CORPORATE GOVERNANCE REPORT

STOCK CODE	**:**	3573
COMPANY NAME	**:**	Lien Ho Corporation Berhad
FINANCIAL YEAR	**:**	December 31, 2025

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE
Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA
Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome
Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.1
The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors (the "Board") of Lien Hoe Corporation Berhad ("Lien Ho" or the "Company") recognises the importance of good corporate governance ("CG") in ensuring that the interest of the Company, shareholders and other stakeholders are protected. The Board is committed to an established framework for governance and controls that are consistent with high standards of corporate governance. The Board is overall and collectively responsible for the strategic direction and business performance of the Group and is responsible in promoting long term shareholder value, ensuring overall corporate governance, establishing goals for management and monitoring the achievement of these goals. (a) Promoting good CG culture within the Group which reinforces ethical, prudent and professional behaviour. The Board, together with the management, is committed to promoting good CG culture within the organisation which reinforces ethical, prudent and professional behaviour. The Board has developed and adopted a formal Board Charter to provide clear guidance on the roles, responsibilities, processes and operations of the Board. The document is provided as compulsory reading material for the induction of new Board members and senior management. The Board Charter is further supplemented by the terms of reference of the Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC") and Remuneration Committee ("RC") which specify the composition, rights, key functions, roles and responsibilities of respective committees.

Besides, the Company has established a Code of Ethics and Conduct, Whistle-Blowing Policy and an Anti-Bribery and Anti-Corruption Policy. The Code of Ethics and Conduct, Whistle-Blowing Policy, Anti-Bribery and Anti-Corruption Policy and Board Charter are available for reference in the Company's website.

(b) Reviewing and deciding on management's proposals for the Company, and monitoring its implementation by management

The Board may seek advice from the management on issues under their purview and may interact directly with the management, or request further explanation, information or updates on any aspect of the Group's operations or business concern from them. The Board will invite management to attend Board or Board Committees meetings to report, update and provide an insight on areas of business within their responsibility to the Board except certain key responsibilities are not delegated by the Board and are reserved solely for the Board's decision.

(c) Ensuring that the strategic plan of the Group supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability

In ensuring that the strategic plan of the Company supports long-term value creation, the Board had reviewed the outcome of the management's assessment and validated the material sustainability factors, namely economic, environmental and social as well as governance matters that are considered as highly important to company business and stakeholders.

The material factors are taken into consideration through the implementation of sustainability practices which the Board believes, would translate into better corporate performance. Details of the Group's sustainability efforts are set out in its Sustainability Statement of the Company's Annual Report for the financial year ended 31 December 2025 ("Annual Report 2025").

(d) Supervising and assessing management performance to determine whether the business is being properly managed

A total of five (5) Board meetings were conducted during the financial year ended 31 December 2025. The Board reviews and discuss annual operating budget, major capital expenditures and strategic business plan before any approval is granted. The Chief Executive Officer, Executive Directors and management are accountable to the Board and are expected to fulfil their responsibilities through the provision of reports, briefings and presentations on a regular basis throughout the year.

	(e) Ensuring there is a sound framework for internal controls and risk management The Board affirms its overall responsibility for maintaining the Group's system of internal control, risk management and reviewing the adequacy and integrity of these systems. In view of the limitations that are inherent in any system of internal control, the system is designed to manage, rather than eliminate the risk of failure to achieve the Group's business objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement or loss. The details of the Group's internal controls and risk management are set out in its Statement on Risk Management and Internal Control of the Company's Annual Report 2025. (f) Understanding the principal risks of the Group's business and recognising that business decisions involve the taking of appropriate risks The risk management framework of the Group is overseen by the Risk Management Working Groups which ensure that an annual risk management process is carried out to identify, evaluate and manage significant risks of the business. A separate Risk Management Working Group has been established for the hotel division of the Group. The Working Group consists of key members of the management team and various departments within the division. Findings from the process is compiled and tabled to the Board for review and evaluation. Items highlighted to the Board are disclosed in terms of severity, probability of risk occurring, effect of the risk should it occur, and actions currently being taken to mitigate or minimise the risk to acceptable level. (g) Ensuring that there is an appropriate risk management framework in place, for management to identify, manage and monitor significant risks The Board confirms that there is an on-going process of identifying, evaluating, managing and responding to risks to achieve the objectives of the Group for the financial year under review. As part of the risk management process, a detailed Registry of Risks and Risk Management Handbook were adopted. The Risk Management Working Group of the hotel segment is entrusted to identify risk and to ensure that adequate control systems are implemented to mitigate significant risks faced by the operations.

	Details of the Group's Risk Management Framework are set out in its Statement on Risk Management and Internal Control of the Company's Annual Report 2025. (h) Ensuring that Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and Senior Management The Board through the NC is responsible to ensure that there is an effective and orderly succession planning in company. The NC has in place a formal evaluation process to assess the effectiveness and performance of the Board as a whole, the Board Committees and the performance of each individual director on an annual basis. The criteria used for the annual assessment of the Board and Board Committees includes composition and structure, principal responsibilities, processes, adequacy of information, succession planning and governance. For individual directors, criteria include an assessment on their roles and duties, contributions to interaction, knowledge, integrity and independence. The terms of reference of the NC is also available for reference in the Company's website at www.lienho.com.my. (i) Ensuring that the Group has in place procedures to enable effective communication with stakeholders The Board is cognisant that effective and timely communication is essential in maintaining good relationship with stakeholder and cultivates trust and understanding between the Group and stakeholders. Other than investor relations function, engagement forums and briefings, the Group leverage on information technology to create ease of access and convenience in all communications for stakeholders. Where corporate exercises are proposed for shareholders' approval, key documents including the Company's Constitution, recent audited financial statements, adviser reports, material contracts and cause papers in respect of material litigation, where applicable, are made available for inspection. In addition, the address and phone number of the Group is clearly disclosed in the annual report, so that concerned shareholders may easily contact the office of the Company. (j) Ensuring the integrity of the Company's financial and non-financial reporting The ARMC assists the Board by reviewing the disclosure information to ensure accuracy and adequacy and to ensure the financial statements comply with applicable accounting

	standards as this is integral to the reliability of the financial statements. A full statement of the Board acknowledging its responsibility in the preparation of the Group's financial statements is provided in the Directors' Responsibility Statement of the Company's Annual Report. Activities carried out by the ARMC are set out in the ARMC Report of the Company's Annual Report 2025.
Explanation for departure :	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.	
Measure :	
Timeframe :	

Intended Outcome
Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.2
A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Chairman leads the Board and Board meetings, encouraging and facilitating the discussion and integration of views from all members. The Chairman is also responsible for ensuring that communication channels between the Board and stakeholders remain open, allowing feedback from both internal and external sources including management performance reports, to be considered in Board deliberations. As the leader of the Board, the Chairman plays a key role in promoting and upholding ethical, prudent, and professional behaviour throughout the Group, in line with best practices in corporate governance.	
		The Company had on 27 February 2026, appointed Datin Lin Shou Jen ("Datin Lin") as Chairman and Non-Independent Non-Executive Director of the Company.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome
Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.3
The positions of Chairman and CEO are held by different individuals.

Application	:	Applied
Explanation on application of the practice	:	The roles of the Chairman and the Chief Executive Officer ("CEO") are distinct and separate to ensure an appropriate balance of power and authority within the Company. During the financial year under review, the position of CEO was held by Ms Yap Tse Yeeng, Christine. The Board did not appoint a Chairman during the financial year under review following the retirement of the former Chairman. Subsequently, on 27 February 2026, the Company appointed Datin Lin as Chairman and Non-Independent Non-Executive Director. As highlighted in Practice 1.2, the Chairman's role focuses on leading the Board and facilitating effective governance, while the CEO's role is centred on the day-to-day management of the business and the implementation of the Board's policies and decisions. The CEO, assisted by the Management team, is responsible to: (a) Assist the Board in overseeing the day-to-day operations of the Group; (b) Ensure the implementation of all approved policies and procedures and formulating plans to achieve the Group's corporate objectives; (c) Select and appoint suitable candidates to the management team who will translate the Group's corporate objectives and policies into detailed business plans and implementation of those plans; (d) Ensure the implementation and effectiveness of internal controls, to monitor and safeguard the Group's financial and other resources; and (e) Maintain a high level of employee effectiveness, ethics and morale. The CEO, Executive Directors and management are accountable to the Board and are expected to fulfil their responsibilities through the provision of reports, briefings and presentations on a regular basis throughout the year.

	Separation of the positions of the Chairman and the Managing Director/CEO is defined in the Board Charter.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.4
The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<table>
<tr><td colspan="3">Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</td></tr>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">The positions of Chairman of the Board and Chairmen of the respective Board Committees are held by different Directors to ensure appropriate oversight and governance.

Following the retirement of the Board Chairman, the Company will identify and appoint a suitable candidate to fill the vacancy.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

Intended Outcome
Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.5
The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

Application	:	Applied	
Explanation on application of the practice	:	The Board has access to the advice and support services of qualified and competent Company Secretaries, who advise the Board on its roles and responsibilities, facilitate Board communications, assist in Directors' training and development, monitor corporate governance developments and support the Board in applying governance practices that meet its needs and stakeholders' expectations. The Company Secretaries also serve as a focal point for stakeholder communication and engagement on corporate governance matters. Matters relating to statutory and regulatory compliance affecting the Group including advice on corporate disclosures and compliance with relevant company and securities laws, as well as the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") are advised by the Company Secretaries. The Company Secretaries attend and manage all Board and Board Committee meetings, as well as general meetings, ensuring that meetings are properly convened in accordance with the required procedures and that accurate and comprehensive records of proceedings and resolutions passed are duly maintained.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.6
Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<table>
<tr><td>Application</td><td>:</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice</td><td>:</td><td colspan="2">The Board agenda, together with discussion papers, is compiled and distributed to all Directors at least five (5) days prior to the Board meeting to ensure that Directors have sufficient time to review the matters for deliberation.

All Board members are responsible for ensuring that the minutes of meetings accurately reflect the deliberations and decisions of the Board. Upon conclusion of each meeting, the minutes are circulated promptly for review.</td></tr>
<tr><td rowspan="2">Explanation for departure</td><td rowspan="2">:</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="4">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure</td><td>:</td><td colspan="2"></td></tr>
<tr><td>Timeframe</td><td>:</td><td></td><td></td></tr>
</table>

Intended Outcome
There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

Practice 2.1
The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–
- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

Application	:	Applied
Explanation on application of the practice	:	The Board has developed and adopted a formal Board Charter to provide clear guidance on the roles, responsibilities, processes and operations of the Board. The document is provided as compulsory reading material for the induction of new Board members and senior management. The Board Charter is further supplemented by the terms of reference of the ARMC, NC and RC which specify the composition, rights, key functions, roles and responsibilities of the respective committees. The Board Charter defines the composition, the responsibilities of the Chairman and Managing Director/CEO, ensures that the Board may establish committees to assist in carrying out its duties and responsibilities, the procedures for convening Board meetings, investor relations and shareholders communication, access to information and independent advice and to ensure that the Malaysian Code on Corporate Governance 2021 ("MCCG 2021") is observed by all the directors and employees of the Group. The Board Charter is available for reference in the Company's website at www.lienhoe.com.my. The Board Charter and the terms of reference of its committees are reviewed regularly to ensure they remain consistent with the Board's objectives, current law and best practices. Certain key responsibilities are not delegated by the Board, and are reserved solely for the Board's decision:- (a) appointment of directors, Managing Director/CEO and other members of senior management; (b) formulating and reviewing the Group's strategic plans, operating budgets, significant investments and capital expenditures in support of long-term value creation and sustainability; (c) designing corporate policies with inherent risk management and internal control systems to ensure continuous risk evaluation process;

	(d) appraising the internal and external environment of the Group to determine acceptable risk levels and ensuring that management team stays within the acceptable risk appetite in the Group's day-to-day operations; and (e) reviewing and approving the Company's announcements to the public, including publishing of annual reports and financial results.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.1
The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

<table>
<tr><td>Application</td><td>:</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice</td><td>:</td><td colspan="2">The Group has established a Code of Ethics and Conduct applicable to all Directors and employees.

The Code of Ethics and Conduct sets out the principles and standards of business ethics and conduct expected within the Group. It encourages any employee who knows of, or suspects, a violation of the Code of Ethics and Conduct to report their concerns to the Directors, with the assurance that they will not face discrimination or retaliation for reporting in good faith.

Violations of the Code of Ethics and Conduct may result in disciplinary action, including termination of employment.

The Code of Ethics and Conduct is available for reference on the Company's website at www.lienhoe.com.my.</td></tr>
<tr><td rowspan="2">Explanation for departure</td><td rowspan="2">:</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="4">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure</td><td>:</td><td colspan="2"></td></tr>
<tr><td>Timeframe</td><td>:</td><td></td><td></td></tr>
</table>

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

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.2
The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied	
Explanation on application of the practice	:	A Whistle-Blowing Policy has been established by the Board, to provide an avenue for the employees of the Group and members of the public to raise genuine concerns of any wrongdoing or improper conduct involving the Group and its directors or employees, without fear of retaliation and to offer protection for the reporter who reports such allegations. The channel of reporting is through the Company's website at www.lienhoe.com.my. The report will be directly emailed to the Chairman of ARMC and copied to the Managing Director/CEO of the Company. The Whistle-Blowing Policy is available for reference at www.lienhoe.com.my.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.1
The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">The Board together with the management take responsibilities for the governance of sustainability in the Company including setting the sustainability strategies, priorities and targets where and when appropriate.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

Intended Outcome
The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.2
The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied	
Explanation on application of the practice	:	The Company's sustainability strategies, priorities and targets are communicated directly to all its internal and external stakeholders, which include inter-alia employees, customers, suppliers, business partners and industry associations, through the Sustainability Statement in the Company's Annual Report 2025 and other formal and informal dialogues.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application :	Applied	
Explanation on application of the practice :	The Board and its members are continually engaging with professionals to gain the latest development and a better understanding of all relevant sustainability issues, including climate-related risks and opportunities.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.4
Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	The Board has performed the roles and duties in addressing material sustainability matters. The performance of the Board in addressing the Company's material sustainability matters was evaluated through the annual Board's effectiveness evaluation. As for the senior management team, it is part of their key performance indicators which are reviewed annually.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.5- Step Up
The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.		
Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.1
The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application :	Applied	
Explanation on application of the practice :	The NC reviews the composition of the Board and the tenure of Directors on an annual basis. Prior to making recommendations to the Board, the NC evaluates the performance of Directors standing for re-election to ensure they meet the required standards. Following a satisfactory evaluation, the NC recommends their re-election to the Board for onward recommendation to shareholders for approval. The Directors standing for re-election at the forthcoming Annual General Meeting ("AGM") are Mr Lau Shu Yan Julius ("Mr Julius"), Mr Ong Kim Teck ("Mr Ong") and Datin Lin. The NC and the Board are satisfied with the performance, management, and contributions of Mr Julius, Mr Ong and Datin Lin. Accordingly, the Board recommends their re-election as Directors at the forthcoming AGM.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.2
At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Applied	
Explanation on application of the practice	:	As at 31 December 2025, the Board comprised six (6) members: • Two (2) Executive Directors • Three (3) Independent Non-Executive Directors ("INED") • One (1) Non-Independent Non-Executive Director ("NINED") The Board maintains a balanced composition, with three (3) INEDs who review and discuss the strategies proposed by management, ensuring that the long-term interests of minority shareholders are duly considered.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.3
The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied	
Explanation on application of the practice	:	The Board undertakes an annual assessment of the independence of its independent directors based on the criteria developed by the NC. None of the existing Independent Non-executive Directors of the Company are serving beyond nine (9) years.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.4 - Step Up
The board has a policy which limits the tenure of its independent directors to nine years without further extension.

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.		
Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.5
Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

<table>
<tr><td>Application :</td><td>Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td>One of the key responsibilities of the Board is appointment of directors, Managing Director/CEO and other members of senior management. The appointment of a new Board member is subject to deliberation and approval from the entire Board, with input from the NC.

The NC has in place a formal process of Board nomination and election which as set out below:-

(i) review annual Board assessment and evaluation and/or any updates on regulatory requirements on tenure of directors and Board composition;
(ii) determine required mix of skills and experience of the current Board;
(iii) source for candidate(s), if necessary;
(iv) evaluate and match the criteria of the candidate(s); and
(v) recommend the candidate(s) to the Board for appointment.

The Board recognises that diversity in Board composition is beneficial for effective discussion and weighing of management issues. The Board and NC strives, in the appointment and re-appointment/re-election of Board members, to maintain an optimal balance in terms of members' background, knowledge and expertise, as well as in terms of demographic indicators such as age, gender and ethnicity.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td></td></tr>
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<tr><td colspan="2">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td></td></tr>
</table>

Timeframe :		

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.6
In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Applied	
Explanation on application of the practice	:	In the event that vacancies become available on the Board in future, the Board will, where necessary, consider broadening its recruitment efforts for new directors to include a wider range of sources, such as the Malaysian Alliance of Corporate Directors, independent recruitment agencies and job advertisements open to the public.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.7
The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied	
Explanation on application of the practice	:	The information of the Directors standing for re-election, including their shareholdings in the Company (if any), is set out in the Notice of AGM, the Directors' Profile and the Statistics of Shareholdings in the Company's Annual Report 2025. The Directors standing for re-election at the forthcoming AGM are Mr Julius, Mr Ong and Datin Lin. The NC and the Board have considered and are satisfied with the performance and contributions of Mr Julius, Mr Ong and Datin Lin. Accordingly, the Board recommends their re-election at the forthcoming AGM.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.8
The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied	
Explanation on application of the practice	:	The NC is chaired by Mr Julius, who is an Independent Non-Executive Director of the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.9
The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board recognises that diversity in its composition enhances effective deliberation and balanced decision-making on management matters. In the appointment and re-appointment/re-election of Directors, the Board and the NC strive to maintain an optimal mix of skills, experience, knowledge, and background, as well as appropriate diversity in terms of age, gender, and ethnicity. Currently, the Board has two (2) female Directors, representing 28.57% of the total Board composition.	
		The selection of female candidates will, in part, depend on the availability of suitably qualified women with the requisite skills, knowledge, and experience. The ultimate decision to appoint any candidate, including female candidates, will be based on merit and the value they can contribute to the Board and the Company. Where appropriate and suitable candidates are identified in the future, the Board will endeavour to enhance female representation on the Board.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.10
The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Applied
Explanation on application of the practice	:	The Board recognises that diversity in its composition contributes to effective deliberation and balanced decision-making on management matters. In the appointment and re-appointment/re-election of Directors, the Board and the NC strive to maintain an optimal mix of skills, experience, knowledge, and background, as well as appropriate diversity in terms of age, gender and ethnicity. Currently, the Board comprises two (2) female Directors, representing 28.57% of the total Board composition. The selection of female candidates will, in part, depend on the availability of suitably qualified women with the requisite skills, knowledge, and experience. The ultimate decision to appoint any candidate, including female candidates, will be based on merit and the value they can contribute to the Board and the Company. Where appropriate and suitable candidates are identified in the future, the Board will endeavour to enhance female representation on the Board. The Company's Gender Diversity Policy is available on its website at www.lienhoe.com.my.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1
The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.		
Application	:	Applied
Explanation on application of the practice	:	The NC has established a formal annual evaluation process to assess the effectiveness of the Board as a whole, the Board Committees, and the performance of each individual Director. During the financial year under review, the NC, among others: • reviewed the Board's structure, size, and composition; • assessed and evaluated the effectiveness and performance of individual Directors and the Board as a whole through evaluation forms and attendance records; • assessed the effectiveness and performance of the Audit and Risk Management Committee ("ARMC") and reviewed its term of office through ARMC evaluation forms; • assessed and evaluated the effectiveness and performance of the NC and the Remuneration Committee ("RC") through the respective committee evaluation forms; • reviewed the Board's gender diversity; • reviewed the proposed re-election of Directors at the forthcoming AGM based on evaluation forms, declarations, and attendance records; • reviewed the independence of the Independent Directors based on their self-declaration of independence; • noted the succession planning and training programmes attended by the Directors; and • recommended the NC Report to the Board for approval. Upon completion of its assessment for the financial year under review, the NC was satisfied that the Board and the Board Committees had functioned effectively and that the individual Directors had discharged their duties and responsibilities diligently, contributing to the Board's effective decision-making. The NC reviews the composition of the Board and the tenure of Directors annually and as and when necessary, to ensure that the

	Board continues to function effectively and remains in compliance with regulatory requirements. The NC concluded that the current Board composition, in terms of size, skills mix, and balance between Executive, Non-Executive, and Independent Directors, is appropriate and satisfactory.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	The Group's remuneration policy, inter alia, strives to maintain a strong linkage between performance and reward, at the same time to offer remuneration packages attractive enough to recruit and retain talent. The Remuneration Policy is available on the Company's website at www.lienhoe.com.my. The remuneration of the directors is formal and transparent and is disclosed individually and between executive and non-executive directors. While the RC reviews and recommends to the Board the remuneration of the Executive Directors of the Company, the remuneration packages of the Non-executive Directors are a matter for the Board as a whole. Individual directors abstain from deliberation and decision-making on their own remuneration package. Individual directors who are shareholders abstain from voting at general meetings to approve their own fees. The level and composition of remuneration of senior management take into account the demands, the Company's needs to attract and retain experienced and calibre senior management based on their skills, duties, roles and responsibilities, performances, competitive pressures of the marketplace and comparison of remuneration packages of other listed companies, as well as the market trends, complexities and performance of the Company.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure :		
Timeframe :		

Intended Outcome
The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.2
The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">The RC consists exclusively of non-executive directors, drawing from outside advice as necessary. The directors do not participate in the decisions on their own remuneration. The Terms of Reference of the RC is available on the Company's website at www.lienhoe.com.my.

The RC assumes the following responsibilities:-

(i) to review and recommend to the Board the remuneration of the directors of the Company as guided by the Remuneration Policy of the Company; and

(ii) to carry out such other functions or assignments as may be delegated by the Board from time to time in the area of directors and/or senior executive remuneration.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied
Explanation on application of the practice	:	The detailed disclosure on named basis for the remuneration of individual directors, including fees, salary, bonus and benefits in-kind and other emoluments for the financial year ended 31 December 2025 is in the table below.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Ms Yap Tse Yeeng, Christine	Executive Director	-	-	-	-	-	-	-	-	-	3,000	-	-	-	3,000
2	Mr Cheong Mam Seng, Allen	Executive Director	-	-	-	-	-	-	-	-	-	447.55	-	-	-	447.55
3	Dr Teoh Kim Loon	Non-Executive Non-Independent Director	67.5	-	-	-	-	-	67.5	67.5	-	-	-	-	-	67.5
4	Mr Lau Shu Yan Julius	Independent Director	60.0	-	-	-	-	-	60.0	60.0	-	-	-	-	-	60.0
5	Mr Ong Kim Teck	Independent Director	64.8	-	-	-	-	-	64.8	64.8	-	-	-	-	-	64.8
6	Dato' Ng Tian Sang @ Ng Kek Chuan	Independent Director	60.0	-	-	-	-	-	60.0	60.0	-	-	-	-	-	60.0
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome
Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.2
The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	While the Company recognises the importance of corporate transparency regarding the remuneration of key senior management executives, disclosing such details on a named basis could be detrimental to the Company's business interests, given the competitive market for personnel with the requisite knowledge, expertise, and experience in the Company's business activities. The Board is of the view that the interests of shareholders are not adversely affected by the non-disclosure of individual remuneration, as the remuneration of the Group's key senior management who are not Directors is disclosed within appropriate salary bands. The profile of Key Senior Management are set out in the Company's Annual Report 2025.
		To provide insight into the level of remuneration paid to senior management, the Company adopts an alternative disclosure approach. Instead of disclosing individual names, the Annual Report presents the aggregate total remuneration of senior management, broken down and grouped in bands of RM50,000. This approach aligns with the spirit of the disclosure guidelines while safeguarding the interests of both the employees concerned and the shareholders.
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.

Timeframe :	Choose an item.	

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome
Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.3 - Step Up
Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome
There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.1
The Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the ARMC is Mr Ong, who does not serve as the Chairman of the Board.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.2
The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied	
Explanation on application of the practice	:	At present, none of the Board members are former key audit partners within the three (3)-year cooling-off period. Therefore, no such individual has been appointed as a member of the ARMC. The Terms of Reference of the ARMC is available for reference on the Company's website at www.lienhoe.com.my.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.3
The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">The Board is responsible for the appointment of the Company's external auditors and for determining their audit fees, taking advice from the ARMC. The ARMC is tasked with reviewing and assessing the suitability of the external auditors before making recommendations to the Board regarding their re-appointment.

The ARMC conducts an annual review of the effectiveness, performance, and independence of the external auditors. In accordance with best practice, the lead audit partner is required to rotate after a maximum tenure of seven (7) years.

During the financial year under review, the ARMC reviewed the audit planning memorandum, which outlined, among other matters, the audit approach, areas of audit emphasis, applicable financial reporting standards, and the proposed fees for the statutory audit and the review of the Statement on Risk Management and Internal Control. The ARMC also noted the confirmation of independence provided by the external auditors.

The Company has established an External Auditors Assessment Policy, which sets out the guidelines and procedures for the ARMC to review, assess and monitor the performance and suitability of the external auditors and also available at the Company's website at www.lienho.com.my.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

Intended Outcome
There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee’s findings and recommendations. The company’s financial statement is a reliable source of information.

Practice 9.4 - Step Up
The Audit Committee should comprise solely of Independent Directors.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome
There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.5
Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">All ARMC members possess the necessary skills and expertise to effectively discharge their duties and responsibilities. Their qualifications and experience are detailed in the Profile of Directors section of the Company's Annual Report 2025.

Training programmes attended by Directors during the financial year under review are also set out in the Annual Report 2025.

The Company provided internal briefings to Directors on key corporate governance developments, as well as changes to listing requirements, laws, and regulations. Additionally, the external auditors briefed the Directors on any changes to accounting standards that could affect the Group's financial statements during ARMC meetings.

A summary of the ARMC's activities is disclosed in the ARMC Report in the Company's Annual Report 2025.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

Intended Outcome
Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.1
The board should establish an effective risk management and internal control framework.

Application	:	Applied	
Explanation on application of the practice	:	The Group's risk management framework is overseen by the Risk Management Working Groups, which ensure that an annual risk management process is conducted to identify, evaluate, and manage the Group's significant business risks. A separate Risk Management Working Group has been established specifically for the hotel division, comprising key members of the management team and representatives from various departments within the division. Findings from the risk management process are compiled and presented to the Board for review and evaluation. Items reported to the Board are detailed in terms of the severity, likelihood of occurrence, potential impact, and the measures currently in place to mitigate or minimise the risks to an acceptable level. Further information on the Group's internal control system and framework is provided in the Statement on Risk Management and Internal Control in the Company's Annual Report 2025.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.2
The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied
Explanation on application of the practice	:	<u>Registry of Risks and Risk Management Handbook</u> As part of the Group's risk management process, a detailed Registry of Risks and a Risk Management Handbook have been adopted. The Registry of Risks is maintained to capture the principal business risks and to monitor ongoing changes in the Group's risk profile. The Risk Management Handbook provides a comprehensive overview of the Group's risk management methodology, approach and processes, roles and responsibilities, and key risk management concepts. The Risk Management Working Group for the hotel division is responsible for identifying risks and ensuring that adequate control systems are implemented to mitigate significant operational risks. The Board periodically reviews the existing risk management framework to ensure that it remains relevant and aligned with the Group's business and operational requirements. Key Elements of The Group's Risk Management Framework:- • Risk Management Working Group is established at the subsidiary level to support and advise the Group's ARMC on the implementation and monitoring of the Group Risk Management Policies and Strategies. • For the hotel division, the working group comprised the management team which includes the general manager, financial controller, and key personnel/representatives from the respective departments. • For the corporate division, the Executive Directors review the annual risk profile including corporate liabilities risks. • The duties of the Risk Management Working Groups include:- • overseeing the risk management matters, which include identifying, managing, monitoring, treating and mitigating significant risks;

- assisting the Board to fulfil its responsibilities with regard to risk governance and risk management in order to manage the overall risk exposure;
- overseeing the compliance and business continuity functions;
- reviewing and recommending for the Board's consideration and approval, the risk management principles, frameworks and policies for managing risks; and
- monitoring and assessing the risk appetite and risk tolerance, so as to safeguard the shareholders' investments and the Group's assets.

The Risk Management Working Group meets annually to discuss, update, and report any new significant risks within the segment's risk profile. The internal auditors are also invited to review the updated risk profile. The final risk profile, together with the proposed internal audit plan, is then presented to the ARMC by the internal auditors.

The Risk Management Working Group has implemented the Anti-Bribery Management System with the objective of compliance with subsection (4) of section 17A under the Malaysian Anti-Corruption Commission (MACC) Act 2009 effective from 1 June 2020 onwards. For the financial year under review, the Group has assessed the Group Policy Handbook of Anti-Bribery and Corruption Management System implemented based on the Guideline on Adequate Procedures (GAP) and compliance with the listing requirements in relation to anti-corruption measures.

<u>Control Environment and Control Activities</u>

- The Group maintains a clear organisation structure and adopts a hierarchical reporting system with defined lines of responsibility and accountability, appropriate segregation of duties and levels of delegated authority.
- Experienced and competent staff are placed in areas of responsibility to support and continuously monitor the effectiveness of the Group's system of internal control.
- Clearly defined authorisation limits at appropriate levels are set out for controlling and approving capital expenditures and expenses.
- Clearly defined Code of Conduct, standard operating procedures and staff handbook act as the key framework for good internal control practices. These policy manuals are the subject of reviews to meet new operational and statutory requirements.
- Board and Board Committees operate based on the Board Charter and Terms of Reference. External and internal auditors conduct their assessment based on an agreed scope of work and are assessed annually for effectiveness and level of service.
- A structured recruitment process is used to ensure that good employees join the Group. A performance appraisal

<table>
<tr><td></td><td colspan="2">system and a wide variety of training and development programmes are in place to maintain staff competency.

<u>Monitoring and Communication</u>

• Regular Board and management meetings are held to assess the Group’s performance and internal controls.
• Regular visits are conducted to operating units by members of the Board and senior management whenever appropriate to verify actual operational performance.
• Operations review meetings are held by the respective business units to monitor the progress of business operations, deliberate significant issues and formulate corrective measures.
• Regular review of business processes is conducted by the internal auditor to assess the effectiveness of internal controls. Reports on findings of the internal audit and status report on follow-up actions are presented to the ARMC for consideration.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

Intended Outcome
Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.3 - Step Up
The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome
Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.1
The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	:	Applied	
Explanation on application of the practice	:	The internal audit function has been outsourced to an independent professional consulting firm, Sterling Business Alignment Consulting Sdn Bhd, to provide independent assurance to the ARMC. Details of the Group's internal control system and framework are set out in the Statement on Risk Management and Internal Control in the Company's Annual Report 2025. The internal auditors adopt a risk-based audit methodology to develop their audit plan, focusing on critical business processes, identifying internal control gaps, assessing the effectiveness and adequacy of existing controls and recommending improvements where necessary. The internal auditors report to the ARMC on areas for potential improvement, together with management's responses to such recommendations. Follow-up audits are conducted in accordance with the internal audit plan, and the outcomes are reported to the ARMC to ensure that identified weaknesses are addressed or are being properly mitigated. The ARMC is responsible for ensuring that the internal audit function operates effectively and independently. The appointed internal audit firm and its personnel are free from any relationships or conflicts of interest that could compromise their objectivity and independence. Matters relating to the appointment and removal of the internal auditor, the role and scope of the internal audit function, performance evaluation, and the internal audit budget are determined by the ARMC.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.2
The board should disclose–
- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

Application	:	Applied
Explanation on application of the practice	:	The internal audit function is currently outsourced to Sterling Business Alignment Consulting Sdn Bhd ("Sterling"), an independent consulting firm responsible for overseeing the Group's internal audit activities during the financial year. Sterling is free from any relationships or conflicts of interest that could compromise the objectivity or independence of the internal audit function. For each internal audit review, Sterling deploys between three (3) to four (4) internal audit staff. Sterling is a corporate member of The Institute of Internal Auditors Malaysia (IIAM) and a different lead internal auditor is assigned for each review depending on the scope of work. The internal auditors adopt a risk-based audit methodology to develop their audit plan, focusing on critical business processes, identifying internal control gaps, evaluating the effectiveness and adequacy of existing controls, and recommending improvements where necessary. The evaluation of internal control systems is based on the Committee of Sponsoring Organizations of the Treadway Commission – Internal Control – Integrated Framework (COSO-IC). Further information on the internal audit function is disclosed in the ARMC Report and the Statement on Risk Management and Internal Control in the Company's Annual Report 2025.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure :		
Timeframe :		

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	The Board recognises that effective and timely communication is essential for maintaining strong relationships with stakeholders and fostering trust and understanding between the Group and its stakeholders. In addition to investor relations functions, engagement forums, and briefings, the Group leverages information technology to provide stakeholders with convenient and easy access to relevant information. Announcements and other corporate disclosures issued by the Company are available on Bursa Securities' website (www.bursamalaysia.com) and on the Company's website (www.lienhoe.com.my). Quarterly financial results and the Annual Report are announced to Bursa Securities within two (2) months after the end of each financial quarter and within the prescribed timeframe following the close of the financial year, respectively, to provide shareholders with timely updates on the Group's financial performance. For corporate exercises requiring shareholders' approval, key documents including the Company's Constitution, recent audited financial statements, adviser reports, material contracts, and cause papers in respect of material litigation, where applicable and are made available for inspection. Furthermore, the Company's address and contact number are clearly stated in the Annual Report 2025, enabling shareholders to easily reach the Company's office for any inquiries.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Timeframe :		

Intended Outcome
There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.2
Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

<table>
<tr><td>Application :</td><td colspan="2">Not applicable – Not a Large Company</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2"></td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

Intended Outcome
Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.1
Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied	
Explanation on application of the practice	:	The Company Secretary, under the authority of the Board, serves the Notice of AGM to all shareholders at least twenty-eight (28) days prior to the meeting, providing sufficient time for shareholders to consider the proposed resolutions. The 55th AGM was held on 26 June 2025 and the Notice convening the meeting was sent to shareholders on 28 April 2025, more than 28 days in advance. The forthcoming 56th AGM is scheduled for 29 June 2026 and the Notice of the 56th AGM will be sent to shareholders on 29 April 2026, also exceeding the 28-day requirement. The notes to the Notice of AGM include detailed explanations for each resolution proposed, enabling shareholders to make informed decisions when exercising their voting rights.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.2
All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application :	Applied	
Explanation on application of the practice :	The Chairman of the meeting, Executive and Non-Executive Directors, the CEO, as well as the external auditors and professional advisors (where applicable), attend general meetings to address any questions raised. Shareholders are encouraged to ask questions before the matters on the agenda are put to a vote.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.3
Listed companies should leverage technology to facilitate–
- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	During the financial year under review, the Company's general meeting was held within the city limits and not at any remote location.	
		Shareholders are entitled to appoint proxy(ies), representative(s), or the Chairman of the meeting to vote on their behalf in their absence at general meetings.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<table>
<tr><td colspan="3">Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</td></tr>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">During the financial year under review, the Company's general meeting was held within city limits and not at any remote location.

Shareholders were encouraged to raise questions before the matters on the agenda were put to a vote and responses were provided to all questions raised during the meeting.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

Intended Outcome
Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.5
The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.		
Application :	Not applicable – only physical general meetings were conducted in the financial year	
Explanation on application of the practice :		
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.6
Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.			
Application	:	Applied	
Explanation on application of the practice	:	Minutes of the general meetings have been, and will continue to be, made available on the Company's website within the stipulated timeframe. The minutes of the 56th AGM, held on 26 June 2025, were published on the Company's website at www.lienhoe.com.my.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

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