C	Segment D	Segment E	Segment F	Segment G	The Group	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue recognised at a point in time</u>									
- Sales of goods	72,339	15,743	-	-	-	-	-	-	88,082
- Dividends received	-	-	21,800	-	-	-	-	-	21,800
- Rental income	-	-	244	-	-	-	-	-	244
<u>Revenue recognised over time</u>									
- Rental of machinery	-	28,573	-	-	-	-	-	-	28,573
- Construction contract	17,008	-	-	253,168	-	-	-	-	270,176
- Construction services	-	-	-	-	10,666	-	-	-	10,666
- Property development	-	-	-	-	-	72,354	-	-	72,354
	89,347	44,316	22,044	253,168	10,666	72,354	-	-	491,895
Consolidation adjustments									(130,490)
Consolidated revenue									361,405

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

36. OPERATING SEGMENTS (CONT'D)

36.1 BUSINESS SEGMENTS (CONT'D)

	Segment A	Segment B	Segment C	Segment D	Segment E	Segment F	Segment G	The Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2024								
Results								
Segment results	(2,166)	12,292	(4,225)	61,987	6,866	31,078	(33)	105,799
Interest income	33	31	53	137	-	22	-	276
Interest expense	(586)	(32)	-	(1,086)	-	(727)	-	(2,431)
Depreciation of property, plant and equipment	(323)	(2,621)	(51)	(1,268)	-	-	-	(4,263)
Depreciation of investment properties	-	-	-	(21)	-	-	-	(21)
Depreciation of right-of-use assets	(549)	(396)	-	(760)	-	-	-	(1,705)
Gain on disposal of property, plant and equipment	20	(#)	-	-	-	18	-	38
Inventories written down	(1)	-	-	-	-	-	-	(1)
Property, plant and equipment written off	-	(1)	-	-	-	(#)	-	(1)
Realised loss on foreign exchange	-	3	-	-	-	-	-	3
Reversal of inventories previously written off	-	58	-	-	-	-	-	58
Balance carried forward	(3,572)	9,334	(4,223)	58,989	6,866	30,391	(33)	97,752

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

36. OPERATING SEGMENTS (CONT'D)

36.1 BUSINESS SEGMENTS (CONT'D)

	Segment A	Segment B	Segment C	Segment D	Segment E	Segment F	Segment G	The Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2024								
Assets								
Segment assets	59,230	57,175	379,297	170,126	-	161,290	469	827,587
Unallocated assets:-								
Deferred tax assets								2,172
Fixed deposits with licensed banks								8,595
Cash and bank balances								40,143
Consolidation adjustments								(236,614)
Consolidated total assets								641,883
Additions to non-current assets other than financial instruments are:-								
Property, plant and equipment	72	3,470	-	2,317	-	-	-	5,859
Right-of-use assets	-	12	-	20	-	-	-	32

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

36. OPERATING SEGMENTS (CONT'D)

36.1 BUSINESS SEGMENTS (CONT'D)

	Segment A	Segment B	Segment C	Segment D	Segment E	Segment F	Segment G	The Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2024								
Liabilities								
Segment liabilities	32,945	6,023	42,817	167,198	-	104,805	39	353,827
Unallocated liabilities:-								
Current tax liabilities								8,021
Deferred tax liabilities								1,908
Consolidation adjustments								(197,191)
Consolidated total liabilities								166,565

- Amount less than RM1,000.

36.2 GEOGRAPHICAL INFORMATION

The Group operates predominantly in Malaysia. Accordingly, the information by geographical segments is not presented.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

36. OPERATING SEGMENTS (CONT'D)

36.3 MAJOR CUSTOMERS

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:-

	2025 RM'000	2024 RM'000	
Customer A	120,434	150,257	Segment A, B, D and E
Customer B	68,293	40,002	Segment A and D
Customer C	30,232	36,026	Segment D

37. CAPITAL COMMITMENT

	The Group	
	2025 RM'000	2024 RM'000
Capital expenditure in respect of purchase of assets:		
- approved and contracted for	9,281	1,602

38. CONTINGENT LIABILITIES

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:-

38.1 CORPORATE GUARANTEE

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Corporate guarantee extended to subsidiaries		-	-	71,000	164,500
Corporate guarantee extended by a subsidiary to third parties		34,568	28,170	-	-
Corporate guarantee extended by a subsidiary to related parties	(a)	-	2,060	-	-

(a) The corporate guarantee provided by the subsidiary to AmBank Islamic Berhad for credit facilities granted to related parties has been fully discharged on 15 October 2024.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

38. CONTINGENT LIABILITIES (CONT'D)

38.2 MATERIAL LITIGATIONS

(a) LSH Service Master Sdn. Bhd.

On 10 March 2025, the Government of Malaysia entered into a Concession Agreement with LSH Service Master Sdn. Bhd. ("LSHSM") in relation to the operation, management and maintenance of Kuala Lumpur Tower for a period of 20 years commencing from 1 April 2025.

On 26 March 2025, the Federal Lands Commissioner entered into a Lease Agreement with LSHSM in relation to a lease on the concession area for a period of 20 years commencing from 1 April 2025.

On 27 March 2025, the Company's wholly-owned subsidiary, LSH BEST Builders Sdn. Bhd. ("LSHBB") and its 70%-owned subsidiary, LSHSM together with Minister, Ministry of Communications ("KK"), Government of Malaysia ("GoM") and Service Master (M) Sdn. Bhd. ("SMSB") (collectively referred to as the "Defendants") was served a Writ of Summons with the Statement of Claim by Hydroshoppe Sdn. Bhd. and Menara Kuala Lumpur Sdn. Bhd. (collectively referred to as the "Plaintiffs"). Notwithstanding the reliefs the Plaintiffs are seeking against KK and GoM, the Plaintiffs are seeking, inter alia, the following reliefs against LSHBB, LSHSM and/or SMSB:

- (i) A declaration that LSHBB, LSHSM and/or SMSB has committed inducement for breach of a contract that was formed between the Plaintiffs and the KK, and the GoM during a meeting on 1 August 2022; and/or
- (ii) A declaration that LSHBB, LSHSM and/or SMSB has committed knowing receipt and/or dishonest assistance; and/or
- (iii) A declaration that the award of the Concession to LSHSM (the "Award") is void, unlawful and/or otherwise invalid; and/or
- (iv) An order that the Chose in Action (i.e. the Concession) be transferred to Hydroshoppe Sdn. Bhd. and/or Menara Kuala Lumpur Sdn. Bhd.; and/or
- (v) General damages to be assessed; and/or
- (vi) The Defendants be jointly and/or severally liable to pay Plaintiffs RM17.44 million being the loss suffered in relation to the Value Management Lab Expenditure; and/or
- (vii) The Defendants be jointly and/or severally liable to pay the Plaintiffs RM2.69 million in relation to the layoffs of Menara Kuala Lumpur Sdn. Bhd. employees; and/or
- (viii) Interest at the rate of 5% per annum from the date of judgment to the date of full settlement or for such period as the Court deems fit; and/or
- (ix) Costs; and/or
- (x) Such further or other relief including as the Court deems fit to grant.

(collectively, the "Lawsuit")

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

38. CONTINGENT LIABILITIES (CONT'D)

38.2 MATERIAL LITIGATIONS (CONT'D)

(a) LSH Service Master Sdn. Bhd. (Cont'd)

Further to the above, on 28 March 2025, the Plaintiffs have applied for an interim injunction to, *inter alia*, restrain the Defendants from taking or causing to be taken any steps towards acting upon, implementing or giving effect to the Award until the disposal of the Lawsuit ("Interim Injunction Application"), and an ad interim injunction to restrain the Defendants from doing the same until the disposal of the Interim Injunction Application ("Ad Interim Injunction Application").

During the hearing on 8 April 2025, the High Court dismissed the Plaintiffs' Ad Interim Injunction Application and fixed the Interim Injunction Application hearing on 9 June 2025.

On 9 June 2025, the High Court dismissed the Interim Injunction Application.

On 9 April 2025, the Plaintiffs filed an appeal to the Court of Appeal against the High Court's dismissal of the Ad Interim Injunction Application ("Ad Interim Appeal"). The hearing for Ad Interim Appeal at the Court of Appeal was then fixed on 30 May 2025. During the hearing on 30 May 2025, the Court of Appeal has dismissed the Ad Interim Appeal.

On 21 April 2025, LSHBB, LSHSM and SMSB had, via its Statement of Defence, included (inter alia) a counterclaim against the Plaintiff, seeking for, amongst others, general and special damages to be awarded to LSHBB, LSHSM and SMSB ("Counterclaim").

On 25 April 2025, LSHBB, LSHSM and SMSB, together filed a notice of application and their affidavit, seeking to strike out the Lawsuit on the grounds that the Plaintiffs have no basis in law and fact to commence the Lawsuit against LSHBB, LSHSM and SMSB. On 15 July 2025, the High Court has ordered the claim against LSHBB, LSHSM and SMSB be struck out on the grounds that the Plaintiffs have failed to disclose reasonable cause of action against LSHBB, LSHSM and SMSB ("High Court's Decision to Strike Out").

On 20 May 2025, the Plaintiffs filed a notice of application, together with an affidavit in support, seeking leave from High Court to amend their Writ of Summons and Statement of Claim ("Plaintiffs' Amendment Application") to introduce further averments against the Defendants following the filing of the striking-out applications by LSHBB, LSHSM and SMSB. On 15 July 2025, the High Court dismissed the Plaintiffs' Amendment Application ("High Court's Dismissal of Amendment Application").

On 15 August 2025, two (2) notices of appeal were received from the Plaintiffs to appeal against the High Court's decisions to Strike Out ("Appeal Against Decision to Strike Out") and to appeal against High Court's Dismissal of Amendment Application ("Appeal Against Dismissal of Amendment"). The Court of Appeal fixed the hearing date for the Appeal Against Decision to Strike Out and Appeal Against Dismissal of Amendment on 10 August 2026.

The High Court fixed the trial dates for the Lawsuit and the Counterclaim on 28 June 2027 to 2 July 2027. Following High Court's Decision to Strike Out, LSHBB, LSHSM and SMSB will be excluded from the Lawsuit aside from the Counterclaim, unless Court of Appeal allows the [Appeal Against Decision to Strike Out].

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

38. CONTINGENT LIABILITIES (CONT'D)

38.2 MATERIAL LITIGATIONS (CONT'D)

(a) LSH Service Master Sdn. Bhd. (Cont'd)

The Board of Directors of LSH Capital also wishes to inform that vacant possession of Kuala Lumpur Tower was delivered by the Government to LSHSM on 19 April 2025. Since 26 April 2025, LSHSM has been operating the business and managing the tower. The ongoing litigation in relation to the Kuala Lumpur Tower is not expected to materially affect LSHSM's business and operations of Kuala Lumpur Tower.

At this juncture, apart from the amount claimed by the Plaintiffs, the corresponding legal costs and such other reliefs as the Court deems fit, just and proper, the Lawsuit are not expected to have any other material financial and operational impact on LSH Capital group for the financial year ending 30 September 2025.

Nevertheless, LSHBB and LSHSM's solicitors are of the view that LSHBB, LSHSM and/or SMSB has a fair chance of success in the Counterclaim and has a fair chance of success in defending against the Lawsuit.

(b) Astana Setia & Euro Saga Sdn. Bhd.

On 2 April 2024, the Applicants (consisting of unit owners and residents from neighbouring condominiums near the site of the Lake Side Homes Project) filed a judicial review application against the Respondents to seek, among others, the following orders:

- I. to quash the development order dated 15 November 2023 ("Impugned Development Order") that was granted by the Datuk Bandar to ASES for the Lake Side Homes Project;
- II. to quash the approval given by the Datuk Bandar for ASES to build a bridge across Tasik Lake Fields to the Lake Side Homes Project pursuant to a letter dated 11 January 2024 ("Impugned Bridge Approval");
- III. to quash the adoption of Alteration 3 (Part 2) of the Kuala Lumpur Local Plan (2020) proposed and adopted on 17 July 2020 and 3 August 2021 respectively by the Datuk Bandar in relation to Tasik Lake Fields and/or Lot 103675 (being the site of the Lake Side Homes Project) ("Alteration 3 (Part 2) of the KLLP 2020");
- IV. to quash the approval given by the Datuk Bandar to allow ASES to use the walkway or any part of the public open space surrounding Tasik Lake Fields for access for construction works for the Impugned Bridge Approval and/or Impugned Development Order; and
- V. a declaration that the Alteration 3 (Part 2) of the KLLP 2020 by the Datuk Bandar is illegal and ultra vires of the Federal Territory (Planning) Act 1982 and therefore legally unenforceable, null and void.

(collectively, the "Judicial Review Application")

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

38. CONTINGENT LIABILITIES (CONT'D)

38.2 MATERIAL LITIGATIONS (CONT'D)

(b) Astana Setia & Euro Saga Sdn. Bhd. (Cont'd)

In the prayers for the Judicial Review Application, the Applicants have also applied for an order to stay the Impugned Development Order and Impugned Bridge Approval (including all works and process relating to the same) until the full and final disposal of the Judicial Review Application ("Stay Application").

On 17 April 2024, the High Court granted leave to the Applicants to proceed with the Judicial Review Application and also granted an interim stay of the Impugned Development Order and Impugned Bridge Approval pending the full and final disposal of the Stay Application ("First Interim Stay Order").

On 8 May 2024, ASES' solicitors notified the High Court of ASES' objection to the Stay Application. In the light of the objection, the High Court then fixed the hearing date for the Stay Application on 22 July 2024. During the hearing of the Stay Application on 22 July 2024, the High Court fixed the decision for the Stay Application on 21 August 2024.

On 21 August 2024, the High Court dismissed the Stay Application and lifted the First Interim Stay Order with costs awarded to the Respondents. On 22 August 2024, the Applicants filed an appeal to the Court of Appeal against the High Court's dismissal of the Stay Application ("Appeal"). On 3 March 2025, the Court of Appeal dismissed the Appeal.

On 23 August 2024, the Applicants filed another application in the High Court seeking for another interim stay of the Impugned Development Order and Impugned Bridge Approval pending the disposal of the Appeal in the Court of Appeal ("Second Interim Stay Order"). On 20 February 2025, the High Court dismissed the Second Interim Stay Order with costs awarded to the Respondents.

On 6 September 2024, the Applicants filed a motion in the Court of Appeal to seek for an interim preservation order to stay the Impugned Development Order and Impugned Bridge Approval until the Appeal is being disposed by the Court of Appeal ("Section 44 Motion"). On 13 September 2024, the Court of Appeal dismissed the Section 44 Motion with costs awarded to the Respondents.

On 10 March 2025, the High Court postponed the hearing of the Judicial Review Application until further notice as it required time to decide on the admissibility of two new affidavits filed by the Applicants at the last minute. On 3 April 2025, the High Court allowed the preliminary objection raised by the Respondents on the two new affidavits and held that the Applicants are not allowed to rely on those affidavits.

On 18 June 2025, the High Court further postponed the hearing of the Judicial Review Application as the Judge appointed to hear the matter had been elevated to the Court of Appeal. The new hearing date is now fixed on 28 January 2026.

Pending the courts' decision on the Judicial Review Application, ASES is permitted to continue works on the Lake Side Homes Project pursuant to the Impugned Development Order and Impugned Bridge Approval from 21 August 2024 onwards.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

38. CONTINGENT LIABILITIES (CONT'D)

38.2 MATERIAL LITIGATIONS (CONT'D)

(b) Astana Setia & Euro Saga Sdn. Bhd. (Cont'd)

Based on the remedies sought by the Applicants, the potential direct exposure to ASES in the event the outcome of the Judicial Review Application is not in favour of ASES include the loss of the right to develop and construct the Lake Side Homes Project in accordance with the Impugned Development Order and the bridge across Tasik Lake Fields to the Lake Side Homes Project in accordance with the Impugned Bridge Approval, as well as legal costs to be incurred for the Judicial Review Application. In addition, the property development costs incurred for the Lake Side Homes Project is expected to be written-off in the event the outcome of the Judicial Review Application is not in favour of ASES. However, such impact will only fully materialise if the final outcome is still not in favour of ASES after all parties have exhausted all avenues for appeal.

Nevertheless, ASES' solicitors are of the view that ASES has a fair chance of success in the Judicial Review Application.

Save as disclosed above, as at 30 September 2025, our Group is not engaged in any material litigation, claim and/or arbitration, either as plaintiff or defendant, and our Board is not aware of any legal proceeding, pending or threatened, or of any fact which is likely to give rise to any proceeding which may materially and adversely affect the business or financial position of our Group.

39. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

39.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of major areas of treasury activity are as follows:

(a) Market Risk

(i) Foreign Currency Risk

At the end of the reporting period, the balances denominated in currencies other than Ringgit Malaysia are not material.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from borrowings with variable rates. The Group and the Company adopt a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group and of the Company are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 20 and Note 25 to the financial statements.

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group	
	2025 RM'000	2024 RM'000
Effects on Profit After Taxation		
Increase of 100 basis points	-9	-197
Decrease of 100 basis points	+9	+197

(iii) Equity Price Risk

The Group and the Company do not have any quoted investments and hence, is not exposed to equity price risk.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage their exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Also, the Group's exposure to credit risk includes corporate guarantee given to financial institutions for credit facilities granted to certain third parties and related parties. The Group monitors the ability of the third parties and related parties to serve their loans on an individual basis.

(i) Credit Risk Concentration Profile

At the end of the reporting period, the Group's major concentration of credit risk relates to the amounts owing by 1 (2024 - 1) customers which constituted approximately 53% (2024 - 67%) of its trade receivables and contract assets (including related parties), net of loss allowance.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the trade receivables. The Group and the Company closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost and contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficult of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 150 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more a lagging default criterion is more appropriate.

Trade Receivables and Contract Assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables and contract assets.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables (including related parties) and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over a period of 12 months (2024 - 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows:-

	Gross Amount RM'000	Lifetime Individual Allowance RM'000	Lifetime Collective Allowance RM'000	Carrying Amount RM'000
2025				
Current (not past due)	87,764	-	(657)	87,107
1 to 30 days past due	12,735	-	(94)	12,641
31 to 60 days past due	14,309	-	(153)	14,156
61 to 90 days past due	10,145	-	(101)	10,044
91 to 120 days past due	7,601	-	-	7,601
121 to 150 days past due	3,097	-	-	3,097
More than 150 days past due	28,375	-	(125)	28,250
Credit impaired	193	(15)	(178)	-
Trade receivables	164,219	(15)	(1,308)	162,896
Contract assets	146,136	-	(187)	145,949
	310,355	(15)	(1,495)	308,845

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Allowance for Impairment Losses (Cont'd)

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows (Cont'd):-

	Gross Amount RM'000	Lifetime Individual Allowance RM'000	Lifetime Collective Allowance RM'000	Carrying Amount RM'000
2024				
Current (not past due)	75,275	-	(2,327)	72,948
1 to 30 days past due	8,887	-	(462)	8,425
31 to 60 days past due	1,585	-	(20)	1,565
61 to 90 days past due	7,237	-	(109)	7,128
More than 90 days past due	9,315	-	(200)	9,115
Credit impaired	364	(15)	(349)	-
Trade receivables	102,663	(15)	(3,467)	99,181
Contract assets	125,397	-	(1,548)	123,849
	228,060	(15)	(5,015)	223,030

Trade receivables and contract assets that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

Trade receivables and contract assets that are collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables

The Group and the Company apply the 3-stage general approach to measure expected credit losses for its other receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group and the Company assess whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group and the Company consider there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

The Group and the Company use 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

Category	Definition of Category	Loss Allowance
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Not performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group and the Company measure the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. The remaining receivables are grouped based on shared credit risk characteristics and assessed on collective basis.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables (Cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses (Cont'd)

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group and the Company consider the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The reconciliations of allowance for impairment losses are as follows:-

	Performing RM'000	Under- performing RM'000	Non- performing RM'000	Carrying Amount RM'000
The Group				
Balance at 1.10.2023/30.9.2024/ 30.9.2025	-	-	(678)	(678)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables (Cont'd)

Allowance for Impairment Losses (Cont'd)

The allowance for impairment losses is individually determined and relates mainly to:

- Other receivables of “underperforming” category who have not settled the debts on due dates but do not have objective evidence of impairment; and
- Other receivables of “non-performing” category who are in significant financial difficulties and defaulted on payments.

Fixed Deposits with a Licensed Bank, Cash and Bank Balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount Owing by Subsidiaries (Non-trade balances)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a 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 loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Amount Owing by Subsidiaries (Non-trade balances) (Cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses (Cont'd)

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

At the end of the reporting period, there was no indication that the balances are not recoverable other than those which had already impaired in the previous financial year.

Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to third parties and related parties are financial guarantee contract.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Financial Guarantee Contracts (Cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Group closely monitors the third parties' and related parties' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a third party's and a related party's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The third parties and related parties are unlikely to repay its obligation to the bank in full; or
- The third parties and related parties are having a deficit in equity and is continuously loss making.

The Group determines the probability of default of the guaranteed amounts individually using internal information available.

Allowance for Impairment Losses

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practice prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

2025	Contractual Interest Rate	Carrying Amount	Contractual Undiscounted Cash Flows	Within 1 Year	1 - 5 Years	Over 5 Years
	%	RM'000	RM'000	RM'000	RM'000	RM'000
The Group						
<u>Non-derivative Financial Liabilities</u>						
Trade payables	-	82,826	82,826	82,826	-	-
Other payables and accruals	-	16,809	16,809	16,809	-	-
Term loans	1.94 - 5.64	8,729	9,510	2,970	6,540	-
Bankers' acceptances	4.50	1,124	1,124	1,124	-	-
Hire purchase payables	3.99 - 5.27	1,012	1,192	391	801	-
Financial guarantee contracts in relation to corporate guarantee given to third parties	-	-	34,568	34,568	-	-
		110,500	146,029	138,688	7,341	-
<u>Other Financial Liability</u>						
Lease liabilities	3.75 - 5.64	26,381	37,671	2,648	35,023	-
		136,881	183,700	141,336	42,364	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

	Contractual Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
2024						
The Group						
<u>Non-derivative Financial Liabilities</u>						
Trade payables	-	64,158	64,158	64,158	-	-
Other payables and accruals	-	6,558	6,558	6,558	-	-
Term loans	1.94 - 7.75	26,198	36,248	26,738	9,510	-
Bankers' acceptances	3.66 - 5.20	12,099	12,099	12,099	-	-
Hire purchase payables	3.99 - 5.27	1,689	1,835	568	1,267	-
Financial guarantee contracts in relation to corporate guarantee given to third parties	-	-	28,170	28,170	-	-
Financial guarantee contracts in relation to corporate guarantee given to related parties	-	-	2,060	2,060	-	-
		110,702	151,128	140,351	10,777	-
<u>Other Financial Liability</u>						
Lease liabilities	3.50 - 5.15	2,221	2,295	1,847	448	-
		112,923	153,423	142,198	11,225	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

	Weighted Average Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
2025						
The Company						
<u>Non-derivative Financial Liability</u>						
Other payables and accruals	-	3,222	3,222	3,222	-	-
Financial guarantee contracts in relation to corporate guarantee given to subsidiaries	-	-	71,000	71,000	-	-
		3,222	74,222	74,222	-	-
2024						
The Company						
<u>Non-derivative Financial Liability</u>						
Other payables and accruals	-	1,547	1,547	1,547	-	-
Financial guarantee contracts in relation to corporate guarantee given to subsidiaries	-	-	164,500	164,500	-	-
		1,547	166,047	166,047	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.2 CAPITAL RISK MANAGEMENT

The Group and the Company manage their capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group and the Company include within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interest. The debt-to-equity ratio of the Group and the Company at the end of the reporting period is as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Term loans	8,729	26,198	-	-
Lease liabilities	26,381	2,221	-	-
Hire purchase payables	1,012	1,689	-	-
Bankers' acceptances	1,124	12,099	-	-
Total borrowings	37,246	42,207	-	-
Less: Cash and cash equivalents (Note 33(d))	(91,350)	(40,293)	(40,989)	(362)
Net debt	(54,104)	1,914	(40,989)	(362)
Total equity	658,267	475,318	454,550	334,783
Debt-to-equity ratio	*	0.004	*	*

* Not applicable as the Group's and the Company's cash and cash equivalents exceed its borrowings.

There were no changes in the approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group	
	2025 RM'000	2024 RM'000
Financial Assets		
<u>Amortised Cost</u>		
Trade receivables	162,896	99,181
Other receivables and deposits	9,511	2,439
Fixed deposits with a licensed bank	65,221	8,595
Cash and bank balances	35,350	40,143
	272,978	150,358
Financial Liabilities		
<u>Amortised Cost</u>		
Trade payables	82,826	64,158
Other payables and accruals	16,809	6,558
Term loan	8,729	26,198
Bankers' acceptances	1,124	12,099
Hire purchase payables	1,012	1,689
	110,500	110,702

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	The Company	
	2025 RM'000	2024 RM'000
Financial Assets		
<u>Amortised Cost</u>		
Other receivables and deposits	97,390	37,945
Fixed deposits with a licensed bank	38,000	150
Cash and bank balances	2,989	212
	138,379	38,307
Financial Liability		
<u>Amortised Cost</u>		
Other payables and accruals	3,222	1,547

39.4 GAINS/(LOSSES) ARISING FROM FINANCIAL INSTRUMENTS

	The Group	
	2025 RM'000	2024 RM'000
Financial Asset		
<u>Amortised Cost</u>		
Net gains recognised in profit or loss	4,128	4,459
Financial Liability		
<u>Amortised Cost</u>		
Net losses recognised in profit or loss	(1,778)	(2,295)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	Value RM'000	RM'000
The Group								
2025								
<u>Financial Liabilities</u>								
Term loans:								
- floating rate	-	-	-	-	8,729	-	8,729	8,729
2024								
<u>Financial Liabilities</u>								
Term loans:								
- fixed rate	-	-	-	-	13,815	-	13,815	13,815
- floating rate	-	-	-	-	12,383	-	12,383	12,383

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

39. FINANCIAL INSTRUMENTS (CONT'D)

39.5 FAIR VALUE INFORMATION (CONT'D)

- (i) The fair value of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.
- (ii) The fair value of term loans that carries fixed interest rate approximated its carrying amount as the impact of discounting is not material. The fair values are determined by discounting at relevant cash flows at rates equal to the current market interest rate for similar instruments is 5.64% (2024 - ranging from 5.64% to 5.68%) and the fair value is within level 2 of the fair value hierarchy.

40. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 9 December 2024, the Company has subscribed an additional 22,000,000 ordinary shares in LSH BEST Builders, a wholly-owned subsidiary of the Company, for a total cash consideration of RM22,000,000.
- (b) On 21 March 2025, the Company increased its issued and paid-up share capital from RM334,768,000 to RM447,505,000 through a public issue of 132,000,000 new ordinary shares. The issuance was carried out in conjunction with the Company's transfer of listing from the LEAP Market to the ACE Market at an issue price of RM0.88 per ordinary share for total consideration of RM116,160,000. The proceeds from the public issue will be utilised for working capital for the Group's construction projects and estimated expenses in relation to the transfer of listing.

41. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 17 November 2025, the Company wishes to announce that it had on 14 November 2025 received a letter from Seriemas Resort Sdn. Berhad ("SRSB"), on behalf of its wholly-owned subsidiary, LSH Best Builders Sdn. Bhd. ("LSHB") and its proposed partner, Besteel Engtech Sdn. Bhd. ("BESB"), informing that Seriemas Development Sdn. Berhad ("SDSB"), Permodalan Negeri Selangor Berhad ("PNSB") and SRSB have agreed-in-principle on the following salient terms involving the three (3) agreements to be entered with the corresponding counter-parties in due course in relation to the Morib Rejuvenation Project:-

- (i) Golf Course Land - Lease agreement with SDSB and PNSB for the operation and maintenance of part of the existing golf course land measuring approximately 139 acres held under separate ownerships by SDSB and PNSB for a proposed lease term of 60 years comprising an initial lease term of 20 years followed by two (2) consecutive automatic renewals of 20 years each, subject to performance review and terms and conditions to be discussed;
- (ii) Club House & Hotel Apartment - Lease agreement with PNSB for a new clubhouse and hotel apartment to be constructed on a plot of beachfront land measuring approximately five (5) acres, for a lease term of 30 years with an automatic renewal for another 30 years, subject to terms and conditions to be discussed; and
- (iii) Development - Development rights agreement with SDSB, SRSB and PNSB for the development rights over approximately 150 acres of land held under separate ownerships by SRSB, SDSB and PNSB, as well as a right of first refusal over the remaining land measuring approximately 303 acres for a period of 12 years upon execution of the agreement.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

41. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD (CONT'D)

On 17 November 2025, the Company accepted the letter, confirming its intention to finalise and enter into the above agreements in relation to the Morib Rejuvenation Project.

The above salient terms are intended to serve as the working basis for the parties involved and are subject to the finalisation and execution of the relevant agreements by the parties. They reflect the mutually agreed general and commercial terms and form the foundation of the intended partnership structure between all parties in relation to the Morib Rejuvenation Project.

SDSB is a wholly-owned subsidiary of PNB Development Sdn. Berhad. PNSB is a Selangor State Government subsidiary under the supervision of Menteri Besar Selangor (Incorporated) ("MBI"). SRSB is a joint venture company between SDSB and PNSB.

LSHBB and BESB had jointly submitted their proposal on 29 July 2024 in relation to SRSB's request for proposal ("RFP") for the Morib Rejuvenation Project.

Under the RFP submission, the Morib Rejuvenation Project shall be undertaken by a special purpose vehicle whereby LSHBB shall hold 70% of the ordinary shares and BESB shall hold the remaining 30% of the ordinary shares ("LSHBB-BESB Morib SPV"), with the intention to leverage on the combined experience of both LSHBB and BESB. It was also agreed that LSHBB shall be the party to lead the Morib Rejuvenation Project. The LSHBB-BESB Morib SPV shall be incorporated prior to the signing of the definitive agreements.

BESB is a company incorporated in Malaysia on 23 October 1998. BESB is principally involved in property development, construction, project management, engineering services, maintenance services and general trading. Datuk Lim Keng Guan ("Datuk KG") who is our Non-Independent Executive Vice Chairman and our substantial shareholder, is also a director and shareholder of BESB, holding 39.00% direct equity interest in BESB.

In view of the above, the incorporation of the LSHBB-BESB Morib SPV to undertake the Morib Rejuvenation Project is deemed a related party transaction under Chapter 10 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("AMLR"). As such, Tan Sri Datuk Seri Lim Keng Cheng, Datuk KG, Lim Pak Lian, Lim Keng Hun, Lim Ding Shyong, Lim Seong Hai Holdings Sdn. Bhd. and Lim Seong Hai Resources Sdn. Bhd. (collectively known as the "Interested Parties") are deemed interested in the said transaction. Accordingly, the Interested Parties have abstained and will continue to abstain from all deliberations and voting in relation to the said transaction at the relevant Board and shareholders meetings (where applicable).

SHAREHOLDER ENGAGEMENT & INFORMATION



ANALYSIS OF SHAREHOLDINGS

AS AT 31 DECEMBER 2025

Total Number of Issued Shares : 838,360,208 ordinary shares

Class of Shares : Ordinary Shares

Voting Rights : Every member of the Company, present in person and entitled to vote, or by proxy or by attorney or other duly authorised representative, shall have on a show of hands, one (1) vote or on a poll, one (1) vote for each ordinary share held

Size of holdings	No. of shareholders	% of shareholders	No. of shares held	% of issued shares
Less than 100 shares	15	0.822	100	0.000
100 to 1,000 shares	457	25.041	233,073	0.028
1,001 to 10,000 shares	737	40.384	3,671,927	0.438
10,001 to 100,000 shares	377	20.658	13,305,785	1.587
100,001 to 41,918,009 shares (*)	238	13.041	323,108,614	38.541
41,918,010 shares and above (**)	1	0.055	498,040,709	59.407
Total	1,825	100.000	838,360,208	100.000

Notes:

* - Less than 5% of issued shares

** - 5% and above of issued shares

DIRECTORS' SHAREHOLDINGS

(According to the Register of Directors' Shareholdings as at 31 December 2025)

No.	Name	No. of shares held as at 31 December 2025			
		Direct	%	Indirect	%
1.	Tan Sri Datuk Seri Lim Keng Cheng	14,955,281	1.784	498,075,709 ^[1] ^[2]	59.411
2.	Datuk Lim Keng Guan	14,955,281	1.784	498,050,709 ^[1] ^[2]	59.408
3.	Lim Pak Lian	14,955,281	1.784	498,185,709 ^[1] ^[2]	59.424
4.	Lim Keng Hun	14,955,281	1.784	498,040,709 ^[1]	59.407
5.	Lim Ding Shyong	583,200	0.070	-	-
6.	Dato' Seri Ir. Hj. Mohd Noor Bin Yaacob	2,500,000	0.298	-	-
7.	Lee Swee Kheng	500,000	0.060	-	-
8.	Dato' Wang Sze Yao @ Wang Ming Way	800,000	0.095	-	-
9.	Alina Binti Abdullah	-	-	-	-
10.	Nurulhuda Hayati Binti Ibrahim	-	-	-	-

Notes:

^[1] Deemed interested in Lim Seong Hai Resources Sdn. Bhd. by virtue of their direct interest in Lim Seong Hai Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

^[2] Deemed interested in their children's direct interest in the Company pursuant to Section 59(11)(c) of the Companies Act 2016.

ANALYSIS OF SHAREHOLDINGS (CONT'D)

AS AT 31 DECEMBER 2025

SUBSTANTIAL SHAREHOLDERS

No.	Name	Direct Interest		Deemed Interest	
		No. of shares held	%	No. of shares held	%
1.	Lim Seong Hai Resources Sdn. Bhd.	498,040,709	59.407	-	-
2.	Lim Seong Hai Holdings Sdn. Bhd.	-	-	498,040,709 ^[1]	59.407
3.	Tan Sri Datuk Seri Lim Keng Cheng	14,955,281	1.784	498,075,709 ^{[2] [3]}	59.411
4.	Datuk Lim Keng Guan	14,955,281	1.784	498,050,709 ^{[2] [3]}	59.408
5.	Lim Pak Lian	14,955,281	1.784	498,185,709 ^{[2] [3]}	59.424
6.	Lim Keng Hun	14,955,281	1.784	498,040,709 ^[2]	59.407

Notes:

^[1] Deemed interested by virtue of its direct interest in Lim Seong Hai Resources Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

^[2] Deemed interested in Lim Seong Hai Resources Sdn. Bhd. by virtue of their direct interest in Lim Seong Hai Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

^[3] Deemed interested in their children's direct interest in the Company pursuant to Section 59(11)(c) of the Companies Act 2016.

ANALYSIS OF SHAREHOLDINGS (CONT'D)

AS AT 31 DECEMBER 2025

THIRTY LARGEST SHAREHOLDERS AS AT 31 DECEMBER 2025

(Without aggregating the securities from different securities accounts belonging to the same depositor)

No.	Name	No. of shares held	%
1.	LIM SEONG HAI RESOURCES SDN. BHD.	498,040,709	59.407
2.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 22)	24,000,000	2.863
3.	LIM KENG CHENG	14,955,281	1.784
4.	LIM KENG GUAN	14,955,281	1.784
5.	LIM KENG HUN	14,955,281	1.784
6.	LIM PAK LIAN	14,955,281	1.784
7.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (AHAM AM 2)	14,946,600	1.783
8.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AIA BHD.	14,757,600	1.760
9.	LEE KONG ORL	11,528,000	1.375
10.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD - KENANGA GROWTH FUND	8,879,600	1.059
11.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG DIVIDEND FUND	8,636,800	1.030
12.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (2)	8,535,900	1.018
13.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR AHAM AIIMAN GROWTH FUND	8,192,200	0.977
14.	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD KAF CORE INCOME FUND	6,624,000	0.790
15.	LEE SUAT YEAN	6,000,000	0.716
16.	CARTABAN NOMINEES (TEMPATAN) SDN BHD CN CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA GROWTH FUND SERIES 2	5,774,900	0.689
17.	CARTABAN NOMINEES (TEMPATAN) SDN BHD PRUDENTIAL ASSURANCE MALAYSIA BERHAD FOR PRULINK STRATEGIC FUND 2	5,405,000	0.645
18.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA SHARIAH GROWTH OPPORTUNITIES FUND (50156 TR01)	5,349,100	0.638
19.	CITIGROUP NOMINEES (ASING) SDN BHD UBS AG	4,518,000	0.539

ANALYSIS OF SHAREHOLDINGS (CONT'D)

AS AT 31 DECEMBER 2025

THIRTY LARGEST SHAREHOLDERS AS AT 31 DECEMBER 2025 (CONT'D)

(Without aggregating the securities from different securities accounts belonging to the same depositor)

No.	Name	No. of shares held	%
20.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT SHARIAH PROGRESS FUND	4,138,100	0.494
21.	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR SAHAM AMANAH SABAH (ACC 2-940410)	3,991,400	0.476
22.	HSBC NOMINEES (ASING) SDN BHD J.P. MORGAN SECURITIES PLC	3,971,100	0.474
23.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD EXEMPT AN FOR AHAM ASSET MANAGEMENT BERHAD (TSTAC/CLNTT)	3,787,400	0.452
24.	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR KAF ISLAMIC DIVIDEND INCOME FUND(290411)	2,645,800	0.316
25.	TAN LAI LENG	2,502,900	0.299
26.	MOHD NOOR BIN YAACOB	2,500,000	0.298
27.	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD KAF TACTICAL FUND	2,350,000	0.280
28.	TEY KOCK YEW	2,250,000	0.268
29.	PHILLIP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR CITY EXOTIC SDN. BHD.	2,209,800	0.264
30.	LEE KOING @ LEE KIM SIN	2,200,000	0.262
		723,556,033	86.306

LIST OF PROPERTIES

GROUP'S MATERIAL PROPERTIES

DEVELOPMENT PROPERTIES

Item	Description	Areas/ Build up areas	Tenure	Year of Acquisition (A) / Revaluation (R)	Approximate age of building	Usage	Carrying amount as at 30 September 2025
1	PN 54330, Lot 482098, Mukim and District of Kuala Lumpur Negeri WPKL (formerly known as Pajakan Negeri) 53012, Lot No. 481334 Jalan Manis, Taman Segar Cheras	16,871 square meters	Leasehold Expired 08.08.2116	A: 2017	N/A	Development for Laman Segar Hijau Project	34,411,105.00
2	Lot. 19, Seksyen 86A, Bandar Kuala Lumpur, PSN Titiwangsa 3, 53200 Kuala Lumpur.	910.513 sq.m	Freehold land	A: 2025	N/A	Development for Titiwangsa project	8,073,352.95
3	Lot. 20009, Seksyen 86A, Bandar Kuala Lumpur, PSN Titiwangsa 3, 53200 Kuala Lumpur.	286 sq.m	Leasehold land ending 18.12.2116	A: 2025	N/A	Development for Titiwangsa project	2,706,221.75
4	Lot. 20, Seksyen 86A, Bandar Kuala Lumpur, PSN Titiwangsa 3, 53200 Kuala Lumpur.	1241.838 sq.m	Freehold land	A: 2025	N/A	Development for Titiwangsa project	7,601,116.18
5	Lot No. 103675, Locality of Sungai Besi, Mukim Petaling, District of Kuala Lumpur and State of Wilayah Persekutuan Kuala Lumpur.	47,590 sq.m	Leasehold land ending 13.08.2117	A: 2018	N/A	Development for Lake Side Home project	103,594,334.86
TOTAL DEVELOPMENT PROPERTIES							156,386,130.74

INVESTMENT PROPERTIES

Item	Description	Areas/ Build up areas	Tenure	Year of Acquisition (A) / Revaluation (R)	Approximate age of building	Usage	Carrying amount as at 30 September 2025
Leasehold Land & Shop Office							
1	No. 2-16, Perdana Avenue, Jalan Kajang Perdana 3, Kajang Perdana (Blk B), 43000 Kajang, Selangor.	147 sq.m	Leasehold Expired 24.03.2101	A: 2020	5 years	Unit for rent	218,059.36
2	No. 2-21, Perdana Avenue, Jalan Kajang Perdana 3, Kajang Perdana (Blk C), 43000 Kajang, Selangor.	147 sq.m	Leasehold Expired 24.03.2101	A: 2020	5 years	Unit for rent	218,059.36
3	No. 3-16, Perdana Avenue, Jalan Kajang Perdana 3, Kajang Perdana (Blk B), 43000 Kajang, Selangor.	147 sq.m	Leasehold Expired 24.03.2101	A: 2020	5 years	Unit for rent	167,152.90
4	No. 3-21, Perdana Avenue, Jalan Kajang Perdana 3, Kajang Perdana (Blk C), 43000 Kajang, Selangor.	147 sq.m	Leasehold Expired 24.03.2101	A: 2020	5 years	Unit for rent	167,152.90
5	No. 3-1, Perdana Avenue, Jalan Kajang Perdana 3, Kajang Perdana (Blk A), 43000 Kajang, Selangor.	141 sq.m	Leasehold Expired 24.03.2101	A: 2020	5 years	Unit for rent	169,221.08
6	No. 3-3A, Perdana Avenue, Jalan Kajang Perdana 3, Kajang Perdana (Blk A), 43000 Kajang, Selangor	147 sq.m	Leasehold Expired 24.03.2101	A: 2020	5 years	Unit for rent	167,696.20

LIST OF PROPERTIES (CONT'D)

INVESTMENT PROPERTIES (CONT'D)

[illegible]

FIFTH ANNUAL GENERAL MEETING ("5TH AGM") ADMINISTRATIVE GUIDE FOR SHAREHOLDERS

Day and Date : Thursday, 26 February 2026

Time : 9.00 a.m.

Venue : HEMISFERA Luxury Sky Hall, Kuala Lumpur Tower, No. 2, Jalan Punchak,
Off Jalan P. Ramlee, 50250 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur,
Malaysia



ELIGIBILITY TO ATTEND BASED ON THE RECORD OF DEPOSITORS

Only shareholder whose name appears on the Record of Depositors as at 19 February 2026 (General Meeting Record of Depositors) is entitled to attend, participate, speak and vote at the 5th AGM or appoint proxies to attend, participate, speak and vote on his/her behalf in respect of the number of shares registered in his/her name at that time.

APPOINTMENT OF PROXY(IES)

A shareholder who is unable to attend the 5th AGM on 26 February 2026 may appoint not more than two proxies and/or the Chairman of the Meeting as his/her proxy to attend and vote on his/her behalf at the meeting by indicating the voting instructions in the Form of Proxy. A proxy need not be a member of the Company.

Accordingly, the instrument appointing a proxy for the 5th AGM, whether in hardcopy or by electronic means, shall be deposited or submitted to the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. ("Boardroom") in the following manners **AND** the Form of Proxy must be received by Boardroom not less than 48 hours before the time set for the 5th AGM or no later than **Tuesday, 24 February 2026 at 9.00 a.m.:-**

1. In hardcopy form

The Form of Proxy can be deposited at the office of the Company's Share Registrar, Boardroom at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

2. By electronic means

- (i) The Form of Proxy may be submitted to the Company's Share Registrar, Boardroom via e-mail to bsr.proxy@boardroomlimited.com; or
- (ii) Via electronic means ("e-Proxy") through the Boardroom Smart Investor Portal ("BSIP") at <https://investor.boardroomlimited.com>. The procedures to submit your proxy form electronically via BSIP are as follows:-

Step 1 – Register Online with BSIP (for first time registration only)

(Note: If you have already signed up with BSIP, you are not required to register again)

1. Access website: <https://investor.boardroomlimited.com>

Individual Account (For Shareholders & Proxies)	Corporate Account (For representatives of Corporate Holders or Authorised Nominees)
<ul style="list-style-type: none"> Click "Register" to sign up as a user and select "Sign up as Individual". Complete the registration and enter a valid e-mail address. Upload and attach your MyKad (front and back) or Passport, in JPEG, PNG or PDF format. Click "Sign Up". <p>Note: Please ensure you sign up for an Individual Account if you are an appointed proxy to attend the meeting.</p>	<ul style="list-style-type: none"> Click "Register" to sign up as a user and select "Sign up as Corporate Holder". Complete the registration and enter a valid e-address. Upload and attach your MyKad (front and back) or Passport, in JPEG, PNG or PDF format, along with the completed authorisation letter. Click "Sign Up". <p>Note: If you are appointed as the authorised representative for more than one corporate holder/ authorised nominee, please click the Home button and select "Edit Profile" to add your representation after your BSIP account has been approved.</p>

FIFTH ANNUAL GENERAL MEETING (“5TH AGM”) ADMINISTRATIVE GUIDE FOR SHAREHOLDERS (CONT'D)

Step 1 – Register Online with BSIP (for first time registration only) (Cont'd)

- You will receive an e-mail from BSIP for e-mail address verification. Click **“Verify Email Address”** from the email received to proceed with the registration.
- Once your e-mail address is verified, you will be directed to BSIP for verification of mobile number. Click **“Request OTP Code”** and an OTP Code will be sent to your registered mobile number. You will need to enter the OTP Code and click **“Enter”** to complete the process.
- Your registration will be verified and approved within one business day, and you will receive an e-mail notification upon approval of your BSIP account. Once account registration is complete, you may login to BSIP at <https://investor.boardroomlimited.com> using the e-mail address and password you provided during registration.

Step 2 – Lodgment of eProxy Form

- Go to BSIP at <https://investor.boardroomlimited.com>.
- Login to your BSIP account with your registered e-mail address and password.
- Click “Meeting Event(s)” and select **“LIM SEONG HAI CAPITAL BERHAD 5TH AGM”** and click **“Enter”**.

By Individual Shareholder and Corporate Holder

- For Corporate Account User only, select the company that you are representing.
- Go to **“PROXY”** and click **“Submit eProxy Form”**.
- Enter your 9-digit CDS account number and the number of securities held.
- Select your proxy(ies) – either the Chairman of the Meeting or individual proxy(ies).
- Read and accept the General Terms and Conditions by clicking **“Next”**.
- Enter the required particulars of your proxy(ies).
- Indicate your voting instructions – **“FOR”** or **“AGAINST”**, otherwise your proxy will decide your vote.

By Authorised Nominee and Exempt Authorised Nominee

- Select the Nominee(s) Company that you are representing.
- Go to **“PROXY”** and click **“Submit eProxy Form”**.
- Click **“Download Excel Template”** to download.
- Insert the appointment of proxy(ies) for each CDS account with the necessary data and voting instructions into the Excel Template. Ensure data is inserted correctly in accordance with the template.
- Upload the completed Excel Template.

- Review and confirm your proxy(ies) appointment and click **“Submit”**.
- Download or print the eProxy Form as an acknowledgment.
- You will receive a notification from Boardroom that your request(s) has been received.

Step 3 – Revocation of Proxy

If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to participate in the 5th AGM yourself, please revoke the appointment of the earlier appointed proxy(ies) forty-eight (48) hours before the 5th AGM through the following options:

- Hardcopy Form
Write in to bsr.proxy@boardroomlimited.com to revoke the earlier appointed proxy(ies).
- eProxy Form
Go to **“Submitted eProxy Form list”** and click **“View”**.
Click **“Cancel/Revoke”** at the bottom of the eProxy form.
Click **“Proceed”** to confirm.

FIFTH ANNUAL GENERAL MEETING (“5TH AGM”) ADMINISTRATIVE GUIDE FOR SHAREHOLDERS (CONT'D)

REGISTRATION ON THE DAY OF 5TH AGM

The registration counter will be opened at 8.00 a.m. on Thursday, 26 February 2026 at main entrance of Kuala Lumpur Tower, No. 2, Jalan Punchak, Off, Jalan P. Ramlee, 50250 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia.

Attendees are requested to produce/show their original MyKAD or Passport (for non-Malaysian) to the registration personnel for verification purposes. Kindly ensure the original MyKAD or Passport is returned to you thereafter. Please take note that no person will be allowed to register on behalf of another person, even with the original MyKAD or Passport of that person.

Upon verification and successful registration, please ensure you sign the attendance list. You will be provided with the following:

1. A wristband. No person will be allowed to enter the meeting hall without wearing the identification wristband. There will be no replacement in the event you lose or misplace the identification wristband.
2. QR code to access the e-polling system using your own smartphone/tablet.

VOTING PROCEDURE

1. The voting will be conducted by poll in accordance with Rule 8.31A of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Boardroom as Poll Administrator to conduct the poll by way of electronic voting (“e-Polling”) and Malaysian Issuing House Sdn. Bhd. as the Scrutineers to verify the poll results.
2. The e-Polling will be carried out via either one of the following methods:-
 - via your own smartphone/tablet with the QR code provided upon registration on the day of the meeting; or
 - via polling kiosk at the Venue.
3. During the 5th AGM, the Chairman will invite the Poll Administrator to provide a briefing on the e-Polling housekeeping rules. The voting session will commence as soon as the Chairman calls for the poll to be opened and until such time when the Chairman announces the closure of the poll.
4. Steps to vote:
 - Please vote using your smartphone or tablet with the QR code which will be provided upon registration on the meeting day.
 - Shareholders, proxies, corporate representatives and attorneys are advised to bring their own personal devices to vote.
 - Alternatively, you may submit your vote at the polling kiosk.
5. The Scrutineers will verify the poll result reports upon closing of the poll session by the Chairman. Thereafter, the Chairman will announce the results and declare whether the resolutions put to vote were successfully carried or not.

SUBMISSION OF QUESTIONS FOR THE 5TH AGM

1. Prior to the meeting

Shareholders may submit questions in relation to the agenda items of the 5th AGM via BSIP at <https://investor.boardroomlimited.com>. Login to your BSIP account and click “Meeting Event(s)” and go to “LIM SEONG HAI CAPITAL BERHAD 5TH AGM” and click “Enter”. Thereafter, select “SUBMIT QUESTION” to pose your questions. Please submit your questions no later than 9.00 a.m. on Tuesday, 24 February 2026. The responses to these questions will be presented at the 5th AGM.

2. During the meeting

You may speak or raise questions during the question and answer session of the meeting.

DOOR GIFT

As the 5th AGM will be held at Kuala Lumpur Tower, shareholders will have the opportunity to enjoy the Kuala Lumpur skyline. Accordingly, no door gifts or food vouchers will be provided.

FIFTH ANNUAL GENERAL MEETING (“5TH AGM”) ADMINISTRATIVE GUIDE FOR SHAREHOLDERS (CONT'D)

REFRESHMENT

1. In view that the 5th AGM is held during the Ramadan period, the Company will provide a meal box to shareholders/proxies upon registration.
2. The provision of meal box(es) shall be subject to the following:-
 - (i) One (1) meal box will be provided to a shareholder present in person.
 - (ii) For a shareholder who appoints more than one proxy, meal boxes will only be provided to the first two proxies stated in the Form of Proxy.
 - (iii) If you are a proxy representing more than one shareholder, you are entitled to one (1) meal box only.
 - (iv) If you are a shareholder and also appointed as proxy by another shareholder, you are only entitled to one meal box.
 - (v) If the proxy/proxies has/have collected the meal box(es) earlier, shareholder(s) who decided to attend and request to revoke the proxy appointment will not be given any meal box.

MOBILE DEVICES

1. Please ensure that all mobile devices (i.e. phones/other sound emitting devices) are switched off or put on silent mode during the Meeting to ensure smooth and uninterrupted proceedings.
2. Photography and recording of the meeting proceedings, vocal and audio-visual, are strictly prohibited at the 5th AGM.

PERSONAL BELONGINGS

Please take care of your personal belongings. The Company will not be held responsible for any missing personal belongings.

ENQUIRY

If you have any enquiries prior to the 5th AGM, please contact our Share Registrar during office hours on Mondays to Fridays, from 8.30 a.m. to 5.30 p.m. (except on public holidays), details of our Share Registrar as stated below:-

Boardroom Share Registrars Sdn Bhd

Address : 11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Tel No. : +603-7890 4700

Fax No. : +603-7890 4670

Email : bsr.proxy@boardroomlimited.com

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 5th 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 5th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 5th 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.

NOTICE OF THE 5TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifth (“5th”) Annual General Meeting (“AGM”) of Lim Seong Hai Capital Berhad (“LSH Capital” or “Company”) will be held at HEMISFERA Luxury Sky Hall, Kuala Lumpur Tower, No. 2, Jalan Punchak, Off Jalan P. Ramlee, 50250 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia on Thursday, 26 February 2026 at 9.00 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing the following resolutions, with or without any modifications:-

AGENDA

As Ordinary Business

- | | | |
|----|--|---|
| 1. | To receive the Audited Financial Statements for the financial year ended 30 September 2025 together with the Directors’ and Auditors’ Reports thereon. | Please refer to
Explanatory Note 1 |
| 2. | To approve the Directors’ fees and benefits payable to the Directors of the Company and its subsidiaries up to an aggregate amount of RM910,000.00 only for the period from 27 February 2026 until the conclusion of the next AGM of the Company to be held in year 2027, to be paid monthly in arrears. | Ordinary Resolution 1 |
| 3. | To re-elect the following Directors who are retiring pursuant to Clause 116 of the Constitution of the Company and, being eligible, have offered themselves for re-election:- | |
| | (i) Madam Lee Swee Kheng | Ordinary Resolution 2 |
| | (ii) Madam Lim Pak Lian | Ordinary Resolution 3 |
| | (iii) Mr Lim Keng Hun | Ordinary Resolution 4 |
| 4. | To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 5 |

As Special Business

To consider and, if thought fit, to pass the following resolutions, with or without modifications:-

- | | | |
|----|---|------------------------------|
| 5. | Authority under Sections 75 and 76 of the Companies Act 2016 (“the Act”) for the Directors to allot and issue shares | Ordinary Resolution 6 |
| | <p>“THAT, pursuant to Sections 75 and 76 of the Act, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issuance.</p> <p>THAT in connection with the above, pursuant to Section 85 of the Act and Clause 17 of the Constitution of the Company, the shareholders do hereby waive the statutory pre-emptive rights of offered shares in proportion of their holdings at such price and at such terms to be offered arising from issuance of new shares pursuant to this mandate by the Company.</p> <p>AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares.</p> | |

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

6. **Proposed Shareholders' Ratification and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

Ordinary Resolution 7

THAT subject to the provisions of the Constitution of the Company and the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), approval be and is hereby given to the Group to enter into and give effect to the recurrent related party transactions of a revenue or trading nature, particulars of which with the classes of related parties as specified in Section 2.5 of the Circular to Shareholders dated 23 January 2026, provided that:-

- (i) such arrangements and/or transactions are necessary for the Group's day-to-day operations;
- (ii) such arrangements and/or transactions undertaken are in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to third party;
- (iii) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and
- (iv) the disclosure is made in the annual report on the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year in relation to:-
 - (a) the related transacting parties and their respective relationship with the Company; and
 - (b) the nature of the recurrent transactions.

THAT such authority conferred shall continue to be in force until:-

- (i) the conclusion of the next AGM of the Company at which time the mandate will lapse, unless the authority is renewed by a resolution passed at the next AGM; or
- (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but will not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

THAT all the recurrent related party transactions entered into by the Company and/or its subsidiaries ("the Group") with the related parties from 21 March 2025, being the date of listing of the Company on the ACE Market of Bursa Securities, up to the date of this Ordinary Resolution, particulars of which are set out in Section 2.5 of the Circular to Shareholders be and are hereby approved, confirmed and ratified.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.

- 7. To transact any other business of which due notice shall have been given in accordance with the Act and Constitution of the Company.

BY ORDER OF THE BOARD

TAI YIT CHAN (MAICSA 7009143)
(SSM PC No. 202008001023)
Company Secretary

Selangor Darul Ehsan
Date: 23 January 2026

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

NOTES:-

1. A member entitled to attend and vote at the meeting is entitled to appoint up to two (2) proxies to attend, participate, speak and vote on his/her behalf. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, participate, speak and vote at the meeting of the Company shall have the same right as a member to speak at the meeting.
2. Where a member appoints more than one (1) proxy, the appointment 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, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from the compliance with the provisions of subsection 25A(1) of SICDA.
4. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
5. The instrument appointing a proxy, with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, shall be deposited at the office of Share Registrar, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting. Alternatively, the instrument appointing a proxy may also be electronically submitted via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> ("e-Proxy Lodgement") or email to bsr.proxy@boardroomlimited.com. Please refer to the Administrative Guide for the procedures on e-Proxy Lodgement.
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 19 February 2026 and only a depositor whose name appears in such Record of Depositors shall be entitled to attend and vote at this meeting and entitled to appoint proxy or proxies.
7. Pursuant to Rule 8.31A of the AMLR of Bursa Securities and Clause 89 of the Company's Constitution, all the resolutions set out in the notice of general meeting will be put to vote by way of poll. Poll administrators and independent scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

EXPLANATORY NOTES ON AGENDA ITEMS:-

1. Item 1 of the Agenda - Audited Financial Statements

The Audited Financial Statements for the financial year ended 30 September 2025 in Agenda item 1 is meant for discussion only as the approval from shareholders is not required pursuant to the provision of Section 340(1)(a) of the Act. Hence, this Agenda item will not be put forward for voting by the shareholders of the Company.

2. Item 2 of the Agenda - Directors' Fees and Other Benefits

Payment of Directors' fees and benefits under Section 230(1) of the Act provides amongst others, that the Directors' fees and any benefits payable to the Directors of the Company and its subsidiaries shall be approved at a general meeting.

The Proposed Ordinary Resolution 1 is to facilitate payment of Directors' fees and other benefits for the period from 27 February 2026 until the conclusion of the next AGM of the Company to be held in year 2027.

In determining the estimated total amount of Directors' fees and benefits payable to the Directors of the Company, the Board has considered various factors including the number of scheduled meetings for the Board and Board Committees, and general meeting.

Payment of Directors' fees and any benefits payable will be made by the Company on a monthly basis or as and when incurred. The Board is of the view that it is just and equitable for the Directors' fees to be paid on monthly basis or as and when incurred, after the Directors have discharged their responsibilities and rendered their services to the Company.

3. Item 3 of the Agenda – Re-election of Directors

Pursuant to Malaysian Code on Corporate Governance, the profiles of the Directors who are standing for re-election are set out in the Directors' profiles of the Annual Report 2025.

The performance, contribution, effectiveness and independence (as the case may be) of the retiring Directors, namely Madam Lee Swee Kheng, Madam Lim Pak Lian and Mr Lim Keng Hun (collectively "Retiring Directors") have been assessed by the Nomination and Remuneration Committee ("NRC"). In addition, the NRC has also conducted an assessment on the fitness and propriety of the Retiring Directors including the review of their fit and proper declarations and results of their background checks in accordance with the Directors' Fit & Proper Policy. The Retiring Directors have abstained from deliberations and decision on their own eligibility and suitability to stand for re-election.

Based on the recommendation of NRC, the Board endorsed the same, having been satisfied with performance as well as fitness and propriety of the Retiring Directors.

4. Item 5 of the Agenda – Authority to Issue and Allot New Shares Pursuant to Sections 75 and 76 of the Act

The Company had, during its Fourth AGM held on 6 January 2025, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Sections 75 and 76 of the Act. As at the date of this notice, the Company had not issued any new shares pursuant to that mandate obtained.

The Ordinary Resolution 6 proposed under item 5 of the Agenda is to seek shareholders' approval of the general mandate to empower the Directors of the Company to allot and issue new shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total number of issued shares of the Company pursuant to Sections 75 and 76 of the Act and in accordance with Rule 6.05 of the AMLR of Bursa Securities for such purposes as the Directors of the Company consider would be in the best interest of the Company.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

The proposed Ordinary Resolution 6, if passed, will provide flexibility to the Company to issue new shares for any possible fund raising activities, including but not limited to further placement of shares, for the purpose of funding current or future investment project(s), working capital, acquisition(s), repayment of bank borrowings, issuance of shares or convertible securities as settlement of purchase consideration or such other applications that the Directors of the Company may in their absolute discretion deemed fit. Such flexibility would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

The waiver of pre-emptive rights pursuant to Section 85 of the Act and Clause 17 of the Company's Constitution will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to the issuance of new shares in the Company under the general mandate.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is sought, the Company will make an announcement in respect thereof.

5. **Item 6 of the Agenda – Proposed Shareholders' Ratification and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

For further information on Ordinary Resolution 7, please refer to the Circular to Shareholders dated 23 January 2026 accompanying the Annual Report of the Company for the financial year ended 30 September 2025.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the 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.

FORM OF PROXY

CDS ACCOUNT NUMBER

NO. OF SHARES HELD

LIM SEONG HAI CAPITAL BERHAD
 Registration No.: 202001036664 (1392985-A)
 (Incorporated in Malaysia)

I/We*, _____ (full name of shareholder, in capital letters) NRIC
 No./Passport No./Company No.* _____ of _____
 _____ (full address) telephone no.
 _____ and email address _____ being a *member/ members
 of LIM SEONG HAI CAPITAL BERHAD hereby appoint(s):-

Full Name (BLOCK LETTERS)	NRIC/Passport No.:	Proportion of shareholding to be represented by the proxy/proxies:	
		No. of Shares	%
Address:			
Tel. No.:			
Email Address:			

*and/or

Full Name (BLOCK LETTERS)	NRIC/Passport No.:	Proportion of shareholding to be represented by the proxy/proxies:	
		No. of Shares	%
Address:			
Tel. No.:			
Email Address:			

*failing him/her, the CHAIRMAN OF THE MEETING, as *my/our proxy to vote for *me/us, and on *my/our behalf at the Fifth ("5th") Annual General Meeting ("AGM") of the Company, to be held at will be held at HEMISFERA Luxury Sky Hall, Kuala Lumpur Tower, No. 2, Jalan Punchak, Off Jalan P. Ramlee, 50250 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia on Thursday, 26 February 2026 at 9.00 a.m. or at any adjournment thereof, to vote in the manner as indicated below:-

NO.	ORDINARY BUSINESS	ORDINARY RESOLUTION	FOR	AGAINST
1.	To approve the Directors' fees and benefits payable to the Directors of the Company and its subsidiaries up to an aggregate amount of RM910,000.00 only for the period from 27 February 2026 until the conclusion of the next AGM of the Company to be held in year 2027, to be paid monthly in arrears.	1		
2.	To re-elect Madam Lee Swee Kheng who is retiring pursuant to Clause 116 of the Constitution of the Company.	2		
3.	To re-elect Madam Lim Pak Lian who is retiring pursuant to Clause 116 of the Constitution of the Company.	3		
4.	To re-elect Mr Lim Keng Hun who is retiring pursuant to Clause 116 of the Constitution of the Company.	4		
5.	To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	5		
6.	To approve the authority under Sections 75 and 76 of the Companies Act 2016 for the Directors to allot and issue shares.	6		
7.	To approve the proposed shareholders' ratification and proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading nature.	7		

Please indicate with an "X" in the spaces provided, how you wish your votes to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion.

Signed this day _____ of _____

Signature# of Member

(Please attach the Form of Proxy in the envelope)

Fold this flap for sealing

***Manner of execution:**

- (a) If you are an individual member, please sign where indicated.
- (b) If you are a corporate member which has a common seal, this Form of Proxy should be executed under seal in accordance with the Constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this Form of Proxy should be affixed with the rubber stamp of your company (if any) and executed by:
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

NOTES:-

1. A member entitled to attend and vote at the meeting is entitled to appoint up to two (2) proxies to attend, participate, speak and vote on his/her behalf. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, participate, speak and vote at the meeting of the Company shall have the same right as a member to speak at the meeting.
2. Where a member appoints more than one (1) proxy, the appointment 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, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from the compliance with the provisions of subsection 25A(1) of SICDA.
4. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
5. The instrument appointing a proxy, with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, shall be deposited at the office of Share Registrar, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting. Alternatively, the instrument appointing a proxy may also be electronically submitted via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> ("e-Proxy Lodgement") or email to bsr.proxy@boardroomlimited.com. Please refer to the Administrative Guide for the procedures on e-Proxy Lodgement.
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 19 February 2026 and only a depositor whose name appears in such Record of Depositors shall be entitled to attend and vote at this meeting and entitled to appoint proxy or proxies.
7. Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and Clause 89 of the Company's Constitution, all the resolutions set out in the notice of general meeting will be put to vote by way of poll. Poll administrators and independent scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and /or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of 5th AGM dated 23 January 2026.

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AFFIX STAMP

LIM SEONG HAI CAPITAL BERHAD

Registration No.: 202001036664 (1392985-A)

c/o The Registrar

Boardroom Share Registrars Sdn. Bhd.

Registration No. 199601006647 (378993-D)

11th Floor, Menara Symphony

No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13

46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia

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www.limseonghai.com

LIM SEONG HAI CAPITAL BERHAD

(Registration No. 202001036664 (1392985-A))

(Incorporated in Malaysia under the Companies Act 2016)

Wisma Lim Seong Hai
No. 33, Jalan Gombak
53000 Kuala Lumpur

Tel. : +603 4021 8899