Mesiniaga

Annual Report 2025

SHAPING TOMORROW WITH AI

WHAT'S INSIDE

OVERVIEW

PERFORMANCE

44TH ANNUAL GENERAL MEETING

Thursday, 4 June 2026

2.30 P.M.

1st Floor, Auditorium Ismail Sulaiman
Menara Mesiniaga
1A, Jalan SS16/1
47500 Subang Jaya
Selangor Darul Ehsan

GOVERNANCE

FINANCIAL STATEMENTS

OTHER INFORMATION

Scan this QR Code to download our Annual Report 2025

To contact us, please refer to page 04 under Registered Office information

FACTS AT A GLANCE

Incorporated on
17 December 1981

Listed on
Bursa Malaysia Securities Berhad (MAIN Market) on **17 November 1999**

Staff strength of
1,325 employees
(as of 31 December 2025)

Paid-up Capital of
60.4 million ordinary shares

12 Nationwide Service Locations

(Headquarters) (Key Office Locations)

SABAH

1. Kota Kinabalu
2. Lahad Datu

SARAWAK

3. Bintulu
4. Kuching
5. Miri

NORTHERN REGION

6. Pulau Pinang (Key Office Location)
7. Taiping

EAST COAST

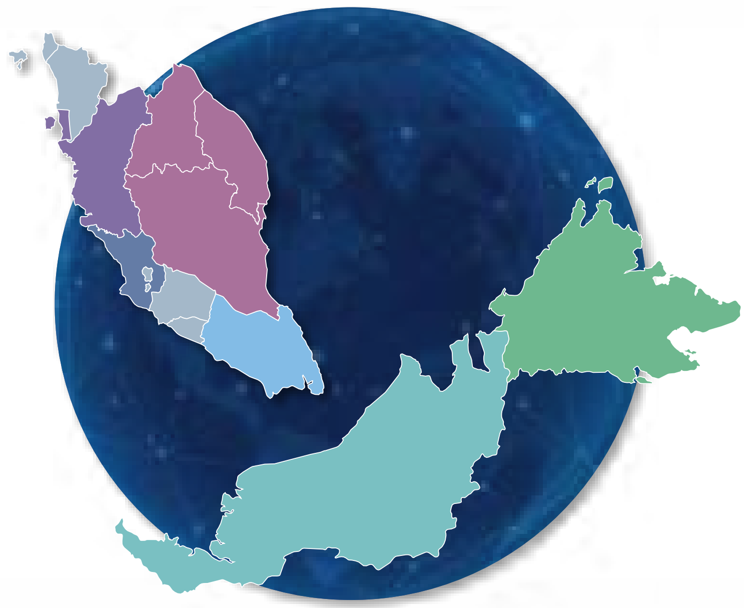
8. Kota Bharu
9. Kuala Terengganu

SOUTHERN REGION

10. Batu Pahat
11. Johor Bahru (Key Office Location)

CENTRAL REGION

12. Subang Jaya (Headquarters)



OUR VISION

To be the Malaysian IT Partner of Choice

OUR MISSION

Helping Customers Succeed

OUR VALUES

RESPECT
Good conduct towards people, roles, procedures and processes

INTEGRITY
Positive virtues with strong business ethics and professionalism

COMMITMENT
Dedicated to keep our promises to our customers

INNOVATION
Relevant and differentiated products and services in the market

TEAMWORK
Leveraging on our multiple skills and strengths to complement one another as a team

CORPORATE PROFILE

Mesiniaga is an established Malaysian ICT solutions provider with over four decades of experience advancing digital transformation across government and enterprise sectors. It plays a meaningful role in enabling technology adoption within key segments of the Malaysian economy.

From its origins as an IBM distributor, Mesiniaga has evolved into an integrated technology partner offering end-to-end expertise spanning cloud infrastructure, cybersecurity, managed services, enterprise applications and digital platforms. Its approach encompasses advisory, implementation and ongoing engagement, enabling clients to modernise processes, enhance resilience and achieve sustainable results.

A diversified client base includes ministries, statutory bodies and agencies, as well as organisations in financial services, utilities, telecommunications and other industries. This breadth of engagement provides deep sector insight and a clear understanding of national priorities and commercial requirements, positioning the business to undertake large-scale, mission-critical initiatives.

Guided by a clear mission to help customers succeed, the Group combines technical depth with a disciplined approach to delivery, ensuring solutions are practical, scalable and aligned with business outcomes. Long-standing alliances with global technology leaders further extend its expertise and provide access to advanced platforms, supporting continuous innovation and sustained relevance.

Its workforce remains a key pillar of strength. Sustained emphasis on capability development, professional certification and knowledge enhancement ensures consistent delivery standards and strong technical depth in an evolving landscape. In parallel, enhancements to systems, tools and delivery frameworks improve productivity, reinforce operational discipline and enable scalable expansion.

Ongoing efforts are focused on strengthening the economic model through improved margin discipline, greater efficiency and a more balanced portfolio across public sector and commercial segments. These priorities are complemented by continued development of higher-value areas, including software engineering, digital platforms and artificial intelligence, reinforcing long-term competitiveness.

As a trusted technology partner, the Group is well positioned to support clients in navigating increasing complexity, accelerating digital adoption and achieving meaningful outcomes. With a proven track record, enhanced operational discipline and clear strategic priorities, it remains committed to delivering sustainable value for customers, stakeholders and the broader digital economy.

LEADING PARTNERSHIP STATUS

- Broadcom VMware Division Select Partner
- Cataleya Strategic Partner
- Cisco Gold Partner
- Commvault Premier Solution Provider
- Dell EMC Authorised Partner
- Dynatrace Authorised Partner
- F5 Networks Authorised Partner
- Fortinet Select, MSSP Partner
- HP Inc. Authorised Reseller Partner
- HPE Aruba GOLD Partner
- HPE Silver Partner
- Huawei Silver Partner
- IBM Gold Partner
- Juniper Elite Partner
- Lenovo 360 Infrastructure Solutions Gold Partner
- Lenovo 360 Intelligent Devices Authorised Partner
- Microsoft Gold Partner for Messaging, Application Integration, Data Analytics, Cloud Productivity
- Microsoft Silver Partner for Application Development, Collaboration and Content, Cloud Platform, Small & Midmarket Cloud Solutions, Windows & Devices and Security
- Nutanix Enrolled Partner
- Oracle Partner
- Procera Networks Inc. Authorised Partner
- Red Hat Ready Partner
- Sangfor Authorised Partner
- Trellix Partner
- Trend Micro Bronze Partner
- Ubiqube (Ireland) Limited - Primary Partner
- Veeam Silver Value-Added Reseller Partner
- Veritas Silver Partner
- Netskope Authorised Partner
- Versa Networks Authorised Partner
- Palo Alto Registered Partner
- Google Member Level
- Alibaba Cloud Authorised Channel Partner
- AWS Enrolled Partner
- SUSE Emerald Level

CORPORATE INFORMATION

BOARD OF DIRECTORS

DATUK WAN MOHAMED FUSIL
Executive Chairman

FATHIL ISMAIL
Non-Independent
Non-Executive Director

SIM HONG KEE
Independent
Non-Executive Director

DATUK NOOR AZIAN SHAARI
Independent
Non-Executive Director

ZAIM HUSNI OMAR
Non-Independent
Non-Executive Director

DR VEERINDERJEET SINGH A/L TEJWANT SINGH
Independent
Non-Executive Director

DATO' DARAWATI HUSSAIN
Non-Independent
Non-Executive Director
(Retired on 5 June 2025)

AUDIT AND RISK MANAGEMENT COMMITTEE

Sim Hong Kee (Chairman)
Zaim Husni Omar
Dr Veerinderjeet Singh
Datuk Noor Azian Shaari
(Ceased on 1 July 2025)

NOMINATION AND REMUNERATION COMMITTEE

Sim Hong Kee (Chairman)
Fathil Ismail
Datuk Noor Azian Shaari

COMPANY SECRETARY

Deborah Sharmini Benjamin
(MAICSA 7077164)

COMPANY REGISTRATION NUMBER

198101013112 (79244-V)

REGISTERED OFFICE

11th Floor, Menara Mesiniaga
1A, Jalan SS16/1
47500 Subang Jaya
Selangor Darul Ehsan
Tel : 03-5635 8828
Fax : 03-5636 3838

AUDITORS

PricewaterhouseCoopers PLT
(LLP0014401-LCA & AF1146)
Level 10, Menara TH 1 Sentral,
Jalan Rakyat, Kuala Lumpur Sentral
P.O. Box 10192
50706 Kuala Lumpur
Tel : 03-2173 1188
Fax : 03-2173 1288

PRINCIPAL BANKERS

Maybank Islamic Berhad
Standard Chartered Saadiq Berhad
Citibank Berhad
Bank Islam Malaysia Berhad

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
Tel : 03-7890 4700

STOCK EXCHANGE LISTING

Listed on MAIN Market of
Bursa Malaysia Securities Berhad
Listing Date : 17 November 1999
Stock Code : 5011
Stock Name : MSNIAGA
Stock Sector : Technology

CORPORATE STRUCTURE

Mesiniaga

100%
MESINIAGA DIGITAL SDN. BHD.
Provision of design, development and implementation of business solutions and product development

100%
MESINIAGA ALLIANCES SDN. BHD.
Provision of strategic information technology outsourcing services

100%
VA DYNAMICS SDN. BHD.
Supply of networking cables and related products

100%
MESINIAGA MSC SDN. BHD.
Dormant

100%
MESINIAGA MOBILITY SDN. BHD.
Dormant

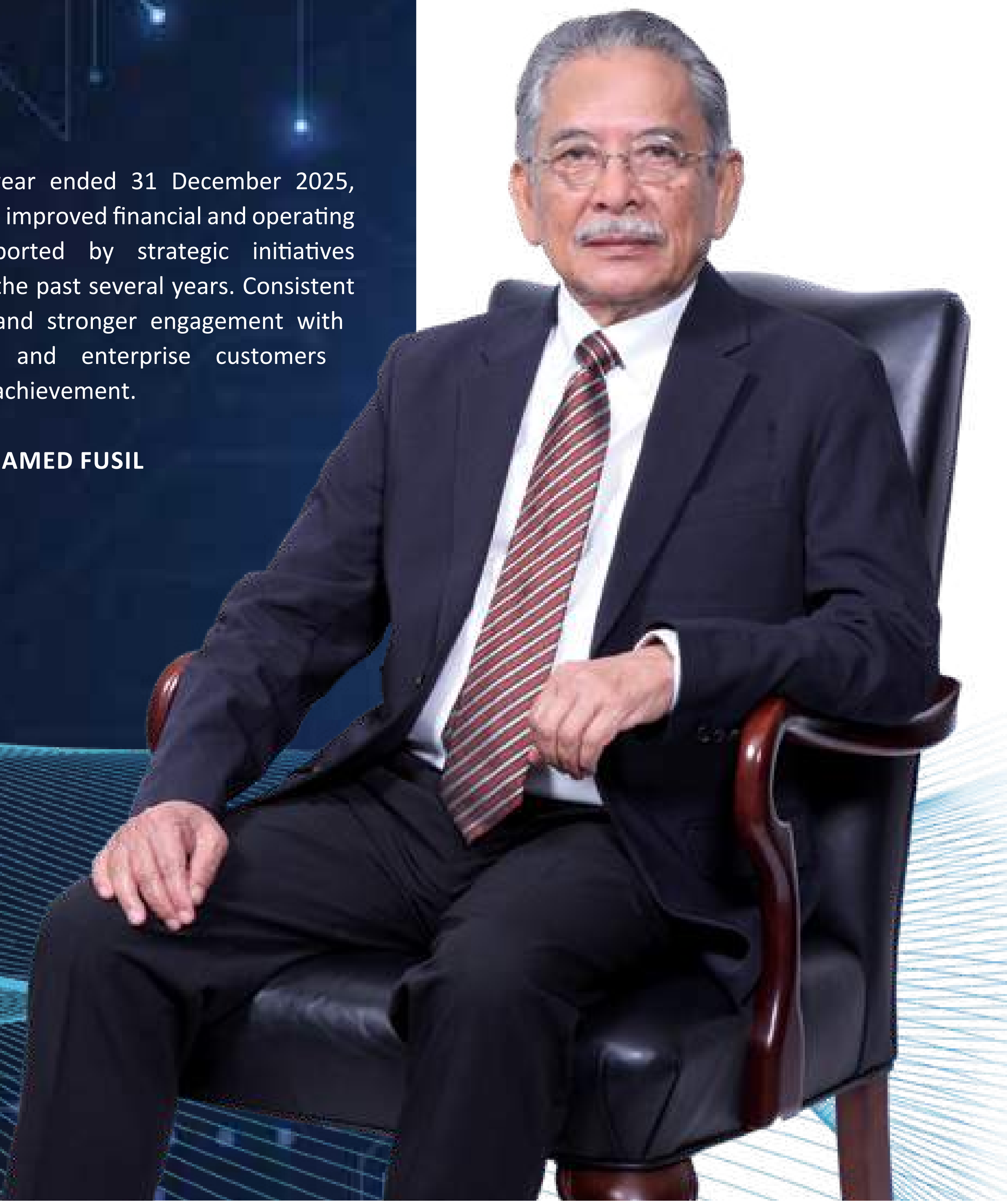
100%
MESINIAGA SERVICES SDN. BHD.
Dormant

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

For the financial year ended 31 December 2025, Mesiniaga delivered improved financial and operating performance, supported by strategic initiatives implemented over the past several years. Consistent project execution and stronger engagement with both government and enterprise customers contributed to this achievement.

DATUK WAN MOHAMED FUSIL
Executive Chairman



MANAGEMENT DISCUSSION AND ANALYSIS

Revenue

RM231.90 million

FYE 2024: RM180.39 million

Profit/(Loss) After Tax

RM11.85 million

FYE 2024: RM (3.95) million

Investments in digitalisation, software development and artificial intelligence ("AI") continued during the year to streamline internal processes and strengthen solution offerings. Early benefits from these initiatives are already evident in greater process efficiency.

As at year-end, the Group maintained a stable financial position underpinned by a sound balance sheet, an expanded order book and a refined organisational structure. These developments provide better revenue visibility and business stability heading into FY2026.

FINANCIAL OVERVIEW

Revenue for the year amounted to RM231.90 million. Profit after tax of RM11.85 million marked a return to profitability compared with the loss recorded in the previous financial year.

This improvement was driven primarily by stronger project revenues, consistent contract execution and disciplined cost oversight.

As at 31 December 2025, shareholders' equity totalled RM121.28 million, with cash balances of RM75.78 million. These resources provide financial flexibility for working capital requirements and future investments in technology and growth opportunities.

OPERATIONAL OVERVIEW

Amid a competitive operating environment, particularly within the government sector, several significant multi-year contracts were secured during the year.

Key projects included maintenance and infrastructure support for the Integrated Government Financial and Management Accounting System of the Accountant General's Department of Malaysia, the New Pension System for Kumpulan Wang Persaraan (Diperbadankan), Digital Marking Technology for Jabatan Kastam Diraja Malaysia, and the supply of computer equipment for the Ministry of Education.

Maintaining a skilled and stable workforce is a key strategic priority. Employee attrition declined significantly to 14%, down from 26% in 2024, with improvements across Management, Technical, Sales, and Non-Technical roles.

This improvement reflects targeted recruitment, stronger employee engagement and continued investment in professional development. These measures enhanced workforce stability and organisational effectiveness.

Within the enterprise segment, pricing pressure and evolving customer expectations continue to shape market dynamics. Product offerings have been further differentiated, customer engagement strengthened, and solutions aligned more closely with market needs.

BUSINESS ENVIRONMENT AND OPPORTUNITIES

The ICT industry continues to experience intense competition, characterised by margin pressure and rising operating costs. Operational efficiency, disciplined margin management and ongoing solution differentiation, therefore, are key priorities.

Opportunities exist in both government and enterprise markets. Growth of the enterprise customer segment is being pursued alongside a disciplined approach to government projects. This balanced strategy aims to reduce earnings volatility and support long-term business sustainability.

The transition from traditional ICT infrastructure services toward higher-margin application development and managed services is central to long-term strategy. This strategic shift is expected to enhance profitability over the medium to long term.

MANAGEMENT DISCUSSION AND ANALYSIS

TECHNOLOGY AND INNOVATION

Technology innovation remains an important driver of long-term strategy. Investments in software development, cybersecurity and advanced digital technologies have strengthened delivery capability and expanded solution offerings.

The proprietary SWIFT Framework has reduced custom application development timelines by about 30%, enabling faster deployment and improved productivity.

During the year, a Digital Workforce solution was introduced to improve workflows and organisational productivity. Additional initiatives were implemented to accelerate the adoption of intelligent automation across the organisation.

Ailmu, an internal platform designed to support enterprise-wide implementation of these technologies, was also launched. The platform incorporates gamification and structured assessments to encourage participation and engagement.

In parallel, capability-building initiatives were expanded through the "Art of Conversing with AI" programme. As of year-end, approximately 30% of employees had completed the foundational training. These initiatives are expected to support further growth in these solutions beginning in FY2026.

RISK MANAGEMENT AND SUSTAINABILITY

The risk management framework was further strengthened through regular policy reviews and enhanced internal controls. Particular emphasis was placed on improving information security practices, including access management and incident response preparedness.

Sustainability initiatives progressed during the year, including upgrades to energy-efficient LED lighting and the expansion of flexible work arrangements.

Community engagement was also an important focus, with support programmes for children with autism maintained and safety improvement works completed at Menara Mesiniaga.

OUTLOOK FOR 2026

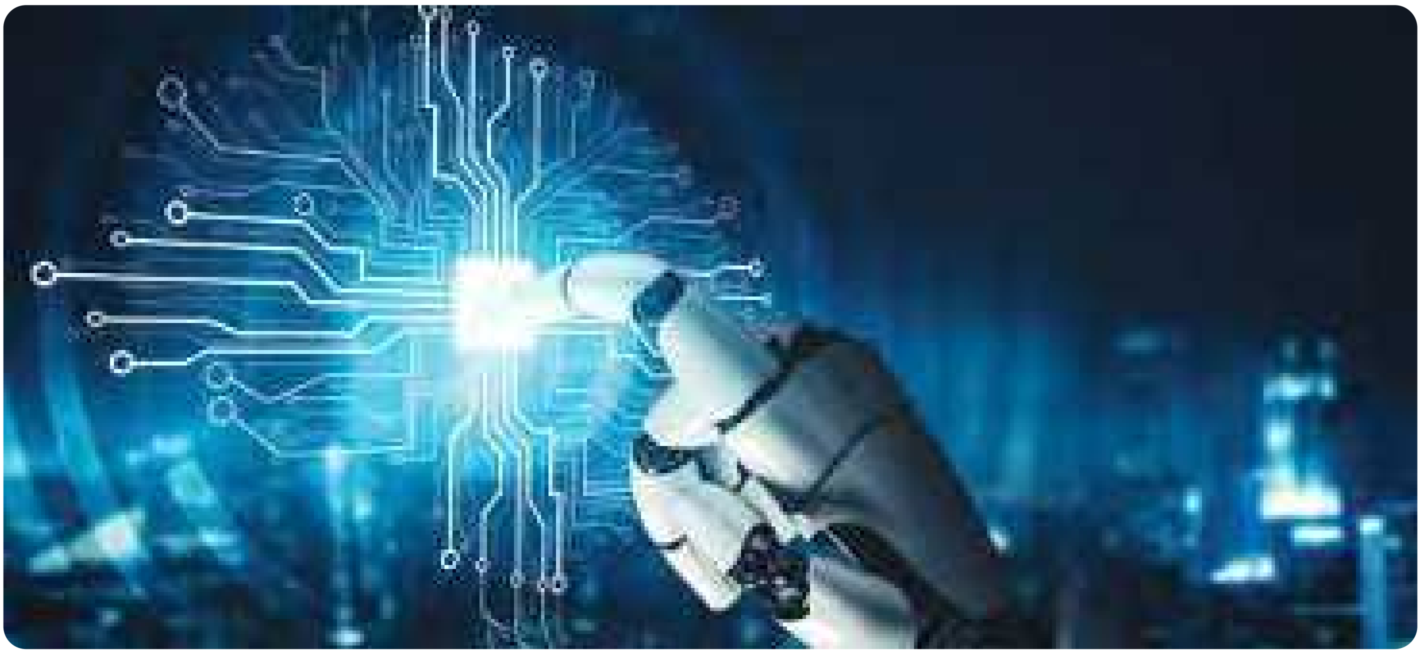
FY2025 concluded with a stable base of secured contracts and a healthy sales pipeline, providing a stronger foundation for the year ahead.

Demand for AI-driven solutions is expected to remain strong, although competitive intensity and pricing pressure are likely to persist. Key priorities include expanding advanced digital offerings, maintaining disciplined project execution and further developing the enterprise customer base.

Based on current business momentum and strategic initiatives currently in place, performance in FY2026 is expected to improve relative to FY2025.

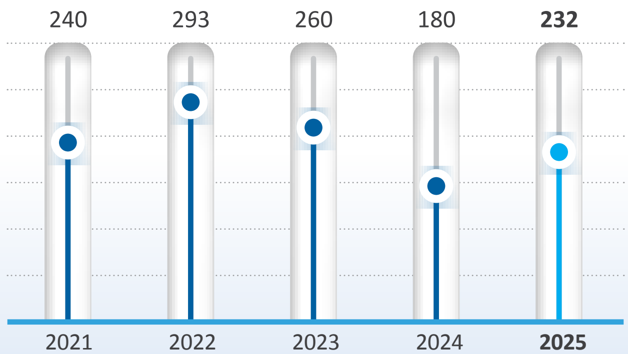
ACKNOWLEDGEMENT

The Management expresses its appreciation to stakeholders for their trust and support, and to the Board of Directors for its guidance. Recognition is also extended to employees whose commitment and dedication are fundamental to the Group's progress.

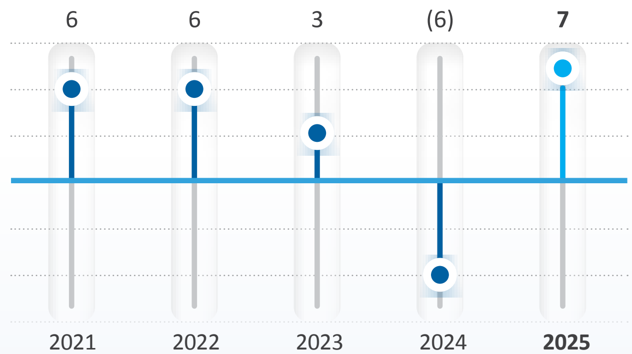


FIVE-YEAR PERFORMANCE STATISTICS

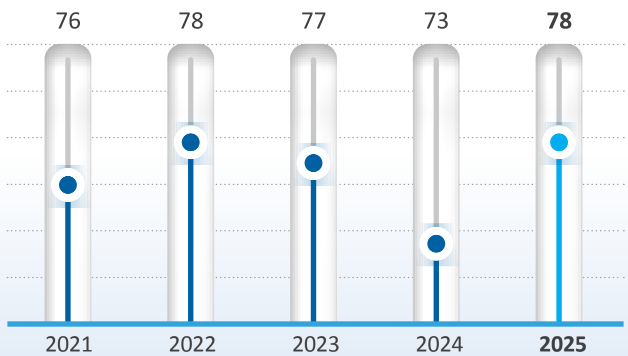
REVENUE (RM Million)



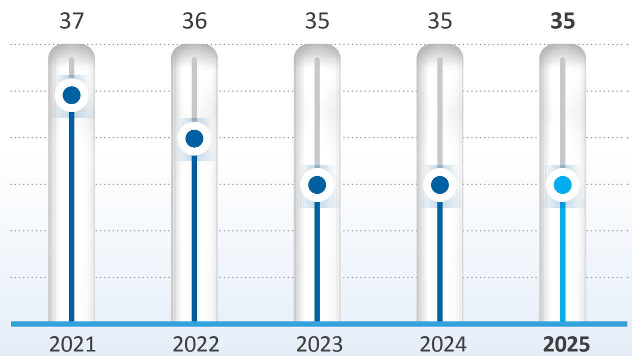
PROFIT/(LOSS) BEFORE TAX (RM Million)



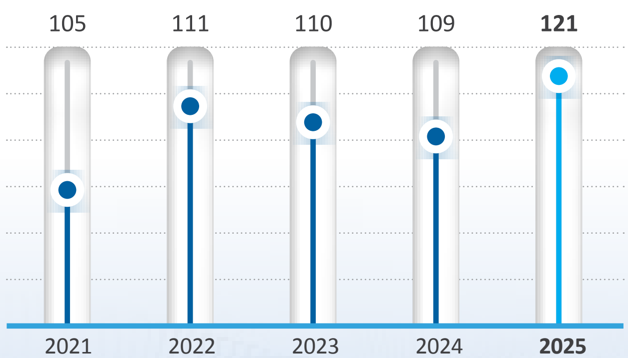
NET CURRENT ASSETS (RM Million)



FIXED ASSETS (RM Million)



SHAREHOLDERS EQUITY (RM Million)



AI-DRIVEN TRANSFORMATION

NATIONAL AND MARKET LANDSCAPE

Malaysia is entering a decisive phase in its AI adoption curve, with artificial intelligence transitioning from isolated experimentation to enterprise-scale deployment. National policy support, maturing digital infrastructure, and increasing institutional readiness are accelerating this shift. AI is increasingly viewed as a core productivity and service-enablement layer rather than a discretionary innovation initiative.

The Government's MyDIGITAL agenda and the National AI Roadmap position AI as a strategic pillar for national competitiveness. AI technologies to significantly contribute to economic growth, with specific targets tied to its national AI strategy. Under the National AI Roadmap 2021–2025, Malaysia is targeting AI's contribution to boost the country's Gross Domestic Product (GDP) by more than RM60 billion by 2030, positioning Malaysia among the top 20 AI economies in the world by that year. Market estimates project Malaysia's AI market to grow at a Compound Annual Growth Rate (CAGR) of approximately 25%–30% through 2030, driven by adoption in the public sector, financial services, manufacturing and enterprise productivity applications (Source: MDEC; Statista; IDC Asia-Pacific AI Market Outlook). In parallel, continued investments by global hyperscalers in Malaysia's cloud and data centre ecosystem are expanding the addressable market for scalable, production-grade AI solutions.

SECTORAL ADOPTION AND DEMAND DYNAMICS

AI demand is increasingly use-case driven, with buyers prioritising scalable, production-ready deployments over experimental pilots:

- Public Sector: AI-enabled service automation, analytics-driven policymaking and operational efficiency, with emphasis on governance, auditability and data sovereignty.
- Financial Services: Fraud detection, risk analytics, regulatory compliance and customer engagement, with strong demand for explainable and compliant AI.
- Manufacturing and Industrial: Industry 4.0 use cases including predictive maintenance, quality assurance and operational optimisation.
- SMEs: Pre-configured, outcome-oriented AI solutions delivering near-term productivity gains with minimal technical overhead.

Across sectors, procurement focus has shifted towards solutions that demonstrate measurable ROI, security-by-design and operational readiness.

AI-DRIVEN TRANSFORMATION

STRATEGIC DIRECTION AND OUTLOOK

The Company's AI strategy is anchored on execution excellence and practical delivery. Market demand is evolving towards scaled deployments, managed services and outcome-linked engagements. The Company's priorities include productising core AI capabilities, embedding governance and security by design, and expanding recurring and managed AI services. Differentiation is expected to be driven by delivery track record, domain integration and trust, rather than technology claims alone.

INTERNAL AI TRANSFORMATION AND CAPABILITY BUILDING

2025 marked a foundational year in the Company's internal AI transformation. The Company established a dedicated AI team and formalised an "AI-first" operating culture, positioning AI as a core productivity capability. The strategic focus was learning-by-doing, with teams building and deploying AI applications to address internal operational needs. This hands-on approach developed practical competencies in data preparation, model deployment, user adoption, governance and operational integration.

This internal-first strategy positions the Company for 2026 with greater confidence in delivering client-facing AI projects. The Company's differentiator lies in execution credibility. While many organisations articulate AI ambition, the Company has operationalised AI across real workflows, building institutional delivery capability.

AI PRODUCT PORTFOLIO

The Company has developed a growing portfolio of AI solutions addressing operational efficiency, compliance and workforce productivity, including Minits (automated meeting minutes), Suaramu (real-time contact centre assistant), LegalEye (AI-driven contract analysis), e-Handbook (AI-enabled knowledge repository), Ailmu (gamified learning platform), RCA Helper (AI-assisted Root Cause Analysis), and Translate (English–Bahasa Malaysia document localisation). These solutions serve as internal productivity enablers and reference architectures for client deployments.

WHAT TO EXPECT IN 2026

In 2026, the Company will focus on democratising AI for wider adoption across the organisation. This includes embedding AI tools into everyday workflows, expanding access to AI platforms through low-code and self-service capabilities, and equipping business users with practical AI literacy. The objective is to move beyond pockets of excellence towards enterprise-wide AI utilisation, driving productivity gains, faster decision-making and improved service quality.

Concurrently, the Company will selectively productise proven AI use cases using a design thinking approach to address concrete customer pain points. This is intended to shorten time-to-value for clients, create repeatable delivery frameworks, and support scalable growth in AI-led offerings.

BOARD AT A GLANCE

DATUK WAN MOHAMED FUSIL

(DMSM)
Executive Chairman

FATHIL ISMAIL

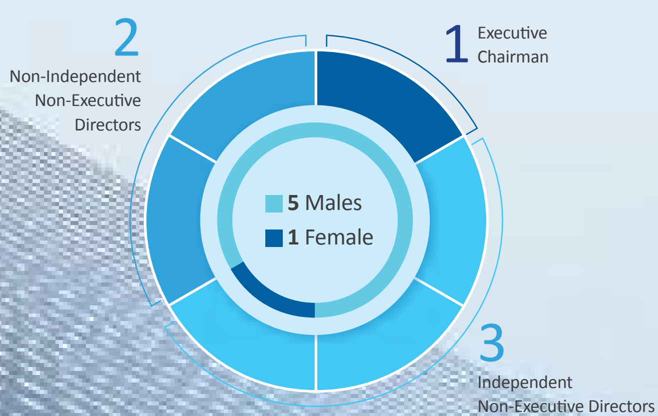
Non-Independent
Non-Executive Director

SIM HONG KEE

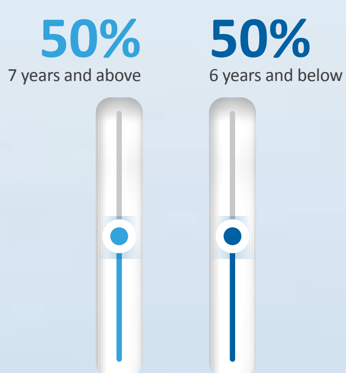
(C.A. (M), CPA (M), ICDM)
Independent Non-Executive Director

● Audit and Risk Management Committee ● Nomination and Remuneration Committee

Board Composition & Gender



Board Tenure



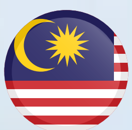
BOARD AT A GLANCE

DATUK NOOR AZIAN SHAARI
(PMW, JSM, KMN)
Independent Non-Executive Director

ZAIM HUSNI OMAR
Non-Independent
Non-Executive Director

DR VEERINDERJEET SINGH A/L TEJWANT SINGH
(C.A. (M), CPA (M), FCTIM)
Independent Non-Executive Director

Nationality



6 Malaysians

Ethnicity

33% Non-Bumiputera

67% Bumiputera

Age

17% 60 and below

83% 61 and above

None of the Board Members have relationships with each other or with any of the substantial shareholders of the Company, except for Fathil Ismail, who has a kin relationship with Safiah Ismail, a substantial shareholder of the Company. They also do not have any conflict of interest with the Company and have never been convicted of anything other than traffic offences within the past ten (10) years. Apart from the directorship positions held by Sim Hong Kee, Datuk Noor Azian, Dato' Darawati, and Dr Veerinderjeet Singh in other public companies, as stated in their profiles, none of the Directors hold any directorship positions in any other public companies, other than Mesiniaga Berhad.

BOARD OF DIRECTORS

DATUK WAN MOHAMED FUSIL

(DMSM)
Executive Chairman

Age: **75**

Nationality:

Gender: **Male**

Attendance: 7/7

Datuk Wan Mohamed Fusil is a key figure in the Malaysian information technology industry. He was appointed to the Board of Mesiniaga since incorporation, 17 December 1981 as part of the team that founded the Company.

On 1 November 2000, he was appointed Chief Executive Officer. In 2007, he retired from the role and was elected Chairman of the Board. On 25 February 2016, he was reappointed as Chief Executive Officer while continuing to serve as Chairman, reflecting the Board's confidence in his leadership.

Prior to joining Mesiniaga, Datuk Fusil served at IBM Malaysia, where he held various managerial positions, including Country Manager of the Information Products Division. He has also played an active role in the development of Malaysia's technology ecosystem, having been among the first serving Board Members of the Multimedia Development Corporation (MDEC) and a founding member of the Association of Computer and Multimedia Industry Malaysia (PIKOM). During his tenure with PIKOM, he served as Deputy Chairman from 1989 to 1991 and as Chairman from 1991 to 1992.

Datuk Fusil holds a Diploma in Accountancy from Institut Teknologi MARA (ITM), now known as Universiti Teknologi MARA (UiTM). With decades of leadership and industry experience, he has made significant contributions to the growth of Malaysia's information technology sector and remains a respected figure in the industry. His deep institutional knowledge and strategic perspective continue to support the Company's long-term direction, governance, and leadership continuity.

BOARD OF DIRECTORS

FATHIL ISMAIL

Non-Independent Non-Executive Director

Age: **61**

Nationality:

Gender: **Male**

Attendance: **7/7**

Fathil Ismail has been a member of the Board of Mesiniaga since 1 June 2002 and has played an important role in the Company's leadership and governance over the years. He was appointed Managing Director in 2008 and served in that capacity until 2013, during which time he was involved in guiding the Company's strategic direction and operational management.

Following the completion of his tenure as Managing Director, he continued to serve on the Board as a Non-Independent Non-Executive Director and is currently a member of the Nomination and Remuneration Committee.

An accountant by training, Fathil began his professional career with Ernst & Young, where he developed a strong foundation in audit and financial management. He subsequently gained valuable corporate finance experience with Arab Malaysian Merchant Bank before venturing into private enterprise in 1993. As a founding partner of Genesis Healthcare, he served as Managing Director until late 2001, where he was actively involved in building the business and overseeing its growth, further strengthening his leadership and entrepreneurial experience.

Fathil is an alumnus of the Malay College Kuala Kangsar and a graduate of the Association of Chartered Certified Accountants (ACCA). With his strong financial expertise, corporate finance background, and extensive business experience, he continues to contribute valuable insight and independent perspective to the Board, supporting effective governance, strategic decision-making, and the Company's long-term growth.

BOARD OF DIRECTORS

SIM HONG KEE

(C.A. (M), CPA(M), ICDM)

Independent Non-Executive Director

Age: **70**

Nationality:

Gender: **Male**

Attendance: 7/7

Sim Hong Kee was appointed to the Board of Mesiniaga on 1 May 2018. He currently serves as Chairman of the Audit and Risk Committee and the Nomination and Remuneration Committee. He also serves as an Independent Non-Executive Director of Hong Leong Assurance Berhad and GuocoLand (Malaysia) Berhad.

He began his career with a public accounting firm before joining IBM Malaysia, where he held a number of senior local and regional leadership positions. His responsibilities spanned a wide range of functions, including financial planning, treasury, taxation, legal, business controls, joint venture evaluation, and regional project management. Among the senior roles he held were Executive Assistant to the Asia Pacific Chief Financial Officer, Chief Financial Officer, Country Marketing Operations Manager, ASEAN/South Asia Y2K Executive, and Regional Project Management Office Leader for the divestment of IBM's PC and Printer businesses. He retired from IBM in 2015. He also served as Chief Financial Officer and Human Resource Director of Oracle Malaysia from 1995 to 1997.

Following his retirement, Sim Hong Kee served as Senior Advisor for Business Process and Internal Audit at Creador Sdn. Bhd. from May 2016 to April 2022. He has attended the Senior Management Development Program at Harvard Business School and the IBM Asia Pacific Advanced Management School. He is also a member of the Malaysian Institute of Certified Public Accountants (MICPA), Malaysian Institute of Accountants (MIA), Institute of Enterprise Risk Practitioners (IERP) and Institute of Corporate Directors Malaysia (ICDM).

BOARD OF DIRECTORS

DATUK NOOR AZIAN SHAARI

(PMW, JSM, KMN)

Independent Non-Executive Director

Age: **77**

Nationality:

Gender: **Female**

Attendance: 7/7

Datuk Noor Azian was appointed to the Board of Mesiniaga as an Independent Non-Executive Director on 1 July 2019. She serves as a member of the Nomination and Remuneration Committee, where she contributes her extensive legal and judicial experience to the Board's oversight, governance, and accountability functions. She is also an Independent Non-Executive Director of KHPT Holdings Berhad, which was listed on the ACE Market on 8 October 2024.

Datuk Noor Azian is a Barrister-at-Law and was called to the Bar at the Honourable Society of Lincoln's Inn, London in July 1971. Upon her return to Malaysia in November 1971, she joined the Judicial and Legal Service and was later admitted as an Advocate and Solicitor of the High Court of Malaya in 1984. During her service, she held numerous senior positions, including Magistrate, President of the Sessions Court, Senior Assistant Registrar of the High Court of Malaya, Treasury Solicitor, Official Assignee Malaysia, Deputy Parliamentary Draftsman, Deputy Head of the Civil Division, Chairman of the Special Commissioners for Income Tax, and Chairman of the Tribunal for Consumer Claims. In September 2005, she was elevated as a Judge of the High Court of Malaya, where she presided over criminal, civil, and commercial cases until her retirement in July 2014.

Following her retirement, Datuk Noor Azian continued to contribute her legal and governance expertise in various professional and Board capacities. She is a Registered Arbitrator of the Asian International Arbitration Centre (AIAC) Kuala Lumpur, and has served as an Independent Non-Executive Director of Deleum Berhad from January 2015 to April 2022, and of Affin Hwang Investment Bank Berhad from October 2016 to October 2022, during which she was appointed Interim Chairman from April 2021 to May 2022. With her distinguished judicial career and deep expertise in law, arbitration, and governance, she continues to provide valuable insight and independent judgment in support of strong corporate governance and long-term sustainability.

BOARD OF DIRECTORS

ZAIM HUSNI OMAR

Non-Independent Non-Executive Director

Age: **54**

Nationality:

Gender: **Male**

Attendance: 7/7

Zaim Husni Omar was appointed to the Board of Mesiniaga as a Non-Independent Non-Executive Director on 16 April 2021. He is a member of the Audit and Risk Management Committee, contributing his experience in financial oversight, risk management, and strategic planning to support the Company's governance framework.

Zaim began his career with Permodalan Nasional Berhad (PNB) in 1995, where he served for 13 years. He subsequently held senior strategic and corporate planning roles, including Head of Corporate Strategy and Investment at MARA Incorporated Sdn. Bhd., Head of Group Strategic Planning at Bank Pembangunan Malaysia Berhad, and Senior General Manager, Strategic Planning and Investment at MTD Capital Berhad. He is currently the Head of Corporate Affairs at Dayang Enterprise Holdings Berhad.

With extensive professional experience, Zaim has been involved in complex business restructuring and reorganisation initiatives, covering financial and treasury management, business development, and corporate and project financing. He also brings broad exposure across multiple sectors, including asset and fund management, healthcare, construction, and waste management. Zaim holds a Bachelor of Business Administration (Finance) and a Master of Business Administration in Finance and Investment from the International Islamic University Malaysia, as well as a Graduate Diploma in Applied Finance and Investment from the Financial Services Institute of Australia and an Executive Diploma in Investment Analysis from Universiti Teknologi MARA (UiTM).

BOARD OF DIRECTORS

DR VEERINDERJEET SINGH TEJWANT SINGH

(C.A. (M), CPA (M), FCTIM)

Independent Non-Executive Director

Age: **69**

Nationality:

Gender: **Male**

Attendance: **6/7**

Dr Veerinderjeet Singh was appointed to the Board of Mesiniaga on 1 August 2024. He is a member of the Audit and Risk Management Committee, where he contributes his extensive expertise in taxation, regulatory matters, and corporate governance to support the Board's oversight and risk management responsibilities.

In addition to his role with Mesiniaga, Dr Veerinderjeet also serves as an Independent Non-Executive Director and Audit Committee Chairman of various public entities, including AmBank and Malaysian Rating Corporation Berhad (MARC).

Dr Veerinderjeet is a seasoned tax expert with over four decades of experience in tax policy, advisory, and professional services. He currently serves as Senior Adviser on Tax Policy at KPMG Malaysia, a role he assumed in March 2024. Previously, he was Non-Executive Chairman of Tricor Malaysia from 2020 to 2024 and earlier co-founded Taxand Malaysia and led Axcelasia Group, which was listed on the Singapore Stock Exchange, after having served as a Tax Partner at Arthur Andersen and Ernst & Young. He has also advised multinational corporations and government agencies on tax reforms and restructuring and has held prominent roles including Vice Chair of the ICC Global Tax Commission and member of the PEMUDAH Paying Taxes Working Group.

Beyond Malaysia, he currently serves as an Independent Non-Executive Director and Audit Committee Chairman of Zico Holdings Inc., which is listed on the Catalist Board of the Singapore Exchange. Academically, he has held faculty appointments at the University of Malaya and Monash University Malaysia and has served as a Visiting Scholar at Harvard University. His leadership roles include past presidencies of the Malaysian Institute of Certified Public Accountants (MICPA), the Malaysian Institute of Accountants (MIA), and the Chartered Tax Institute of Malaysia. He is also a published author on taxation and a frequent speaker on tax policy, reform, and corporate governance.

BOARD OF DIRECTORS

DATO' DARAWATI HUSSAIN

(DIMP)

Non-Independent Non-Executive Director

Age: **56**

Nationality:

Gender: **Female**

Attendance: 4/4

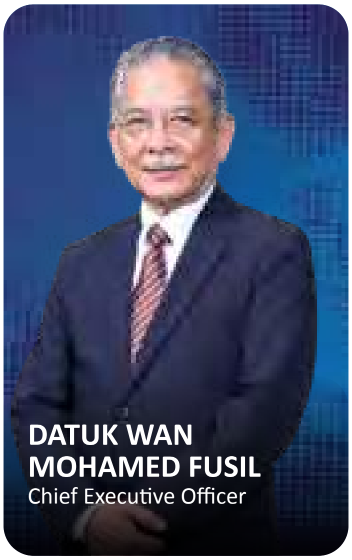
Dato' Darawati retired as a Non-Independent Non-Executive Director of the Company on 5 June 2025. She was first appointed to the Board as a Non-Independent Non-Executive Director on 11 September 2020. During her tenure, she contributed her extensive financial and investment expertise to the Board's deliberations and oversight, supporting the Company's governance and strategic direction.

Dato' Darawati has more than three decades of experience in corporate finance, asset management, and private equity. She previously served as a European equities portfolio manager with a UK-based fund management company with assets under management of approximately USD70 billion. She currently serves as Senior Independent Director of RHB Asset Management Group and as Chairwoman of RHB Private Equity Holdings Sdn. Bhd. In addition, she holds directorships in several private limited companies focused on ESG and corporate governance advisory, as well as strategic crisis management communications. She also serves as a member of the Investment Committee for equity funds under Ecologitec Sdn. Bhd., a wholly owned subsidiary of Bank Pembangunan Malaysia Berhad.

Dato' Darawati holds a Bachelor's Degree in Economics and Accountancy from Durham University, United Kingdom, and a Master of Business Administration from London Business School, United Kingdom. She is also a Chartered Financial Analyst. Her strong academic foundation, combined with extensive regional and international investment experience, has enabled her to provide valuable insight and perspective in support of effective governance and long-term value creation.

SENIOR LEADERSHIP TEAM

Mesiniaga continues to be guided by a dynamic, experienced, and highly engaged Senior Leadership Team, also known as the Company's Executive Council (EC). The EC comprises leaders with a balanced mix of diversity, skills, and experience, enabling the Company to discharge its responsibilities effectively and to provide strong strategic direction in support of sustainable growth and long-term value creation.



DATUK WAN MOHAMED FUSIL
Chief Executive Officer

CHUA SENG TEONG
Deputy Chief Executive Officer

ARIFFIN ABD MAJID
Chief Financial Officer

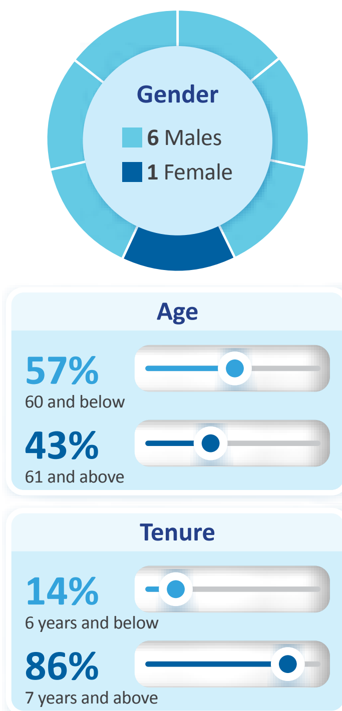
NORDIN MAT ISA
Chief Operating Officer

PATRICIA CHAN FONG MUI
Director of Corporate Strategy and Planning

WONG KENG HOE
Director of Products and Services

REMYIZAM MOHD MAHADZIR
Director of Sales

Our Statistics



None of the members of the Senior Leadership Team has any family or business relationships with one another, any Director, or any substantial shareholder of the Company. They also do not have any conflict of interest with the Company and have not been convicted of any offences, other than traffic offences, within the past ten (10) years. In addition, none of the members of the Senior Leadership Team holds any directorship in any public company other than Mesiniaga Berhad.

SENIOR LEADERSHIP TEAM

DATUK WAN MOHAMED FUSIL

Chief Executive Officer

Age:	Nationality:	Gender:
75		**Male**

Refer to the Board of Director's Profile on page 14.

CHUA SENG TEONG

Deputy Chief Executive Officer

Age:	Nationality:	Gender:
44		**Male**

ST Chua was appointed as Deputy Chief Executive Officer of Mesiniaga Berhad on 3 November 2025, bringing with him more than 20 years of leadership experience across digital transformation, strategy, and operations. In this role, he supports the Chief Executive Officer in driving the Group's strategic priorities, operational performance, transformation initiatives, and AI adoption, contributing to Mesiniaga's long-term growth and value creation.

Prior to joining Mesiniaga, ST Chua served as Managing Director of ChargEV, where he led regional operations and transformed the company into a high-performing organisation with a strong focus on innovation and sustainability. He previously held senior leadership roles including Regional Director for Southeast Asia at Ikano Insight and General Manager at PETRONAS Dagangan Berhad, where he led digital and operational transformation initiatives. He also brings venture capital and entrepreneurial experience, having invested in high-growth technology start-ups and held senior roles across technology, telecommunications, and analytics organisations.

ST Chua holds a Master of Business Administration from INSEAD, France, and a Bachelor of Electrical and Electronics Engineering with Honours from Universiti Teknologi PETRONAS. His strong academic foundation, combined with extensive regional and cross-industry experience, supports Mesiniaga's transformation agenda, operational excellence, and strategic execution in an increasingly digital and evolving business landscape.

SENIOR LEADERSHIP TEAM

ARIFFIN ABD MAJID

Chief Financial Officer

Age:	Nationality:	Gender:
62		**Male**

Ariffin Abd Majid was appointed as Chief Financial Officer in February 2017 and is a key member of the Company's senior leadership team. He oversees the Company's financial management, governance, and reporting, and plays an important role in shaping and executing its financial strategy. His experience and financial acumen have been instrumental in supporting the Company's resilience and sustainable growth.

He began his career as an external auditor with Cooper Lancaster Brewers, Chartered Accountants in the United Kingdom. In 1992, he joined PETRONAS in Corporate Finance, where he gained exposure to financial strategy, project financing, capital and bond markets. Prior to joining the Company, he served in two senior financial leadership roles, the Financial Controller at Business Focus Group and Senior General Manager, Commercial at Boustead Group.

Ariffin is an alumnus of Malay College Kuala Kangsar and a graduate of the Association of Chartered Certified Accountants (ACCA). With his breadth of experience and strategic financial leadership, he continues to play a vital role in strengthening the Company's financial position and creating long-term shareholder value.

NORDIN MAT ISA

Chief Operating Officer

Age:	Nationality:	Gender:
60		**Male**

Nordin Mat Isa joined the Company in 2008 as Head of Public Sector Business and has since held a series of senior leadership roles spanning sales, products, and operations. His success in expanding the public sector and telco business led to his appointment as Director of Sales for the Public Sector and Telco Business. In March 2017, he assumed additional responsibilities as Director of Products and Services. He was appointed Director of Operations in March 2023 and, effective March 2024, was promoted to Chief Operating Officer, with overall responsibility for the Group's business and sales operations.

Prior to joining the Company, Nordin served as Head of Public Sector Sales at Hewlett Packard Malaysia Sdn. Bhd. He brings with him extensive corporate experience, with deep expertise in public sector engagement, enterprise sales, and commercial strategy. Throughout his career, he has demonstrated strong leadership and execution capability, particularly in driving product-to-market strategies, strengthening customer delivery, and enhancing the differentiation of the Company's product and service offerings.

Nordin holds a Bachelor's Degree in Computer Science, Mathematics, and Statistics from the Australian National University. His breadth of experience, strategic leadership, and operational discipline continue to support the Group's performance, operational excellence, and long-term value creation for shareholders.

SENIOR LEADERSHIP TEAM

PATRICIA CHAN FONG MUI

Director of Corporate Strategy and Planning

Age:	Nationality:	Gender:
61		**Female**

Patricia joined the Company in 1989 and has held a range of leadership roles across application development, systems integration, and corporate strategy. She began her career in application development and was appointed Application Development Services Manager in 1998. She was promoted to General Manager in December 2010 and later assumed the role of General Manager, Corporate Strategy and Planning in 2016. In recognition of her contributions, she was promoted to Director, Corporate Strategy and Planning in 2021 and appointed Special Assistant to the Chief Executive Officer.

Throughout her tenure, Patricia has played a significant role in shaping the Company's strategic direction and business models. She has advised the executive team on strategic initiatives, planning, and budgeting, and has demonstrated strong leadership in driving cross-functional alignment and organisational effectiveness. In 2023, she was entrusted with leading the Company's Artificial Intelligence Centre of Excellence (AI COE) to develop generative AI capabilities aimed at enhancing workforce productivity and supporting a new business growth opportunity for Mesiniaga.

Patricia is a graduate of Universiti Sains Malaysia and holds a First-Class Honours degree in Computer Science. Her strong technical foundation, combined with deep institutional knowledge and strategic leadership experience, continues to support the Company's transformation initiatives, operational efficiency, and long-term value creation for shareholders.

WONG KENG HOE

Director of Products and Services

Age:	Nationality:	Gender:
60		**Male**

Wong Keng Hoe joined the Company in 1990 as an Information Systems Trainee and has since held a range of senior leadership roles across technical, project management, sales, and product functions. Over the years, he progressed to positions including General Manager for Network Services and Project Management, Director of Project Management and Solutions Marketing, and was appointed Director of Sales in February 2018. Effective 1 January 2025, he was appointed Director of Products and Services.

Throughout his tenure, Wong has demonstrated strong technical expertise, strategic insight, and leadership capability. He has played a key role in driving networking initiatives, managing complex projects, aligning solutions with market needs, and enhancing the Company's go-to-market strategies. In his current role, he is responsible for strengthening the Company's product and services portfolio and improving delivery quality, in line with Mesiniaga's commitment in "helping customers succeed".

Wong holds a Bachelor's Degree in Computer Science from Universiti Sains Malaysia. His academic foundation, combined with extensive industry and leadership experience, continues to support the Company's growth and its focus on delivering innovative and customer-centric technology solutions.

SENIOR LEADERSHIP TEAM

REMYIZAM MOHD MAHADZIR

Director of Sales

Age:	Nationality:	Gender:
50		Male

Remyizam Mohd Mahadzir joined the Company in 2000 as a Management Trainee under the Public Sector Sales Department and has since held various sales and leadership roles across multiple territories. He was appointed General Manager for Telco Business Solutions in March 2017 and later assumed the role of General Manager for Infrastructure System Technology in January 2024, overseeing a newly established business unit. Building on his extensive sales leadership experience and operational responsibilities, he was appointed Director of Sales in January 2025.

Throughout his career, Remyizam has demonstrated strong commercial acumen and operational leadership across enterprise, public sector, and telecommunications segments. He has played a key role in driving business growth, managing strategic customer relationships, and developing new solution portfolios. His experience in leading both established and newly formed business units positions him well to strengthen the Company's sales execution, go-to-market strategies, and revenue growth.

Remyizam holds a Bachelor of Science in Communications from the University of Miami, Florida. His breadth of sales leadership experience, combined with deep institutional knowledge and a customer-focused approach, continues to support Mesiniaga's business performance and long-term value creation for shareholders.

MEDIA APPEARANCES

THE EDGE MALAYSIA

22 May

BERNAMA

The Star

4 July

New Straits Times

BUSINESS TODAY

29 September

BERNAMA

MEDIA APPEARANCES

THE EDGE MALAYSIA

14 October

The Star

The Star

16 December

New Straits Times

SUSTAINABILITY STATEMENT

At Mesiniaga Berhad, sustainability is a fundamental part of how we manage our business, our people, our risks, and our long-term responsibilities to stakeholders and society as a whole.

As a technology services provider, our environmental footprint is not driven by heavy manufacturing or large-scale resource extraction. Instead, our sustainability challenges and opportunities lie primarily in how we manage energy consumption, carbon emissions, human capital, ethical conduct, data protection and long-term organisational resilience. These are the areas that matter most to our business model and to the stakeholders who rely on us.

This Sustainability Statement aims to provide our stakeholders with a clear, balanced and self-explanatory account of:

- (a) how the Group has performed over time; and
- (b) how these matters are governed and managed.

SUSTAINABILITY STATEMENT

The Group is committed to continuously reviewing and enhancing its sustainability practices and integrating them into its business strategy, operations, and regulatory compliance requirements.

The Board of Directors takes collective responsibility for the oversight of sustainability matters. It is satisfied that this Statement presents a fair and meaningful view of the Group's sustainability performance and direction. The Board approved this Statement on 31 March 2026.

INTRODUCTION

In 2015, the Sustainable Development Goals (SDGs) were unanimously adopted by all United Nations Member States, including Malaysia. The SDGs comprise 17 goals and 169 targets, designed to foster peace and prosperity for all people and the planet. These goals have been strategically integrated into Malaysia's national development framework, specifically within the country's 5-year national development plans and government budgets.

As a responsible Public Listed Company (PLC), Mesiniaga Berhad is committed to supporting the Environmental, Social, and Governance (ESG) agenda and aligning it with the Malaysian government's aspirations for sustainable development. This commitment is reflected in our adherence to the following guidelines and regulations set forth by Bursa Malaysia Securities Berhad (Bursa Malaysia), specifically:

- a. MAIN Market Listing Requirements;
- b. Practice Note 9 (Risk Management and Internal Control, Corporate Governance and Sustainability Statement);
- c. Practice Note 9A: Saving and Transitional Provisions for Sustainability Statement;
- d. Illustrative Sustainability Reporting Guide (ISR); and
- e. Sustainability Reporting Guide and its accompanying toolkits (3rd Edition).

SUSTAINABILITY SCOPE

This Sustainability Statement covers Mesiniaga Berhad and its subsidiaries (the Group)'s sustainability efforts within Malaysia from 1 January to 31 December 2025. Comparative data spanning four (4) years has been included to illustrate our progress in key material areas.

OUR SUSTAINABILITY GOVERNANCE STRUCTURE

The Chief Executive Officer (CEO) sets the Group's strategic direction. Committing to the sustainability agenda ensures adequate resources, systems, and processes are in place to address sustainability issues.

To ensure the effective monitoring and implementation of sustainability initiatives, Mesiniaga has established a sustainability governance structure.

Figure 1: Mesiniaga ESG Structure

The Director of Corporate Strategy and Planning chairs the ESG Committee (ESGC). It is responsible for operationalising Mesiniaga's sustainability agenda. The Committee plays a vital role in ensuring that the Group's sustainability goals are aligned with the overall business strategy and that actions are effectively implemented.

The roles and responsibilities of the Board of Directors, CEO, and ESGC are summarised in the table below:

BOARD OF DIRECTORS

- Review and approved policies.
- Ensures measures/initiatives are implemented in line with the strategies.

CHIEF EXECUTIVE OFFICER

- Oversees and ensures the ESG strategies are aligned with the Group's business strategies and goals.
- Reviews the progress in sustainability initiatives implementation.

ESG COMMITTEE

- Develops the Group's sustainability strategies and initiatives in line with the ESG scope.
- Recommends plans and goals.
- Tracks progress against pre-defined sustainability plans and goals.
- Reports the progress of all sustainability initiatives to the CEO.
- Ensures that sustainability disclosure is in accordance with Bursa Malaysia's Listing Requirements.

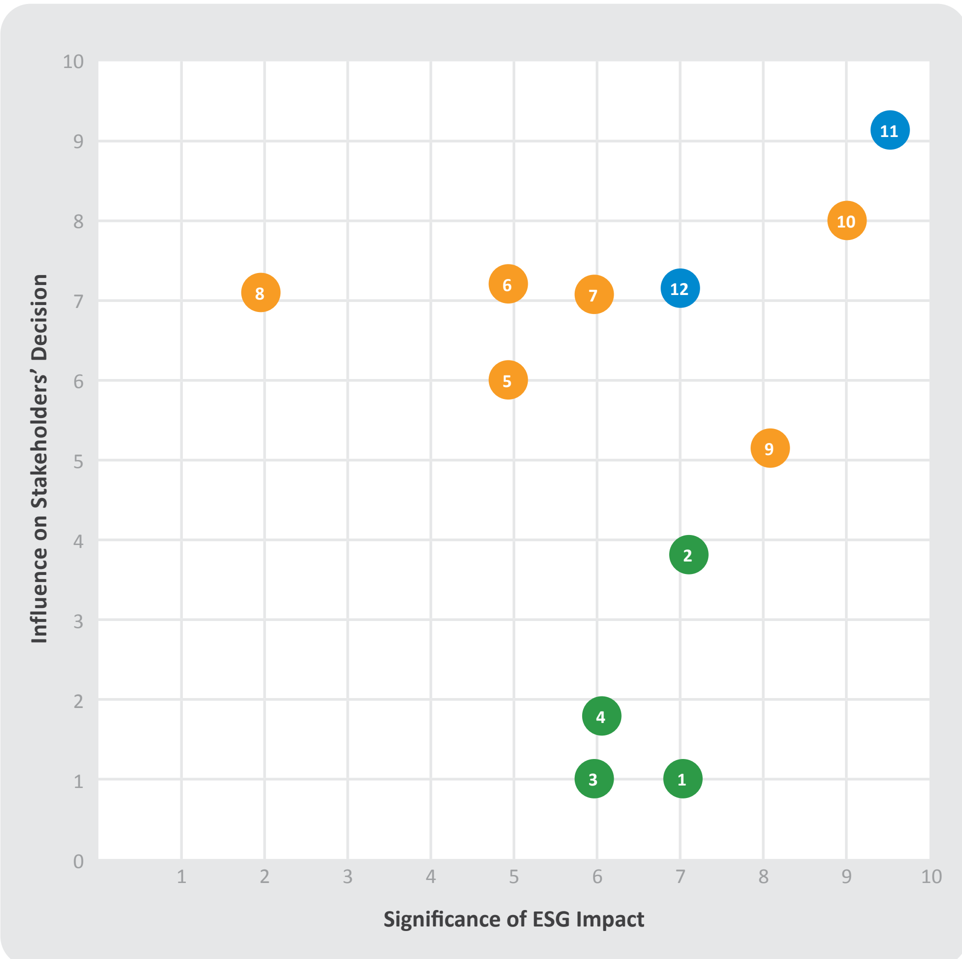
SUSTAINABILITY STATEMENT

MATERIALITY ASSESSMENT

Achieving sustainability goals cannot be universally addressed with a one-size-fits-all approach, as each company operates at a different scale and across diverse industries, facing distinct sustainability-related risks and opportunities. As an IT services provider, Mesiniaga designs and implements IT solutions, integrates hardware and software from suppliers, and delivers after-sales services to customers. The Group's sustainability agenda is closely aligned with its core business and the unique challenges and opportunities within the IT sector.

Mesiniaga evaluates its impact on ESG factors by drawing on diverse sources of reference. This involves aligning with key themes from the Bursa Sustainability Reporting Guide (3rd Edition) that resonate with our industry, product lines, and operational regions. Additionally, we benchmark against disclosures from peers within our industry to ensure a comprehensive understanding of material ESG matters.

Mesiniaga's sustainability strategy is anchored by an annual materiality assessment that revalidates existing and identifies emerging issues. This process involves collecting operational data, evaluating the significance of identified matters, and pinpointing the most critical issues for the Group and its stakeholders. This approach ensures our sustainability efforts remain focused on the material areas for our organisation and its stakeholders.



ENVIRONMENTAL

1. Energy Efficiency
2. Carbon Emissions
3. Water Consumption
4. Waste Management

SOCIAL

5. Diversity
6. Training and Development
7. Health and Safety
8. Corporate Social Responsibility
9. Procurement
10. Customer Satisfaction

GOVERNANCE

11. Anti-Bribery and Corruption
12. Data Privacy and Security

Figure 2: Mesiniaga Berhad's Materiality Map

SUSTAINABILITY STATEMENT

SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES (IFRS S1 AND S2)

The Group recognises that sustainability-related risks and opportunities, including climate-related matters, are closely linked to its business model, operating environment, and long-term value creation. These considerations are integrated into strategic planning and operational management to support resilience, efficiency, and responsible corporate conduct.

From an environmental and climate perspective, the Group is exposed to risks associated with electricity consumption and greenhouse gas emissions arising from purchased electricity. Prolonged hot weather may increase cooling demand and electricity use, while rising energy tariffs and potential future regulatory developments related to climate and energy efficiency may affect operating costs. At the same time, climate-related opportunities exist through deploying equipment and appliances with improved energy efficiency, monitoring of electricity usage, and optimisation of operational practices. Measures such as strengthened energy management controls and the application of cost-efficient tariff structures, including the Time-of-Use tariff, support better management of electricity-related costs and more consistent energy usage. While these measures may not materially reduce overall electricity consumption in kilowatt-hours, they contribute to improved cost discipline and operational efficiency.

Climate-related risks are managed through the Group's existing operational and sustainability management processes. Electricity consumption and greenhouse gas emissions are monitored on an ongoing basis, with management actions implemented to improve efficiency and manage usage trends where practicable. Electricity consumption and Scope 2 greenhouse gas emissions are tracked as key climate-related metrics, while selected Scope 3 emissions, including employee commuting and business travel, are progressively monitored to enhance visibility over indirect emissions. The Group has set a long-term target to achieve carbon neutrality by 2030, with ongoing monitoring supporting informed decision-making and continuous improvement in managing climate-related impacts.

From a social perspective, the Group recognises that workforce diversity and inclusion are important to talent sustainability, employee engagement, and effective decision-making. Insufficient attention to diversity may pose risks to workforce stability and succession planning. Conversely, a diverse workforce presents opportunities to strengthen organisational performance by fostering broader perspectives, balanced leadership, and a sustainable talent pipeline. The ESG Committee has established specific diversity

targets, including 40% female representation at the executive level and 30% at the management level. As at the reporting date, female representation at the executive level stood at 35%, while female representation at the management level exceeded the target at 33%. The Group remains committed to providing equal opportunities in recruitment, development, and career progression based on merit, competencies, and performance, with workforce composition monitored to support informed human capital planning.

From a governance standpoint, the Group adopts a zero-tolerance approach towards bribery and corruption. It acknowledges the associated risks, which could result in regulatory non-compliance, financial penalties, reputational damage, and loss of stakeholder confidence if not properly managed. Strong governance practices present opportunities to reinforce ethical conduct, enhance stakeholder trust, and support sustainable business operations. The Group has established policies, internal controls, and awareness programmes, including collaboration with the Malaysian Anti-Corruption Commission (MACC), to prevent, detect, and address bribery and corruption risks. These measures are supported by regular training and communication initiatives to promote compliance and ethical behaviour across the organisation. As of the reporting date, no bribery or corruption cases were reported.

Overall, the sustainability-related risks and opportunities described above are considered in the context of the Group's operations and long-term strategic objectives. While these matters may influence operating costs, workforce effectiveness, and governance outcomes over time, the Group continues to manage them through policies, monitoring mechanisms, and continuous improvement initiatives to support long-term resilience and sustainable value creation.

SUSTAINABILITY STATEMENT

Mesiniaga Berhad recognises that effective environmental management is integral to sustainable value creation and long-term business resilience. We recognise our responsibility to safeguard natural resources and are committed to minimising our environmental footprint across all aspects of our operations. Our sustainability efforts focus on energy efficiency, carbon emissions management, water conservation, waste reduction, and biodiversity protection, guided by responsible practices and continuous improvement.

SUSTAINABLE ARCHITECTURE: MENARA MESINIAGA

Mesiniaga's headquarters, Menara Mesiniaga in Subang Jaya, Selangor Darul Ehsan, stands as a physical testament to our long-standing commitment to environmental sustainability. Completed in 1992 and designed by renowned Malaysian architect Dr Ken Yeang, the building is internationally recognised as a pioneering example of bioclimatic architecture.

Designed to harmonise with the local climate, Menara Mesiniaga integrates sustainability principles that reduce environmental impact while enhancing occupant well-being. Its enduring relevance continues to position the building as a benchmark for green architecture and reflects Mesiniaga's forward-thinking approach to environmental stewardship.

KEY GREEN BUILDING FEATURES

Bioclimatic Design

The building integrates natural climatic conditions into its design, optimising energy efficiency while providing a comfortable indoor environment.

Energy Conservation

Passive design strategies leverage natural ventilation, daylight, and wind flow to reduce reliance on mechanical cooling and artificial lighting.

Solar Shading

External louvres and sunscreens minimise solar heat gain, reducing cooling demand and overall energy consumption.

Natural Lighting

Strategic window placement maximises daylight penetration, supporting a healthier and more sustainable workspace.

Occupant Comfort

Thermal comfort, ventilation, and shading strategies prioritise employee well-being while supporting environmental performance.

SUSTAINABILITY STATEMENT

1.0 Energy Efficiency

Energy efficiency is managed through regular monitoring of electricity consumption and the implementation of operational and behavioural controls to optimise energy use. Mesiniaga focuses on replacing equipment and appliances with improved energy efficiency, managing office energy demand, and promoting energy-conscious practices among employees to reduce operating costs and associated carbon emissions.

In 2025, electricity consumption was recorded at 775,094 kWh, a reduction of 8,491 kWh, or approximately 1.1%, compared to the previous year, and slightly lower than the level recorded in 2022. This reduction was achieved despite continued business activities and regular office operations throughout the year.

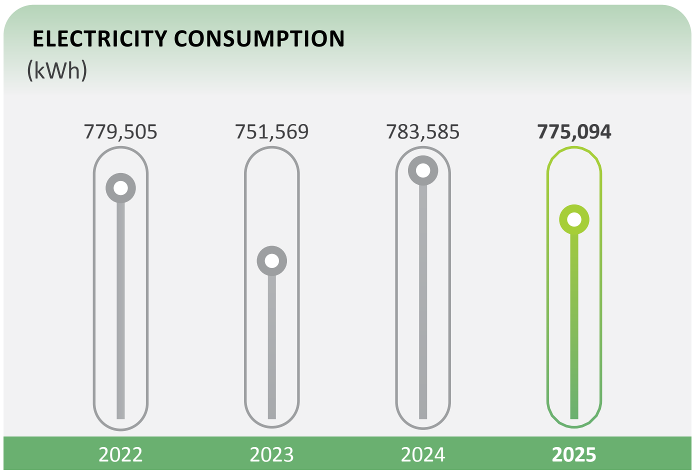


Figure 3: Electricity consumption in kWh from 2022 to 2025

In response to usage patterns observed in prior years, Mesiniaga continued to place attention on managing electricity consumption in 2025. This included closer tracking of electricity usage, more disciplined control over facilities and operational hours, and ongoing efforts to optimise cooling systems. These measures helped achieve more consistent energy use across operations.

While electricity consumption in earlier years fluctuated due to operational demands, occupancy levels, and weather conditions, the moderation in consumption recorded in 2025 reflects improved consistency in energy use. This aligns with Mesiniaga's ongoing efforts to manage electricity consumption responsibly while supporting business needs.

Energy-Saving Initiatives

Key initiatives implemented during the year include:

- Adoption of energy-efficient LED lighting and high-efficiency air-conditioning systems
- Reinforcement of lighting management practices in unoccupied areas
- Reduction of unnecessary energy consumption from equipment left on standby
- Regular servicing of ventilation and cooling systems
- Promotion of flexible work arrangements to reduce office energy demand
- Employee engagement through energy-saving awareness

In August 2025, Mesiniaga applied for the Time-of-Use (ToU) tariff with Tenaga Nasional Berhad. While the ToU tariff may not significantly reduce overall electricity consumption in kilowatt-hours (kWh), it allows electricity use to be managed more cost-effectively by taking advantage of lower tariffs during off-peak periods. This is particularly relevant given Mesiniaga's standard operating hours from 9.00 a.m. to 5.30 p.m., enabling better alignment of non-critical electricity usage with off-peak pricing where practicable.

2.0 Carbon Emissions

Mesiniaga manages its greenhouse gas emissions in accordance with the Greenhouse Gas (GHG) Protocol, with particular attention to emissions from electricity consumption under Scope 2 and employee travel-related activities under Scope 3. Emissions data is recorded using Alibaba Cloud - Sustainability Cloud to support consistency, accuracy, and transparency in reporting. The Group uses this information to observe emission patterns over time and support the planning and evaluation of initiatives related to energy efficiency and carbon emission management.

SUSTAINABILITY STATEMENT

Scope 2

Scope 2 emissions, which relate to purchased electricity, are monitored continuously. In 2025, total Scope 2 carbon emissions were recorded at 314.45 tCO_2e, a reduction from 317.19 tCO_2e in 2024 and 316.25 tCO_2e in 2022. This reduction reflects lower electricity consumption during the year and more consistent management of electricity usage, achieved while maintaining normal business operations.

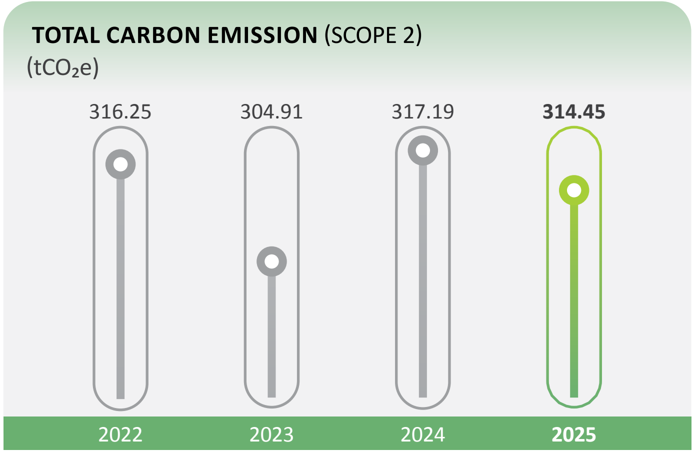


Figure 4: Scope 2: Purchased energy indirect GHG emissions by Mesiniaga from 2022 to 2025

Emissions levels in the preceding years varied in line with changes in electricity consumption, operational intensity, and cooling requirements. Against this backdrop, the moderation in Scope 2 emissions in 2025 indicates improved stability in electricity-related emissions performance. Overall, the reduction achieved in 2025 supports Mesiniaga's ongoing efforts to monitor and manage Scope 2 emissions arising from purchased electricity in a structured and measured manner.

Scope 3

Since the first quarter of 2024, Mesiniaga has commenced tracking Scope 3 carbon emissions (tCO_2e) as part of its broader effort to enhance environmental data transparency and strengthen its GHG emissions management framework. The initial Scope 3 monitoring scope covers employee commuting and business travel, including overseas flights, which represent key sources of indirect emissions associated with the Company's operations.

Effective 1 June 2025, the Company further expanded its Scope 3 monitoring boundary to include transportation and distribution activities managed by the Company's warehouse, reflecting Mesiniaga's ongoing efforts to improve the completeness and accuracy of its emissions reporting. However, as data for this category does not yet represent a full reporting year, the associated emissions have not been included in the current reporting period to ensure consistency and comparability of disclosures. These emissions will be incorporated in the next annual report once a complete year of data becomes available.

Mesiniaga will continue to progressively enhance its Scope 3 emissions tracking and data management processes as part of its commitment to improving environmental accountability and supporting the long-term reduction of its overall carbon footprint.

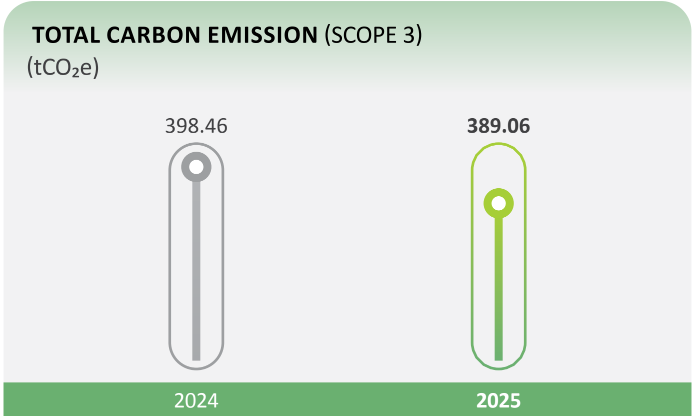


Figure 5: Scope 3: Value chain indirect GHG emissions by Mesiniaga from 2024 to 2025

In 2025, the Group achieved a reduction in Scope 3 carbon emissions by 9.40 tCO_2e (approximately 2.4%), decreasing from 398.46 tCO_2e in 2024 to 389.06 tCO_2e. The decline reflects more stable business travel patterns following the implementation of structured Scope 3 monitoring and improved visibility over travel-related activities. Improved tracking of travel data has enhanced the Group's ability to assess the impact of business travel on indirect emissions and identify opportunities to better manage and optimise these activities.

Building on this progress, the Group will continue to strengthen environmental data monitoring, advance resource efficiency initiatives, and promote employee awareness to support informed decision-making and the gradual reduction of its overall environmental footprint.

3.0 Water Consumption

In 2025, water consumption was recorded at 1,928 m^3, a substantial reduction from 3,139 m^3 in 2024 and 8,123 m^3 in 2022. This reflects an overall decline of approximately 76% over the four years and demonstrates significantly lower water usage in 2025.

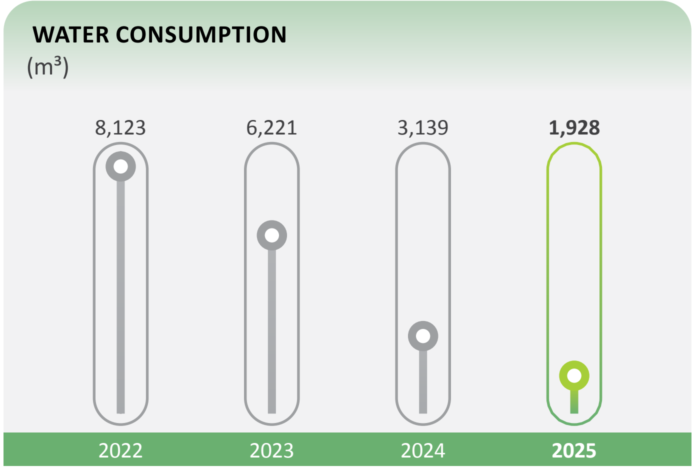


Figure 6: Water consumption in (m^3) from 2022 to 2025

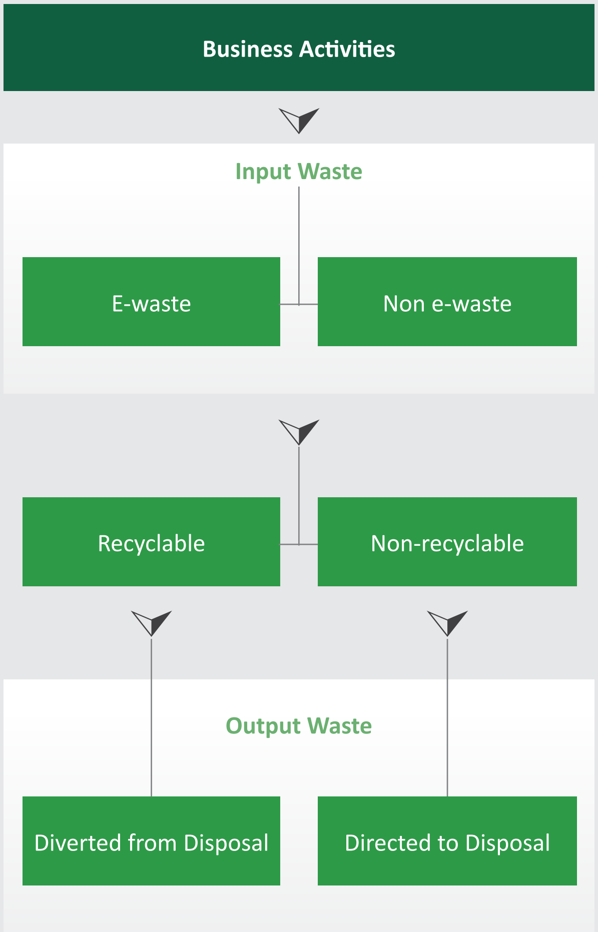
The sharp reduction observed from 2024 onwards coincided with the installation of a new water meter by Air Selangor in July 2024, which replaced estimated readings with actual consumption data. The improved accuracy of water usage measurement has provided clearer visibility into consumption patterns and enabled more effective monitoring and identification of efficiency opportunities.

Building on this improved data quality, the Group continues to implement measures such as leak prevention, regular maintenance, employee awareness initiatives, and ongoing monitoring to support responsible water management. The lower consumption level recorded in 2025 reflects a more controlled, transparent approach to water use across operations.

4.0 Waste Management

Mesiniaga adopts responsible waste management practices by properly segregating, recycling, and disposing of waste generated from its operations. The Group engages licensed contractors to manage electronic and non-electronic waste in compliance with applicable regulations, while promoting recycling and waste-reduction initiatives in the workplace.

WASTE MANAGEMENT FLOW CHART



Notes:

i. E-waste : Internal used IT related equipments, including notebooks, servers, network switches, external hard disks, monitors, etc.

ii. Non e-waste : Internal used of papers, plastics, boxes, cans, rubbish, etc.

E-waste, which includes discarded electronic devices, can contain hazardous materials harmful to people and the environment. Mesiniaga manages e-waste responsibly through licensed contractors in compliance with government regulations.

Non e-waste refers to all other general waste unrelated to electronic equipment and is managed through proper disposal and recycling practices.

SUSTAINABILITY STATEMENT

Recycling Initiatives

Recycling programmes focus on paper, cardboard, plastics, aluminium, bottles, and e-waste. Key initiatives include:

- Quarterly recycling campaigns with designated collection stations

- Continuous employee engagement and awareness programmes
- Responsible e-waste disposal through licensed and certified recycling partners

Paper Consumption

In 2025, paper consumption was recorded at 339 reams, continuing a steady downward trend from 379 reams in 2024 and 510 reams in 2022. This represents an overall reduction of approximately 34% over the four years, reflecting more disciplined paper usage across operations.

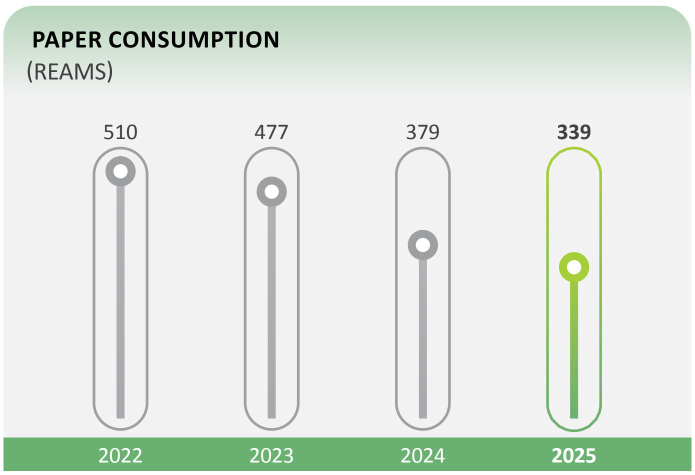


Figure 7: Paper consumption by reams from 2022 to 2025

The lower paper consumption in 2025 reflects the continued adoption of digital documentation, improved print management controls, and sustained employee awareness of responsible paper use. These measures have helped to minimise unnecessary printing while supporting day-to-day operational requirements.

Paper consumption is managed through ongoing digitalisation initiatives, print monitoring practices, and employee awareness programmes. The Group continues to encourage digital workflows, prudent printing practices, and paper-saving measures to reduce resource consumption and support more sustainable office operations.

Digital Documentation	• **Go Paperless:** Transition to digital formats for reports, correspondence, and internal documents. • **Electronic Signatures:** Utilise e-signature platforms to streamline the approval process and eliminate the need for printed copies. • **Cloud Storage:** Adopt a cloud and network-based storage system to securely manage and share documents without relying on physical files.
Print Management	• **Print When Necessary:** Encourage employees to print only essential documents. • **Duplex Printing:** Default to double-sided printing to minimise paper use. • **Print Preview Practices:** Promote reviewing documents before printing to avoid wastage.
Digital Communications	• **Paperless Communication:** Replace printed memos and circulars with e-mails and instant messaging. • **Virtual Meetings:** Conduct online meetings and presentations to reduce printed handouts. • **Internal Updates:** Use digital notice boards and platforms for company announcements.
Sustainable Paper Use	• **Recycle and Reuse Paper:** Reuse single-sided printed sheets for drafts or internal notes whenever possible.
Employee Awareness	• **Education and Engagement:** Conduct awareness that highlights the environmental and operational benefits of reducing paper use.

Environmental Initiative

In 2025, Mesiniaga organised a Beach Cleaning Programme as part of its Corporate Social Responsibility initiatives. The programme was held on 9 October 2025 at Pantai Remis, Kuala Selangor, to support the protection of coastal ecosystems and promote awareness of marine conservation.

The initiative engaged employees in hands-on shoreline clean-up activities, encouraging responsible environmental stewardship and greater awareness of the impact of waste on marine habitats. Through this programme, Mesiniaga demonstrated its ongoing commitment to biodiversity conservation, community engagement, and alignment with national sustainability objectives.

SUSTAINABILITY STATEMENT

1.0 Diversity in Workforce

The Group recognises that gender diversity supports balanced decision-making and effective governance, and remains committed to providing equal opportunities in recruitment, development, and career progression based on merit, competencies, and performance, regardless of gender.

The Group's commitment to gender diversity continued in 2025, in line with its focus on inclusive and sustainable people practices. While the overall female workforce recorded a marginal change from 35% in 2024 to 34% in 2025, female representation in Non-Executive roles increased from 23% in 2024 to 29% in 2025.

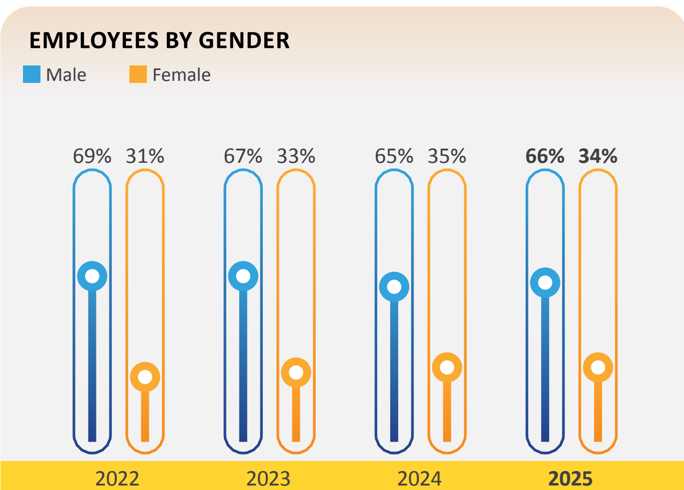


Figure 8: Employees by gender from 2022 to 2025

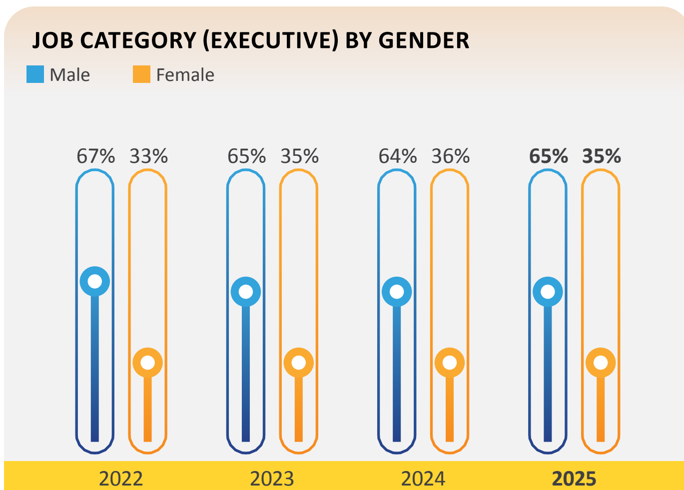


Figure 9: Job category (executive) by gender from 2022 to 2025

SUSTAINABILITY STATEMENT

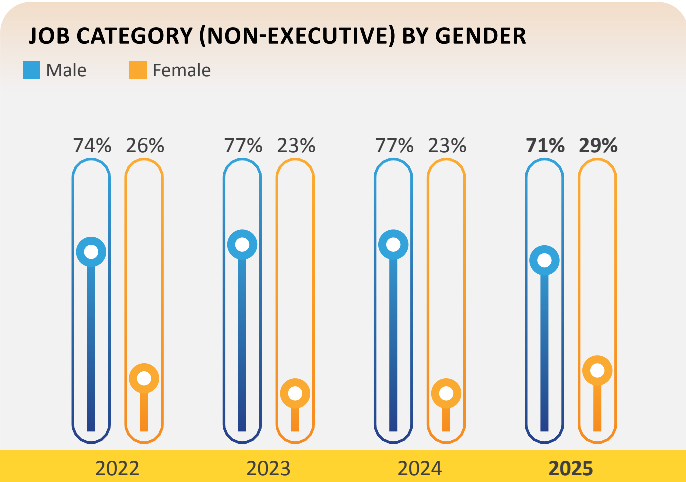


Figure 10: Job category (non-executive) by gender from 2022 to 2025

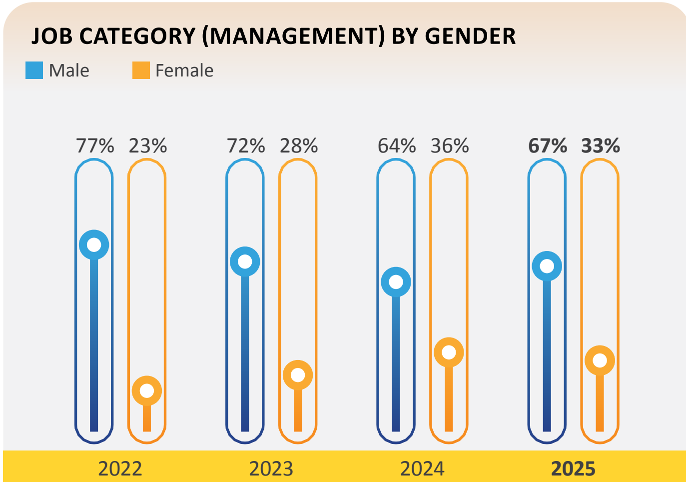


Figure 11: Job category (management) by gender from 2022 to 2025

In 2025, the ethnic composition of the Group's workforce remained largely stable, with no change in the representation of Malay and Chinese employees compared to the previous year. A slight decrease was observed in the representation of Indian employees, while the proportion of employees classified under "Others" increased marginally from 1% in 2024 to 2% in 2025. Mesiniaga continues to cultivate a workplace that values diversity, encourages collaboration, and provides equal opportunities for growth and contribution across all ethnic groups.

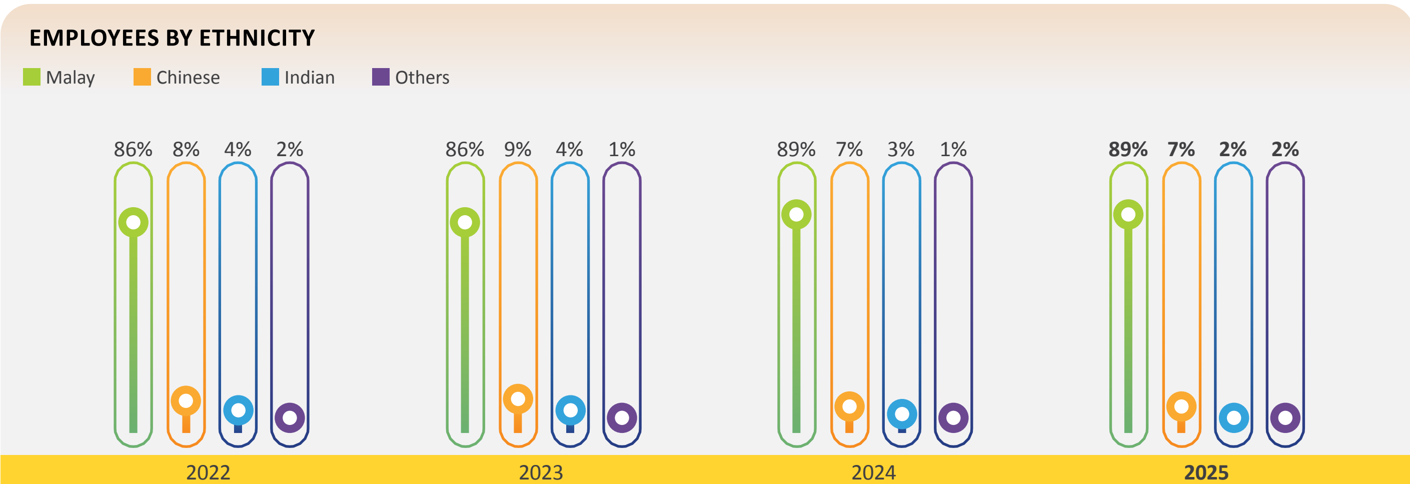


Figure 12: Employees by ethnicity from 2022 to 2025

SUSTAINABILITY STATEMENT

In 2025, the workforce composition by age saw a slight decline in employees under 30 and over 50, while the 30 to 50 age group increased by 2% compared to 2024. This distribution reflects a stable and experienced workforce that balances emerging talent with seasoned expertise. The Group remains committed to supporting employees across all age groups through development opportunities, collaboration, and knowledge sharing, ensuring organisational continuity and adaptability.

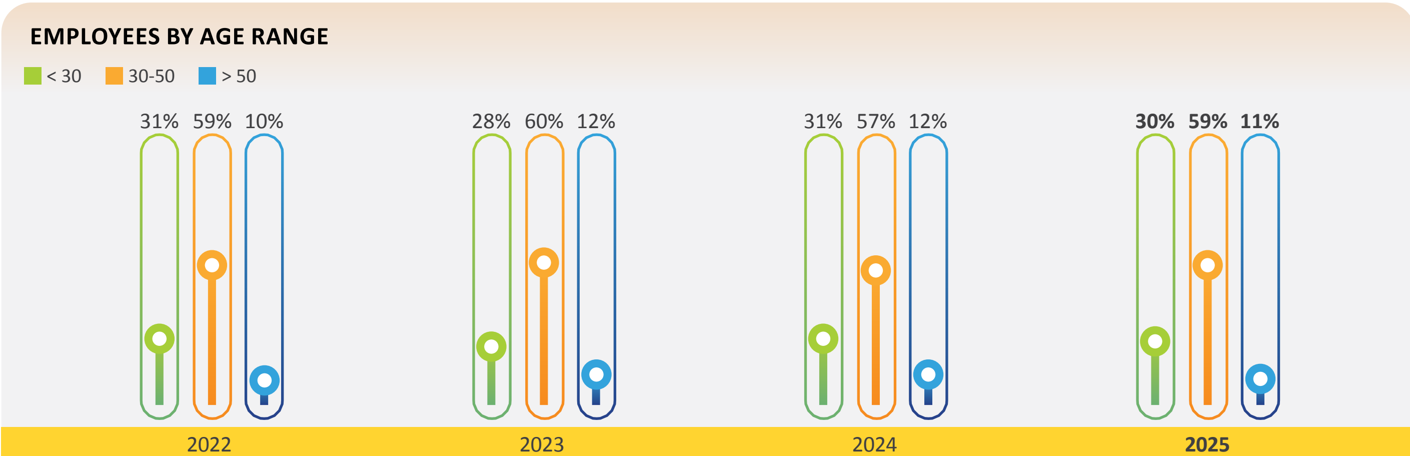


Figure 13: Employees by age range from 2022 to 2025

2.0 Training and Development

In 2025, Mesiniaga invested a total of 5,220 training hours, a decrease from 2024. The reduction reflects the absence of extensive team engagement sessions conducted in 2024, with the focus in 2025 shifting towards more targeted skills development and professional certifications. Key training initiatives undertaken during the year included the following:

In-house programs:

- e-Invoicing training to all division heads and key employees.
- Awareness talks and events on Anti-Bribery and Corruption.
- AI workshop initiative to simplify processes and enhance efficiency across functions.

Sales enablement:

- Newly hired sales personnel completed a three-month *Getting to Yes* Program, focusing on consultative selling techniques.
- The Sales and Pre-sales teams also attended principal-led enablement events and certification programs to deepen product and solution knowledge.

Technical Certifications:

The Technology Services Division also conducted a recertification program to retrain engineers across various technology platforms, including Juniper, Huawei, and Aruba. Such certifications were also important for the Group to retain its partner-level status, which enables it to gain leverage on product and solution pricing with the principals.

Training facilities upgrades:

Two training rooms at Menara Mesiniaga were renovated and equipped with high-quality audiovisual systems to enhance the overall learning experience.

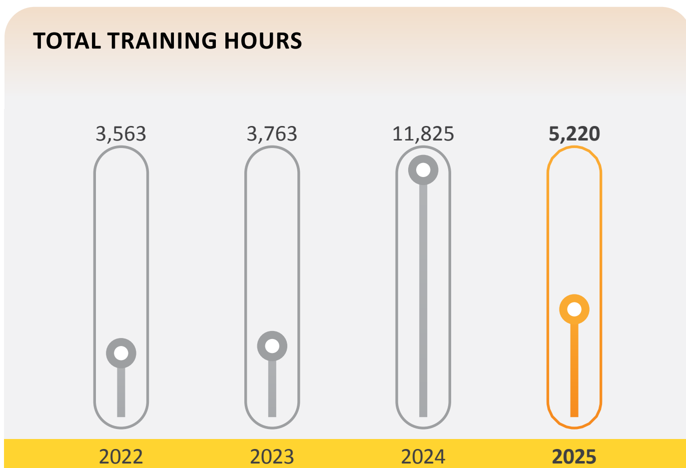


Figure 14: Total training hours from 2022 to 2025

The total training hours recorded in 2025 are also reflected in the average training hours per employee across all categories. The Group remains firmly committed to employee development, ensuring that all training programmes are designed to enhance individual capabilities as well as overall business efficiency.

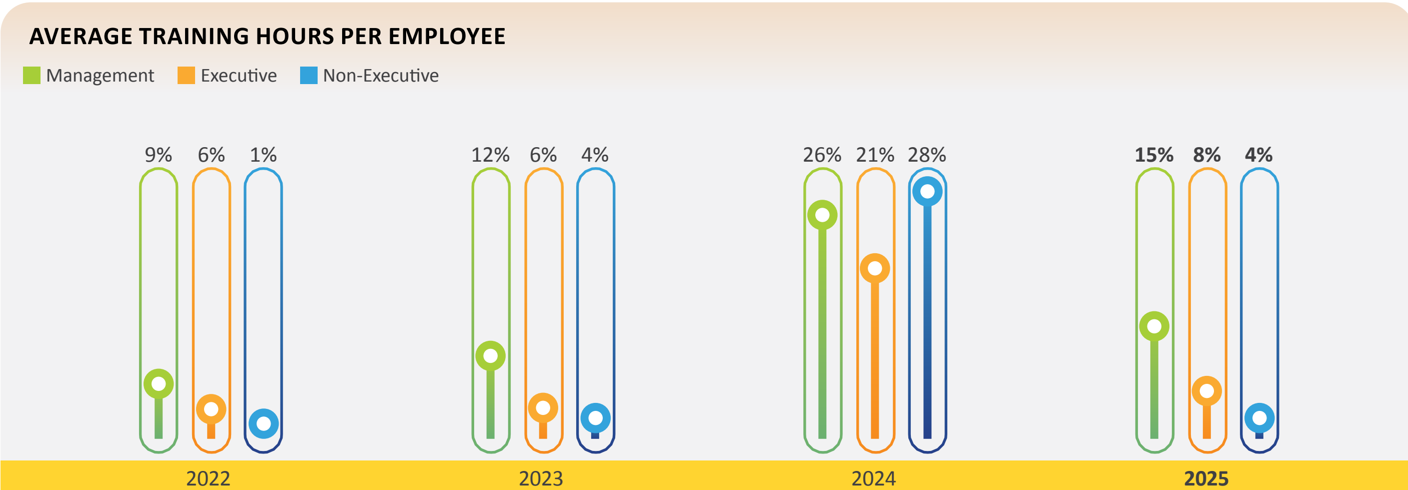


Figure 15: Average training hours per employee from 2022 to 2025

3.0 Health and Safety

At Mesiniaga, employee well-being is recognised as a cornerstone of organisational success. A healthy workforce is not only more productive but also more engaged. In line with this belief, the Group continues to offer the Executive Health Screening (EHS) Programme, which is targeted primarily at employees aged 35 and above and encourages a proactive approach to health management.

The EHS Programme provides comprehensive health assessments, enabling employees to identify potential health risks early and make informed decisions to safeguard their well-being. By promoting preventive healthcare, the Group fosters a supportive and health-conscious work environment, reflecting its ongoing commitment to employee safety and wellness.

The EHS coverage includes:

- Health screening every three (3) years starting from 35 years of age.
- Health screening every two (2) years starting from 50 years of age.
- Annual health screening for employees enrolled in the Top Talent Programme.

In addition, Mesiniaga hosted its annual Mesiniaga Health Day on 11 September 2025, in collaboration with its corporate medical insurance provider. Employees who pre-registered received complimentary influenza vaccinations. The event also featured a range of health screening services, including posture assessments, eye examinations, blood glucose testing, blood pressure checks, and cholesterol evaluations. To complement these activities, health-themed food and beverage vendors were invited to promote nutritious choices and reinforce healthy lifestyle habits. Overall, the event reflected the Group's continued commitment to proactive health management and employee well-being.

Building on the positive response from the previous year, Mesiniaga invited the Malaysian Blind Welfare Association to participate again in 2025. Employees were able to access reflexology services, including shoulder, hand, and foot massages, which were well-received and contributed to overall wellness awareness.

SUSTAINABILITY STATEMENT

Beyond physical health, Mesiniaga also promotes financial well-being among its employees. From 5 to 7 August 2025, the Group organised a Finance Week, providing employees with opportunities to enhance their financial knowledge. The event featured partners from financial institutions, insurance providers, and statutory bodies, including the Employees Provident Fund (EPF), who delivered talks and awareness sessions on key financial topics. Through this initiative, employees gained valuable insights into managing mortgages, loans, investments, and other aspects of personal finance, supporting informed financial decision-making and long-term financial wellness.

Employee safety remains a top priority for Mesiniaga. In 2025, members of the Emergency Management Team (EMT) participated in annual safety training conducted by Jabatan Bomba dan Penyelamat Subang Jaya on 11 to 12 June 2025. Following the training, the EMT organised a Group-wide fire drill at Menara Mesiniaga on 3 July 2025. The drill was successful within the expected timeframe set by the fire authorities, demonstrating the team's readiness and the effectiveness of the established emergency procedures.

Both the training and the fire drill are critical in ensuring that the EMT and employees remain prepared to respond promptly and safely in the event of an emergency, reinforcing the Group's commitment to maintaining a safe and secure workplace.

Employees involved in business-critical projects continued to attend safety courses conducted by the National Institute of Occupational Safety and Health (NIOSH) and the Construction Industry Development Board (CIDB). These programmes are essential for obtaining the required safety permits and certification cards, which are mandatory for work in high-risk and safety-regulated project environments.

Through these comprehensive initiatives, Mesiniaga reinforces its commitment to employee health, safety, and well-being, fostering a secure and supportive workplace. This sustained focus has contributed to an exceptional safety record, with zero workplace incidents recorded from 2022 to 2025.

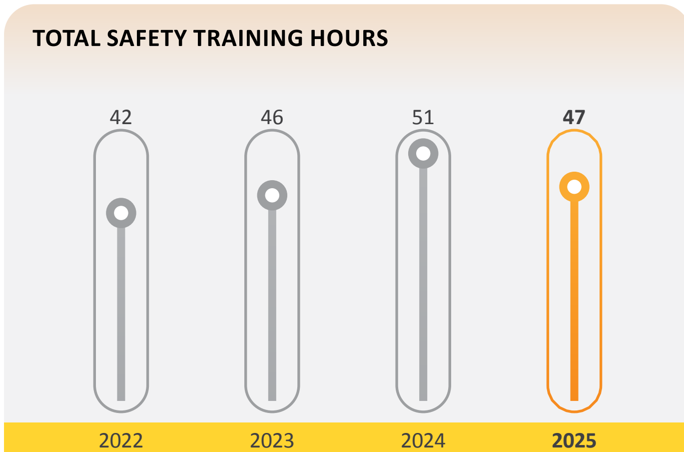


Figure 16: Total safety training hours from 2022 to 2025

4.0 Employee Turnover Rate

The total turnover rate for the Group in 2025 is 14%, a 12% decrease from 2024, when it was 26%.

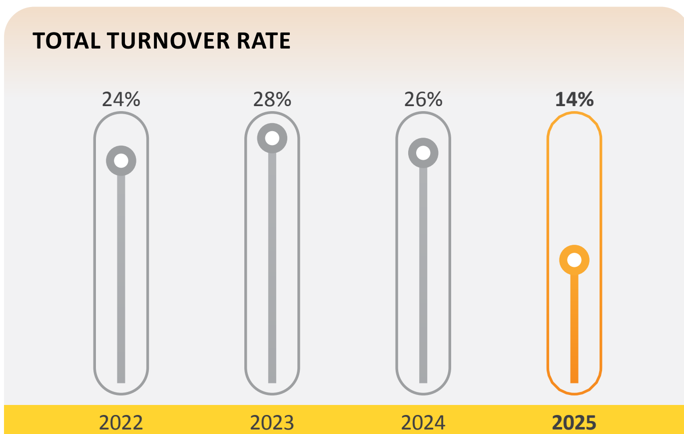


Figure 17: Total turnover rate from 2022 to 2025

SUSTAINABILITY STATEMENT

The decrease in overall attrition in 2025 was largely driven by a reduction in resignations across all employee categories. The most significant improvement was observed in the Management category, where attrition declined from 15% in 2024 to 2% in 2025. The Technical category also recorded a notable reduction, with attrition decreasing from 21% in 2024 to 14% in 2025. These improvements reflect the Group's ongoing efforts to retain talent and strengthen workforce stability.

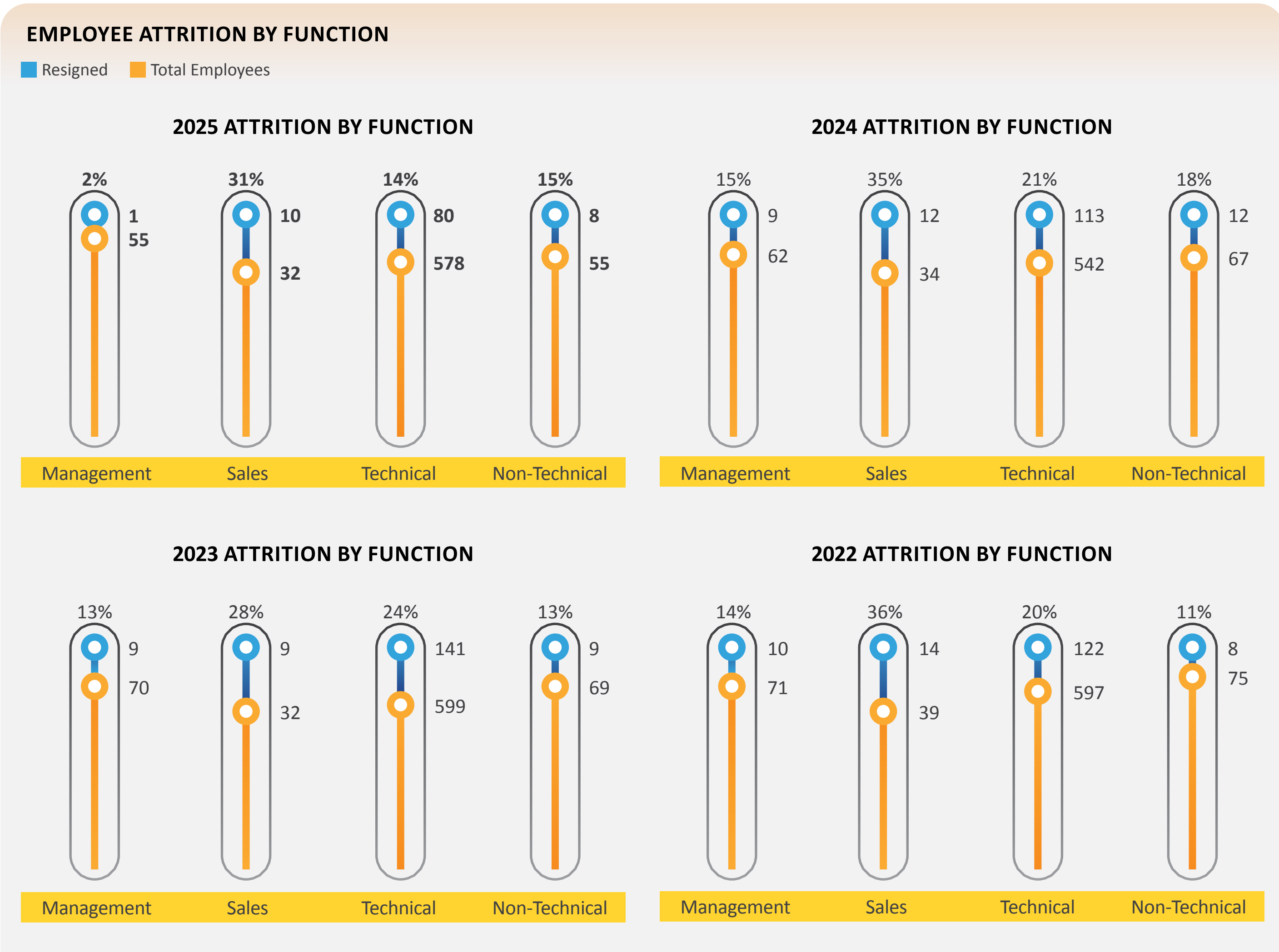


Figure 18: Employee attrition by function from 2022 to 2025

SUSTAINABILITY STATEMENT

5.0 Permanent vs Contract Employees

In 2025, the number of permanent employees decreased slightly from 263 in 2024 to 253, mainly due to normal attrition and employees reaching the retirement age of 60. In contrast, the number of contract employees increased from 296 to 368 over the same period, driven by new project wins that required additional contract-based personnel.

As of 2025, the workforce comprised approximately 41% permanent and 59% contract employees. This shift reflects Mesiniaga's focus on maintaining an agile, responsive workforce, providing the flexibility and efficiency needed to meet evolving business needs. By balancing permanent and contract roles, the Group optimises its workforce structure while maintaining the appropriate mix of skills and adaptability to support organisational growth.

There have been no reported incidents of human rights violations over the past four (4) years.

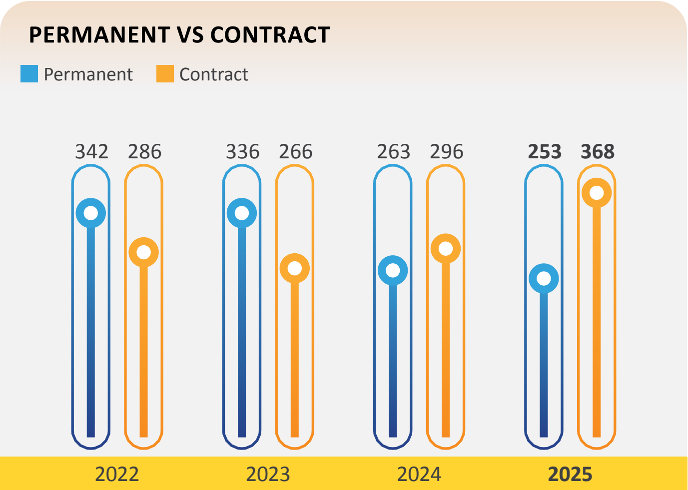


Figure 19: Permanent vs contract employees from 2022 to 2025

6.0 Corporate Social Responsibility (CSR)

Our commitment to social responsibility and creating a positive impact within the communities we serve remains central to Mesiniaga's role as a responsible corporate citizen. In 2025, the Group continued its sponsorship of four (4) children from B40 families under the care of Pertubuhan Kesedaran Autism KL (Sedar Autism), as part of the second phase of its autism support initiative, which covers the 2024–2025 period. This followed the initiative's first phase in 2023, during which Mesiniaga sponsored five (5) children.

The programme reflects the Group’s sustained commitment to supporting children with autism and empowering organisations that deliver meaningful, life-changing interventions to those in need. The initiative, held at Subang Jaya Medical Centre, underscores Mesiniaga's ongoing dedication to empowering community-based organisations and contributing positively to the well-being of vulnerable groups.

The Group conducted several employee and community activities via its social employee club, Kelab Islah dan Amal Mesiniaga (KIAM). Through these initiatives, Mesiniaga and KIAM continued to support vulnerable communities by addressing immediate needs such as food security and daily necessities, while also fostering social connection and volunteerism among employees. These programmes reflect the Group’s ongoing commitment to community engagement, compassion, and responsible corporate citizenship:

SUSTAINABILITY STATEMENT

Iftar meals distribution

Distributed iftar meals to 100 families at PPR Taman Putra Damai, Lembah Subang, providing support to households in need during the fasting month and helping to ease daily food requirements.

Majlis Berbuka Puasa and Solat Tarawih Mesiniaga

Organised a Majlis Berbuka Puasa and Solat Tarawih event involving 30 underprivileged children. The event was also attended by Mesiniaga employees together with their families and friends, fostering a strong sense of community, inclusiveness, and togetherness.

Meal distribution to the homeless

Distributed meals to homeless individuals in the areas of Pasar Seni, Jakel Kuala Lumpur, and Jalan Tuanku Abdul Rahman (TAR), offering immediate food assistance and extending outreach to vulnerable communities in urban areas.

Program Simpulan Kasih ke Rumah Anak Yatim Harmoni Paya Jaras

Through KIAM, a total of **RM6,100 was contributed to Rumah Anak Yatim Harmoni Paya Jaras**, funded by donations from Mesiniaga employees and KIAM. The contribution was used to purchase daily necessities and food supplies, with some items distributed directly to the children. The programme was supported by Mesiniaga volunteers, who also organised activities and games for the children, followed by a shared lunch.

SUSTAINABILITY STATEMENT

7.0 Supply Chain Management

Procurement

In 2025, Mesiniaga recorded a total supplier spend of RM325.82 million (includes the Purchase Orders (POs) issued for which goods have not delivered at year end), with local suppliers accounting for RM312.95 million (96%) and foreign suppliers amounting to RM12.87 million (4%). Compared with previous years, supplier spending in 2025 increased significantly, reflecting higher project activity. The significant increase in total supplier spend in 2025 was primarily driven by a higher number of projects secured during the year, which resulted in higher number of POs issued to support project implementation, procurement of equipment, and related services.

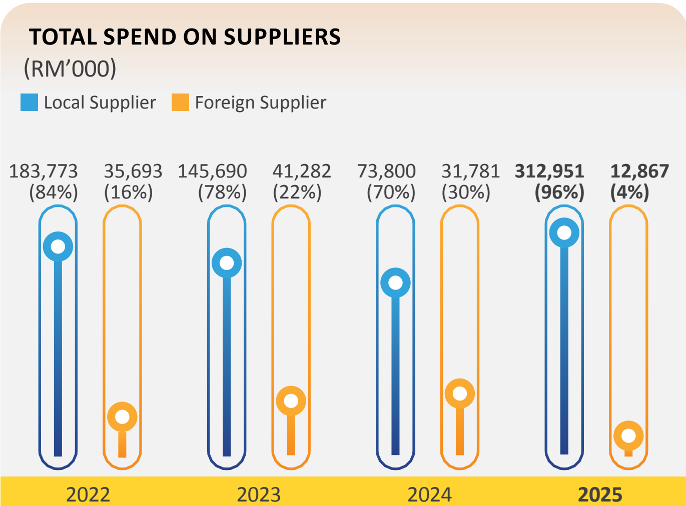


Figure 20: Total spend on suppliers from 2022 to 2025

Mesiniaga's operational expansion contributed directly to the marked rise in expenditure compared with prior years. The continued predominance and prioritisation of local suppliers reflect the Group's core procurement strategy, which supports the domestic supply chain while ensuring reliable sourcing of goods and services to meet specific operational and technical requirements. This balanced approach aligns with Mesiniaga's objectives for business growth, supply chain resilience, environmental sustainability, and community development. Overall, the 2025 supplier spend profile demonstrates the Group's commitment to responsible procurement practices.

As a reseller and systems implementer of foreign-manufactured products with limited local alternatives, Mesiniaga works closely with Malaysian distributors to optimise sourcing efficiency. This model strengthens local enterprises while enabling a mutually beneficial operating framework for the Group and its partners.

Collaboration with local distributors provides operational and financial advantages, including reduced exposure to foreign exchange volatility, improved credit terms that support cash flow management, and access to warehousing capabilities that minimise in-house storage requirements. These partnerships also enhance delivery reliability and provide market intelligence that supports informed decision-making.

For local distributors, partnership with Mesiniaga creates consistent business opportunities and economies of scale, contributing to improved operational efficiency and sustainable growth within the Malaysian market. Through this approach, Mesiniaga reinforces its commitment to ESG principles while supporting broader economic development.

Customer Satisfaction

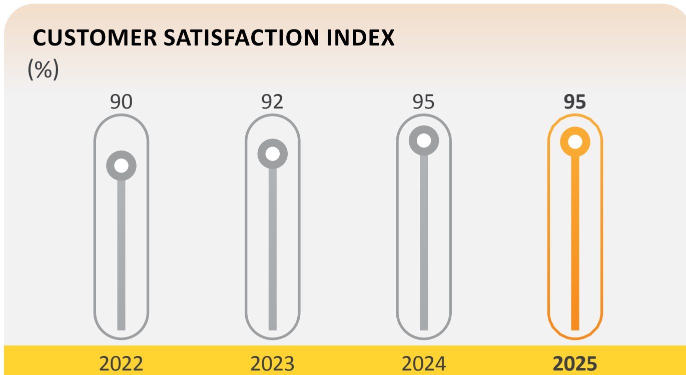


Figure 21: Customer satisfaction index from 2022 to 2025

The Group regards its customers as its key stakeholders, recognising that customer satisfaction is fundamental to long-term sustainability. Guided by its mission of "Helping Customers Succeed", the Group remains focused on delivering and implementing IT solutions that maximise value and return on investment for its customers.

The Customer Satisfaction Management (CSM) Department, which reports directly to the Chief Executive Officer, plays a central role in maintaining service quality and addressing customer-related matters. The department conducts annual customer visits to obtain feedback and identify areas of concern. In addition, customers are encouraged to share feedback directly via e-mail at feedback@mesiniaga.com.my, all of which is systematically reviewed and addressed to ensure that concerns are properly managed and resolved.

Customer satisfaction is primarily measured through the Customer Satisfaction Index (CSI), collected annually and incorporated into management performance assessments. The Group's consistent focus on customer satisfaction has contributed to sustained improvements in CSI scores over the years, alongside ongoing efforts to further enhance the overall customer experience.

SUSTAINABILITY STATEMENT

1.0 Anti-Bribery and Corruption (ABC)

The Group firmly believes in operating its businesses with high integrity, transparency, ethics, and accountability standards, and adheres strictly to a zero-tolerance to corruption in all its forms. The Group's corporate governance stance ensures ethical conduct and practices in compliance with all regulatory requirements. We are committed to professionalism, fairness, and ethical business dealings. At all Group events, the Chief Executive Officer (CEO) addresses ABC as part of the key message.

To ensure that all employees, vendors, and business partners are committed to complying with this practice, formal communications on policies and processes have been established, and these are made available and accessible on the Company's website. Such policies and procedures include:

- Anti-Bribery and Corruption Policy
- Whistleblowing Policy
- No Gift Policy
- Vendor Code of Conduct
- Business Conduct and Guidelines

On 17 June 2025, Mesiniaga Berhad reaffirmed its commitment to ethical governance by holding a Corruption-Free Pledge *(Ikrar Bebas Rasuah)* ceremony in collaboration with the Malaysian Anti-Corruption Commission (MACC). The pledge was led by CEO, Datuk Wan Mohamed Fusil Wan Mahmood, and witnessed by Senior Superintendent Tuan Mohd Ridzuan bin Bahrin from MACC's Community Education Division.

SUSTAINABILITY STATEMENT

The event also featured a Forum on Integrity and Procurement, during which Tuan Mohd Ridzuan shared valuable insights on governance and corporate ethics. The session emphasised the importance of internal controls and ethical decision-making based on the T.R.U.S.T. principles.

The ceremony was attended by Mesiniagans, Board members, strategic partners, and MACC officers. This event reflects Mesiniaga's ongoing commitment to fostering a culture of integrity and supporting the national anti-corruption agenda.

Measures and Mitigations

The following measures and mitigations are implemented to uphold our ABC standards:

- **Policy Evaluation and Improvement:** Continuously assess our policies and procedures to identify areas for enhancement, ensuring that ABC practices remain practical and relevant.

- **Compliance Monitoring:** The Internal Audit Department ensures compliance with the ABC policy and the MACC Act through regular reviews and assessments.

- **Corruption Risk Assessments:** The Human Resources conducts periodic assessments to evaluate corruption risks for the financial year and proactively address any vulnerabilities.

- **Employee Onboarding:** The Human Resources educates new employees about our ABC Policy and Whistleblowing procedures as part of onboarding. This ensures they understand our zero-tolerance stance on corruption and know how to report unethical activities.

Internal Audit on Anti-Bribery and Corruption

Our Internal Audit conducted an audit to evaluate the adequacy and effectiveness of process controls designed to mitigate bribery and corruption risks. This audit covered critical areas such as Procurement, Human Resources, the Process and Information Office (PIO), Finance, Corporate Communications, Pre-sales and Proposal Management. The findings were satisfactory and have been reported to the Audit and Risk Management Committee (ARMC) and the Board for review and action.

Education and Training

The Group is committed to educating and informing stakeholders about its policies through the corporate website, training sessions, and induction programs. The following are training courses and activities that were organised throughout the year:

- **Anti-Bribery and Corruption Talks**
  Organised in-house for our employees and the Management Team on 16 January 2025 and 13 February 2025, respectively, with guest speakers from MACC Putrajaya.

SUSTAINABILITY STATEMENT

- **Integrity Day**
  Jointly organised by Mesiniaga and MACC Putrajaya on 4 November 2025. The event included a talk by a MACC officer, as well as booths and interactive activities by MACC for employees to gain more information on anti-bribery and corruption matters.

- **Monthly E-mail Reminders**
  Sent to employees to reinforce understanding of the Group Policy, the Anti-Corruption Act, and the importance of avoiding corruption.

SUSTAINABILITY STATEMENT

2.0 Data Privacy and Security

Protecting the privacy and security of stakeholders' data remains a critical priority for the Group, particularly in an increasingly digital and interconnected environment. As technological advancement continues to heighten data security risks, the Group recognises the importance of trust and remains fully committed to safeguarding the sensitive information entrusted to it.

In 2024, the Group adopted a Data Policy applicable to all employees and third parties who handle company data, with an emphasis on compliance with the Malaysian Personal Data Protection Act 2010 (PDPA). The Policy establishes data classification standards, provides guidance on data collection and usage, and outlines security controls, including breach response procedures and data subject rights. Mandatory training and periodic audits are conducted to ensure consistent adherence to data protection requirements.

This ongoing commitment builds on earlier initiatives, including the issuance of an Employee Personal Data Protection Notice in 2023, which informed employees of their rights relating to personal data collected, processed, and stored by Mesiniaga. These measures reinforce the Group's dedication to maintaining high standards of data privacy and protection for employee information.

Safeguarding Employee's Data

Key Components of our Data Governance Framework:

- **Transparent Data Collection**
  Ensuring clarity in data collection practices so employees are informed of the types of personal and sensitive data collected.

- **Voluntary and Explicit Consent**
  Obtaining consent from employees for the provision of personal data, particularly when handling sensitive information related to health, beliefs, or legal matters.

- **Purpose-driven Data Processing**
  Processing personal data strictly for legitimate and defined employment-related purposes, including contractual obligations, payroll administration, and regulatory compliance.

- **Confidentiality and Controlled Disclosure**
  Maintaining the confidentiality of personal data and limiting disclosure to third parties only when necessary and in accordance with legal and regulatory requirements.

- **Security Controls and Data Retention**
  Implementing robust security measures, including encryption, access controls, and regular security reviews, to protect personal data from unauthorised access, loss, or misuse.

Safeguarding Customer Trust

At Mesiniaga, we hold the privacy and security of our customers' data and information as fundamental tenets of our business ethics. In our unwavering commitment to safeguarding customer trust, we implemented a robust set of practices to ensure the confidentiality of the data and information entrusted to us.

- **Non-Disclosure Agreement (NDA)**
  Employees are bound by NDAs, reinforcing their responsibility to protect customers' confidential and sensitive information.

- **Minimum Personal Data Collection**
  Customer personal data is collected strictly on a need-to-know basis, in line with privacy principles and ethical data-handling practices.

- **Secure Storage and Access Controls**
  Customer data is stored in dedicated systems, with access restricted to authorised personnel on a need-to-know basis.

SUSTAINABILITY STATEMENT

- **Encrypted Data Storage on Employee Devices**
  Any customer data stored on employee notebooks must reside within encrypted hard disk partitions. Devices are reformatted before reassignment to prevent residual data exposure.

The Group's commitment to data protection extends beyond regulatory compliance and forms an integral part of its sustainability and ethical framework. Through stringent governance, legal safeguards, and secure data management practices, Mesiniaga reinforces its role as a responsible custodian of stakeholder data and strengthens long-term trust.

In response to the increasing sophistication of cyber threats, the Group continued to invest in advanced technologies and reinforced its security infrastructure during the year. A multi-layered security approach, incorporating encryption, access management, and regular security audits, is used to promptly identify and address vulnerabilities.

Recognising the critical role of employees in maintaining data security, the Group conducts ongoing training programmes to enhance awareness of emerging cyber threats and reinforce best practices. These initiatives support a vigilant and informed workforce capable of responding effectively to data security risks.

Mesiniaga has also established a formal incident response plan to manage data security incidents. In the event of a data breach, the Group is committed to transparency and timely communication with affected stakeholders to enable appropriate mitigation actions.

Looking ahead, the Group remains focused on continuously strengthening its data privacy and security practices by adopting emerging technologies, refining governance frameworks, and proactively addressing evolving cyber risks. Data privacy and security are regarded not only as regulatory obligations but as fundamental ethical responsibilities.

In 2025, there were no reported incidents or complaints relating to employee or customer data breaches or data loss.

3.0 Statement of Assurance

Assurance Undertaken

This Statement has been subjected to an internal review and assessment by the Company's Internal Auditor for accuracy and reliability. It has been endorsed by the Board Audit and Risk Management Committee (ARMC).

Internal Review by Audit and Risk Department ("Internal Audit")

Pursuant to Bursa Malaysia's MAIN Market Listing Requirements and Sustainability Reporting Guide, the Board confirmed that Internal Audit reviewed the Sustainability Statement for the financial year ended 31 December 2025 to enhance its accuracy and reliability.

Internal Audit was responsible for the said review on a limited basis, in which the team selected 18 subject matters reported in the Sustainability Statement for the financial year ended 31 December 2025 after considering various practicalities and limitations. Internal Audit issued a dedicated report for this purpose, which was vetted and approved by the ARMC. In this regard, the internal report was the primary basis for issuing this Statement of Assurance.

SUSTAINABILITY STATEMENT

Subject Matter

The following were the 18 subject matters that were subjected to the internal assurance procedures undertaken by the Internal Audit:

ENVIRONMENTAL

1.0 Energy efficiency
2.0 Carbon emissions
3.0 Water consumption
4.0 Waste management
- i) Recycling
- ii) Paper consumption
- iii) Environmental initiative

SOCIAL

1.0 Diversity in the workforce
2.0 Training and development
3.0 Health and safety
4.0 Employee turnover rate
5.0 Permanent vs contract employees
6.0 Corporate social responsibility (CSR)
7.0 Supply chain management
- i) Procurement
- ii) Customer satisfaction

GOVERNANCE

1.0 Anti-bribery and corruption (ABC)
2.0 Data privacy and security

The Assurance Procedures and Reporting Guidelines

Detailed walkthroughs were performed to understand and document the relevant data collection processes. These paved the way for assessing the reliability and integrity of data reported based on existing practices. Subject matter owners involved along the chain of data recording and disclosures were interviewed to establish whether they fully understood the disclosure requirements and implemented the appropriate mechanisms to ensure data accuracy. Internal Audit validated the data by comparing the data on hand against the source documents or physical evidence. Internal Audit ensured it met Bursa Malaysia's requirements when disclosing the subject matters.

Internal Audit was generally guided by the Institute of Internal Auditors' standards in the International Professional Practices Framework (2017) when carrying out this assurance exercise. More importantly, the audit closely referenced the definitions and methodologies narrated by the Sustainability Reporting Guide (3rd Edition) and the relevant Global Reporting Initiative (GRI) standards.

Scope

The internal review covers all companies within the Group.

Conclusion

Internal Audit confirmed that the data relating to the selected 18 subject matters were reliably determined and adequately supported. Based on the procedures performed, nothing has come to the Internal Audit's attention that causes them to believe that the disclosures for the subject matters reviewed are materially misstated or not prepared in accordance with Bursa Malaysia's requirements.

PRESCRIBED TABLE

Mesiniaga Berhad
BMLR Transition Period

Date & Time: 2026-04-09_21:40:27
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Energy Management	Total energy consumption	kWh	775,094	-	Internal	-
Carbon Emissions	Scope 2	tCO_2e	314.45	-	Internal	-
Carbon Emissions	Scope 3	tCO_2e	389.06	-	Internal	-
Water	Total volume of water used	m^3	1,928	-	Internal	-
Diversity	Employees by gender (Male)	%	66	-	Internal	-
Diversity	Employees by gender (Female)	%	34	-	Internal	-
Diversity	Job category (Executive) by gender (Male)	%	65	-	Internal	-
Diversity	Job category (Executive) by gender (Female)	%	35	-	Internal	-
Diversity	Job category (Non-Executive) by gender (Male)	%	71	-	Internal	-
Diversity	Job category (Non-Executive) by gender (Female)	%	29	-	Internal	-
Diversity	Job category (Management) by gender (Male)	%	67	-	Internal	-
Diversity	Job category (Management) by gender (Female)	%	33	-	Internal	-
Diversity	Percentage of directors by gender (Male)	%	83	-	Internal	-
Diversity	Percentage of directors by gender (Female)	%	17	-	Internal	-
Diversity	Employees by age (<30)	%	30	-	Internal	-
Diversity	Employees by age (30–50)	%	59	-	Internal	-
Diversity	Employees by age (>50)	%	11	-	Internal	-

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-09_21:40:27

Page 1 of 3

PRESCRIBED TABLE

Mesiniaga Berhad
BMLR Transition Period

Date & Time: 2026-04-09_21:40:27
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity	Percentage of directors by age group (60 and below)	%	17	-	Internal	-
Diversity	Percentage of directors by age group (61 and above)	%	83	-	Internal	-
Labour practices and standards	Total hours of training	Hours	5,220	-	Internal	-
Labour practices and standards	Average training hours per employee (Management)	%	15	-	Internal	-
Labour practices and standards	Average training hours per employee (Executive)	%	8	-	Internal	-
Labour practices and standards	Average training hours per employee (Non-Executive)	%	4	-	Internal	-
Labour practices and standards	Number of employees that are contractors or temporary staff	Number	368	-	Internal	-
Labour practices and standards	Total percentage of employee turnover	%	14	-	Internal	-
Labour practices and standards	Employee attrition by function (Management)	%	2	-	Internal	-
Labour practices and standards	Employee attrition by function (Sales)	%	31	-	Internal	-
Labour practices and standards	Employee attrition by function (Technical)	%	14	-	Internal	-
Labour practices and standards	Employee attrition by function (Non-Techical)	%	15	-	Internal	-
Labour practices and standards	Number of substantiated complaints concerning human rights violations	Number	0	-	Internal	-
Health and safety	Number of work-related fatalities	Number	0	-	Internal	-

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-09_21:40:27

PRESCRIBED TABLE

Mesiniaga Berhad

BMLR Transition Period

Date & Time: 2026-04-09_21:40:27

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Health and safety	Total safety training hours	hours	47	-	Internal	-
Supply chain management	Proportion of spending on local suppliers	%	96	-	Internal	-
Community/Society	Total amount invested in the community	Ringgit Malaysia (RM)	18,823.20	-	Internal	-
Community/Society	Total number of beneficiaries of community investment	Number	At least 134 beneficiaries	-	Internal	-
Anti-corruption	Percentage of employees trained on anti-corruption (Employees)	%	86	-	Internal	Based on attendance during the Anti-Bribery and Corruption Talks by MACC Putrajaya.
Anti-corruption	Percentage of employees trained on anti-corruption (Management)	%	88	-	Internal	Based on attendance during the Anti-Bribery and Corruption Talks by MACC Putrajaya.
Anti-corruption	Percentage of operations assessed for corruption--related risks	%	100	-	Internal	Quarterly risk assessments by the Audit and Risk Department.
Anti-corruption	Confirmed incidents of corruption	Number	0	-	Internal	-
Data privacy and security	Number of substantiated complaints concerning breaches of customer data	Number	0	-	Internal	-

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-09_21:40:27

Page 3 of 3

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Mesiniaga Berhad recognises the importance of maintaining high standards of corporate governance across the Group to safeguard stakeholders' interests, enhance shareholder value, and support the Group's long-term sustainability.

This Corporate Governance Overview Statement is issued in compliance with Paragraph 15.25 of the MAIN Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and is guided by Practice Note 9 of the MMLR and the Corporate Governance Guide 2021 (4th Edition) issued by Bursa Malaysia.

This Statement is accompanied by the Corporate Governance Report prepared in accordance with Paragraph 15.25(2) of the MMLR, which provides further details on the application of the Group's corporate governance practices with reference to the Malaysian Code on Corporate Governance ("MCCG") dated 28 April 2021. The Corporate Governance Report is available on the Group's website at https://mesiniaga.com.my and through announcements published on the Bursa Malaysia website. Readers are encouraged to review this Statement together with other relevant disclosures in the Annual Report, including the Directors' Statement on Risk Management and Internal Control, the Audit and Risk Management Committee Statement, and the Sustainability Statement.

SUMMARY OF CORPORATE GOVERNANCE PRACTICES

The Group has applied all the Practices encapsulated in the MCCG for the financial year ended 31 December 2025, except for the following:

- Practice 1.3 : The positions of Chairman and Chief Executive Officer to be held by different individuals;
- Practice 1.4 : The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee;
- Practice 5.9 : The board comprises at least 30% women directors;
- Practice 8.2 : Remuneration component of the top five Senior Management members; and
- Practice 13.3 : Listed companies should leverage technology to facilitate:
  - Voting, including voting in absentia; and
  - Remote shareholders' participation at general meetings.

A summary of the Corporate Governance Report under each Corporate Governance Principles is as follows:

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Providing Leadership in Meeting the Objectives and Goals of the Group

Mesiniaga remains firmly committed to its aspiration "to be the Malaysian IT Partner of Choice" by consistently focusing on Helping Customers Succeed. The Group is dedicated to maintaining the highest standards of good governance in order to meet and exceed the expectations of all stakeholders, particularly its shareholders. The Board of Directors ("Board") believes that strong adherence to sound corporate governance principles is fundamental to achieving sustainable performance and delivering long-term economic value to stakeholders. The Group operates in accordance with the following core values:

Respect | Integrity | Commitment | Innovation | Teamwork

i) Board of Directors

The Board of Mesiniaga Berhad comprises six (6) members of diverse ages, backgrounds, ethnicities, experiences, and educational qualifications. This diversity of experience and perspectives strengthens the Board's deliberations, supports balanced and informed decision-making, and enhances its ability to provide effective oversight and strategic guidance in the best interests of the Company and its stakeholders.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

As per the Board Charter, the Board is collectively responsible for the leadership, governance and long-term success of the Company. In fulfilling its stewardship role, the Board shall:

- Set, approve and oversee the Group's strategic direction, business plans and key policies to support sustainable long-term value creation.
- Establish the Group's risk appetite and ensure the existence of an effective enterprise risk management framework to identify, assess, manage and monitor material financial and non-financial risks.
- Oversee the adequacy and integrity of the Group's systems of internal control, risk management, compliance and internal audit.
- Review and ensure the integrity and transparency of financial and non-financial reporting, including sustainability and integrated reporting.
- Ensure Directors are able to understand financial statements and form a sound view on the information presented.
- Oversee the performance of Management and monitor the implementation of approved strategies and plans.
- Ensure the Group has an effective succession planning framework for the Board, Chairman, Chief Executive Officer ("CEO") and Senior Management.
- Promote a sound corporate culture, ethical values and standards of conduct across the Group and set the tone from the top.
- Oversee the Group's sustainability and environmental, social and governance ("ESG") agenda, including climate-related and other material sustainability risks.
- Safeguard the interests of shareholders while taking into account the interests of other relevant stakeholders.
- Ensure effective communication and engagement with shareholders, stakeholders and regulators, where appropriate.
- Oversee crisis management, business continuity and organisational resilience frameworks.

While Directors individually are required to meet the Directors' Fit and Proper Policy, including integrity, competence, experience and financial probity and time commitment, they are also expected to devote sufficient time and attention to the affairs of the Company. Each Director shall:

- Act in good faith and in the best interests of the Company.
- Exercise due care, skill and diligence.
- Avoid conflicts of interest and comply with the Company's Conflict of Interest Policy.
- Maintain confidentiality of information.
- Uphold the highest standards of integrity, professionalism and ethical conduct.
- Continuously enhance their knowledge and skills relevant to his/her role as Directors.

ii) Executive Chairman

Datuk Wan Mohamed Fusil bin Wan Mahmood serves as the Chairman of the Board, providing leadership in fostering sound corporate governance practices, effective Board leadership, and overall Board effectiveness. Following a comprehensive assessment, the Nomination and Remuneration Committee ("NRC"), together with the Board, has determined that he is the most senior, experienced, and suitable member to lead the Board. The NRC is satisfied that the current arrangement does not impair the Board's objectivity nor compromise the effectiveness of the Group's governance framework. As Chairman, he leads the Board and is responsible for ensuring its overall effectiveness, proper conduct, and adherence to good governance principles.

The Chairman shall:

- Lead the Board in setting its agenda and ensuring that strategic, governance and risk matters receive adequate attention.
- Facilitate effective Board discussions and encourage active, independent and constructive participation by all Directors.
- Ensure the Board operates within its authority and governance framework.
- Promote a culture of openness, debate and mutual respect.
- Act as the principal interface between the Board and Management.
- Ensure effective communication with shareholders, supported by Management where appropriate.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

While the Company recognises the importance of separating the roles of Chairman and CEO to strengthen the Board's oversight function and promote balanced decision-making, the Board is of the view that, for the financial year under review, the current combined role has not impaired the Board's objectivity or effectiveness. This assessment is supported by the presence of a strong Board composition comprising a majority of Non-Executive Directors, including 50% as Independent Directors, as well as the active oversight exercised by the Board Committees.

The Chairman is not a member of any Board Committees. From time to time, he attends meetings of the Audit and Risk Management Committee ("ARMC") strictly in his capacity as the CEO, and only upon invitation by the Committee, to provide management input on specific operational, financial or risk-related matters. He does not participate in the Committee's deliberations or decision-making processes, which remain the exclusive responsibility of the Committee members. This arrangement preserves the independence and objectivity of the ARMC while enabling effective information flow between Management and the Committee.

The Board, through the NRC, has commenced a structured process to effect the separation of the roles of Chairman and CEO. This process includes succession planning and the identification of suitable candidates to assume the respective roles. Pending the completion of this exercise, appropriate safeguards remain in place, including the continued independent leadership of the Board Committees. Upon completion of the separation, the Company will be in full compliance with Practices 1.3 and 1.4 of the MCCG.

iii) Independent Directors and Senior Independent Director

Independent Directors provide objective judgement, constructive challenge and effective checks and balances within the Board in accordance with the Independence of Directors Policy. The Board shall appoint a Senior Independent Non-Executive Director ("SID") who shall:

- Act as a sounding board for the Chairman.
- Serve as an intermediary for other Directors when necessary.
- Be available as an alternative point of contact for shareholders and stakeholders with governance-related concerns.
- Lead engagement where the Chairman is conflicted.

The Board recognises the MCCG practice relating to the tenure of Independent Directors. Accordingly, the Company's Independent Directors Policy provides that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years from the date of first appointment as an Independent Director. The Independent Director may retire at the Annual General Meeting immediately preceding the nine-year term if a suitable replacement has been identified, or upon the expiry of the nine-year term.

iv) Board Committees and Delegation of Authority

The Board may establish committees to assist in the discharge of its responsibilities. Each committee shall operate under clearly defined terms of reference approved by the Board. Currently, the Board has established the ARMC and the NRC.

The Board retains overall responsibility for matters delegated to its committees. Matters reserved for the Board include, but are not limited to:

- Approval of strategy, business plans and annual budgets.
- Major investments, capital expenditure and funding decisions.
- Material acquisitions, disposals and corporate transactions.
- Capital management and dividend policy.
- Appointment, succession and remuneration of Directors and the Chief Executive Officer.
- Risk appetite and key risk policies.
- Approval of key governance, sustainability and ethics policies.
- Any matter having a material impact on the Group.

v) Ethics, Conduct and Whistleblowing

The Board shall promote a culture of ethical conduct, integrity and compliance throughout the Group. Directors shall comply with the Directors' Code of Conduct and Ethics, Conflict of Interest Policy and Anti-Bribery and Corruption Policy. The Board shall ensure that effective whistleblowing mechanisms are in place, including procedures for independent investigation and protection of whistleblowers from retaliation.

vi) Company Secretary

The Board is supported by the Company Secretary, who advises the Board on matters relating to compliance with applicable laws, rules, procedures, and regulations affecting the Company and its Group of companies, as well as on the principles of sound corporate governance. The Company Secretary also advises the Directors on their obligations and compliance with requirements relating to the disclosure of interests in securities, the disclosure of conflicts of interest in transactions involving the Company and its Group of companies, restrictions on dealings in securities, and the control of price-sensitive information.

Deborah Sharmini Benjamin is the duly appointed Company Secretary of the Company. She holds professional qualifications from the Chartered Governance Qualifying Programme (ICSA) and a Bachelor of Laws (LL.B) (Hons.) from the University of London, and is an Associate of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA). With her extensive experience in corporate secretarial practice and corporate governance matters, she advises and supports the Board and Management in the discharge of their duties, and ensures that the Board's decisions and the Company's affairs are conducted in compliance with applicable statutory and regulatory requirements and in accordance with sound corporate governance practices.

In addition to her advisory role to the Directors, the Company Secretary's responsibilities include, among others, attending all Board meetings, ensuring that Board proceedings and decisions are properly and accurately recorded and maintained in compliance with statutory requirements, communicating Board decisions to Management for implementation, ensuring that the appointment and resignation of Directors are carried out in accordance with relevant legislation, periodically formulating and reviewing the Board Charter, managing company share transactions, coordinating dividend payments, and ensuring timely corporate disclosures and announcements.

In consultation with the Chairman, the Company Secretary circulates the notice and agenda of Board meetings to all Board members prior to each meeting. In accordance with Article 124 of the Company's Articles of Association, a written resolution signed by all Directors is valid and effective as if it were passed at a duly convened and constituted meeting of the Directors.

Demarcation of Responsibilities between the Board, Board Committees and Management

The Board Charter establishes the functions, roles, and responsibilities of the Company's Board of Directors. The Board Committees have also established their respective Terms of Reference. The Board Charter and the Committees' Terms of Reference are subject to periodic review and are published on the Group's website, https://mesiniaga.com.my.

i. Meetings

In addition to its scheduled meetings, the Board and its Committees convene special meetings as and when necessary to deliberate on urgent or material matters requiring timely attention or decision-making between regular meetings. During the financial year, the Board focused its deliberations on the Group's strategic direction and key operational and financial matters, including business strategies, business plans, the annual budget, financial performance, and key performance indicators.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The attendance of individual Directors at Board and Committee meetings is outlined below:

Board of Directors

Directors	Attendance
Datuk Wan Mohamed Fusil	7/7
Fathil Ismail	7/7
Sim Hong Kee	7/7
Datuk Noor Azian Shaari	7/7
Zaim Husni Omar	7/7
Dr Veerinderjeet Singh A/L Tejwant Singh	6/7
Dato' Darawati Hussain *(Retired with effect from 5 June 2025)*	4/4

During the financial year 2025, all Directors attended between 86% to 100% of the total Board meetings held, demonstrating strong commitment and compliance with Paragraph 15.05(3)(c), which stipulates that a director's office may become vacant if they are absent from more than 50% of the Board meetings held during the financial year.

Audit and Risk Management Committee

Members	Attendance
Sim Hong Kee (Chairman)	9/9
Zaim Husni Omar	9/9
Dr Veerinderjeet Singh A/L Tejwant Singh	7/9
Datuk Noor Azian Shaari *(Ceased with effect from 1 July 2025)*	7/7

Nomination and Remuneration Committee

Members	Attendance
Sim Hong Kee (Chairman)	17/17
Fathil Ismail	17/17
Datuk Noor Azian Shaari	17/17

From time to time, the Board and its committees invite members of management and other personnel, including external parties such as auditors and legal advisers, among others, to attend their meetings in order to support the Board and Committee members in the discharge of their duties. In 2025, the majority of Board and Committees meetings were held in person at the Company's headquarters, with the remaining meetings conducted in either hybrid or fully virtual formats.

ii. Annual Performance Evaluations

Annual performance evaluations of the Board and Senior Management are conducted to assess effectiveness and support continuous improvement. In accordance with the Board Charter, the Board undertakes an annual evaluation of its performance, as well as that of its Committees and individual Directors, under the oversight of the NRC. The results of these evaluations are used to enhance Board effectiveness, identify development and training needs, and support succession planning.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Since 2024, the Company incorporated the assessment of sustainability-related risks and opportunities into the performance evaluation framework for Senior Management. As the identification and management of material sustainability risks and opportunities are shared responsibilities of the Board and Senior Management, the evaluation process assesses their effectiveness in discharging these responsibilities, including, where applicable, progress made against established sustainability targets.

Commitment to the Promotion of Good Business Conduct and Maintenance of a Healthy Corporate Culture

Mesiniaga abides by strict ethical conduct and practices while conducting our business, dealing with all stakeholders, and complying with regulatory requirements. An integral part of our Employee e-Handbook is the Mesiniaga Business Conduct Guidelines ("BCG"), which defines the expected ethical behaviour of our employees. The Guidelines encompass personal conduct, fairness in business, relationships with other organisations, use and dissemination of proprietary and confidential information and fraud prevention. Apart from that, our undertaking is to support using licensed software and the implementation of good software asset management practices. Our upgraded ISO 9001:2015 accreditation exemplifies our commitment to ethical and best practices.

Since 8 October 2019, Mesiniaga has issued the Anti-Bribery and Corruption Policy, and Whistleblowing Policy ("Policies") to complement the BCG and enhance the Group's culture of good ethics and fair dealings. The Policies are available on the Company's website. These Policies have been reviewed and updated on 25 February 2026.

It is the responsibility of the Board and Senior Management to uphold the high reputation of the Group, as well as the responsibility of each employee to behave in the prescribed manner, as required by the BCG and the Policies described above. The Policies and BCG are based on the Code of Corporate Governance and principles of the relevant legal provisions under the MACC Act 2009 and Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018. The BCG and the Policies encourage and enable employees to whistleblow and raise concerns about illegal activities, such as corruption and other wrongdoings within the organisation. The BCG and the Policies are available in the Employee e-Handbook for all employees in the Group's effort to continue promoting accountability, transparency, and ethical practices.

Employees' concerns may be raised via e-mails, telephone calls, and letters to the Whistleblowing Committee consisting of the ARMC Chairman, Independent Board member and the Head of Internal Audit and Risk. Employees are assured that confidentiality will be maintained at all times, and they will be protected.

Board Composition and Decision-Making Effectiveness

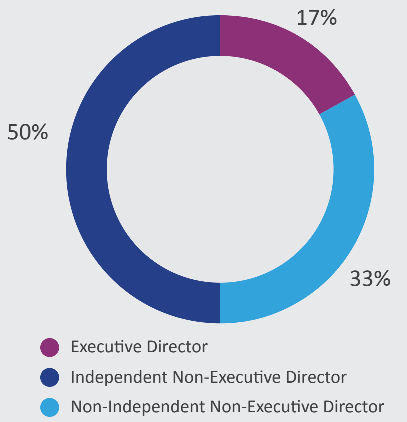
The Board's decision-making process is underpinned by a structured governance framework that emphasises objectivity, independence, diversity of perspectives and informed deliberation. The Board considers that the effectiveness of its decisions is closely linked to its composition, balance and the collective experience of its members, which enable robust discussions, constructive challenge and sound judgement in discharging its responsibilities.

Particular attention is paid to the composition and balance of the Board to ensure that it has the experience relevant to the Digital and IT business sector. The Board considers that objectivity and integrity, as well as the relevant skills, knowledge, experience, mindset, and ability that will enable the Board to fulfil its key functions, are the prerequisites for appointing new Directors.

The Board also recognises the need to enhance Board diversity, as it is essential to the effective functioning of the Board. The Board has attained diversification in experience, skills, expertise, competencies, ethnicity, gender, and age to enable the Group to maximise its business and governance performance. The representation of the members of the Board as of 31 December 2025 is as follows:

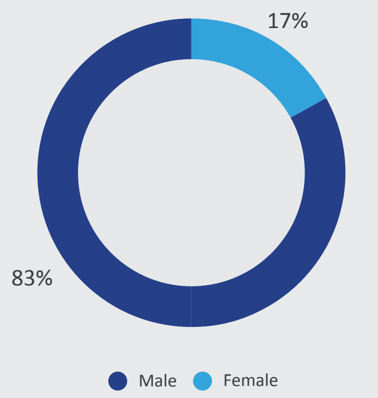
CORPORATE GOVERNANCE OVERVIEW STATEMENT

Figure 1: Board Composition



The Board composition complies with the Listing Requirements of Bursa Malaysia, which require a minimum of one-third of the Board to comprise Independent Directors. Following the retirement of Dato' Darawati during the financial year, the Independent Directors constitute 50% of the Board, which is in alignment with Practice 5.2 of the MCCG. The three (3) Independent Non-Executive Directors continue to demonstrate independence of judgment and ensure that Board deliberations and decisions are made objectively and in the best interests of the Company and its Group of companies.

Figure 2: Directors' Gender Composition



The composition of the Board, in terms of gender diversity, complies with Paragraph 15.02 of the MMLR of Bursa Malaysia, which requires at least one (1) woman director. However, following the retirement of Dato' Darawati during the financial year, the level of female representation on the Board was reduced, resulting in the Company not fully meeting the best practice under Practice 5.9 of the MCCG, which recommends at least 30% female representation on the Board. Notwithstanding this, the Board remains committed to promoting gender diversity and will continue to take this objective into consideration in future Board appointments.

Nominating Process for Directors

The NRC is empowered to review and make recommendations for appointment to the Board. A formal and transparent procedure has been established to appoint new Directors to the Board by the establishment of the Fit and Proper Policy. The NRC is responsible for identifying, reviewing, evaluating, and recommending suitable candidates for appointment as Directors based on the criteria set, including skills, experience, competency, gender, ethnicity, and age.

The NRC is also responsible for assessing and ensuring, amongst others, that the candidate possesses the necessary technical competencies, a strong sense of professionalism and integrity, organisational and strategic awareness, the ability to add value, and adherence to the Mesiniaga Business Conduct. The potential candidates will be recommended to the Board for appointment upon such review and evaluation.

Sim Hong Kee, an Independent Non-Executive Director, chairs the NRC. In exercising his role, he coordinates the assessment of the effectiveness of each Board member and the Board as a whole. The NRC comprises two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. This composition ensures that any decisions made are impartial and in the best interest of the Group, without any element of fear or favour.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Though the NRC has been tasked to review and make recommendations for appointment to the Board, the Board does not rely solely on recommendations from the Committee. The Board is open to considering independent sources to identify suitably qualified candidates.

Level and Composition of Remuneration

The NRC oversees the implementation of the policy and procedure on remuneration, including reviewing and recommending matters relating to the remuneration of the Board in general and, in particular, the remuneration of the Executive Director. NRC's Terms of Reference are stated on page 76 of this Annual Report.

The NRC reviews the remuneration of the Executive Director taking into account the responsibilities, experience, competencies, commitment, contribution, and performance and makes recommendations to the Board on an annual basis. The NRC evaluates and benchmarks annually the remuneration of the Non-Executive Directors with peer companies, and makes recommendations to the Board for deliberation and endorsement for approval by the shareholders at the Annual General Meeting.

The transparency and accountability aspects of corporate governance applicable to the Directors' remuneration are deemed appropriate. Detailed information on a named basis regarding the remuneration of each Director is as follows:

No.	Name	Directorship	Company ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1.	DATUK WAN MOHAMED FUSIL BIN WAN MAHMOOD	Executive Chairman	-	-	733	-	-	979	1,712
2.	FATHIL SULAIMAN BIN ISMAIL	Non-Independent Non-Executive Director	55	23	-	-	-	15	93
3.	SIM HONG KEE	Independent Non-Executive Director	80	32	-	-	-	-	112
4.	DATUK NOOR AZIAN BINTI SHAARI	Independent Non-Executive Director	58	30	-	-	-	-	88
5.	ZAIM HUSNI BIN OMAR	Non-Independent Non-Executive Director	57	17	-	-	-	-	74
6.	DR VEERINDERJEET SINGH A/L TEJWANT SINGH	Independent Non-Executive Director	57	14	-	-	-	-	71
7.	DATO' DARAWATI HUSSAIN *(Retired with effect from 5 June 2025)*	Non-Independent Non-Executive Director	24	5	-	-	-	-	29

The Group believes that in this highly competitive industry, disclosing the remuneration of Senior Management could compromise the Group's confidentiality and talent retention efforts. Given the difficulties in recruiting and retaining Senior Management, remuneration remains a crucial factor in attracting and retaining top talent. The Group ensures that the remuneration offered to Senior Management aligns with the Company's performance while also considering the need to attract, retain and motivate Senior Management to lead and manage the Company effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Directors' Training

All Board members have attended the Mandatory Accreditation Programme (MAP Part I) organised by Bursa Malaysia, focusing on a Director's roles, duties, and liabilities. As of 31 December 2025, all Board members have participated in the Mandatory Accreditation Programme (MAP Part II) related to sustainability and the associated roles of a Director.

In addition, Board members have also attended various training programmes and conferences, which the Board believes have aided them in discharging their duties as Directors of the Group. Board members are also encouraged to participate in training programmes deemed appropriate for the needs of the respective Directors in discharging their responsibilities to the Group, and such attendance would be at the Group's expense. The following is the list of training programmes and conferences attended by the Directors collectively or individually:

Categories	Courses Title
Economy, Financial and Accountancy	• ASEAN Investment Conference - "Connecting Capital, Unlocking Opportunities, and Driving Sustainability" by Securities Commission Malaysia • Social Exchange Pilot Programme Knowledge Sharing Series by Securities Commission Malaysia • Women & Alternative Investments by CFA Society Malaysia • Single Family Office Summit Malaysia by CFA Society Malaysia, Securities Commission Malaysia and Forest City Special Financial Zone • Board Leadership in Industry Disruption: Steering Companies Through Market Shifts by ICDM • BNM Governor's Address on the Malaysian Economy and Panel Discussion by Malaysia Economic Association • Governance in an Era of Trade Uncertainty: Navigating Tariff Risks and Opportunities by ICDM • 2025 Insurance Forum by EY • Decoding Budget 2026: Capital Market and Business Outlook with Datuk Johan Merican by SIDC
Risk, Audit and Tax Management	• Anti-Money Laundering Act- Risk, Challenges & Vulnerabilities Towards Risk-Based Approach by Hong Leong Assurance In-house • Moving from the recommendations of TCFD to IFRS S1 and IFRS S2 by HLFG/EY In-house • Clarifying the role of Internal Audit in Risk Management by Institute of Enterprise Risk Practitioners • Malaysia's Tax Corporate Governance Leadership Forum by PwC • Corporate Investigation: Protocols and Deception Detection by Securities Industry Development Corporation • e-Invoicing for Directors by EY • Strategic Approach to Cyber Resilience and Compliance by ASB • Audit Committee Conference 2025: Navigating Risk, driving resilience by MIA • Engagement Session: Evolving Financial Reporting Landscape: Insights into MFRS and Sustainability in Practice by MICPA • SC AOB Conversation with Audit Committee: Navigating the NSRF: Insights on Implementation by SC AOB • ICDM Advocacy: E-invoicing for Directors - MyInvois & MyTax Portal Walkthrough with EY Malaysia by ICDM
Technology and Innovation	• Leading for Longevity - The Board's Role in Driving Innovation by ICDM • Board Leadership Workshop: Board's Role in Digital Transformation: Putting Words into Action by FIDE Forum • Board Artificial Intelligence (AI) Day 2025 – Session 2 by Group FinTech & Technology • Cyber Security Awareness Program 2025 for Directors, C-Suites of AmBank Group • Artificial Intelligence 101 Webinar by MIA

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Categories	Courses Title
Environmental, Social, and Governance	• National Climate Governance Summit 2025 by Climate Governance Malaysia • The Influence of Board Culture and Leadership Report 2025 by FIDE Forum • Comply with MACC Act: Avoid Bribery, Protect your Job by GLM/MACC – In-house • Strategic Oversight in Strategy Implementation- Getting Execution Right at the Board Level by Bursa Malaysia/ICDM • Climate First..Or Last by ASB/ICLIF • Practical Insights to Scope 1 & 2 Emission by MIA/ICDM • Statement of Risk Management and Internal Control Guide 2025: What's new by IIA • Practical Insights to Scope 3 Emission by MIA/ICDM • ABC Training for Directors by HLFG/Vision Ethics Advisory Services • Anti Money Laundering Awareness Session • ICDM PowerTalk - Reverse Governance: What if the Algorithm Assesses the Board? By ICDM
Others	• National Heritage Conference in Conjunction with Declaration Of Malaya Independence Date Proclamation Day by Malaysian Institute of Planners • "What It Takes: Southeast Asia - Charting the Region's Path from the Periphery to the Core of Global Consciousness?" by ICDM

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

At the beginning of 2025, the ARMC comprised four (4) members and was chaired by Sim Hong Kee, an Independent Non-Executive Director. Following the cessation of Datuk Noor Azian Shaari as a member, effective 1 July 2025, the Committee was reduced to three (3) members, comprising two (2) Independent Non-Executive Directors, including Dr Veerinderjeet Singh, and one (1) Non-Independent Non-Executive Director, namely Zaim Husni Omar. The composition of the Committee is in compliance with Paragraph 15.09 of the MMLR.

Sim Hong Kee is a Chartered Accountant and a member of both the Malaysian Institute of Accountants (MIA) and the Malaysian Institute of Certified Public Accountants (MICPA). He is also a Qualified Risk Director and a member of the Institute of Enterprise Risk Practitioners (IERP). Dr Veerinderjeet Singh is a recognised tax expert and is a member of MIA and MICPA, as well as a Fellow of the Chartered Tax Institute of Malaysia (CTIM). Zaim Husni Omar brings extensive experience in strategic planning, with a strong focus on finance and investment. The breadth and complementarity of skills, knowledge and professional expertise among the Committee members enable the ARMC to exercise sound, balanced and well-informed judgement and discharge its responsibilities effectively.

All members of the ARMC actively participate in relevant continuing professional development programmes to ensure they remain current with developments in accounting standards, auditing practices, regulatory requirements and emerging risk issues.

None of the members of the ARMC are former audit partners of the Group's external auditors. In accordance with the ARMC's Terms of Reference, a former audit partner may only be appointed to the Committee after the completion of a three-year (3-year) cooling-off period, should such an appointment be considered.

The ARMC conducts an annual assessment of the external auditor's suitability, objectivity and independence to safeguard the integrity of the Group's external audit process.

Mitigating and Managing Risk

An effective risk management and internal control framework has been established, and the features of the framework are as stated in the Statement of Risk Management and Internal Control on page 68 of this Annual Report. A synopsis of the key risk areas identified and monitored by the ARMC is stated in the Management Discussion and Analysis on page 06.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The risk management framework adopted by the Group is tailored to the local environment based on an internationally recognised framework. The report on risk management is reviewed by the ARMC and presented to the Board quarterly. The Board believes that the risk management process is adequate, considering the complexity and size of the business.

Effective Governance, Risk Management and Internal Control Framework

The ARMC is responsible for ensuring that the internal audit function is adequately resourced, effective, and able to operate independently in the discharge of its duties.

The internal audit function is carried out by personnel who are free from any relationships or conflicts of interest that could impair their objectivity and independence. The Head of the Audit and Risk Department holds a Bachelor's Degree in Accountancy (Hons.) and is a member of the Institute of Internal Auditors Malaysia ("IIAM"), with relevant experience in internal auditing and risk management. She is supported by a team of three (3) internal auditors, each of whom possesses relevant auditing and risk assessment experience, as well as appropriate tertiary academic qualifications. Collectively, the team provides independent assurance on the adequacy and effectiveness of the Group's risk management, governance, and internal control processes.

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

Communication with Stakeholders

The Group values transparent, timely and meaningful engagement with its shareholders and other stakeholders. Shareholders are encouraged to direct any queries to the CEO or through the Company's official website at https://mesiniaga.com.my. The CEO regularly communicates the Group's performance and key developments through announcements to Bursa Malaysia and the release of quarterly financial results, which are also available in the Investor Relations section of the Company's website. From time to time, the CEO also engages with analysts and shareholders to address queries and provide clarifications.

In addition, the Group welcomes feedback and suggestions from other stakeholders in relation to its services and support. Stakeholders may share their views with the Customer Satisfaction Management Department by submitting feedback through the Company's website or by emailing feedback@mesiniaga.com.my.

Conduct of Annual General Meeting

The Company has convened its Annual General Meeting ("AGM") at its premises since 1998. The Company held its AGM entirely virtually in 2021, enabling remote shareholders' participation. Following regulatory updates and the easing of pandemic-related restrictions, the Company resumed physical AGMs from 2022 onwards. While the Group currently does not have plans to implement absentee voting or remote participation for shareholders, these options may be considered in the future, where appropriate.

At each AGM, the Board presents the Group's business progress and performance and actively encourages shareholder participation during the question-and-answer session. In 2025, all members of the Board attended the AGM. The Chairs of the ARMC and NRC are also present to respond to questions within their respective areas of responsibility. To facilitate informed decision-making by shareholders, an explanatory statement for each proposed resolution accompanies the notice of meeting.

Although the Company's Articles of Association provide for a minimum notice period of 21 days for the convening of an AGM, the Company has consistently observed an extended notice period of 30 days or more since 2016. In doing so, the Company aligns itself with best practices under Practice 13.1 of the MCGG, which recommends that shareholders be given at least 28 days' notice prior to an AGM.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group as at the end of the financial year, and the statement of comprehensive income and cash flow of the Group for the financial year.

In preparing the financial statements of the Group for the year ended 31 December 2025, the Directors have:

- ensured the Group has adopted appropriate accounting policies, consistently applied and supported by reasonable and prudent judgement;
- considered all applicable accounting standards have been followed; and
- confirmed the financial statements have been prepared on the going concern basis.

The Directors have responsibility to ensure that the Group maintains adequate accounting records which disclose with reasonable accuracy the financial position of the Group to enable them to ensure that the financial statements comply with the requirements of the Companies Act 2016.

The Directors also have the overall responsibilities to take such steps to safeguard the assets of the Group and for the establishment, designation, implementation and maintenance of appropriate accounting and internal control systems for the prevention and detection of fraud and other irregularities relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Introduction

The Board of Directors ("the Board") of Mesiniaga Berhad ("the Company") and its subsidiaries ("the Group") acknowledges its overall responsibility for maintaining a sound and effective system of risk management and internal control to safeguard shareholders' investments and the Group's assets, while supporting the achievement of the Group's strategic and business objectives.

This Statement on Risk Management and Internal Control ("SORMIC") is prepared pursuant to Paragraph 15.26(b) of the Bursa Malaysia Securities Berhad Listing Requirements and in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies ("SORMIC Guide 2025").

Board Responsibility and Oversight

The Malaysian Code on Corporate Governance (April 2021) requires the Board to maintain a sound system of risk management and internal control to safeguard shareholders' investments and the Group's assets. The system of risk management and internal control is designed to manage, rather than eliminate, the risk of failure to achieve the Group's objectives. Accordingly, it can provide only reasonable, and not absolute, assurance against material misstatement, loss or fraud.

The Board has delegated its role in the review process to the Audit and Risk Management Committee ("ARMC"). The Board affirms that it has established an ongoing and embedded process for identifying, evaluating, managing and monitoring the principal risks faced by the Group. This process has been in place throughout the financial year under review and up to the date of approval of this Annual Report.

Consistent with the SORMIC Guide 2025, the Board oversees the Group's risk appetite, reviews principal risks, and ensures that appropriate risk responses and controls are in place.

Audit and Risk Management Committee (ARMC)

The Board is assisted by the ARMC, which oversees the effectiveness of the Group's risk management framework and internal control system. The ARMC reviews reports from Management and Internal Audit on key risks, control issues, and mitigation measures, and provides recommendations to the Board.

The ARMC reviews the financial statements, financial reporting processes, the system of internal controls, the enterprise risk management framework and programme, the audit process, and compliance with laws and regulations, including the requirements of Bursa Malaysia, the Securities Commission and the Group's Code of Conduct.

Management is responsible for identifying, evaluating and managing risks, implementing internal controls, and reporting material risk exposures and control matters to the ARMC and the Board.

Internal Audit Function

The Internal Audit function operates independently and reports functionally to the ARMC. Internal Audit adopts a risk-based audit plan approved by the ARMC and focuses on reviewing the adequacy and effectiveness of governance, risk management and internal control processes.

Key audit findings and recommendations, together with Management's action plans, are reported to the ARMC for review and follow-up. The ARMC formally reviews and approves the annual audit plan for the year.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management Framework

The Group has adopted an enterprise-wide risk management ("ERM") framework that is aligned with its business strategy, operational environment and regulatory requirements. As a technology-driven organisation providing ICT solutions, managed services and digital services, the Group places strong emphasis on the proactive management of strategic, operational, financial, compliance and technology-related risks.

The ERM framework provides a structured and consistent approach for risk identification, assessment, mitigation, monitoring and reporting across the Group. The key components of the framework include:

a) A clearly defined risk governance structure with established lines of accountability.
b) A Board-approved risk appetite and tolerance levels aligned to strategic objectives.
c) Standardised risk assessment methodology, including assessing likelihood and impact.
d) Corporate and business unit risk registers capturing key and emerging risks.
e) Periodic risk reporting to Management, the ARMC and the Board.

Risk Governance Structure

The Board is assisted by the ARMC in overseeing the adequacy and effectiveness of the Group's risk management and internal control systems.

The roles and responsibilities are as follows:

Board of Directors	Provides strategic direction, approves the ERM framework and risk appetite, and ensures that principal risks are appropriately identified and managed.
Audit and Risk Management Committee	Reviews the effectiveness of the risk management process, significant risk exposures, mitigation actions, internal control issues and reports from Internal Audit.
Management	Accountable for identifying, assessing and managing risks within their respective business units and functions, and for implementing appropriate controls and remedial actions.
Risk Management Function	Facilitates ERM activities, coordinates risk assessments, maintains the Group risk register and provides regular risk reports to Management and the ARMC.
Internal Audit Function	Provides independent and objective assurance on the adequacy and effectiveness of the risk management and internal control systems through a risk-based audit approach.

Risk Management Process

The Group's risk management process comprises the following key steps:

Risk Identification	Identification of strategic, operational, financial, compliance and technology risks, including emerging risks arising from changes in the business and external environment.
Risk Assessment	Evaluation of risks based on likelihood and potential impact, considering existing controls.
Risk Mitigation	Development and implementation of appropriate risk responses, including preventive and detective controls.
Risk Monitoring and Reporting	Ongoing monitoring of risk profiles and reporting of risk status and mitigation measures.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

During the financial year, the Group identified and monitored the following principal risk categories:

Risk Category	Description	Key Mitigation Measures
Strategic & Business Risk	Risks arising from competition, technology changes and strategic execution.	Strategic planning, periodic performance reviews, monitoring of market trends.
Project Execution Risk	Delays, cost overruns or performance issues in project delivery.	Project governance framework, milestone monitoring, management oversight.
Technology & Cybersecurity Risk	System failures, data breaches and cyber threats.	IT security controls, access management, system monitoring and employee awareness programmes.
Regulatory & Compliance Risk	Non-compliance with laws, regulations and contractual obligations.	Compliance policies, periodic reviews, training and monitoring.
Financial Risk	Credit, liquidity and cost management risks.	Budgetary controls, credit assessments, financial monitoring.

These risks and key mitigation measures are reviewed quarterly to ensure their continued relevance and effectiveness.

Internal Control System

The Group's internal control system comprises, among others:

- A clearly defined organisational structure with appropriate levels of authority and accountability.
- Documented policies, procedures and standard operating guidelines for key business processes.
- Segregation of duties and approval limits to minimise operational and financial risks.
- Budgetary controls and periodic performance reviews.
- The ARMC and Nomination and Remuneration Committee ("NRC"), established by the Board, operate under clearly defined terms of reference and authority.
- Information systems to support accurate and timely financial and operational reporting.
- An independent Internal Audit function that adopts a risk-based audit approach and reports directly to the ARMC.

Internal Audit reviews the adequacy and effectiveness of internal controls and follows up on management's corrective actions. Significant audit findings and action plans are reported to the ARMC on a quarterly basis.

All significant internal control recommendations by internal and external auditors are reported to the ARMC for review and deliberation. The ARMC oversees Management's implementation of remedial actions to safeguard the Group's interests and maintain proper governance. Where deficiencies are identified, recommended procedures are implemented to strengthen controls.

Review of Effectiveness

The Board, through the ARMC, has reviewed the adequacy and effectiveness of the Group's risk management and internal control systems during the financial year. This review was supported by:

a) Management's assurance on the effectiveness of risk management and controls.
b) Internal Audit reports and status updates on corrective actions.
c) Matters highlighted by the external auditors arising from the statutory audit.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Based on these reviews, the Board is satisfied that the Group's risk management and internal control systems were adequate and effective in all material respects for the financial year under review.

Assurance from Management

The Chief Executive Officer and Chief Financial Officer have assured the Board that the Group's risk management and internal control systems operate effectively and efficiently in all respects.

Considering management's assurance, the Board is satisfied that the Group's risk management and internal control systems were adequate and effective in all material respects for the financial year under review.

The Board remains committed to maintaining a sound risk management system and internal control. The system will be continuously reviewed and revised where appropriate to support the business and comply with the following:

- Malaysian Code on Corporate Governance (April 2021) – Securities Commission Malaysia
- Statement on Risk Management and Internal Controls – Guidelines for Directors of Listed Companies ("SORMIC Guide 2025") – Bursa Malaysia
- Corporate Governance Guide (4th Edition) December 2021 – Bursa Malaysia

Conclusion

The Board remains committed to strengthening the Group's risk management and internal control framework in line with evolving business needs and regulatory expectations under the SORMIC Guide 2025. Continuous improvements will be undertaken to support the Group's sustainability, resilience and long-term value creation.

The Board and the ARMC ensure that Management has implemented and maintained up-to-date measures to effectively mitigate the risk of cyber-attacks. The Board and the ARMC remain vigilant and will take additional steps, where necessary, to further minimise cybersecurity risks and mitigate any potential impact on the Group's operations.

Review of this Statement by External Auditors

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

This Statement was presented by the ARMC and approved by the Board on 31 March 2026.

BOARD OF DIRECTORS
MESINIAGA BERHAD

AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee ("ARMC") is pleased to present the ARMC report for the financial year ended 31 December 2025 in compliance with Paragraph 15.15 of the MAIN Market Listing Requirements of Bursa Malaysia Securities Berhad and the Malaysian Code on Corporate Governance ("MCCG") April 2021.

The ARMC assists the Board of Directors ("Board") in the effective discharge of its fiduciary responsibilities for corporate governance, financial reporting, risk management and internal control.

COMPOSITION OF THE ARMC

During the financial year ended 31 December 2025, the ARMC comprised the following members, all of whom are Non-Executive Directors, with a majority being Independent Directors:

SIM HONG KEE
Chairman, Independent Non-Executive Director

ZAIM HUSNI OMAR
Member, Non-Independent Non-Executive Director

DR VEERINDERJEET SINGH A/L TEJWANT SINGH
Member, Independent Non-Executive Director

DATUK NOOR AZIAN SHAARI
Member, Independent Non-Executive Director *(ceased with effect from 1 July 2025)*

SYAFINAZ SANIT
Secretary

NUMBER OF ARMC MEETINGS AND DETAILS OF ATTENDANCE

During the financial year ended 31 December 2025, the ARMC held a total of nine (9) meetings. The details of the attendance of each ARMC member are as follows:

Members	Attendance
Sim Hong Kee	9/9
Zaim Husni Omar	9/9
Dr Veerinderjeet Singh A/L Tejwant Singh	7/9
Datuk Noor Azian Shaari *(Ceased with effect from 1 July 2025)*	7/7

AUDIT AND RISK MANAGEMENT COMMITTEE

TERMS OF REFERENCE FOR THE AUDIT AND RISK MANAGEMENT COMMITTEE

1. Introduction

The Audit and Risk Management Committee ("ARMC" or "Committee") is established by the Board of Directors ("Board") of Mesiniaga Berhad ("Company") to assist the Board in fulfilling its oversight responsibilities on financial reporting, risk management, internal control, and compliance matters.

The Committee acts as a focal point for communication between the Board, Management, internal auditors, and external auditors.

2. Purpose

The Audit and Risk Management Committee Terms of Reference (TOR) governs the operations of the Audit and Risk Management Committee (ARMC). It sets out the ARMC's role and responsibilities, composition, structure and membership requirements.

3. Composition

(a) The Committee shall consist of at least three (3) members, all of whom must be non-executive directors, with a majority being independent directors.

(b) All members must be financially literate, with at least one member possessing a recognised accounting degree or professional accounting qualification.

(c) The Chairperson of the Committee shall be an Independent Non-Executive Director and shall possess a recognised accounting degree or professional accounting qualification.

(d) The terms of a member's appointment are:

i) A member may resign upon reasonable notice in writing to the ARMC Chairman;

ii) A member may, from time to time, be immediately removed by notice in writing under the hand of the ARMC Chairman; and

iii) Ceasing to be a non-executive director of the Board is deemed to be automatic termination of appointment as a member of the ARMC.

4. Meetings

(a) The Committee shall meet at least four (4) times a year and as often as necessary to fulfil its responsibilities.

(b) A quorum shall consist of two (2) members, one of whom must be an independent director.

(c) Special meetings may be convened as required. The ARMC Chairman will call a meeting of the ARMC if deemed necessary, requested to do so by any member of the ARMC, the external auditors, or the Chairman of the Board.

(d) The ARMC may invite such other people, i.e., staff, the Chief Executive Officer, the Chief Financial Officer, and external parties, to its meetings as necessary (whether on a permanent or ad hoc basis).

(e) The Committee shall meet with the external auditors and internal auditors, separately or jointly, without the presence of Management at least once a year.

(f) Minutes of meetings shall be recorded and tabled at the next Board meeting.

AUDIT AND RISK MANAGEMENT COMMITTEE

5. Authority

The Committee is empowered to:

(a) Investigate any matter within its terms of reference.

(b) Obtain independent professional advice as necessary, at the expense of the Company.

(c) Access all employees and Company records relevant to fulfilling its duties.

(d) Recommend the appointment, reappointment, or removal of external auditors to the Board.

6. Duties and Responsibilities

6.1 Understanding the Company's business

The ARMC shall ensure it understands the Company's structure, business, and controls to adequately assess the significant risks faced by the Company.

6.2 Financial Reporting

(a) Review the Company's quarterly and annual financial statements before submission to the Board for approval.

(b) Ensure the integrity, accuracy, and compliance of financial reporting with applicable accounting standards and regulatory requirements.

(c) Discuss and conclude on significant financial reporting issues, judgments, and estimates with Management and external auditors.

6.3 Reporting to the Board

(a) The ARMC shall regularly report to the Board on all matters relevant to the ARMC's role and responsibilities.

(b) The ARMC Chairman will report and, as appropriate, make recommendations to the Board after each ARMC meeting on matters dealt with by the ARMC.

(c) As and when appropriate, the ARMC will seek direction and guidance from the Board on audit, risk management and compliance matters.

(d) The ARMC shall ensure that the Board is promptly made aware of audit, financial reporting, internal control, risk management, and compliance matters that may significantly impact the Company.

6.4 Internal Control and Risk Management

(a) Review the adequacy and effectiveness of the Company's internal control system and enterprise-wide risk management framework, including risk appetite, key risk exposures, emerging risks, and mitigation strategies.

(b) Review material risk areas and assess the adequacy and effectiveness of risk management and mitigation strategies.

(c) Oversee the integration of sustainability and environmental, social and governance ("ESG") related risks into the Company's enterprise risk management framework, including reviewing Management reports on material ESG risks and the adequacy of mitigation measures.

AUDIT AND RISK MANAGEMENT COMMITTEE

6.5 Internal Audit

(a) The Internal Audit function shall report functionally to the ARMC and administratively to the Management to ensure independence and objectivity.

(b) Evaluate the performance and effectiveness of the internal audit function.

(c) Determine the appointment, termination or dismissal of members of the internal audit function.

(d) Review significant internal audit findings and the adequacy of the Management's response.

6.6 External Audit

(a) Recommend the appointment, reappointment, or removal of external auditors. Review the scope, nature, and results of the external audit, and the independence of the external auditors, including the provision of non-audit services and the related fees, to ensure that auditor independence is not compromised.

(b) Discuss audit findings and ensure corrective actions are implemented.

6.7 Compliance and Ethics

(a) Monitor compliance with legal, regulatory, and corporate governance requirements.

(b) Review whistleblowing procedures and any reported breaches or unethical behaviour and provide oversight on the satisfactory closure of any reported breaches.

6.8 ARMC Performance

The Board will evaluate the performance of the ARMC as appropriate and is responsible for reviewing the Company's policies on risk oversight and Management and shall satisfy itself that Management has developed and implemented a sound system of risk management and internal control.

7. Reporting

(a) The Committee reports its activities to the Board after each meeting.

(b) The Committee shall report on its work in the Annual Report, including a summary of its activities and how it has discharged its responsibilities.

8. Review of TOR

(a) The ARMC shall review this TOR at least annually or as required by changes in law, regulation, or Board directives.

(b) The Board must approve any proposed changes.

SECRETARY

The Secretary of the Committee shall be the Head of Audit and Risk Department of the Company and as a reporting procedure, the minutes shall be circulated to all members of the Board.

AUDIT & RISK MANAGEMENT COST

The total costs incurred by the Audit and Risk Management Department in 2025 amounted to RM582,745, as compared to RM184,509 in 2024. The costs primarily comprised salaries, training, and employee benefits. Effective from 2025 onwards, the cost structure will also include the ARMC Director's remuneration as well as expenses related to ARMC meetings.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ("NRC") is pleased to present this Report for the financial year ended 31 December 2025 in compliance with paragraph 15.08A of the MAIN Market Listing Requirements of Bursa Malaysia Securities Berhad and the Malaysian Code on Corporate Governance ("MCCG") April 2021.

COMPOSITION OF THE NRC

SIM HONG KEE
Chairman, Independent Non-Executive Director

FATHIL ISMAIL
Member, Non-Independent Non-Executive Director

DATUK NOOR AZIAN SHAARI
Member, Independent Non-Executive Director

ROSMAWATI HARON
Secretary

NUMBER OF NRC MEETINGS AND DETAILS OF ATTENDANCE

Members	Attendance
Sim Hong Kee	17/17
Fathil Ismail	17/17
Datuk Noor Azian Shaari	17/17

TERMS OF REFERENCE FOR THE NOMINATION AND REMUNERATION COMMITTEE

1. SIZE AND COMPOSITION

(a) The members of the Nomination and Remuneration Committee shall be appointed by the Board of Directors of Mesiniaga from amongst their members.

(b) The Committee shall consist of not less than three (3) members, exclusively of Non-Executive Directors, a majority of whom shall be Independent Directors.

(c) The Chairperson of the Committee shall be an Independent Director.

2. FREQUENCY OF MEETINGS

(a) Meeting shall be held at least once a year, and more frequently as circumstances require, to effectively discharge the Committee's roles and responsibilities.

(b) The quorum for a meeting shall be at least two (2) Committee members.

NOMINATION AND REMUNERATION COMMITTEE

3. SECRETARY

(a) The Head of the Human Resources Department, or such other person as appointed by the Board, shall be the Secretary of the Nomination and Remuneration Committee.

(b) Minutes of meetings shall be recorded.

4. PURPOSE OF THE COMMITTEE

The Nomination and Remuneration Committee is established to assist the Board in the following areas:

- Develop and administrate a fair and transparent procedure for matters related to the nomination and remuneration of Directors, Board Committees and Executive Directors and their re-elections.
- Develop and administrate a fair and transparent procedure for the evaluation of the Board's, Board Committees' and Board members' effectiveness.
- Provide input to the Executive Director and CEO on the KPIs and remuneration of the C-level positions.

5. FUNCTIONS AND DUTIES OF THE COMMITTEE

The Committee shall perform the following functions and duties having regards to the Group's operating results, individual performance, long-term strategy, sustainability objectives, risk appetite, corporate governance standards and comparable market statistics.

i) Functions and Duties – Nomination

(a) To review and ensure that the Board size and composition meet the needs of the Group, including an appropriate balance of skills, experience, independence, workload, gender and diversity, taking into account the Group's strategic direction and regulatory expectations.

(b) To develop, maintain and review the criteria to be used in the recruitment and annual assessment of Directors and Directors who retire by rotation and standing for re-election, including fit and proper requirements, independence assessment, time commitment and tenure considerations.

(c) To assess and recommend to the Board the candidature of Directors, appointment of Directors to Board Committees, and to review and oversee succession planning for the Board, CEO and C-Level, as well as training and development programmes for the Board.

(d) To establish formal and transparent remuneration policies and procedures to attract and retain Directors.

(e) To recommend for the approval of the Board the terms and conditions of service, remuneration, compensation and benefits package for any existing Executive Director and/or a to-be appointed Executive Director and CEO.

(f) To review the performance of Executive Directors and the CEO against the respective KPIs and recommend the annual remuneration for approval by the Board.

(g) To conduct annual assessment and review the results of the Board's effectiveness, including Board Committees and individual Directors, and to consider the use of external independent facilitators at periodic intervals, presenting observations and recommended actions for approval by the Board.

NOMINATION AND REMUNERATION COMMITTEE

ii) Functions and Duties – Remuneration of the Board, CEO and Executive Directors

(a) To review and make recommendations on the remuneration of the Board and Board committees for endorsement by the Board and approval by the shareholders.

(b) To review the performance of Executive Directors and the CEO against their respective KPIs, ensuring that remuneration outcomes are appropriately linked to performance, risk management, long-term value creation and sustainable business outcomes.

(c) To review and provide input to the CEO on the setting of KPI and remuneration structure for C-level positions.

iii) Functions and Duties – Others

To perform other related duties as directed by the Board of Directors.

OTHER INFORMATION REQUIRED

BY THE LISTING REQUIREMENTS OF BURSA SECURITIES MALAYSIA BERHAD

UTILISATION OF PROCEEDS

No funds were raised by the Company from any corporate proposal during the financial year.

NON-AUDIT FEES

An amount of RM56,000.00 was paid for tax services provided by PwC Taxation Services Sdn. Bhd.

MATERIAL CONTRACTS

There was no material contract by the Company and its subsidiaries involving Directors or substantial shareholders' interest during the financial year.

CONTRACTS RELATING TO LOAN

There was no contract relating to a loan by the Company during the financial year.

CONFLICT OF INTEREST

Unless otherwise disclosed, the Directors were not aware of any conflict of interest among the Directors with the Company, existing at the end of the financial year 2025.

EMPLOYEES SHARE OPTION SCHEME

The Company did not implement any employee share options scheme in the financial year 2025.

INTERNAL AUDIT EXPENSES

The costs incurred by the internal audit function for the financial year 2025 were RM318,245.