HTVB

HIAP TECK VENTURE BERHAD

Registration No: 199701005844 [421340-U]



2026 ANNUAL REPORT

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FORM OF PROXY



OUR VISION

To be the **Leading Steel Company** in the region.

OUR MISSION

M1 Build value for shareholders

M2 Participate in the development of the country

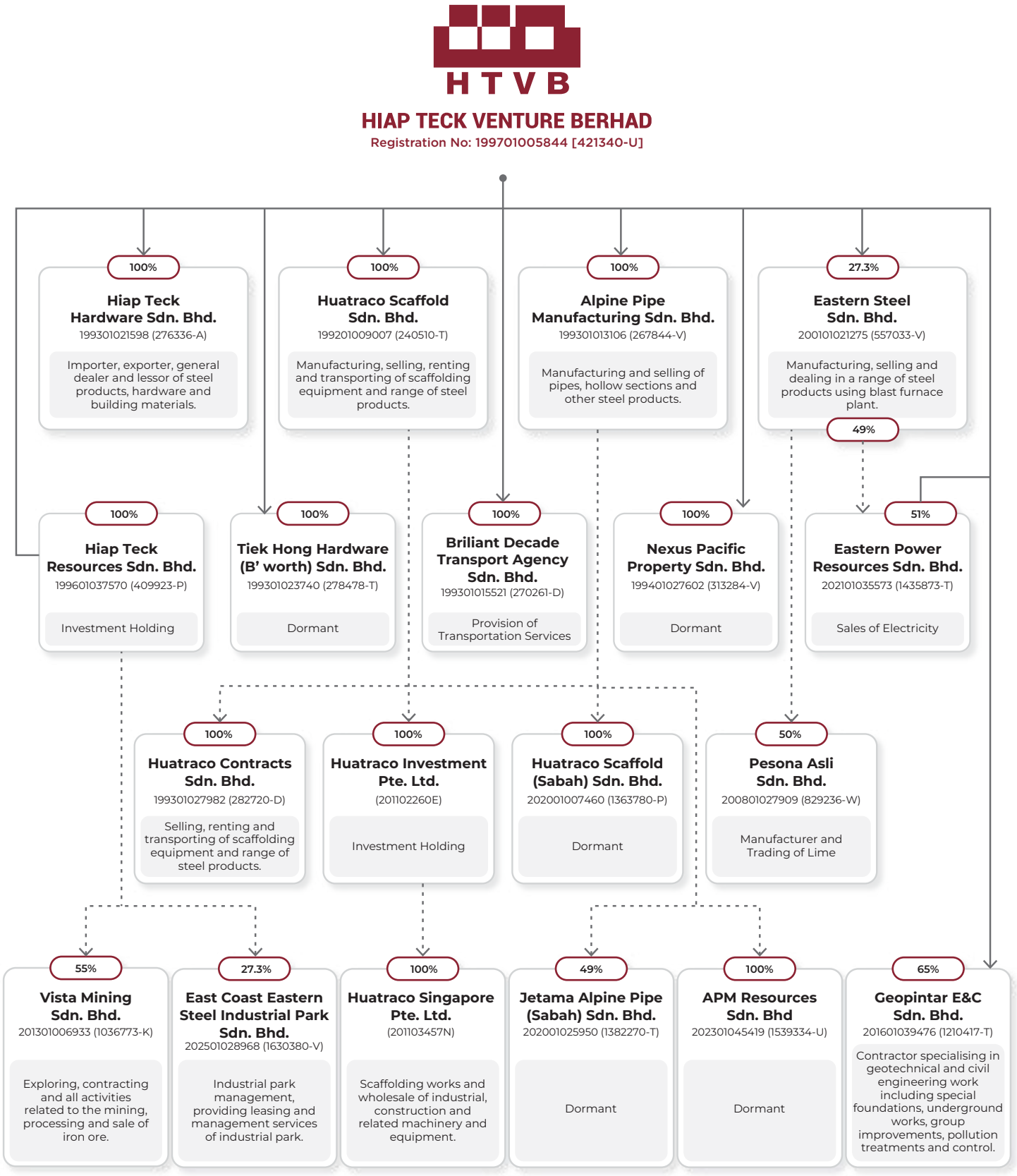
M3 Total customer satisfaction

M4 Enhancement of existing core business to position for growth

M5 One stop steel centre

M6 Continuously develop human asset

CORPORATE STRUCTURE



CORPORATE INFORMATION

BOARD OF DIRECTORS

CHAIRMAN/INDEPENDENT NON-EXECUTIVE DIRECTOR
Tan Sri Dato' Sri Mohamad Fuzi Bin Harun

EXECUTIVE DEPUTY CHAIRMAN
Tan Sri Dato' Seri Law Tien Seng

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR
Mr. Sherman Lam Yuen Suen

INDEPENDENT NON-EXECUTIVE DIRECTORS
- Mr. Chen Thien Yin
- Dato' Ooi Lay See

EXECUTIVE DIRECTORS
- Mr. Foo Kok Siew
- Mr. Law Wai Cheong
- Mr. Law Wai Ho
- Mr. Tan Shau Ming *(retired on 31st July 2026)*

AUDIT COMMITTEE

CHAIRMAN
Mr. Sherman Lam Yuen Suen

MEMBERS
- Mr. Chen Thien Yin
- Dato' Ooi Lay See

NOMINATION & REMUNERATION COMMITTEE

CHAIRPERSON
Dato' Ooi Lay See

MEMBERS
- Mr. Sherman Lam Yuen Suen
- Mr. Chen Thien Yin

SUSTAINABILITY & RISK MANAGEMENT COMMITTEE

CHAIRMAN
Mr. Chen Thien Yin

MEMBERS
- Mr. Sherman Lam Yuen Suen
- Dato' Ooi Lay See
- Mr. Foo Kok Siew

COMPANY SECRETARY

Ng Yim Kong (MACS 00305)
(SSM PC No. 20208000309)

c/o Strategy Corporate Secretariat Sdn. Bhd.
Unit 07-02, Level 7, Persoft Tower 6B, Persiaran Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia
Tel No.: (6)03-7804 5929
Fax No.: (6)03-7805 2559

REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
199601006647 (378993-D)

11th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
Tel No.: (6)03-7890 4700
Fax No.: (6)03-7890 4670

EXTERNAL AUDITORS

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Level 10, KPMG Tower 8, First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

HEAD OFFICE & REGISTERED OFFICE

Lot 6096, Jalan Haji Abdul Manan Batu 5½, Off Jalan Meru 41050 Klang Selangor Darul Ehsan, Malaysia.
Tel No.: (6)03-3377 8888
Fax No.: (6)03-3392 9198
Website: www.htgrp.com.my

PRINCIPAL BANKERS

- AmBank (M) Berhad
- AmBank Islamic Berhad
- Alliance Bank Malaysia Berhad
- Malayan Banking Berhad
- Maybank Islamic Berhad
- HSBC Bank Malaysia Berhad
- Hong Leong Bank Berhad
- Al Rajhi Banking & Investment Corporation (Malaysia) Bhd
- Bank of China (Malaysia) Berhad

STOCK EXCHANGE

Bursa Malaysia Securities Berhad (Main Market)
Stock code: 5072

DIRECTORS' PROFILE

TAN SRI DATO' SRI MOHAMAD FUZI BIN HARUN

Chairman/Independent Non-Executive Director | Malaysian, Age 67

Tan Sri Dato' Sri Mohamad Fuzi Bin Harun was appointed to the Board of the Company as Chairman and Independent Non-Executive Director on 22 March 2023.

Tan Sri Dato' Sri Mohamad Fuzi is a retired Inspector-General of the Royal Malaysia Police (IGP) who had served the Police Force for 35 years.

Tan Sri Dato' Sri Mohamad Fuzi graduated with a Bachelor of Arts (Honours) degree from Universiti Malaya in 1983, obtained his Master in Anthropology and Sociology from Universiti Kebangsaan Malaysia in 1991 and completed the Advance Management and Leadership Programme from the SAID Business School at Oxford University, UK in 2014.

Tan Sri Dato' Sri Mohamad Fuzi joined the Royal Malaysia Police in 1984. After completion of the basic police training, he was attached to the Special Branch Department from 1986 to 2014 and served in various capacities, including Deputy Director of the Special Branch and Director of Special Task Force on operation and counter terrorism. He had also served as the Director of the Management Department for more than a year and was subsequently promoted as the Director of the Special Branch in July 2015.

In September 2017, he was further promoted as the IGP, the highest ranking position in the Royal Malaysia Police, until his retirement in May 2019.

Currently, Tan Sri Dato' Sri Mohamad Fuzi is the Chairman and Independent Non-Executive Director of Jaya Tiasa Holdings Berhad, Tropicana Corporation Berhad and Taghill Holdings Berhad and an Independent Non-Executive Director of Ancom Nylex Berhad. Tan Sri Dato' Sri Mohamad Fuzi also holds directorships in several private limited companies.

Tan Sri Dato' Sri Mohamad Fuzi has no family relationship with any Directors and/or Major Shareholders of the Company. He has no conviction for any offence over the past ten years.

He has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2026.

TAN SRI DATO' SERI LAW TIEN SENG

Executive Deputy Chairman | Malaysian, Age 73

Tan Sri Dato' Seri Law Tien Seng was appointed to our Board as the Deputy Chairman and Non-Independent Non-Executive Director on 1 June 2010. He was re-designated as Executive Deputy Chairman on 3 August 2011.

Tan Sri Dato' Seri Law is an entrepreneur and he founded the TS Law Group more than 30 years ago. The TS Law Group is engaged in a diversified portfolio of businesses encompassing steel production and distribution, mining, property development and investments in Malaysia, China, Australia and the United Kingdom. He currently serves on the board of several private limited companies in Malaysia.

Tan Sri Dato' Seri Law is the father of Mr. Law Wai Cheong and Mr. Law Wai Ho, the Executive Directors of HTVB. He is deemed to have interest in HTVB via his indirect interest in TS Law Investments Limited, a major shareholder of HTVB. He has no conviction for any offence over the past ten years.

He has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2026.

SHERMAN LAM YUEN SUEN

Senior Independent Non-Executive Director | Malaysian, Age 53

- **Chairman of the Audit Committee**
- **Member of the Nomination and Remuneration Committee**
- **Member of the Sustainability and Risk Management Committee**

Mr. Sherman Lam Yuen Suen was appointed to the Board of the Company as Independent Non-Executive Director on 21 December 2020 and redesignated as Senior Independent Non-Executive Director on 15 December 2023.

Mr. Lam holds a Master's degree in Business Administration (Finance) from Charles Sturt University, Australia and he completed the ESG and Sustainable Financial Strategy program by Said Business School, Oxford University, UK. He is a Chartered Accountant of the Malaysian Institute of Accountants, a Fellow of the Chartered Institute of Management Accountants, United Kingdom, a Fellow of CPA Australia, a Chartered Member of the Institute of Internal Auditors of Malaysia, an ASEAN CPA, a Fellow Member of the Institute of Corporate Directors Malaysia and a CFP™ Certified Member of the Financial Planning Association, Malaysia.

Mr. Lam started his career with Fulton Prebon (M) Sdn. Bhd., a financial services subsidiary of Seacorp (a PNB company) in 1995. He then joined Utama Merchant Bank Berhad, (an investment bank jointly owned by Utama Banking Group Berhad and HSBC Investment Bank Asia Ltd) in 1997, eventually taking on the role of Chief Dealer and Treasury Manager. Thereafter in mid-2000, he joined Nikkei Pacific Corporate Advisors, then a leading regional corporate finance advisory firm as an Associate Director where he advised on several large corporate restructuring and capital raising exercises in Indonesia and Malaysia.

From 2002 till 2023, Mr. Lam was the Managing Director of Cirrus Ventures group, a regional principal investments and corporate strategic consulting services firm. He has more than 25 years of demonstrated, broad-based senior management experience in corporate advisory, treasury management, capital markets, corporate finance and investments with financial institutions as well as corporate board experience in listed public and privately held entities in Malaysia, Singapore, Indonesia and China. Mr. Lam is also the current Vice-President of the China-ASEAN (Malaysia) Entrepreneurs Association.

Mr. Lam currently serves as an Senior Independent Non-Executive Director on the Board of Directors of Gadang Holdings Berhad. He has previously served on the Board of Directors of Bintai Kinden Corporation Berhad from 2010 to 2013 and Asian Pac Holdings Berhad from 2019 to 2023, as an Independent Non-Executive Director.

Mr. Lam has no family relationship with any Directors and/or Major Shareholders of the Company. He has no conviction for any offence over the past ten years.

He has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2026.





DIRECTORS' PROFILE (Cont'd)

CHEN THIEN YIN

Independent Non-Executive Director | Malaysian, Age 59

- **Chairman of the Sustainability and Risk Management Committee**
- **Member of the Audit Committee**
- **Member of the Nomination and Remuneration Committee**

Mr. Chen Thien Yin was appointed to the Board of the Company as Independent Non-Executive Director on 3 January 2023.

Mr. Chen holds a Degree in Finance and Management Information Systems from Syracuse University, USA. He is a seasoned banking professional with more than 30 years' experience. Having held senior C-Suite positions in Hong Leong Bank, Standard Chartered, Royal Bank of Scotland, JP Morgan and Al Rajhi Bank Malaysia in Malaysia, Singapore and Vietnam, he has a proven track record of working in diverse cultures and geographies.

Mr. Chen has well rounded experiences in Strategic Planning, Risk Management (compliance, credit, market and operational), Client Engagement, Financial Products and Banking Operations in both Conventional and Islamic Banking Institutions.

In addition to Hiap Teck Venture Berhad, Mr. Chen also currently serves as an Independent Non-Executive Director and Chairman of the Board Audit Committee on the Board of Directors of Bank of China (Malaysia) Berhad.

Mr. Chen has no family relationship with any Directors and/or Major Shareholders of the Company. He has no conviction for any offence over the past ten years.

He has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2026.





DATO' OOI LAY SEE

Independent Non-Executive Director | Malaysian, Age 66

- **Chairperson of the Nomination and Remuneration Committee**
- **Member of Audit Committee**
- **Member of Sustainability and Risk Management Committee**

Dato' Ooi Lay See ("Dato' Daisy Ooi") was appointed to the Board of the Company as Independent Non-Executive Director on 1 June 2023.

Dato' Daisy Ooi has more than 30 years of hands-on experience in the property development, construction and property investment and management industry in Malaysia. Throughout her 30 years career she has served as Executive Director and Managing Director in various companies in the property development, construction and property investment and management industry in Malaysia including a public company formerly listed on Bursa Malaysia. Dato' Daisy Ooi was also the CEO at Law Developments Sdn. Bhd. from June 2015 to June 2020.

She has spearheaded various areas of the property development, construction and property investment and management industry ranging from business planning, management and strategies, sales and marketing both domestically and in international markets, technical and regulatory compliance and governmental affairs contributing to the overall success of the various companies that she had positions in.

Dato' Daisy Ooi attended the General Management Programme by the Wharton School, University of Pennsylvania at the Singapore Management University in 2001.

Dato' Daisy Ooi was also an active participant in several industry organisations to advocate and promote the overall interests of the property development, construction and property investment and management industry especially in the northern state of Penang. She served as the President of FIABCI Malaysia Chapter, Penang branch from 2010 to 2012 and was subsequently re-elected to serve a second term from 2012 to 2014. She was also a Committee Member of REHDA Penang Branch. In addition, Dato' Daisy Ooi also served as an active Member of Industry Advisory Panel of Taylors College, School of Pre-University Studies from 2018 to 2020. Since 2014 she has been an active member of the Selections Committee of the Penang Future Foundation which manages the Penang State Governments scholarship program for deserving students.

Dato' Daisy Ooi has no family relationship with any Directors and/or Major Shareholders of the Company. She has no conviction for any offence over the past ten years.

She has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2026.

DIRECTORS' PROFILE (Cont'd)

FOO KOK SIEW

Executive Director | Malaysian, Age 65

- **Member of the Sustainability and Risk Management Committee**

Mr. Foo Kok Siew was appointed to our Board as Independent Non-Executive Director on 24 February 2010. He was re-designated as Executive Director on 1 January 2013.

Mr. Foo holds a Bachelor of Economics Degree from Monash University, Melbourne. He started his career at the Chase Manhattan Bank, Kuala Lumpur in 1985 and since then, he has held senior positions with various corporations including Carr Indosuez Asia Limited, Hong Kong, Insas Berhad, HLG Capital Berhad and Kejora Harta Berhad. He was the Chief Executive Director of Alliance Investment Bank Berhad (2004 to 2006). He also sits on the board of several other private limited companies.

Mr. Foo has no family relationship with any Directors and/or Major Shareholders of the Company. He has no conviction for any offence over the past ten years.

He has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2026.

LAW WAI CHEONG

Executive Director | Malaysian, Age 40

Mr. Law Wai Cheong was appointed as Executive Director of HTVB on 3 January 2017.

Mr. Law holds a LLB (Hons) Cardiff, United Kingdom; Barrister-at-law, Lincoln's Inn; and Msc in Management (Merit) London, United Kingdom. Mr. Law started his career with Hong Leong Investment Bank Berhad (HLIB). While in HLIB, he focused on areas of corporate finance and corporate advisory. Subsequently, Mr. Law chambered at the Law Office of KK Chong for 9 months.

Mr. Law is a Director of TS Law Group, a diversified group of companies engaged in steel production, mining and property development and investments in Malaysia, China, Australia and the United Kingdom.

Mr. Law is the son of Tan Sri Dato' Seri Law Tien Seng, a major shareholder and the Executive Deputy Chairman of HTVB and the sibling of Mr. Law Wai Ho, the Executive Director of HTVB. He has no conviction for any offence over the past ten years.

He has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2026.

DIRECTORS' PROFILE (Cont'd)

LAW WAI HO

Executive Director | Malaysian, Age 30

Mr. Law Wai Ho was appointed as the Group's Deputy Chief Operating Officer in August 2022. He was re-designated as Executive Director on 28 March 2025.

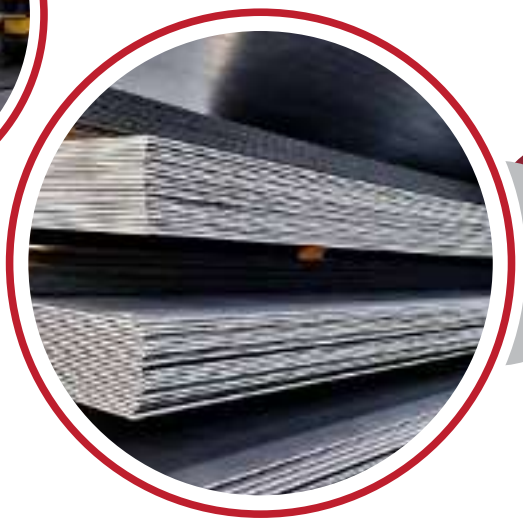
Mr. Law holds a master Degree in Civil and Environmental Engineering from Imperial College London, United Kingdom, graduating with First Class Honours in 2019. With an exceptional education background relevant to the Group's business, Mr. Law began his career in July 2020 as Business Development Director of Huatraco Scaffold Sdn. Bhd. ("Huatraco"), where he was responsible for developing and implementing strategies to drive Huatraco's growth. In January 2022, he was appointed as Head of Huatraco, leading and overseeing the company's operations.

In August 2022, Mr. Law was promoted to Group Deputy Chief Operating Officer, supporting the Group Chief Operating Officer in managing the Group's day-to-day operations, including business development, sales, collections, procurement, production, and investments. Mr. Law also serves as a Non-Executive Director on the Board of GWR Group Limited, an Australian Securities Exchange (ASX)-listed company.

Mr. Law is the son of Tan Sri Dato' Seri Law Tien Seng, Executive Deputy Chairman and major shareholder of Hiap Teck Venture Berhad ("HTVB"), and the sibling of Mr. Law Wai Cheong, Executive Director of HTVB. He has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2026.







KEY MANAGEMENT PROFILE

PHANG CHIN KHIONG

Group Chief Operating Officer ("COO") | Malaysian, Age 57

Mr. Phang Chin Khiong was appointed as the Group's COO in August 2017. Prior to that, Mr. Phang was the Chief Commercial Officer of Alpine Pipe Manufacturing Sdn. Bhd., Hiap Teck Hardware Sdn. Bhd. and Huatraco Scaffold Sdn. Bhd.

Mr. Phang was with Wing Tiek Steel Pipes Sdn. Bhd. as Assistant Sales Manager before he left to pursue a career in the steel industry with Alpine Pipe Manufacturing Sdn. Bhd. He was appointed as Executive Director of HTVB in June 2007, after serving the Board for more than 2 years he then resigned from his Director position in August 2009 to fully focus on his sales and marketing role. With more than 30 years of experience in the industry, he has accumulated invaluable experience and knowledge in the sales and marketing of iron and steel products.

He has no family relationship with any Directors and/or Major Shareholders of the Company. He has no conviction for any offence over the past ten years.

HOO WENG KEONG, RAYMOND

Group Chief Financial Officer ("CFO") | Malaysian, Age 58

Mr. Hoo Weng Keong was appointed Director of Finance on 15 October 2021 and re-designated as Group Chief Financial Officer in January 2022.

He holds a Bachelor's Degree in Accounting from the University of Malaya, Malaysia, and is a member of both the Malaysian Institute of Accountants (MIA) and the Malaysian Institute of Certified Public Accountants (MICPA).

Mr. Hoo began his career with the Lion Group in 1993, where he served in various capacities across its listed subsidiaries in manufacturing, trading, and property development. In 1997, he joined a listed industrial electrical products company as Senior Accountant, overseeing the finance function of multiple subsidiaries.

In 1998, he joined Metrod Holdings Berhad, a listed manufacturer and trader of copper products, where he rose to the position of Senior General Manager – Finance.

With more than 30 years of professional experience, Mr. Hoo has extensive expertise in corporate and financial management, including accounting, finance, auditing, taxation, treasury, supply chain management, and management information systems (MIS) reporting.

He has no family relationship with any Director and/or Major Shareholder of the Company. He has no conviction for any offence over the past ten years.

CHAIRMAN'S STATEMENT



Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Financial Statements of Hiap Teck Venture Berhad ("HTVB" or the "Group") for the financial year ended 31 July 2026.

The financial year under review continued to present challenges, with geopolitical tensions, changes in global trade policies, supply chain uncertainties and fluctuations in steel prices affecting the business environment. Despite these challenges, the Group remained focused on strengthening its operations, managing costs prudently and maintaining a sound financial position.

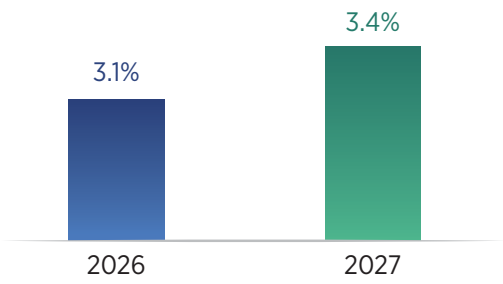
GLOBAL ECONOMIC AND STEEL INDUSTRY OUTLOOK

The global economy has remained resilient, but the outlook continues to be affected by geopolitical tensions, the prolonged conflict in the Middle East, higher energy costs and uncertainty in global trade. In its October 2026 outlook, the International Monetary Fund projects global growth of 3.1% in 2026 and 3.4% in 2027, while cautioning that the risks remain tilted to the downside. These conditions may continue to affect demand, costs and business confidence.

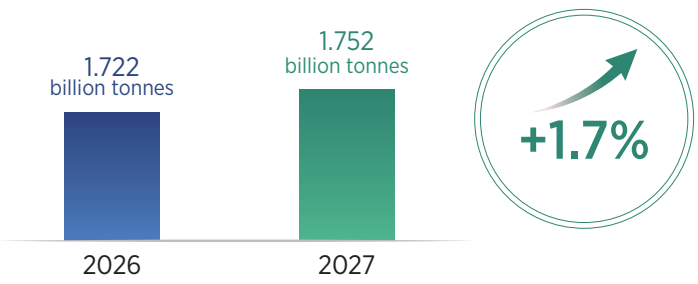
The outlook for the steel industry has weakened compared with earlier expectations. In its latest Short Range Outlook issued on 12 October 2026, the World Steel Association expects global steel demand to remain broadly unchanged at 1.722 billion tonnes in 2026, before increasing by 1.7% to 1.752 billion tonnes in 2027. The revision mainly reflects a sharper contraction in demand in China, where weakness in property and infrastructure activity continues to weigh on consumption. Demand outside China is expected to be more resilient, supported by infrastructure, industrial investment and the energy transition. However, excess capacity, competitive exports, trade measures and continuing geopolitical and energy-market disruptions remain important risks.

These conditions require steel industry players to remain disciplined in managing production, costs and working capital, while responding carefully to changes in market demand and pricing.

Global Growth



Global Steel Demand



MALAYSIA ECONOMY AND STEEL INDUSTRY

Malaysia's economy has continued to perform well despite external uncertainties. GDP grew by 6.0% in the second quarter of 2026, bringing first-half growth to 5.7%. In Budget 2027, the Government projected growth of 4.8% to 5.3% for 2026 and 4.2% to 5.2% for 2027. The outlook is supported by domestic demand, investment and exports, including activity linked to technology and higher-value industries, although external shocks and higher energy costs remain risks.

The domestic steel industry, however, continues to face challenges arising from global overcapacity, competitive imports and volatility in steel prices. The Government's Steel Industry Roadmap 2035 ("SIR2035") provides a longer-term framework to strengthen the competitiveness and sustainability of the Malaysian steel industry. Budget 2027's continued focus on infrastructure, industrial development and productivity may support steel demand over time, although the benefit to the industry will depend on the timing and implementation of projects.

The industry is also facing increasing expectations in relation to environmental performance and carbon emissions. Budget 2027 announced that green and sustainable technology tax incentives will be enhanced and extended until 31 December 2030, including investment tax allowances for qualifying green technology projects and assets. These measures may provide opportunities for eligible investments in energy efficiency and decarbonisation, subject to the detailed conditions. The Government has separately indicated that its proposed carbon tax will initially focus on the iron, steel and energy sectors; the framework and implementation details remain to be finalised.

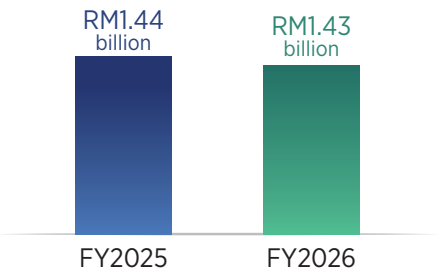
The Group will continue to monitor these developments and assess the relevance of the announced measures to its operations and planned investments.

GROUP PERFORMANCE

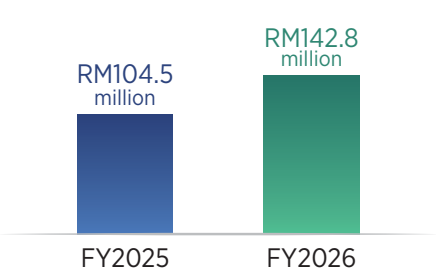
Despite the challenging operating environment, the Group achieved an improved financial performance in FY2026. Revenue was RM1.43 billion, compared with RM1.44 billion in the preceding financial year. Consolidated profit before tax increased to RM142.8 million, from RM104.5 million in FY2025. The improvement in profit before tax was supported by the Group's performance and, in particular, the significant contribution from its equity-accounted joint venture entity, Eastern Steel Sdn. Bhd. ("ESSB").

The Group will continue to maintain a prudent approach towards costs, working capital and capital allocation, while strengthening its financial position.

Revenue



Consolidated Profit Before Tax



EASTERN STEEL

Our joint venture, Eastern Steel Sdn. Bhd. ("ESSB"), continued to make progress during the year. The 1,450mm hot rolled coil ("HRC") production line, which commenced production in January 2025, continued to improve its utilisation and operating efficiency during FY2026. The operation has broadened ESSB's product range and strengthened its ability to serve domestic customers and global export markets.

The Group will continue to monitor ESSB's performance closely and support its efforts to improve operational efficiency, product quality and market reach.

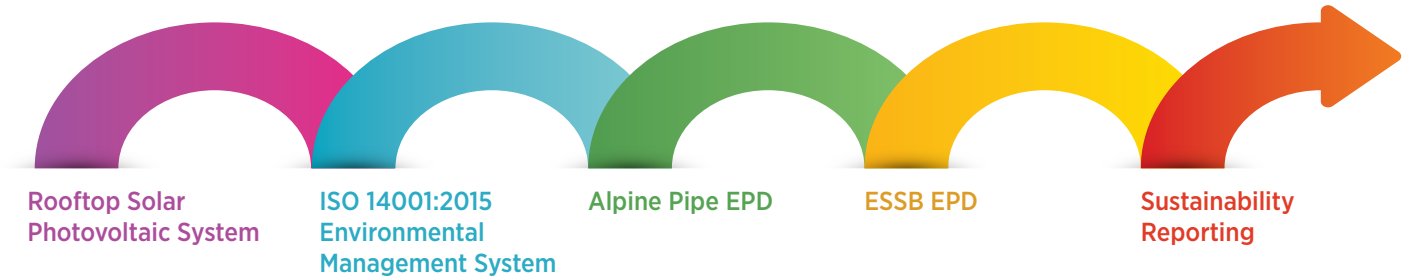
SUSTAINABILITY

Sustainability remains an important part of the Group's long-term development. During the year, the Group continued to take practical measures to improve energy efficiency, manage its environmental impact and comply with applicable environmental requirements and standards.

The Group's rooftop solar photovoltaic system, which was fully energised in March 2025, continues to support our efforts to improve energy efficiency and reduce our reliance on conventional electricity sources. The Group also continues to strengthen its environmental management practices, including through the implementation of ISO 14001:2015 Environmental Management Systems at our manufacturing operations.

We have also made further progress in strengthening the environmental credentials of our products. Alpine Pipe Manufacturing Sdn. Bhd. ("Alpine Pipe") obtained an Environmental Product Declaration ("EPD") under the International EPD System for its Electric Resistance Welded (ERW) tubular products and Spiral Submerged-Arc Welding (SSAW) steel pipes. The EPD provides independently verified information on the environmental impacts of these products based on life-cycle assessment.

ESSB has likewise strengthened the environmental credentials of its products. During the year, ESSB obtained an EPD for its Hot Rolled Coil, registered under EPDItaly on 26 March 2026. The declaration is independently verified and provides environmental information on the product based on recognised international standards.



These initiatives are part of the Group's efforts to improve environmental performance and prepare our businesses for the increasing importance of carbon and sustainability considerations in the steel industry. The Group is progressively strengthening its sustainability data, governance and reporting processes in preparation for the phased implementation of Malaysia's National Sustainability Reporting Framework ("NSRF"). The NSRF adopts IFRS S1 and IFRS S2, issued by the International Sustainability Standards Board ("ISSB"), as the baseline sustainability disclosure standards in Malaysia, with implementation requirements phased according to the applicable category of entities.

We will continue to enhance our environmental management practices, improve energy efficiency and strengthen our readiness to meet evolving regulatory and market expectations.

PROSPECTS

Looking ahead, the global steel market is expected to remain challenging amid excess capacity, competitive imports, price volatility and geopolitical uncertainties. While Malaysia's economic growth and continued infrastructure and industrial investment should provide some support for domestic steel demand, the overall market outlook remains uncertain.

Budget 2027 and the Government's ongoing sustainability initiatives may present opportunities for the Group, while the anticipated introduction of a carbon tax will require closer attention to energy efficiency and emissions management. The Group will continue to focus on operational efficiency, prudent cost and working capital management, and disciplined capital allocation, while remaining responsive to changes in market conditions and regulatory requirements.

APPRECIATION

On behalf of the Board, I would like to express my sincere appreciation to our management and employees for their dedication and hard work throughout the year.

I would also like to thank our customers, suppliers, financiers, business partners, regulators and shareholders for their continued support and confidence in the Group.

I would also like to record our appreciation to Mr. Tan Shau Ming, who retired as Executive Director on 31 July 2026. Mr. Tan has served the Group for more than a decade, having joined Alpine Pipe Manufacturing Sdn. Bhd. in 2012 and subsequently serving as an Executive Director of the Group. We thank him for his dedication, commitment and valuable contribution to the Group over the years, particularly in our manufacturing operations. We wish him good health, happiness and every success in the years ahead.

The Board remains committed to guiding HTVB with prudence, integrity and accountability, while continuing to create sustainable long-term value for our shareholders and stakeholders.

TAN SRI DATO' SRI MOHAMAD FUZI BIN HARUN
Chairman
03 November 2026

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF GROUP'S BUSINESS AND OPERATIONS

Hiap Teck Venture Berhad ("HTVB" or "the Company") is an investment holding company with core activities in property holdings and the provision of management services to its subsidiaries. Together with its subsidiaries ("the Group"), HTVB is one of Malaysia's leading integrated steel players, with over 30 years of experience in the manufacturing and trading of pipes, hollow sections, scaffolding equipment, and a wide range of steel products. The Group's main operations, located on approximately 74 acres of land in Meru, Selangor, benefit from proximity to Port Klang, providing strong logistical advantages.

A key strategic pillar is the Group's 27.3% equity interest in Eastern Steel Sdn. Bhd. ("ESSB"), which operates a fully integrated steel plant in Kemaman, Terengganu. ESSB has expanded its annual production capacity to 2.7 million MT with the commissioning of a new 1,380 m^3 blast furnace in October 2023. Supporting facilities, including 155 MW power plants, an 800,000 MT coke oven, and an 8 km conveyor system linking Kemaman Port to its stockyard, have further enhanced efficiency and cost competitiveness.

In January 2025, ESSB completed and commissioned its 1,450 mm Hot Roll Coil Mill ("HRCM"), broadening its product range and strengthening Malaysia's domestic supply of hot rolled coils while reducing reliance on imports. The facility also enhances ESSB's ability to serve downstream customers and global export markets.

PERFORMANCE REVIEW BY SEGMENT

The Group operated in a challenging business environment during the financial year, characterised by volatile steel prices, intense competition and uncertainty in global trade conditions. Exchange rate movements and domestic cost pressures also continued to affect market sentiment and input costs. In addition, changes in trade policies and tariffs in major markets contributed to greater volatility in regional steel trade flows. Against this backdrop, the Group recorded revenue of RM1.43 billion (FY2025: RM1.44 billion), with the marginal decline mainly attributable to softer average selling prices.

Profit before tax (PBT) increased by 37% to RM142.75 million (FY2025: RM104.53 million). The improvement was supported by the Group's operating performance and, in particular, the significant contribution from its equity-accounted joint venture entities, mainly ESSB.

The Group's joint venture, ESSB, remained the principal earnings contributor. The commissioning of the 1,380 m^3 blast furnace in October 2023 and the 1,450 mm HRCM in January 2025 expanded ESSB's annual production capacity to 2.7 million MT and broadened its product mix. During FY2026, the HRC production line continued to improve its utilisation and operating efficiency, strengthening ESSB's ability to serve domestic and global export customers. ESSB contributed profit of RM120.43 million to the Group (FY2025: RM138.39 million) during the year.

The Group's financial position remained resilient. Inventories declined to RM392.50 million (FY2025: RM400.16 million), while receivables reduced to RM241.10 million (FY2025: RM293.24 million), reflecting disciplined working capital management and continued focus on collections. Net borrowings, after deducting cash, fell to RM333.70 million (FY2025: RM390.19 million), supported by improved cash flow management and tighter working capital discipline. Consequently, the Group's net gearing ratio improved to 0.21x (FY2025: 0.26x). Cash and short-term deposits increased to RM106.24 million (FY2025: RM94.97 million) as at end-FY2026, underscoring the Group's prudent financial management.

MANUFACTURING AND SCAFFOLDING SEGMENT

The Manufacturing and Scaffolding segment comprises the production and distribution of steel pipes, hollow sections, scaffolding equipment and accessories, as well as other steel products. The Group's pipe manufacturing arm, Alpine Pipe Manufacturing Sdn. Bhd. ("Alpine"), is Malaysia's largest producer of structural pipes and hollow sections. With certifications such as BS EN, MS EN, SPAN, JIS, and AS, Alpine maintains a strong competitive position across diverse industries and infrastructure projects. Meanwhile, Huatraco Scaffold Sdn. Bhd. ("Huatraco") has been a trusted player in the scaffolding industry for nearly three decades and was the first company in Malaysia to achieve the MS1462 certification, underscoring the quality and reliability of its products. Today, Huatraco is widely recognised as a leading provider of scaffolding solutions in both domestic and regional markets.

For the financial year under review, the Manufacturing and Scaffolding segment recorded revenue of RM662.75 million (FY2025: RM717.83 million) and segment profit of RM28.91 million (FY2025: RM5.94 million). Despite lower revenue amid softer average selling prices and sales volumes, segment profitability improved significantly, mainly supported by improved production efficiency, better cost management and operational initiatives. The scaffolding equipment rental business continued to provide a stable contribution, supported by ongoing construction and infrastructure activities, including large-scale projects and private sector investments in industrial facilities, warehouses and data centres.

The Group remains focused on enhancing operational efficiency, product quality and procurement effectiveness. It continues to pursue targeted investments in technology, automation and process improvements to enhance productivity and cost competitiveness. Clear Key Performance Indicators (KPIs) and incentive frameworks remain in place to support efficiency and sustainable cost savings. Looking ahead, the Group will continue to strengthen its market position by optimising its product mix, broadening its customer base and selectively expanding its footprint in Southeast Asia and other international markets, while maintaining a measured approach to capital allocation.

TRADING SEGMENT

The Group's trading business remains an established part of its integrated steel operations, undertaking the import and distribution of a broad range of steelmaking raw materials and related commodities, as well as the trading of locally sourced steel products. These activities complement the Group's manufacturing operations and enable the Group to respond flexibly to the requirements of its customers and the broader steel industry.

For FY2026, the Trading segment recorded revenue of RM749.88 million, a 3% improvement from RM728.85 million in FY2025, mainly driven by higher sales volumes. The segment reported a loss of RM15.82 million, significantly improved from the loss of RM46.59 million in FY2025. The improvement reflected higher sales volumes and a more selective trading approach, including greater focus on faster-moving products with lower storage requirements, together with tighter control over inventory holdings. Nevertheless, margins remained under pressure amid persistent steel price volatility, intense competition and challenging regional market conditions. The Group will continue to prioritise trading opportunities with appropriate risk-return profiles while maintaining prudent inventory and working capital management.

PROPERTY AND INVESTMENT SEGMENT

The Property and Investment segment supports the Group's wholly-owned subsidiaries by providing factory buildings, warehouses, offices and land. For the financial year under review, the segment recorded a profit of RM5.97 million, compared to RM2.31 million in the previous year. The improvement was mainly attributable to higher rental rates and better utilisation of the Group's property assets.

TRANSPORTATION SEGMENT

The Transportation segment remains an integral part of the Group's operations, supporting internal logistics with reliable and timely deliveries of raw materials and finished goods. During FY2026, the segment continued to enhance operational efficiency through better delivery scheduling, route planning and tighter cost management, helping to maintain service levels while containing logistics costs.

During the year, the Group continued to maintain and upgrade its transportation fleet, including the use of Euro 5-compliant trucks to replace older units. These initiatives improve reliability and delivery performance while supporting the Group's efforts to adopt cleaner and more fuel-efficient vehicles. The continued eligibility for diesel subsidies under the Fleet Card System also supports cost stability and operational competitiveness.

MINING EXPLORATION SEGMENT

The mining exploration segment, established in May 2018, undertakes iron ore exploration, contracting, processing and sales, primarily to support ESSB's operations. In FY2026, the segment generated revenue of RM2.34 million, representing a 23% decline from RM3.03 million in FY2025, largely attributable to lower production volume. Segment profit consequently decreased to RM1.44 million from RM1.93 million in the preceding year, reflecting the impact of reduced output.

SELLING OF ELECTRICITY SEGMENT

In October 2021, Eastern Power Resources Sdn. Bhd. ("EPR") was incorporated as a 51%-owned subsidiary of HTVB, with the remaining 49% held by ESSB, to undertake the sale of electricity. In FY2026, EPR sold 101,926 megawatt-hours ("MWh") of electricity to the national grid, generating revenue of RM21.50 million. This was lower than the 135,165 MWh sold in FY2025, when revenue was RM27.73 million. Correspondingly, segment profit declined to RM2.01 million in FY2026 from RM2.64 million in the previous year, mainly reflecting the lower volume of electricity sold.

EASTERN STEEL SDN. BHD.

For the financial year under review, ESSB's revenue rose slightly to RM5.58 billion, compared to RM5.47 billion in the previous year. The increase was supported by higher sales volumes following the full ramp-up of the 1,380 m^3 blast furnace commissioned in October 2023, which expanded annual production capacity to 2.7 million MT. While softer steel prices continued to present headwinds, ESSB maintained strong market acceptance across domestic and international markets. Malaysia and Southeast Asia remain net importers of steel products, providing a supportive underlying market for ESSB's products.

During FY2026, ESSB continued to operate at a high level of utilisation and maintained strong sales performance following the ramp-up of its expanded steelmaking capacity. The 1,450 mm hot rolled coils ("HRC") Mill, commissioned in January 2025, further broadened ESSB's product mix and enabled greater downstream processing of slabs into HRC. The availability of locally produced HRC strengthens Malaysia's domestic supply chain, reduces reliance on imports and enhances ESSB's ability to serve downstream customers. ESSB also continued to serve a diversified export market across Asia and other international markets.

As at the end of FY2026, ESSB's shareholders' funds stood at RM3.92 billion, while bank borrowings totalled RM3.24 billion. These borrowings primarily comprise term loans for capital expenditure, alongside short-term trade facilities to support working capital needs.

ESSB's expanded capacity, broader product mix and increasing contribution from HRC production strengthen its position to capture opportunities in both domestic and export markets. Together with its joint venture partner, Beijing Jianlong Group, the Group remains focused on enhancing ESSB's operational efficiency, maintaining high product quality and aligning its operations with evolving global standards.

MARKET REVIEW

The global steel market outlook remains subdued. In its October 2026 Short Range Outlook, the World Steel Association expects global steel demand to remain broadly unchanged at 1.722 billion metric tonnes ("MT") in 2026, before increasing by 1.7% to 1.752 billion MT in 2027. The outlook has weakened compared with earlier expectations, mainly reflecting a sharper contraction in demand in China amid continued weakness in property and infrastructure activity. Demand outside China is expected to be more resilient, supported by infrastructure, industrial investment and the energy transition. However, excess capacity, competitive exports, trade measures and geopolitical and energy-market disruptions remain significant risks.

The global economic environment remains exposed to geopolitical tensions, the prolonged conflict in the Middle East, higher energy costs and uncertainty in trade policies. These factors, together with persistent global steel overcapacity and volatile prices, may disrupt established trade flows and intensify competition in regional markets. Steel producers and downstream businesses will need to remain disciplined in managing production, costs and working capital while responding to changes in demand and pricing.

In Malaysia, economic activity has remained resilient, with GDP growing by 6.0% in the second quarter of 2026 and first-half growth reaching 5.7%. In Budget 2027, the Government projected economic growth of 4.8% to 5.3% for 2026 and 4.2% to 5.2% for 2027. Domestic demand, investment and exports, including activity linked to technology and higher-value industries, are expected to provide support. Continued infrastructure, industrial and technology-related investment may create opportunities for the Group's manufacturing, scaffolding and trading businesses, although the timing and implementation of projects, competitive imports and steel price volatility will influence the extent of the benefit.

The Government's Steel Industry Roadmap 2035 ("SIR2035") continues to provide a longer-term framework for strengthening the competitiveness and sustainability of Malaysia's steel industry. Budget 2027 also announced the enhancement and extension of green and sustainable technology tax incentives until 31 December 2030, including investment tax allowances for qualifying green technology projects and assets, subject to the applicable conditions. Separately, the Government has indicated that the proposed carbon tax will initially focus on the iron, steel and energy sectors, although the framework and implementation details remain to be finalised. These developments reinforce the importance of energy efficiency, emissions management and readiness for evolving regulatory and customer requirements.

BUSINESS OUTLOOK

Malaysia's economy is expected to remain supported by domestic demand, investment activity and infrastructure development, although external uncertainties, geopolitical tensions, higher energy costs and volatility in commodity and foreign exchange markets may continue to affect business conditions. The Group will maintain its focus on operational efficiency, prudent cost and working capital management, and disciplined capital allocation while responding selectively to market opportunities.

ESSB is positioned to benefit from its expanded annual capacity of 2.7 million MT and broader product mix following the commissioning of its 1,450 mm Hot Rolled Coil ("HRC") mill. During FY2026, the HRC line continued to improve its utilisation and operating efficiency, strengthening ESSB's ability to serve domestic and regional customers. ESSB will continue to focus on product quality, cost competitiveness and operational efficiency amid subdued steel demand, competitive exports and evolving trade and carbon-related requirements.

For the downstream businesses, the Manufacturing and Scaffolding segments are expected to receive support from infrastructure, industrial and construction activity, although demand and margins may remain subject to market volatility. The Trading division will continue to emphasise faster-moving products, prudent inventory levels and appropriate margin management. The Group will also continue to improve operational efficiency, optimise its product mix and advance relevant sustainability initiatives. Its ongoing work includes improving energy efficiency, maintaining environmental management practices and strengthening product environmental credentials, while enhancing sustainability data and reporting processes in preparation for the National Sustainability Reporting Framework ("NSRF") and the IFRS Sustainability Disclosure Standards. Budget 2027's enhanced green technology incentives may provide opportunities for eligible investments, while the proposed carbon tax will require continued monitoring as its scope and implementation details are developed. Overall, the Group will maintain a prudent approach to capital expenditure and working capital and remain cautiously optimistic amid an evolving market environment.



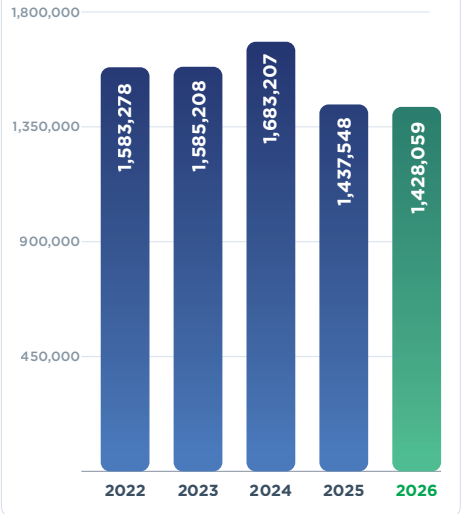




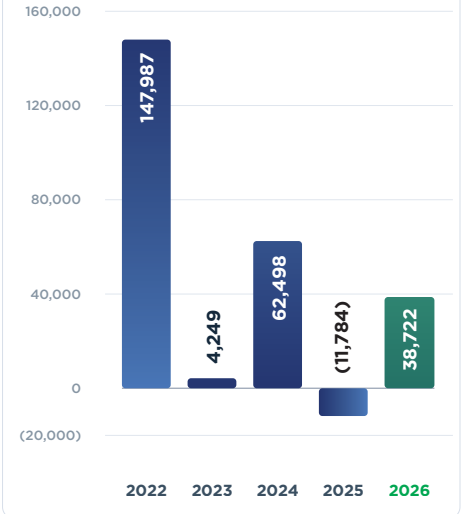
FIVE YEARS GROUP FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS	2022	2023	2024	2025	2026
Revenue (RM'000)	1,583,278	1,585,208	1,683,207	1,437,548	**1,428,059**
Profit/(Loss) From Operations (RM'000)	147,987	4,249	62,498	(11,784)	**38,722**
EBITDA (RM'000)	216,533	66,001	162,443	157,821	**194,067**
Profit Before Tax (RM'000)	189,903	30,464	117,390	104,530	**142,751**
Profit After Tax (RM'000)	156,364	31,830	107,359	110,305	**138,651**
Shareholders' Funds (RM'000)	1,272,111	1,286,012	1,384,663	1,484,823	**1,614,019**
NTA Per Share (RM)	0.73	0.74	0.79	0.85	**0.93**
Earnings Per Share (sen)	9.00	1.77	6.10	6.26	**7.91**
Dividend (sen)	1.00	0.50	0.50	0.50	**0.70**
Borrowings (RM'000)	608,483	539,076	565,501	485,166	**439,946**
Cash and cash equivalents (RM'000)	150,061	134,315	93,881	94,974	**106,242**

Revenue (RM'000)



Profit/(Loss) from Operations (RM'000)

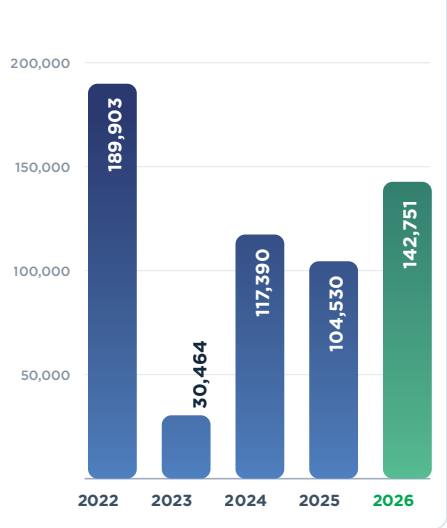


EBITDA (RM'000)



FIVE YEARS GROUP FINANCIAL HIGHLIGHTS (Cont'd)

Profit Before Tax (RM'000)



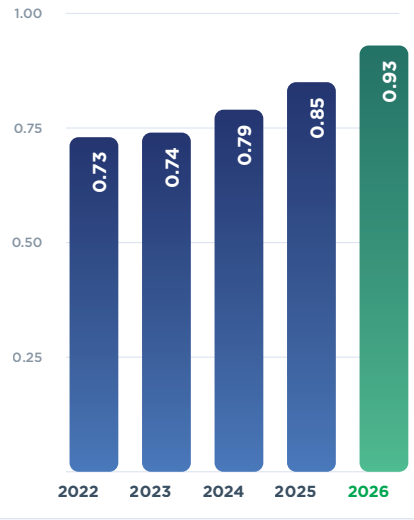
Profit After Tax (RM'000)



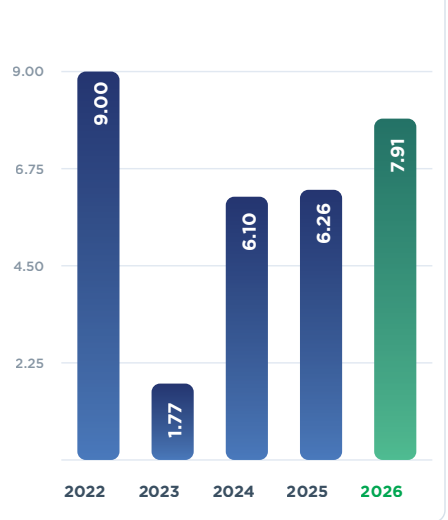
Shareholders' Funds (RM'000)



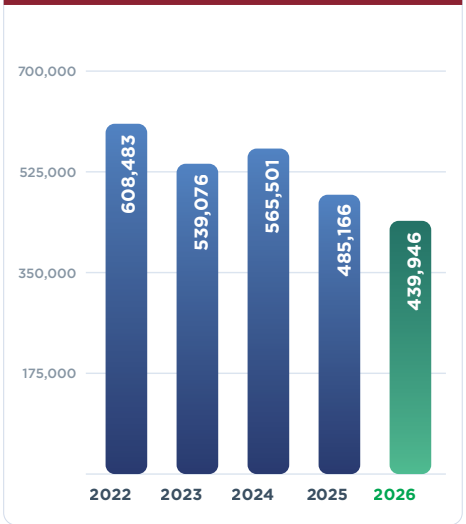
NTA Per Share (RM)



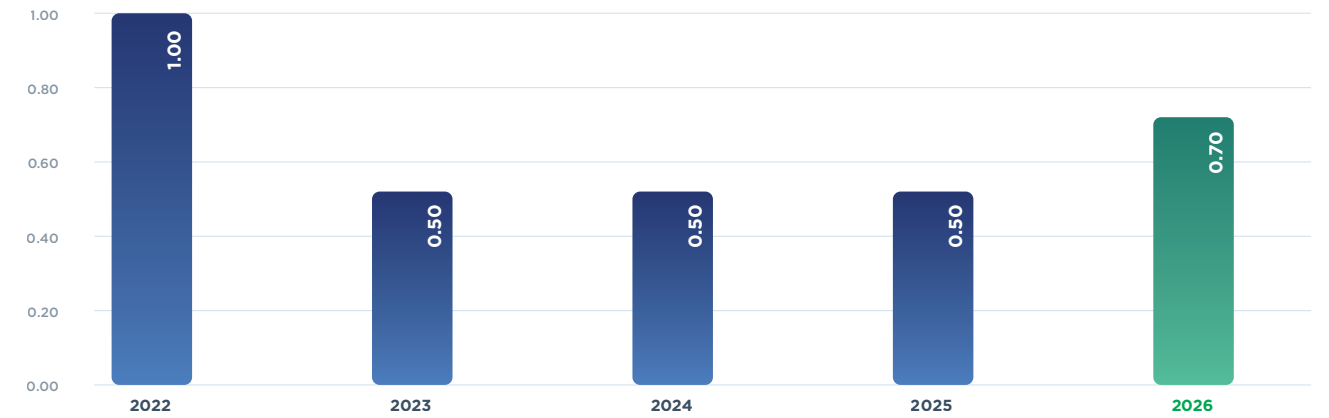
Earnings Per Share (sen)



Borrowings (RM'000)



Dividend (sen)



STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors ("the Board") of Hiap Teck Venture Berhad ("HTVB") fully supports the recommendations of the Malaysian Code on Corporate Governance 2021 ("the Code") issued by the Securities Commission and the corporate governance requirements of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") which set out the broad principles and recommendations for good corporate governance and best practices for listed companies.

The Board is committed to apply to the best of its ability the recommendations and principles of the Code in ensuring and maintaining that good corporate governance is practised throughout the Group to effectively discharge its responsibilities to protect the Group's assets, promote sustainable activities and results and enhance shareholders' value and those of the other stakeholders.

The Board of Directors is, therefore, pleased to report that this statement sets out the extent of the Group's compliance with the recommendations of the Code for the financial year ended 31 July 2026. The detailed disclosure on how the Group has applied the principles and practices as laid out in the Code throughout the current financial year can be found in the Corporate Governance Report at the Company's website: www.htgrp.com.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

The Company is led by a proactive Board which collectively is primarily responsible for determining the strategic direction and sustainable goals of the Company and its subsidiaries, maintaining effective oversight over management, monitoring the overall conduct and performance of the Group's businesses and promoting ethical practices throughout the Group. In setting the Group's overall strategy and governance, and in pursuit of its objectives, the Board takes into account the interests of stakeholders in the decision making so as to ensure that the Group's objectives in creating long term shareholder value are met. It also reviews corporate strategies, budgets, risk management, operations and the performance of the business segments and brings to bear independent judgment on issues relating to conflict of interests, strategy, risk management, performance, resources, governance and code of conduct and ethics to ensure that decisions made and actions taken will promote transparency, accountability and sustainability of the Group. The Board as a whole is dedicated to practice clear demarcation of duties, responsibilities and authority within the Company. The Board recognises the importance of good corporate governance and applies the Practices as set out in the Code and the MMLR to enhance business prosperity and maximise shareholders' wealth.

The Board is committed to ensure a high standard of corporate governance is maintained throughout the Group and to effectively discharge its responsibilities with integrity, transparency and professionalism to protect and enhance shareholders' value and those of the other stakeholders.

In discharging its responsibilities, the Board also addresses sustainability risks and opportunities and have oversight over the Group's material sustainability matters. Sustainability is prioritised and integrated in the Group's corporate strategy business plans, major plans of action, risk management and targets. The strategic management of material sustainability matters are driven by Senior Management. The Board ensures that the Group's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders. The Board is cognizant that it must stay abreast with sustainability issues relevant to the Group and its business including climate related risks and opportunities. The Board has identified Mr. Hoo Weng Keong, the Group Chief Financial Officer of the Company to be the person within the Senior Management to provide dedicated focus to manage the sustainability strategically, including the integration of sustainability considerations in the operations of the Group. This is in compliance with Practice 4.1, 4.2, 4.3. and 4.4 of the Code.

To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Company, the Board has amongst others adopted the following measures from Guidance 1.1 of the Code:

- Together with Senior Management, promote good corporate governance culture within the Company which reinforces ethical, prudent and professional behaviour;
- Review, challenge and decide on management's proposals for the Company, and monitor its implementation by management;
- Ensure that the strategic plan of the Company supports long-term value creation and includes strategies on environmental, social and governance ("ESG") considerations underpinning sustainability;
- Supervise and assess management performance to determine whether the business is being properly managed;
- Ensure there is a sound framework for internal controls and risk management;
- Understand the principal risks of the Company's business and recognise that business decisions involve the taking of appropriate risks;
- Set the risk appetite within which the board expects management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- Ensure that senior management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of board and senior management;
- Ensure that the Company has in place procedures to enable effective communication with stakeholders; and
- Ensure the integrity of the Company's financial and non-financial reporting.

Regular matters tabled for the Board's information and deliberation for the year include business performance updates, unaudited quarterly results, reports from operations, business plan and budget, board assessment and evaluation, continuing education programme (training) of Directors, human resource related updates, new business developments and potential business amongst other non-regular items which comprised corporate proposals and projects.

Hence, the Board will continue to play a critical role in setting the appropriate tone at the top, providing leadership and promoting good governance and ethical conduct and practices throughout the Group. Practice 1.1 applied.

KEY RESPONSIBILITIES OF THE CHAIRMAN

The Board is led by a competent Chairman who is an Independent Non-Executive Director and is primarily responsible for effective operation and performance of the Board and instilling good corporate governance practices, leadership and effectiveness of the Board. This is in compliance with Practice 1.2 of the Code.

The Chairman of the Board is not a member of any of the Board Committees and this is in compliance with Practice 1.4 of the Code. He does not participate in the Board Committee Meetings.

Key responsibilities of the Chairman as set out in Guidance 1.2 of the Code have been adopted by the Company to be the duties and responsibilities of the Chairman of the Company:

- Provides leadership for the board so that the board may perform its responsibilities effectively;
- Sets the board agenda and ensures that board members receive complete and accurate information in a timely manner;
- Leads board meetings and discussions;
- Encourages active participation and allows different views to be freely expressed;
- Manages the interface between board and management;
- Ensures appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the board as a whole; and
- Leads the board in establishing and monitoring good corporate governance practices in the Company.

SEPARATION OF POSITIONS OF THE CHAIRMAN AND EXECUTIVE DEPUTY CHAIRMAN

In order to promote accountability, transparency, independence and to ensure the balance of power and authority, there is a clear demarcation of duty, responsibility, authority and roles between the Independent Non-Executive Chairman and the Executive Deputy Chairman which are clearly set out in the Board Charter.

The positions of Independent Non-Executive Chairman and Executive Deputy Chairman are held by two different individuals in such manner that no one individual can influence the Board's discussions and decision making. The Board has complied with Practice 1.3 of the Code.

The Chairman provides leadership to the board and ensures that the Board and Board Committees function effectively. He sets the agenda for the Board meetings in consultation with the Executive Deputy Chairman and the Company Secretary and looks into effective shareholders' engagements. The Chairman's main responsibility is to ensure effective conduct of the Board and Board meetings and unrestricted and timely access by all Directors to all relevant information necessary for decision making. The Chairman leads discussion on strategies and policies recommended by the Management and leads the Board on its collective oversight of management. The Chairman of the Board is Tan Sri Dato' Sri Mohamad Fuzi Bin Harun. In accordance with Practice 1.4 of the Code, the Chairman of the Board is not a member of the Audit Committee, Nomination and Remuneration Committee or Sustainability and Risk Management Committee.

The Executive Deputy Chairman who is assisted by the three (3) Executive Directors focus on the day-to-day management of the Company and is responsible for the implementation of the Board's policies and decisions as well as supervising the operation of the Group and developing and implementing business strategies. The Executive Deputy Chairman is Tan Sri Dato' Seri Law Tien Seng.

COMPANY SECRETARY

The Board is supported by an experienced and competent Company Secretary who provides sound governance advice, ensures adherence to rules and procedures and advocates adoption of corporate governance best practices. The Board is, therefore, in compliance with Practice 1.5 of the Code. The Company Secretary through the Chairman plays an important role in good governance by helping the Board and its Committees function effectively and in accordance with their terms of reference and best practices.

The Company Secretary of Hiap Teck Venture Berhad, Mr. Ng Yim Kong, is a Fellow Member of the Malaysian Association of Company Secretaries and holds a practicing license issued by the Registrar of Companies. The Company Secretary provides support to the Chairman of the Company to ensure the effective functioning of the Board.

The Company Secretary and his representatives also organise and attend all Board Meetings and Board Committees' Meetings ensuring accurate and proper recording of issues discussed, decisions made and conclusions taken, and facilitate Board communication. He also manages the processes of the Annual General Meeting and Extraordinary General Meeting (if any). All scheduled meetings held during the year were preceded by formal agenda issued by the Company Secretary in consultation with the Chairman. Prior to the meetings, appropriate documents which include agenda and reports relevant to the issues of the meetings are circulated to all the Directors at least seven (7) days prior to the meeting. All the Directors have sufficient time to appreciate the issues to be deliberated at the meetings which in turn enhances the decision-making process. Further details or supplementary information may be provided at the request of the Directors. Practice 1.6 applied.

The Company Secretary maintains all secretarial and statutory records of the Company. The Board has unrestricted access to the advice and service of the Company Secretary who is responsible to provide the Directors with the Board papers and related matters required for the Board and Board Committees' meetings.

The Company Secretary updates the Board of Directors regularly on amendments to the Malaysian Code on Corporate Governance and the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), practice and guidance notes or circulars issued by Bursa Securities from time to time and on the development of or amendments to the Companies Act 2016. The Company Secretary also circulates to the Directors notices of talks, seminars or conferences organised by Bursa Malaysia Securities Berhad, Companies Commission of Malaysia or outside training and professional development providers to enable the Directors to select and attend the trainings or updates of their choice. Overall, the Company Secretary advises the Board on the corporate disclosures and compliances with the Companies Act 2016 and securities regulations and listing requirements. In addition, the Company Secretary serves notices to the Directors and Principal Officers to notify them of closed periods for trading in the Company's shares in accordance with Chapter 14 of the MMLR. He also ensures that all appointments and resignations of Directors are in accordance with the relevant legislation and coordinates the annual assessment of the Board and Board Committees, the Independent Directors, External Auditors and outsourced Internal Auditors.

The Board of Directors is supplied with and has unrestricted access to information pertaining to the Group's businesses and affairs to enable them to discharge their duties effectively. This information includes both verbal and written details.

BOARD CHARTER

The Board Charter was adopted by the Board to emphasise its commitment to good corporate governance practices of the Code. The Board Charter sets out, amongst others, the responsibilities, authorities, procedures, evaluations and structures of the Board and Board Committees, the relationship between the Board and management and the shareholders of the Company as well as issues and decisions reserved for the Board. More importantly, the Board Charter sets out the key values, principles and ethos of the Company as policies and strategy development are based on these considerations.

The Board Charter is periodically reviewed and updated by the Board to ensure that it remains relevant and consistent with the Board's objectives and responsibilities. The Board Charter is available at the Company's website www.htgrp.com.my. This is in compliance with Practice 2.1 of the Code.

CODE OF CONDUCT AND ETHICS FOR DIRECTORS, ANTI-BRIBERY AND CORRUPTION POLICY AND DIRECTORS' FIT AND PROPER POLICY

The Company has adopted a Code of Conduct and Ethics for Directors to focus on areas of ethical risk, managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering, and to provide guidance to Directors to assist them to recognise and deal with unethical conduct and to help to foster a culture of honesty, trust, and responsibility. This is in compliance with Practice 3.1 of the Code. The Code of Conduct and Ethics is a part of the Company's commitment to integrity, accountability, transparency and self-regulation. It is a set of acceptable practices to guide the behaviour of the Directors, Management and employees.

The Code of Conduct and Ethics is available at the Company's website www.htgrp.com.my and is reviewed periodically.

With the enforcement of Section 17A of the Malaysian Anti-Corruption Commission Act 2018 ("MACC Act 2018") which established the principle that a commercial organisation has a criminal liability ("Corporate Liability") for the corrupt activities of its employees and/or persons associated with the commercial organisation where such corrupt activities are carried out for the commercial organisation's benefits or advantages, it re-enforces the Group' zero-tolerance policy against all forms of bribery and corruption. The Group is committed to conduct businesses professionally, fairly and with integrity and transparency in compliance with all applicable anti-bribery and corruption laws in all jurisdictions in which the Group operates.

The Anti-Bribery and Corruption Policy is available at the Company's website www.htgrp.com.my.

The Company has adopted the Directors' Fit and Proper Policy to address board quality, integrity and transparency for appointment, election and re-election of Directors of the Company and its subsidiaries.

The Directors' Fit and Proper Policy is available at the Company's website www.htgrp.com.my since 1 July 2022.

WHISTLEBLOWING

A formal and written policy and procedure on whistleblowing has been established and adopted on 27 June 2019. The Whistleblowing Policy can be found at the Company's website at www.htgrp.com.my. The Whistleblowing Policy is intended to support the Company's Core Values, Code of Ethics and Governance, and is in compliance with Practice 3.2 of the Code.

The monitoring and execution of the Whistleblowing Policy are overseen by the Whistleblowing Governance Group, which comprises:

- Members of the Company's Audit Committee;
- Executive Director of the Company; and
- Human Resources Department

The Audit Committee Chairman shall chair meetings of the Whistleblowing Governance Group, provided that a quorum of at least two (2) members is present. In the absence of the Audit Committee Chairman, another member of the Audit Committee shall chair the meeting.

II. BOARD COMPOSITION

BOARD BALANCE

The Board comprises eight (8) members; four (4) of whom are Executive Directors and four (4) are Independent Non-Executive Directors. The Board is in compliance with Practice 5.2 of the Code which require at least half of the Board comprises in Independent Directors. The Board is also, in compliance with Paragraph 15.02 of the MMLR of Bursa Securities, which requires that at least two (2) directors or one-third (1/3) of the board of directors of a listed issuer, whichever is the higher, are independent directors. A brief profile of the Board members is set out on pages 4 to 9 of this Annual Report.

TENURE OF INDEPENDENT DIRECTOR

It is the present practice of the Company that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, the Independent Director will have to resign unless he is retained by the Board as a Non-Independent Director. This is in line with Practice 5.3 of the Code. However, the Board may, in an exceptional case and subject to the assessment of the NRC on an annual basis, recommend an Independent Director who has served for a consecutive or cumulative term of nine (9) years or more to remain as an Independent Director subject to annual Shareholders' approval through a two-tier voting process but provided always that the limit of the tenure of that Independent Director shall not exceed a cumulative period of twelve (12) years from the date of his appointment as an Independent Director of the Company in compliance with Bursa Malaysia's Main Market Listing Requirements.

To justify retaining an independent director beyond the term limit of nine years, NRC will undertake a rigorous review to determine whether the "independence" of the Director has been impaired. Findings from the NRC's review will be disclosed to the shareholders for them to make an informed decision. However, to date, all independent directors had resigned/retired upon completion of a tenure of 9 years.

DIVERSITY

The Company is led and managed by an experienced Board comprising members with the appropriate mix of skill, diversity, qualification, knowledge and experience in the relevant fields such as finance, law, accounting, corporate finance advisory, private equity/venture capital investment, corporate strategic consulting, banking, strategic planning, risk management, economics, corporate affairs, and entrepreneurship. Collectively, the Directors bring a broad range of skills, expertise, knowledge and independent judgement to successfully direct and supervise the attainment of the Group's corporate strategy, business and financial oversight.

Although the Company has no specific policy or target on gender diversity, the Board acknowledges the importance of gender diversity in the Group's workforce and on the Board, and the positive impact gender diversity can have on the Board's decision-making process and Group's performance. For the financial year ended 31 July 2026 and subsequently, one out of eight Directors (or 12.50%) on the Board of the Company is a woman Director. The Board has met the requirement of the Amendment to the Main Market Listing Requirements dated 19 January 2022 which requires the Company to have at least one woman Director by 1 June 2023, but is still a departure from Practice 5.9 which requires the Board to comprise at least 30% women Directors. The Board will, however, continue to address the need to appoint female Directors to the Board based on the potential candidate's skill, experience, core competences and other qualities.

Presently, the selection of candidates is solely based on recommendations made by existing Board members, management or major shareholder but may include sourcing from a directors' registry and open advertisement or the use of independent search in future if suitable candidates are not readily available. The selected candidates for appointment as Independent Directors are high calibre professional in their respective field of practice. Practice 5.6 applied.

BOARD MEETINGS

The Board of Directors meets on a quarterly basis with additional meetings convened as and when necessary, to inter alia approve quarterly financial results, business plans, budgets, governance matters and other business development activities. Special Board meetings may be convened to consider urgent proposal or matters which require the expeditious review or consideration by the Board. Senior Management is invited to attend the Board meetings to advise on relevant agenda to enable the Board to arrive at a considered decision. Strategic issues such as acquisition and disposal of the Group's investments or assets; announcements to regulators; corporate and restructuring exercises are presented to the Board for its decision to ensure that the direction and control of the Group is firmly with the Board. Besides Board Meetings, the Board also exercises control on matters that require Board's approval by way Written Directors' Resolutions.

Board meetings for the ensuing financial year are scheduled in advance to facilitate the Directors to plan ahead. All meetings are furnished with proper agenda with due notice issued and board papers and reports prepared by the Management which provide updates on financial, operational, legal matters and circulated prior to the meetings to all Directors with sufficient time to review them to ensure for effective discussions and decision making during the meetings. This is in compliance with Practice 1.6 of the Code.

During the financial year ended 31 July 2026, four (4) board meetings were held. Details of the Board of Directors' Meetings and their attendances at these meetings are set out below. All Directors in office during the said period have attended 100% of all the Board Meetings held. Overall, all the Directors complied with the minimum 50% meeting attendance's requirement under the MMLR of Bursa Securities.

All the Board Meetings have been held at Corporate Office of the Company at TS Law Tower during the period from 1 August 2025 until the financial year ended 31 July 2026.

Details of the Board of Directors' Meeting held during the financial year ended 31 July 2026:

Name of Directors	Date of Meeting				Total Meetings Attended by Directors	Percentage of Attendance
	25/09/2025	16/12/2025	25/03/2026	25/06/2026		
Tan Sri Dato' Sri Mohamad Fuzi Bin Harun (Independent Non-Executive Chairman)	✓	✓	✓	✓	4/4	100%
Tan Sri Dato' Seri Law Tien Seng (Executive Deputy Chairman)	✓	✓	✓	✓	4/4	100%
Mr. Sherman Lam Yuen Suen (Senior Independent Non-Executive Director)	✓	✓	✓	✓	4/4	100%
Mr. Chen Thien Yin (Independent Non-Executive Director)	✓	✓	✓	✓	4/4	100%
Dato' Ooi Lay See (Independent Non-Executive Director)	✓	✓	✓	✓	4/4	100%
Mr. Foo Kok Siew (Executive Director)	✓	✓	✓	✓	4/4	100%
Mr. Law Wai Cheong (Executive Director)	✓	✓	✓	✓	4/4	100%
Mr. Law Wai Ho (Executive Director)	✓	✓	✓	✓	4/4	100%
Mr. Tan Shau Ming (Executive Director) (Retired on 31 July 2026)	✓	✓	✓	✓	4/4	100%

APPOINTMENT TO THE BOARD

To facilitate appointments to the Board, the Nomination and Remuneration Committee ("NRC") has a set of formal and transparent procedure for the appointment of new Directors to the Board. The NRC is primarily responsible for identifying and recommending to the Board new candidates to be appointed as Directors to the Board and also recommending Directors to fill the seats on Board Committees. If a candidate is selected based on recommendation made by existing Directors, Management or Major Shareholders, NRC will explain in accordance with Practice 5.6 why these sources suffice and other sources were not used. The NRC is also responsible for recommending the re-election of Directors who are retiring by rotation based on the satisfactory results of their performance evaluation. The NRC Chairperson is an Independent Director. Practice 5.8 applied.

For the financial year ended 31 July 2026, the Board through the NRC, had assessed the effectiveness of the Board as a whole and the Board Committees; contribution and performance of each individual Director; independence of Independent Directors and training courses required by the Directors on an ongoing basis. The NRC also reviewed the required mix of skills, experiences and other qualities including core competencies which Non-Executive Directors should bring to the Board.

The annual evaluation to determine the effectiveness of the Board, its Committees and each individual Director is carried out using a Director's Performance Evaluation ("DPE") Form which comprises a set of questionnaires aimed at assessing the contribution, participation and performance of each individual Director.

For the financial year ended 31 July 2026, the NRC had reviewed the DPE Form and included in the DPE Form a segment for the purpose of assessing whether a Director meets the Fit and Proper criteria of the Company's Fit and Proper Policy and the Environmental, Social & Governance. Other segments of the DPE Form include the evaluation of the Board Structure, Board Roles and Responsibilities, Integrity and Ethics, Time Commitment, Judgement, Decision Making and Leadership.

The DPE Form is a Self and Peer Evaluation Form which is approved by the Board and is required to be completed by each individual Director. Upon completion, the DPE Form is returned to the Company Secretary who coordinated the whole DPE exercise.

Upon receipt of all the completed DPE Form, the Company Secretary compiled the results and the comments given by the Directors according to each segment of the DPE Form and analysing this information into a summary for the NRC's deliberation. Where appropriate, the NRC Chairperson will bring the salient matters arising from the DPE to the attention of the Board of Directors for notation or implementation of the Director's recommendation for improvement of the effectiveness of the Board, the Board Committees and each individual Director.

The overall result of the DPE for the financial year ended 31 July 2026 was Good.

RETIREMENT AND RE-ELECTION

In accordance with the Company's Constitution, one-third (1/3) of the Directors or if their number is not three (3) or a multiple of three (3), then the number nearest one-third (1/3) shall retire from office and be eligible for re-election provided always that all Directors shall retire from office once at least in every three (3) years, but shall be eligible for re-election. Any person appointed by the Board either to fill a casual vacancy or as an addition to the existing number of Directors, shall hold office until the next Annual General Meeting and shall then be eligible for re-election.

Any Director who is retiring, and is eligible for re-election, is required to confirm in writing to the Board if he or she is or is not offering himself for re-election at the 30th Annual General Meeting ("AGM") where he is due for retirement. The following Directors who are retiring at the 30th AGM have individually confirm in writing to the Board offering themselves for re-election:-

	Clause No.
Sherman Lam Yuen Suen	92
Dato' Ooi Lay See	92

Mr. Law Wai Cheong will retire in accordance with Clause 92 of the Company's Constitution and has expressed his intention not to seek re-election because of his own business and personal commitments. Hence, he will retain office until the close of the 30th AGM.

The profile of the above Directors who are retiring by rotation are available on pages 5 and 7 of the Annual Report 2026.

BOARD COMMITTEES

Clause 124 of the Company's Constitution provides the Board with the discretion to delegate their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed in the exercise of the powers so delegated by the Board shall conform to any regulations that may be imposed on it by the Board and by the Listing Requirements.

The Company had formed three (3) main Board Committees, namely Audit Committee, Nomination and Remuneration Committee and Sustainability and Risk Management Committee.

AUDIT COMMITTEE

Audit Committee is positioned to assist the Board to rigorously challenge and ask probing questions on the Company's financial reporting process, internal controls, risk management and governance. The Internal Audit function reports directly to the Audit Committee.

The composition, summary of activities and attendance of members at the Audit Committee Meetings can be found in the Audit Committee Report on pages 47 to 50 of the Annual Report 2026. The details of the Internal Audit function and activities are set out in the Statement of Risk Management and Internal Controls on pages 42 to 46 of the Annual Report 2026. The Chairman of the Audit Committee is not the Chairman of the Board. this is in accordance with Practice 9.1 of the Code. The Audit Committee of the Company comprises solely of Independent Directors. The Chairman of the Board of Directors is not a member of the Audit Committee.

The Audit Committee has a policy that requires a former partner of the external audit firm to observe a cooling off period of at least three years before being appointed as a member of the Audit Committee. Practice 9.2 of the Code applied. To date, no former partner of the external audit firm has been appointed as a member of the Audit Committee.

The Term of Reference of the Audit Committee is available on the Company's website at www.htgrp.com.my.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination Committee and Remuneration Committee have been combined into one committee known as Nomination and Remuneration Committee ("NRC") with effect from 15 December 2023 for the purpose of facilitating the deliberation of common matters expediently and effectively. Prior to 15 December 2023, the committees were separated in two different committees which were Nomination Committee ("NC") and Remuneration Committee ("RC").

Notwithstanding that the NC and RC are combined to form NRC, NC will continue to carry out its responsibilities in accordance with its written terms of reference approved by the Board which tasked it with the responsibility to oversee the selection and assessment of directors for appointment, re-election or re-appointment to the Board and Board Committees. The Chairman will amongst others:

- Lead the discussion on succession planning and appointment of Board members including women director, future Chairman and Chief Executive Officer;
- Lead the annual review of Board effectiveness ensuring that the performance of each individual director is independently assessed; and
- Lead the review of the continuous professional development of Directors particularly the Audit Committee members to keep themselves abreast of relevant developments in accounting record and auditing standards, practices and rules.

The NRC also assists the Board by recommending the remuneration packages of each individual Executive Director, Independent Non-Executive Director and Senior Management. The NRC is entrusted with the following responsibilities:

- To recommend to the Board the framework of Executive Directors' and Senior Management's remuneration and the remuneration package for each Executive Director, drawing from outside advice as necessary taking into account the Company's desire to attract and retain the right talent in the Board and Senior Management to achieve the Company's long term objectives.
- To recommend to the Board, guidelines for determining remuneration of Independent Non-Executive Directors.
- To recommend to the Board any performance related pay schemes for Executive Directors.
- To review and where appropriate, to recommend revision of Executive Directors' scope and terms of service contracts.
- To consider the appointment of the service of such advisers or consultants as it deems necessary to fulfill its functions.
- To review periodically the policies and procedures to determine the remuneration of Directors and Senior Management which takes into account the demands, complexity and performance of the Company as well as skill and experience required.

The Company has applied Practice 5.8 of the Code where the Nomination and Remuneration Committee is chaired by an Independent Non-Executive Director, Dato' Ooi Lay See. The Chairman of the Board of Directors is not a member of the Nomination and Remuneration Committee. Practice 1.4 of the Code applied.

The terms of reference of the Nomination and Remuneration Committee is available on the Company's website at www.htgrp.com.my.

The composition, summary of activities and attendance at the Nomination and Remuneration Committee Meetings can be found in the Nomination Committee Statement on pages 51 to 53 of the Annual Report 2026.

The members of the Nomination and Remuneration Committee are as follows:

Name	Designation	Directorship
Dato' Ooi Lay See	Chairperson	Independent Non-Executive Director
Mr. Sherman Lam Yuen Suen	Member	Senior Independent Non-Executive Director
Mr. Chen Thien Yin	Member	Independent Non-Executive Director

ANNUAL ASSESSMENT OF DIRECTORS

The Board with the assistance of the NRC will carry out the annual assessment of the effectiveness of the Board as a whole, including Independent Non-Executive Directors and consider whether the Independent Director can continue to bring independent and objective judgement to the Board's deliberations. The assessments are designed to improve the Board's effectiveness as a whole as well as to draw the Board's attention to key areas that needs to be addressed in order to maintain cohesion to the Board.

Any Director who considers that he has or may have a conflict or a material personal interest or a direct or indirect interest or relationship that could reasonably be considered to influence in a material way the Director's decision in any matter concerning the Company is required to immediately disclose to the Board of such an interest and to abstain from participating in any discussion or voting on the matter concerned.

For the financial year ended 31 July 2026, the Board through the NRC had assessed the effectiveness of the Board as a whole and the Board Committees; contribution and performance of each individual Director; independence of Independent Directors and training courses attended by the Directors on an ongoing basis. The Board also reviewed the required mix of skills, experiences and other qualities including core competencies, which Non-Executive Directors should bring to the Board.

For the financial year ended 31 July 2026, the Board has assessed the independence of its Independent Non-Executive Directors based on the criteria set out in the MMLR of Bursa Securities. The Board is satisfied with the level of independence and time commitment demonstrated by all the Independent Directors and their ability to act in the best interest of the Company. All the Independent Directors have given written confirmation declaring their independence to the Board.

DIRECTORS' TRAINING

Directors are encouraged to attend seminars and/or conferences to keep abreast with development in the industry and market place. All members of the Board have attended the Mandatory Accreditation Programme ("MAP Part I") as required by Bursa Securities in relation to a Director's roles, duties, and liabilities.

Pursuant to the Amendments to Bursa Malaysia Securities Berhad Main Market Listing Requirements in relation to Sustainability Training for Directors dated 6 June 2023, all existing Directors of the Company who were appointed prior to 1 August 2023 will be required to attend MAP Part II in relation to sustainability and the related roles of a Director on or before 1 August 2025. As at 31 July 2026, all Directors had attended MAP Part II.

During the financial year, the Directors were updated by the Company's External Auditors on the accounting standards adopted by the Company, and by the Company Secretary on updates and/or amendments of the Main Market Listing Requirements and related notifications by Bursa Malaysia Securities Berhad.

The Directors had during the financial year ended 31 July 2026, evaluated their own training needs and attended seminars, conferences and forums which they considered as relevant and useful and would strengthen their contribution to the Group. Append below are the training/seminars attended by the Directors:-

	Name of Directors	Training or Seminars Attended	Dates of Attendance
1	Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	• In-House Sustainability Training by E Carbon & Technology Sdn. Bhd.	25/6/2026
2	Tan Sri Dato' Seri Law Tien Seng	• In-House Sustainability Training by E Carbon & Technology Sdn. Bhd.	25/6/2026
3	Mr. Foo Kok Siew	• Sustainable Finance Forum 2025 by IIF & Maybank • Forum Ekonomi Malaysia 2026 by Maybank & Bursa Malaysia • Invest Malaysia by CIMB, Maybank and Bursa Malaysia • In-House Sustainability Training by E Carbon & Technology Sdn. Bhd.	18/11/2025 5/2/2026 9/6/2026 25/6/2026
4	Mr. Law Wai Cheong	• In-House Sustainability Training by E Carbon & Technology Sdn. Bhd.	25/6/2026
5	Mr. Law Wai Ho	• In-House Sustainability Training by E Carbon & Technology Sdn. Bhd.	25/6/2026
6	Mr. Sherman Lam Yuen Suen	• Engage Asia Conference by AICPA & CIMA • Off The Shelf Tools for M&A by ICAEW Corporate Finance Faculty • US Markets Outlook by MorningStar • Strengthening Board Audit Committee Oversight by ICDM • CPA Annual Congress by CPA Australia • Bridging Malaysia's Finance Talent Gap by CIMA • Key Disclosure Requirements of Listed Companies by CKM Advisory • Finance in the Digital Age by CIMA • Harnessing the Value of Board-Management Relationships by ICDM • AOB Conversations with Audit Committees by Securities Commission • Board Leadership in the CMP4 era by ICDM • In-House Sustainability Training by E Carbon & Technology Sdn. Bhd.	18/8/2025-19/8/2025 22/9/2025 9/10/2025 23/10/2025 6/11/2025 20/1/2026 25/2/2026 23/4/2026 7/5/2026 12/5/2026 8/6/2026 25/6/2026
7	Mr. Chen Thien Yin	• Exploring The development Trends of the Banking Industry by Bank of China (Hong Kong) Limited • Emerging Threats of AI and Emerging Technology Regulatory Guidelines by Bank of China (Hong Kong) Limited • Imagining the AI Bank by The Asian Banker • In-House Sustainability Training by E Carbon & Technology Sdn. Bhd. • Market Conduct from Bank Negara Malaysia Lens: What Directors need to know to strengthen governance, protects consumers and safeguard institutional trust" by BNM and FIDE Forum • AML Training by Bank of China (Malaysia) Berhad • Bank Audit Conference by Asian Institute of Chartered Bankers	28/4/2026 7/5/2026 13/5/2026-14/5/2026 25/6/2026 1/7/2026 3/7/2026 7/7/2026
8	Dato' Ooi Lay See	In-House Sustainability Training by E Carbon & Technology Sdn. Bhd.	25/6/2026

DIRECTORS' REMUNERATION

The Company has specific remuneration policies and procedures to determine the remuneration of Directors and Senior Management. For the financial year ended 31 July 2026, the Nomination and Remuneration Committee ("NRC") recommended to the Board for approval the remuneration packages of the Executive Directors and Senior Management and fees of the Independent Non-Executive Directors. The Individual Directors concerned abstain from decision in respect of their individual remuneration.

The remuneration of Directors is determined based on the responsibility, contribution and performance of each Director. It is the Company's policy to link the Executive Directors' rewards to individual and corporate performance whilst the remuneration of the Independent Non-Executive Directors including the Non-Executive Chairman is determined in accordance with their experience, contribution and the level of responsibilities assumed.

The details of the remuneration of Directors of the Company in respect of the financial year ended 31 July 2026 were disclosed on page 40 of Corporate Governance Report 2026 with detailed disclosure on named basis for the remuneration of the individual Directors. The remuneration breakdown of individual Directors includes fees, salary, bonus, benefit-in-kind and other emoluments. The Board has complied with Practice 8.1 of the Code.

REMUNERATION OF THE TOP FIVE SENIOR MANAGEMENT

The Board is of the opinion that the disclosure on a named basis of the Top Five Senior Management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000 would not be beneficial to the Company and to the individual Senior Management's interest due to the following reasons:-

- Confidentiality and sensitivity of personal information of Senior Management.
- Will give rise to breach of personal data protection.
- Security concerns for the staff including their family members.
- Can potentially create friction among the Senior Management staff.
- Encourage staff pinching or poaching of executives in the industry.
- Detrimental to the Company's continuous effort to attract and retain its scarce human assets/talents.

The Board ensures that the remuneration of Senior Management commensurate with the performance of the Company, with due consideration to attracting, retaining and motivating Senior Management to lead and run the Company successfully.

The Company acknowledges that the non-disclosure of the remuneration of the Top Five Senior Management is a departure from Practice 8.2 of the Code but nevertheless it will consider the application of Practice 8.2 when the Company is satisfied that there are adequate rules and regulations set in place by the authorities to protect the Company from losing its invaluable human assets/talents.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

Practice 9.4 – Step-Up of the Code applied. The Audit Committee comprises solely of Independent Directors. The Audit Committee is responsible for reviewing and monitoring the Group's internal control processes, its external auditors and the integrity of the Group's financial statements.

The Company applied Practice 9.5 of the Code. All the Audit Committee members who are financially literate and are able to understand matters under the purview of the Audit Committee including the financial reporting processes, carried out their duties in accordance with the terms of reference of the Audit Committee which are available on the Company's website at www.htgrp.com.my. All the Audit Committee members undertake continuous professional development and training to ensure that they keep abreast of the relevant development in accounting and auditing standards, practices and rules.

The Chairman of the Audit Committee is not the Chairman of the Board. The Company has applied Practice 9.1 of the Code. The Audit Committee has the policy that requires a former key audit partner of the Group audit to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee. The Company has applied Practice 9.2 of the Code. Currently, no former key audit partner is appointed as a member of the Audit Committee.

The Audit Committee also has the policy that no alternate director shall be appointed as a member of the Audit Committee.

The Audit Committee in applying Practice 9.3 has during the year under review assessed the suitability, objectivity and independence of the external auditors to safeguard the quality and reliability of the audited financial statements at the Audit Committee Meeting held on 24 September 2026.

The working of Audit Committee of the Company is explained in greater detail in the Audit Committee Report on page 47 to 50 of the Annual Report 2026.

FINANCIAL REPORTING

The Board upholds integrity in financial reporting by ensuring that shareholders are provided with reliable information of the Company's financial performance, its financial position and future prospects in the Annual Audited Financial Statements and quarterly financial reports.

The Board is responsible for ensuring that the financial statements of the Company and of the Group are made out in accordance with applicable approved accounting standards in Malaysia and the provisions of the Companies Act 2016. The Board also ensures that the financial statements of the Group give a true and fair view of the state of affairs of the Group and of the Company as at the end of the accounting period. The Board through the review by the Audit Committee and in consultation with the External Auditors, presents a balanced and understandable assessment of the Group's financial position and prospect to the shareholders, investors and regulatory authorities.

INDEPENDENCE OF EXTERNAL AUDITORS

The Audit Committee is responsible for approving audit and non-audit services provided by the external auditors. In the process, the Audit Committee will ensure that the independence and objectivity of the external auditors are not compromised.

Moreover, the Engagement Partner of the External Auditors will retire every seven (7) years in accordance with the Malaysian Institute of Accountants By-Laws. The rotation rule is strictly set in the professional ethical standards, the compliance of which is strictly enforced by the Audit Oversight Board ("AOB").

The External Auditors have also confirmed that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

The Board of Directors is required under Paragraph 15.26(a) of Bursa Securities' MMLR to issue a statement explaining their responsibility in the preparation of the annual financial statements. The Directors are also required by the Companies Act 2016 to prepare financial statements for each financial year, which have been made out in accordance with the approved accounting standards and to give a true and fair view of the state of affairs of the Company and of the Group as at the end of the financial year.

The Directors are responsible for keeping proper accounting records, which are capable to disclosed with reasonable accuracy at any time the financial position of the Company and the Group to enable them to ensure that the financial statements comply with the Companies Act 2016 and applicable approved accounting standards in Malaysia.

In preparing these financial statements, the Directors have:-

- Selected appropriate accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Ensured that all applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries that the Group has adequate resources to continue in operational existence for the foreseeable future.

RELATIONSHIP WITH EXTERNAL AUDITORS

The Group has established a formal, transparent and professional relationship with its external auditors. The Audit Committee reviews the audit plans, scope of audit report as well as their professional fees, performance and appointment. The re-appointment of the External Auditors is subject to the approval of the shareholders at the Annual General Meeting of the Company.

The External Auditors are invited to attend Audit Committee meetings to present their audit plans and audit findings upon completion of their audit, and to discuss with the Board of Directors any matters requiring the Board's attention.

For the financial year ended 31 July 2026, the Audit Committee met with the External Auditors without the presence of the Executive Director and management in one occasion, on 25 September 2025.

Upon the request of the External Auditors, the Chairman of the Audit Committee will convene a meeting to consider any matter which the External Auditors believe should be brought to the attention of the Directors or Shareholders. During the financial year ended 31 July 2026, no such meeting was required to be convened.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board acknowledges its overall responsibility for reviewing the adequacy and integrity of the Group's systems of risk management, identifying principal risks and opportunities and establishing an appropriate control environment and framework to manage risks and take advantage of opportunities. The key risk categories of the Group are financial risk associated to corporate funding and gearing, foreign exchange risk, supply chain risk, regulatory risk, market risk, credit risk, inventory risk, corruption risk, cyber security risk and business continuity, which are satisfactorily under control.

The Board also acknowledges the importance of maintaining a sound system of internal control to safeguard shareholders' interest and the Group's assets. An outsourced internal audit function was established to assist the Audit Committee in reviewing the state of risk management and internal control of the Group and to highlight areas for Management's correction and/or improvement.

The details of the Company's risk management and internal control framework are contained in the Statement on Risk Management and Internal Control on pages 42 to 46.

SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

The Company has adopted Practice 10.3 – Step-Up where the Company is recommended to establish a Risk Management Committee, which comprises a majority of independent directors to oversee the Company's risk management framework and policies.

The Company has on 30 March 2010 established a Risk Management Committee which has been delegated by the Board to assume responsibility for the Group's risk oversight and internal control framework. The Risk Management Committee provides oversight, direction and counsel to the Group risk management process and considers any matter relating to the identification, assessment, monitoring and management of any risk associated with the Group that it deems appropriate. Through the Risk Management Committee, therefore, the Board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the Company's objectives is mitigated and managed. The outsourced internal audit function assists the Board in ensuring that the risk management and internal control framework is effective and robust. The Company has applied Practices 10.1 and 10.2.

On 1 July 2022, the Board of Directors of the Company had announced to Bursa Malaysia Securities Berhad that the name of the Board's Risk Management Committee ("RMC") has been changed to Sustainability and Risk Management Committee ("SRMC"). The RMC is now renamed as SRMC to include sustainability and supports the Board in fulfilling its oversight responsibilities in relation to the HTVB Group's sustainability strategies and initiatives covering Environmental, Social and Governance ("ESG") and integrating such policies and practice into the Group's business and decision-making process.

The members of the Sustainability and Risk Management Committee are as follows:

Name	Designation	Directorship
Mr. Chen Thien Yin	Chairman	Independent Non-Executive Director
Mr. Foo Kok Siew	Member	Executive Director
Mr. Sherman Lam Yuen Suen	Member	Senior Independent Non-Executive Director
Dato' Ooi Lay See	Member	Independent Non-Executive Director

In line with the Practice 4.5 of Malaysian Code on Corporate Governance 2021 and following the retirement of Mr. Tan Shau Ming on 31 July 2026, the Board has identified and nominated Mr. Hoo Weng Keong, the Group Chief Financial Officer of the Company, to be the person within the senior management to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the HTVB Group of companies.

The terms of reference of the Sustainability and Risk Management Committee are available on the Company's website at www.htgrp.com.my.

Details of the Sustainability and Risk Management Committee Meeting held during the financial year ended 31 July 2026:

Name of Directors	Date of Meeting				Total Meetings Attended by Directors	Percentage of Attendance
	26/09/2025	16/12/2025	25/03/2026	25/06/2026		
Mr. Chen Thien Yin	✓	✓	✓	✓	4/4	100%
Mr. Foo Kok Siew	✓	✓	✓	✓	4/4	100%
Mr. Sherman Lam Yuen Suen	✓	✓	✓	✓	4/4	100%
Dato' Ooi Lay See	✓	✓	✓	✓	4/4	100%

INTERNAL AUDIT FUNCTION

The internal audit function of the Company for the financial year ended 31 July 2026 was outsourced to Axcelasia Sdn. Bhd. ("Axcelasia") ("the Internal Auditors") which reports directly to the Audit Committee at an annual fee of RM175,000. The Internal Auditors was headed by its Managing Director, Mr. Chang Ming Chew, who is a Certified Internal Auditor and a member of the Institute of Internal Auditors Malaysia, the Association of Chartered Certified Accountants (UK) and the Malaysian Institute of Accountants. The Board has complied with Practice 11.2 of the Code.

The Internal Audit function is effective and independent. To the best of the Board's knowledge, the outsourced internal audit personnel are free from any relationship or conflict of interest which could impair their objectivity and independence. Audit Committee has taken the necessary steps to ensure that the internal audit function is effective and able to function effectively in applying Practice 11.1 of the Code.

The internal audit function is responsible to assist the Audit Committee in discharging its duties and responsibilities, and performs its work as guided by a recognised framework, such as the International Professional Practices Framework issued by the Institute of Internal Auditors and the Internal Audit Plan approved by the Audit Committee prior to their commencement of work.

Further details of the internal audit function are contained in the Audit Committee Report on pages 47 to 50 in this Annual Report.

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

I. COMMUNICATION WITH STAKEHOLDERS

The Board recognises the importance of effective, transparent and regular ongoing engagement communication with its stakeholders to facilitate mutual understanding of each other's objectives and expectations and to enable the stakeholders to make informed decisions with respect to the business of the Company, governance, the environment and social responsibility.

Information is disseminated through various disclosures and announcements made to Bursa Securities which includes financial results and corporate developments. The Company's website at www.htgrp.com.my provides shareholders and investors with the overview information of the Group's business, the latest updates of the Company and the announcement of the quarterly financial results made via Bursa Link. Shareholders and investors may contact the persons identified in the website to enquire more about the Company and the Group.

The Company meets financial analysts regularly to brief them on the Group's performance and operations. Through these channels, the Company has the opportunity to directly address, explain or clarify issues that investors and analysts may have regarding the business, operations and prospects of the Group.

The Annual General Meeting is the principal forum for dialogue with all shareholders. Shareholders are notified of the meeting and provided with a copy of the Company's Annual Report before the meeting.

At the start of the last year's Annual General Meeting held on 17 December 2025, the Board's reply to the Minority Shareholders' Working Group's ("MSWG") Query Letter dated 10 December 2025 was read out to the Shareholders present at the Meeting. A copy of this reply to MSWG can be found at the Company's website at www.htgrp.com.my.

In view of the above, the Board has applied Practice 12.1 of the Code in respect of effective, transparent and regular communication with its stakeholders.

II. CONDUCT OF GENERAL MEETINGS

According to Clause 60(a) of the Company's Constitution, notice of Annual General Meeting shall be circulated at least twenty-one (21) days before the date of the meeting to enable shareholders have sufficient time to peruse the Annual Report and papers supporting the resolutions proposed. The 21 days' notice is within the requirement stipulated by the Companies Act 2016 under Section 316 and Paragraph 9.19 of the MMLR of Bursa Securities. The Board is aware that Practice 13.1 of the Code encourages the Company to send out Notice for its 30th Annual General Meeting to the shareholders at least 28 days prior to the meeting. Since the Notice of the 30th Annual General Meeting ("30th AGM") will be sent on 17 November 2026 while the 30th AGM will only be held on 17 December 2026, there will be more than 28 days prior to the 30th AGM. The Company complies with Practice 13.1 of the Code.

At the Annual General Meetings of the Company, the Board welcomes shareholders' participation by providing opportunities for shareholders to raise questions on the business activities of the Group, agenda of the meetings and its proposed resolutions. The Directors and the Chair of Board Committees are always present in the Annual General Meeting to answer questions and consider suggestions. This is in compliance with Practice 13.2 of the Code. The Company Secretary and External Auditors are also present to provide their professional and independent clarification on issues of concern raised by the shareholders, if any.

POLL VOTING

According to Paragraph 8.29A (1) of the MMLR, all resolutions set out in the notice of a general meeting shall be put to vote by poll. Hence, the resolutions tabled at the Company's 29th AGM convened on 17 December 2025 were voted on by poll. The Company had appointed Boardroom Share Registrars Sdn. Bhd. as Poll Administrator to conduct the poll. Independent Scrutineer was appointed to observe the polling process and to verify the votes for each resolution. The Chairman of the Company announced the result of the poll. Shareholders are entitled to appoint proxy/proxies or corporate representative where the shareholder is a corporation to vote on his/its behalf at general meeting.

Shareholders/proxies/corporate representatives/attorneys can proceed to vote on the resolutions at any time from the commencement of the 29th AGM at 10:00 a.m. on Wednesday, 17 December 2025 but before the end of the voting session which will be announced by the Chairman of the meeting.

PROXY

At the forthcoming 30th AGM which will be held physically, shareholders entitled to attend, participate, speak and vote at the 30th AGM are entitled to appoint a proxy or attorney or in case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote on his/ her behalf. A proxy may but need not be a member of the Company. The Form of Proxy is required to be deposited at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan Malaysia or via electronic means through the Boardroom Smart Investor portal at https://investor.boardroomlimited.com or email to BSR.Helpdesk@boardroomlimited.com, on or before 15 December 2026 at 10.00 a.m.

ADDITIONAL INFORMATION

1. SHARE BUY-BACK

A total number of shares purchased and retained as treasury shares during the financial year ended 31 July 2026 was Nil.

As at end of the financial year:

a. There was no shares bought back in the financial year ended 31 July 2026;
b. A total of 5,492,000 shares bought back were held as treasury shares and carried at cost; and
c. No shares had been cancelled.

2. DEPOSITORY RECEIPT PROGRAMME

The Company did not sponsor any Depository Receipt Programme during the financial year ended 31 July 2026.

3. IMPOSITION OF SANCTIONS/PENALTIES

There were no public sanctions and/or public penalties imposed on the Company and its subsidiaries, Directors or Management by relevant regulatory bodies during the financial year ended 31 July 2026.

4. NON-AUDIT FEES

Non-audit fees of RM15,000 were incurred for services rendered to the Group for the financial year ended 31 July 2026 by the External Auditors or a firm or company affiliated to the External Auditors.

5. VARIATION IN RESULTS

There was no material variance between the results for the financial year ended 31 July 2026 and the unaudited quarterly results previously announced.

6. PROFIT GUARANTEE

There was no profit guarantee given by the Company during the financial year.

7. UTILISATION OF PROCEEDS

There were no proceeds raised by the Group from any corporate proposals during the financial year.

8. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

There were no material contracts by the Company and/or its subsidiaries involving Directors' and major shareholders' interest.

9. REVALUATION POLICY

The Group's revaluation policy is stated in the summary of significant accounting policies in the financial statements.

10. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

The Company has on its Annual General Meeting held on 17 December 2025 sought approval for a shareholders' mandate for the Group to enter into recurrent related party transactions of revenue or trading nature.

The aggregate value of recurrent related party transactions conducted during the financial year ended 31 July 2026 in accordance with the shareholders' mandate obtained in the last Annual General Meeting were as follows:

Related Parties involved in HTVB Group	Nature of Transaction	Relationship and Nature of Interest	Value of Transactions (RM'000)
JK Ji Seng Sdn. Bhd. ("JKJS")	Purchase of prime Hot Rolled Steel Plates	Tan Sri Dato' Seri Law Tien Seng is deemed interested in JKJS by virtue of him being a Director and Shareholder of T.S.Law Holdings Sdn. Bhd. ("TS Law") which in turn is the major shareholder of JKJS.	323,993
Pedoman Cekap Sdn. Bhd.	Renting of office space	Tan Sri Dato' Seri Law Tien Seng, Puan Sri Datin Seri Saw Geok Ngor, Law Wai Cheong and Law Wai Ho.	570

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Malaysian Code on Corporate Governance 2021, read together with the Statement on Risk Management and Internal Control (SORMIC) Guide 2025 issued by The Institute of Internal Auditors Malaysia ("IIAM") and approved by its Board of Governors on 27 August 2025 ("the Guide"), require the Board of Directors of public listed companies to establish a sound risk management framework and internal control system to safeguard shareholders' investment and the Group's assets. The Board of Directors ("the Board") is pleased to present its Statement on Risk Management and Internal Control for the financial year ended 31 July 2026. This Statement is prepared pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB"), read in conjunction with Main Market Practice Note 9, and has been guided by the Guide.

This Statement covers all of the Group's operations. Material joint ventures and associate companies are excluded from the scope of this Statement, as they are not directly controlled by the Group and their risk management and internal control systems therefore fall outside the Group's operational oversight; the Group's interests in these entities continue to be monitored through Board or management representation and/or periodic financial reporting, as appropriate.

BOARD'S COMMITMENT AND RESPONSIBILITY

Given the dynamic nature of the business environment in which the Group operates, it is imperative to have a sound risk management and internal control system in place to support the achievement of the Group's business goals. The Board remains committed towards maintaining a sound system of risk management and internal control, to support the achievement of the Group's business objectives and operational efficiency.

In accordance with the Guide, the Board's primary responsibilities are:

- Embedding risk management in all aspects of the Group's activities, which also encompasses subsidiaries of the Company;
- Monitoring the Group's key risks and risk indicators, including risk ratings and management actions, and reviewing significant risk matters through the established risk management reporting process; and
- Reviewing the risk management framework, processes and responsibilities, and assessing whether the existing policies and systems provide reasonable assurance that risks are being managed appropriately.

The Board understands the principal risks of the business that the Group is engaged in and accepts that business decisions require the balancing of risk and return in order to reward shareholders.

The Board delegates the responsibility of reviewing the effectiveness of risk management to the Sustainability and Risk Management Committee ("SRMC"). The primary role of the SRMC is to review and report to the Board the risks faced by the Group and the effectiveness of management measures in the identification and assessment of risks, as well as the design, management and monitoring of internal controls to mitigate risks.

The present composition of the SRMC is as follows:

Name	Designation	Directorship
Mr. Chen Thien Yin	Chairman	Independent Non-Executive Director
Mr. Foo Kok Siew	Member	Executive Director
Mr. Sherman Lam Yuen Suen	Member	Senior Independent Non-Executive Director
Dato' Ooi Lay See	Member	Independent Non-Executive Director

The SRMC meets at least once every quarter.

This Statement was approved by the Board on 24 September 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its overall responsibility for reviewing the adequacy and integrity of the Group's systems of risk management and internal control, identifying principal risks and establishing an appropriate control environment and framework to manage risks. The key risk categories of the Group are financial risk associated with corporate funding and gearing, foreign exchange risk, supply chain risk, regulatory risk, market risk, credit risk, inventory risk, corruption risk, cyber security risk and business continuity risk.

In addition to these established categories, the Board and Management continue to monitor emerging and forward-looking risks — including climate-related risk, digital disruption (including the adoption of artificial intelligence), and geopolitical uncertainty — and incorporate these into the Group's ongoing risk identification and scenario planning process.

The SRMC is assisted by the Risk Management Working Committee ("RMWC"), which is represented by the heads of the various departments of the Group. The primary responsibilities of the RMWC encompass the identification, measurement, prioritisation, and periodic re-evaluation of risks. It ensures that appropriate and timely attention and focus is given to managing risks in alignment with their perceived significance and anticipated impact. On a quarterly basis, the RMWC reassesses the key risks and prepares the quarterly risk management report, which highlights the relevant risk indicators, risk ratings, risk profiles and management actions for review and discussion by the SRMC. The status of key risks and corresponding management actions are further presented by the SRMC to the Board for consideration and deliberation.

To assess the ongoing adequacy and effectiveness of the Group's risk management and internal control systems, the SRMC and RMWC monitor key metrics such as the status of risk-mitigation action plans, the level of compliance with internal policies and regulatory requirements, and the frequency and severity of control-related incidents. These metrics support the timely identification of weaknesses and drive continuous improvement, and are reported to the SRMC and the Board accordingly.

In terms of the key controls of the business processes, the Group has currently put in place the following control measures and operational procedures:

- *Procurement Committee:* Responsible for evaluating, overseeing, and granting approval for purchases;
- *Budgetary Control:* Involves the assessment and approval of the annual budget as well as ongoing monitoring and analysis of variances between actual results and the budget during the monthly Group Management Committee Meetings;
- *Organisation Structure:* Defines the management hierarchy, outlines the structure of reporting lines and establishes accountability;
- *Authority Limits and Approval Processes:* Facilitate the delegation of authority within the organisation;
- Centralised Enterprise Resource Planning (ERP) Information System: Provides timely information and generates periodic performance reports for management's monitoring purposes;
- *Quality Management System:* Includes compliance with ISO 9001:2015 Quality Management System and EC Certification for Factory Production Control in the Group's manufacturing operations. The Group conducts internal quality audits and undergoes annual surveillance audits by an external certification body to provide assurance of compliance with the ISO requirements and standards; and
- *Whistleblowing Policy:* Provides a formal and confidential channel through which employees and other stakeholders may raise genuine concerns regarding possible improprieties, breaches of law or regulations, misconduct or other matters covered by the Group's Whistleblowing Policy and Procedure. The monitoring and execution of the Policy are overseen by the Whistleblowing Governance, comprising the Chairman of the Audit Committee, an Executive Director, the Group Chief Financial Officer and the Compliance Officer. The Chairman of the Audit Committee chairs the Whistleblowing Governance and may receive reports directly in accordance with the Policy, with appropriate confidentiality and protection for whistleblowers acting in good faith.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

BOARD AND MANAGEMENT REVIEW MECHANISM

Whilst the SRMC oversees risk management with operational support from the RMWC, various management review meetings took place throughout the year. Currently, the management conducts weekly Senior Management Meetings, periodic Credit Committee Meetings, monthly Group Management Committee Meetings and monthly Operation Meetings within key subsidiaries. These meetings serve the purposes of communicating and ensuring that the policies, decisions and operational performance targets set by the top executives are effectively conveyed, understood and executed by the line management. Simultaneously, these meetings reinforce monitoring and supervisory controls at the line management levels.

In order to ensure the objectivity of the internal control system review within the Group, the Board has instituted an Audit Committee with the specific responsibility of undertaking this role. In performing its review, the Audit Committee is assisted by the Internal Auditors, who provide a quarterly report to the Audit Committee regarding the state of control within the audited functions. During the financial year under review, the Internal Auditors identified areas of implementation lapses in internal control and opportunities for process improvement, all of which were promptly addressed by Management. Additionally, the Audit Committee gathers feedback from the External Auditors on the risk and control issues identified during their statutory audit process.

The Internal Audit function of the Group is outsourced to Axcelasia Sdn Bhd ("Axcelasia") ("the Internal Audit Function"), headed by Mr. Chang Ming Chew, who is a certified Internal Auditor and a member of the IIAM, the Association of the Chartered Certified Accountants (UK) and the Malaysian Institute of Accountants. The internal Audit Function reports functionally to the Audit Committee and is free from any relationship or conflict of interest that could impair objectivity and independence. The Internal Audit function carries out its work with reference to the International Professional Practices Framework ("IPPF") issued by The Institute of Internal Auditors, based on a risk-based annual audit plan reviewed and approved by the Audit Committee.

The Board, through the Audit Committee, maintains ongoing oversight of the adequacy and effectiveness of the Group's risk management and internal control systems. This oversight is supported by the quarterly reports from the Internal Auditors, feedback from the External Auditors, Management's assessments and matters relating to control weaknesses or process improvements identified during the year. The Internal Audit function operates based on a risk-based annual audit plan which is reviewed and approved by the Audit Committee. The Board considers the information arising from these review and monitoring processes in assessing whether the Group's risk management and internal control systems remain adequate and effective.

Furthermore, when presenting their quarterly financial performance and results to the Audit Committee, Management supplements the Audit Committee's review on risk-related matters. In collaboration with Management, the Audit Committee engages in discussions regarding the integrity of the quarterly financial results, annual report and audited financial statements before making recommendations to the Board for presentation to shareholders and public investors.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

MANAGEMENT RESPONSIBILITIES AND ASSURANCE

In accordance with the Guide, Management bears the responsibility of reporting to the Board by:

- Continuously identifying, assessing, and managing risks that are pertinent to the business in the pursuit of the Group's objectives and implementation of its strategies;
- Formulating, executing, and overseeing the risk management framework, aligning it with the Group's strategic vision and overall risk appetite;
- Identifying any alterations in risk profiles or the emergence of new risks, taking suitable action and promptly notifying the Board about the changes; and
- Ensuring that Environmental, Social and Governance ("ESG") and other sustainability-related risks are identified, assessed and embedded within the Group's overall risk management and internal control framework, rather than treated as stand-alone matters.

The Board has received assurance from the Executive Directors and the Group Chief Financial Officer that, based on the Group's risk management and internal control systems, they are operating in an effective and adequate manner in all material aspects.

ESG AND SUSTAINABILITY RISK MANAGEMENT

The Board recognises that ESG and other sustainability risks — including climate-related and social risks are interconnected with, and may materially affect, the Group's principal business risks. These risks have been incorporated into the Group's existing risk identification, assessment and monitoring processes, and are reported to the SRMC as part of its ongoing risk oversight. The Group's ESG governance structure and sustainability roadmap are set out in the Sustainability Statement, with sustainability-related updates provided to the SRMC on a quarterly basis as part of its ongoing risk and sustainability oversight. Further details of the Group's sustainability governance, strategy, risk management and metrics are set out in the Sustainability Statement contained elsewhere in this Annual Report, which has been prepared with reference to the National Sustainability Reporting Framework ("NSRF") issued by the Securities Commission Malaysia. The Group has also undertaken an NSRF gap assessment with the assistance of an external ESG consultant.

BOARD ASSURANCE AND LIMITATION

The Board confirms that there is an ongoing process for identifying, evaluating and managing significant risks encountered by the Group during the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report. The Board is satisfied that the existing internal control and risk management systems are both adequate and effective in facilitating the Group's attainment of its business objectives, and there have been no material losses attributable to significant control weaknesses during the financial year under review.

The Board acknowledges the need for continual enhancement of these risk management and internal control systems to align with the evolving landscape of business, regulatory and sustainability developments. In arriving at this assessment, the Board has had regard to the inherent limitations of any risk management and internal control system, including the possibility of human error or judgment lapses, and the deliberate circumvention of controls. Accordingly, these systems can only provide reasonable, but not absolute, assurance against material misstatements, fraud and losses.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

ANTI-BRIBERY AND CORRUPTION POLICY

With the enforcement of Section 17A of the Malaysian Anti-Corruption Commission Act 2007, it has been established that a commercial organisation has a criminal liability ("Corporate Liability") for the corrupt activities of its employees and/or persons associated with the commercial organisation, where such corrupt activities are carried out for the commercial organisation's benefit or advantage.

In connection with this, the Group firmly upholds a zero-tolerance stance against any forms of bribery and corruption. The Group is dedicated to conducting its business operations in a professional, equitable and morally upright manner, ensuring transparency and integrity in compliance with all relevant anti-bribery and corruption legislation within the various jurisdictions where it conducts business.

Violation of the Anti-Bribery and Corruption Policy or any relevant local law may lead to disciplinary action, which could include dismissal and/or the termination of business relationships. Where the Group's reputation or interests are adversely affected due to non-compliance and/or misconduct, further legal action may also be pursued.

The Anti-Bribery and Corruption Policy is available on the Company's website, www.htgrp.com.my.

REVIEW OF STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the Main Market Listing Requirements, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report for the financial year ended 31 July 2026. The review was performed in accordance with Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants.

Based on the procedures performed, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement, in all material respects, has not been prepared in accordance with the disclosures required by Section 7 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies ("SORMIC Guide 2025"), nor is it factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system.

This Statement was approved by the Board on 24 September 2026.

AUDIT COMMITTEE REPORT

The Board of Directors of Hiap Teck Venture Berhad is pleased to present the Audit Committee ("AC") Report for the financial year ended 31 July 2026 in compliance with Paragraph 15.15 of the Main Market Listing Requirements.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee was established on 17 July 2003 to fulfill the principles of accountability, integrity and good corporate governance in assisting the Board to discharge its responsibilities of reviewing and monitoring the Group's financial process, audit process, statutory and regulatory compliance.

The Terms of Reference of the Audit Committee may be viewed at the Company's website at www.htgrp.com.my.

The Audit Committee members who are appointed from amongst the Directors are all Independent Non-Executive Directors. No alternate director is appointed as a member of the Audit Committee. The Chairman of the Audit Committee, Mr. Sherman Lam Yuen Suen, is a Chartered Accountant of the Malaysian Institute of Accountants, a Fellow of the Chartered Institute of Management Accountants, United Kingdom, a Fellow of CPA Australia, an ASEAN CPA, a Fellow of the Institute of Corporate Directors Malaysia and a Chartered Member of the Institute of Internal Auditors of Malaysia. The Chairman of the Audit Committee is not the Chairman of the Board. The Audit Committee has complied with Practice 9.1 and 9.4 of the Code.

Name	Designation	Directorship
Mr. Sherman Lam Yuen Suen	Chairman	Senior Independent Non-Executive Director
Mr. Chen Thien Yin	Member	Independent Non-Executive Director
Dato' Ooi Lay See	Member	Independent Non-Executive Director

MEETING AND ATTENDANCE

During the financial year ended 31 July 2026, the Audit Committee convened a total of five (5) meetings.

The details of the attendance of the Audit Committee meetings were as follows:-

Name of Directors	Date of Meeting					Total Meetings Attended by Directors	Percentage of Attendance
	25/09/2025	16/12/2025	25/03/2026	25/06/2026	24/07/2026		
Mr. Sherman Lam Yuen Suen	✓	✓	✓	✓	✓	5/5	100%
Mr. Chen Thien Yin	✓	✓	✓	✓	✓	5/5	100%
Dato' Ooi Lay See	✓	✓	✓	✓	✓	5/5	100%

SUMMARY OF ACTIVITIES

The Audit Committee carried out its duties during the financial year in accordance with its terms of reference.

The following is a summary of the work of the Audit Committee in the discharge of its functions and duties for the financial year ended 31 July 2026 and how it has met its responsibilities.

The Executive Director, Mr. Foo Kok Siew and the Group Chief Financial Officer, Mr. Raymond Hoo Weng Keong attended the Audit Committee meetings by invitation during the financial year ended 31 July 2026. The Internal Auditors attended all the scheduled quarterly Audit Committee meetings. Representatives of the External Auditors were invited to present the Audit Plan and Audit Status for the year ending 31 July 2026 to the Audit Committee and attended meetings where matters relating to the audit of the statutory accounts were discussed. Other Board members may attend the Audit Committee Meetings at the request and invitation of the Audit Committee. The Company Secretary and his representative(s) attended all the Audit Committee meetings.

The main activities undertaken by the Audit Committee during the financial year ended 31 July 2026 were as follows:

- Reviewed and confirmed the Minutes of the previous AC Meeting and dealt with the matter(s) arising therefrom, if any.
- Reviewed the Group's cash flow position and projection.
- Reviewed and recommended the unaudited quarterly financial results of the Company and the Group to the Board of Directors for their consideration and approval prior to its release to Bursa Malaysia Securities Berhad ("Bursa Securities"). During the financial year under review, the Audit Committee typically concentrated its review and discussions particular on:
  - changes in or implementation of major accounting policy changes;
  - significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions, and how these matters are addressed; and
  - compliance with accounting standards and other legal requirements.
- Reviewed and recommended to the Board for approval, the Group's audited financial statements and the audit report on the financial statements.
- Reviewed and approved the internal audit plan, strategy and scope of work.
- Reviewed the internal audit reports and follow-up audit reports on quarterly basis with the Internal Auditors and consider the findings and recommendations and management's responses thereto.
- Reviewed quarterly the recurrent related party transactions ("RRPT") and the Conflict of Interest ("COI") situations that may arise within the Company or the Group including any transaction, procedures or course of conduct that raises questions of management integrity and noted the COI declarations by Tan Sri Dato' Sri Mohamad Fuzi bin Harun, Mr. Sherman Lam Yuen Suen and Mr. Chen Thien Yin as disclosed in this Audit Committee Report under the Conflict Of Interest section below.
- Reviewed the External Auditors' Audit Plan which covers the scope of the statutory audit and the audit plan prior to the commencement of audit of the Group's financial statements highlighting the Audit Focus Areas (i.e. Potential Key Audit Matters and Other Significant Audit Matters).
- Noted KPMG PLT's written assurance in their "Briefing to the Audit Committee" confirming that KPMG are and have been, independent throughout the conduct of their audit engagement in accordance with the terms of all relevant professional and regulatory requirements.
- Met with KPMG PLT in the absence of the Executive Directors and Management.
- Reviewed the audit and non-audit fees of the External Auditors and recommended these fees to the Board of Directors' for consideration and approval.

- Reviewed and discussed with the External Auditors the issues (e.g. Key Audit Matters and Other Significant Audit Matters) arising from the statutory audit, the audit report and the management letters including management's responses.
- Reviewed and approved the Non-Assurance Services to be provided by KPMG PLT.
- Reviewed the Statement on Risk Management and Internal Control, Audit Committee Report and Audit Committee Statement prior to its inclusion in the Annual Report and Circular to Shareholders in relation to RRPT.
- Reviewed the suitability, objectivity and independence of the External Auditors and recommended them for their re-appointment.
- Reviewed and satisfied themselves of the guidelines and procedures of RRPT and satisfied themselves that the said guidelines and procedures are adequate.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to Axcelasia Sdn. Bhd., an independent professional services firm for an annual fee of RM175,000 (2025: RM175,000). Independence is essential to the effectiveness of the internal audit function. The outsourced Internal Auditors report directly to the Audit Committee and the Audit Committee has full and direct access to the Internal Auditors.

The internal audit function is established to assist the Audit Committee in discharging its duties and responsibilities. The principal role of the internal audit function is to review the Group's operations, evaluating their efficiency, effectiveness and compliance with corporate policies, procedures, laws and regulations.

The internal audit function is carried out with impartiality, proficiency and due professional care. It provides the Audit Committee with information, appraisals, recommendations and counsel regarding the activities examined and other significant issues. The internal audit reports are reviewed by the Audit Committee and the Management is responsible for ensuring that recommendations and corrective actions on reported weaknesses are rectified within the required time frame.

During the financial year ended 31 July 2026, the Internal Auditors executed the approved audit plan. Their scope of work was limited to the assessment of internal controls used to manage the key risks associated with the operating processes.

The following is a summary of the activities of the Internal Audit Function:

The Internal Audit Function has focus on the assessment of the following key risks during the financial year under review:
- Health, Safety and Environment for Hiap Teck Venture Berhad Group;
- Stock Movement & Logistics Management for Hiap Teck Hardware Sdn. Bhd.;
- Recurrent Related Party Transaction for Hiap Teck Venture Berhad;
- Sales Diversification and Market Dependency for Huatraco Scaffold Sdn. Bhd.;
- Scrap, Second Grade and Goods Return Management for Alpine Pipe Manufacturing Sdn. Bhd.;
- Cybersecurity and IT Systems Resilience for Hiap Teck Venture Berhad Group;
- Inventory and Rental Equipment Return for Huatraco Scaffold Sdn. Bhd.

and thereafter discussed the summary of observations and implementation priority with the Audit Committee.

The Internal Audit Function also performed Follow-Up Review on the Previous Findings on the following key risks:

- Organisational Culture for Hiap Teck Venture Berhad Group (Cycle 7 FY2024)
- Sustainability Management for Hiap Teck Venture Berhad (Cycle 9 FY2024)
- Warehousing and Logistics for Huatraco Scaffold Sdn. Bhd. (Cycle 2 FY2025)
- Quality Assurance and Quality Control for Alpine Pipe Manufacturing Sdn. Bhd. (Cycle 4 FY2025)

to assist the Audit Committee by independently evaluating and improving the effectiveness of the system of internal controls and discussed audit findings with the Audit Committee subsequently.

During the year under review, the Audit Committee has met with the Internal Auditors four (4) times to carry out its responsibility to review the internal audit function and to assure itself on the soundness of internal control system.

CONFLICT OF INTEREST

At every quarterly meeting of the Audit Committee held during the financial year under review, the Audit Committee reviewed the report by Management of any actual, potential or perceived conflict of interest ("COI") situation (excluding related party transactions), and the measures taken to resolve, eliminate, or mitigate such conflicts. The COI situations reviewed during the financial year are summarised below:

No.	Director	Nature	Measures taken
1	Tan Sri Dato' Sri Mohamad Fuzi bin Harun	Tan Sri Fuzi is the Chairman of Taghill Holdings Berhad ("Taghill") and the Non-Executive Chairman of the Company. Certain subsidiaries of the Group have business dealings with subsidiaries of Taghill, including the supply of materials in the ordinary course of business.	Tan Sri Fuzi had declared his interest and does not participate in or influence the Group's commercial decisions or negotiations relating to such dealings. He, therefore, will continue to abstain from deliberation and decision-making on matters where there is any actual, potential or perceived conflict of interest arising therefrom, if any.
2	Mr. Sherman Lam Yuen Suen	Mr. Lam is the Senior Independent Non-Executive Director of Gadang Holdings Berhad ("Gadang") and the Senior Independent Non-Executive Director of the Company. Certain subsidiaries of the Group have business dealings with subsidiaries of Gadang, including the supply of steel products in the ordinary course of business.	Mr. Lam had declared his interest and does not participate in or influence the Group's commercial decisions or negotiations relating to such dealings. He, therefore, will continue to abstain from deliberation and decision-making on matters where there is any actual, potential or perceived conflict of interest arising therefrom, if any.
3	Mr. Chen Thien Yin	Mr. Chen is an Independent Non-Executive Director of the Company and was appointed as an Independent Non-Executive Director of Bank of China (Malaysia) Berhad on 9 January 2026. The Group's subsidiaries have banking and trade-financing facilities with the bank, supported by corporate guarantees from the Company.	Mr. Chen had declared his interest and will continue to abstain from deliberation and decision-making on matters specifically relating to the establishment, renewal, amendment or operation of the Group's banking and trade-financing arrangements with the bank where a conflict of interest arises, if any. The facilities are managed by authorised Management personnel and monitored in accordance with the Group's Conflict of Interest Policy.

The Audit Committee noted that the above COI situations were appropriately declared and managed in accordance with the Group's Conflict of Interest Policy, including the requirement for the relevant persons to recuse themselves from deliberation and decision-making on matters giving rise to a conflict. The Audit Committee will continue to review the COIs regularly as well as monitor the implementation of the relevant mitigation measures.

The above disclosures are made pursuant to Paragraph 15.15(3)(f) of the MMLR. Related party transactions are excluded from this COI disclosure and are addressed separately under the Group's RPT framework.

This statement was approved by the Board on 24 September 2026.

NOMINATION COMMITTEE STATEMENT

The Nomination Committee ("NC") of the Company was established on 16 October 2003 with written Terms of Reference approved by the Board, dealing with its authority and duties which include developing, maintaining and reviewing the criteria for recruitment and annual assessment of Directors. On 15 December 2023, the Nomination Committee and Remuneration Committee ("RC") have been combined into one committee and henceforth is known as the Nomination and Remuneration Committee ("NRC") for the purpose of facilitating the deliberation of common matters of the NRC expediently and effectively.

COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises three (3) Non-Executive Directors, all of whom are Independent Directors. The members of NRC are as follows:

Members of the Nomination and Remuneration Committee	Designation	Directorship
Dato' Ooi Lay See	Chairperson	Independent Non-Executive Director
Mr. Sherman Lam Yuen Suen	Member	Senior Independent Non-Executive Director
Mr. Chen Thien Yin	Member	Independent Non-Executive Director

The Terms of Reference of the Nomination Committee and Remuneration Committee are separately disclosed on the Company's website at www.htgrp.com.my.

The Nomination Committee Statement is prepared in accordance with the requirements of the MMLR. In this regard, the NC key responsibilities are as follows:

- Reviewing the Board composition and ensuring that it is refreshed periodically.
- Reviewing the tenure of each Director and ensuring that the annual re-election of a Director is contingent on the satisfactory evaluation of the Director's performance and contribution to the Board.
- Recommending new nominees who are able to devote the required time to serve the Board effectively and who do not have any conflict of interests, position or relationship that might influence, or reasonably be perceived to influence their independent judgement or to act in the best interest of the Company.
- Assessing the effectiveness of the Board, the Committee and the contribution of each Director every year, taking into consideration the required mix of skills, knowledge, expertise and experience, and any other requisite qualities, including core competencies for Non-Executive Directors. All assessments and evaluations are documented to identify key strengths and/ or weaknesses, steps or enhancement proposed to be undertaken to mitigate or address the weaknesses identified and the impact of the evaluation on the Board composition.

NRC MEETING AND ATTENDANCE

During the financial year ended 31 July 2026, the NRC convened a total of four (4) meetings with details of the attendance of the members as follows:-

Name of Directors	Date of Meeting				Total Meetings Attended	Percentage of Attendance
	25/09/2025	16/12/2025	25/06/2026	24/07/2026		
Dato' Ooi Lay See	✓	✓	✓	✓	4/4	100%
Mr. Sherman Lam Yuen Suen	✓	✓	✓	✓	4/4	100%
Mr. Chen Thien Yin	✓	✓	✓	✓	4/4	100%

SUMMARY OF ACTIVITIES

The NC had carried out the following activities during the financial year ended 31 July 2026:-

(a) Conducted an annual performance evaluation of the Directors, the Board as a whole and the Board Committees for the financial year ended 31 July 2026 as follows:

- The Board Evaluation Form was reviewed including specifically the Fit and Proper criteria and Environmental, Social and Governance as part of the evaluation and assessment of Directors before it was recommended to the Board of Directors for approval and release to the Directors for their completion.
- The evaluation was on the contribution and performance of each individual Director, independence of Independent Directors, the mix of skills, experience and other qualities of the Directors meeting the Company's Fit and Proper Criteria including but not limited to the core competencies and time commitment which Non-Executive Directors should bring to the Board.
- The Directors were required to answer questions related to the following segments in the Board Evaluation Form: Board Structure, Board Operation, Management Relationship, Board Roles and Responsibilities, Board Chairman's Roles and Responsibilities, Environmental, Social and Governance ("ESG") Responsibility, Integrity and Ethic, Fit and Proper, Contribution/Interaction/Performance, Knowledge, Time Commitment, Judgement and Decision Making, Caliber of Personality and Leadership.
- The Board Evaluation Form which is a self and peer evaluation and assessment questionnaire was circulated to each Director for his completion. Each Director will rate his own and that of his peer's conduct, commitment and performance against a set of ratings given. Upon return of the completed questionnaires, the Company Secretary compiled the results of the evaluation based on the information and views/observations completed in the questionnaires and tabled the summary of the results for the NC's deliberation. The results compiled included comments made by the Directors which will be deliberated by the NC before it makes any recommendation to the Board for improvement or further action. The overall results of the current evaluation concluded that the Directors, the Board and the Board Committees are in compliance with good corporate governance practices and adhere to existing laws and regulations. All Directors agreed that there is full compliance and quality in the Directorate of the Company.

(b) Reviewed the retirement by rotation at the 29th Annual General Meeting of the Company in accordance with Clause 92 of the Company's Constitution, and recommended the re-election of Tan Sri Dato' Sri Mohamad Fuzi Bin Harun, Mr. Foo Kok Siew and Mr. Chen Thien Yin who being eligible to be re-elected, have consented to be re-elected.

(c) Reviewed the retirement by rotation at the 29th Annual General Meeting of the Company in accordance with Clause 97 of the Company's Constitution, and recommended the re-election of Mr. Law Wai Ho who being eligible to be re-elected, has consented to be re-elected.

(d) Reviewed the training attended by Directors in respect of the financial year under review for inclusion in the Annual Report 2025.

(e) Reviewed the time commitment of the Directors to ensure that they devote the required time to serve the Board effectively.

(f) Reviewed the compliance of Practice 5.10 of Malaysian Code on Corporate Governance 2021 ("MCCG 2021") which requires the Board to disclose in its Annual Report the Company's policy on gender diversity for the Board and Senior Management. NRC noted that HTVB currently departs from Practice 5.10 of MCCG with the explanation that the Board membership is dependent on the potential candidate's skills, experience, core competencies and other qualities regardless of gender, age and ethnicity.

NOMINATION COMMITTEE STATEMENT (Cont'd)

(g) Reviewed the continuous professional development of members of the AC to ensure that they keep abreast of the relevant developments in accounting and auditing practices and rules and that they shall be financially literate and are able to understand matters under the purview of the AC including the financial reporting process.

(h) Conducted on 26 September 2025 an evaluation of the term of office and performance of the Audit Committee ("AC") for the financial year ended 31 July 2025, and reviewed and assessed the composition and quality of the AC; their understanding of the business including risks; process and procedures; oversight of the financial reporting process, including internal controls; oversight of audit functions; ethics and compliance; and monitoring activities. Following the evaluation, the NC concluded that the AC and its Members had been effective in discharging their responsibilities to ensure the quality, integrity and appropriateness in financial accounting and reporting, and have carried out their duties in accordance with their terms of reference.

(i) Reviewed the Group's Succession Planning and found that the Group Succession Planning structure is in place.

This statement was approved by the Board on 24 September 2026.

SUSTAINABILITY STATEMENT 2026

OVERVIEW

Hiap Teck Venture Berhad ("HTVB") remains dedicated to creating long-term, sustainable value for all stakeholders. Beyond generating financial returns for our shareholders, we recognise our broader responsibility to our employees, local communities, the environment, and our supply chain. The Board of Directors is pleased to present the Sustainability Report for the financial year ended 31 July 2026 ("FY2026"), which outlines our strategies, initiatives, and performance in managing material Economic, Environmental, Social, and Governance ("EESG") topics.

REPORTING SCOPE AND BOUNDARIES

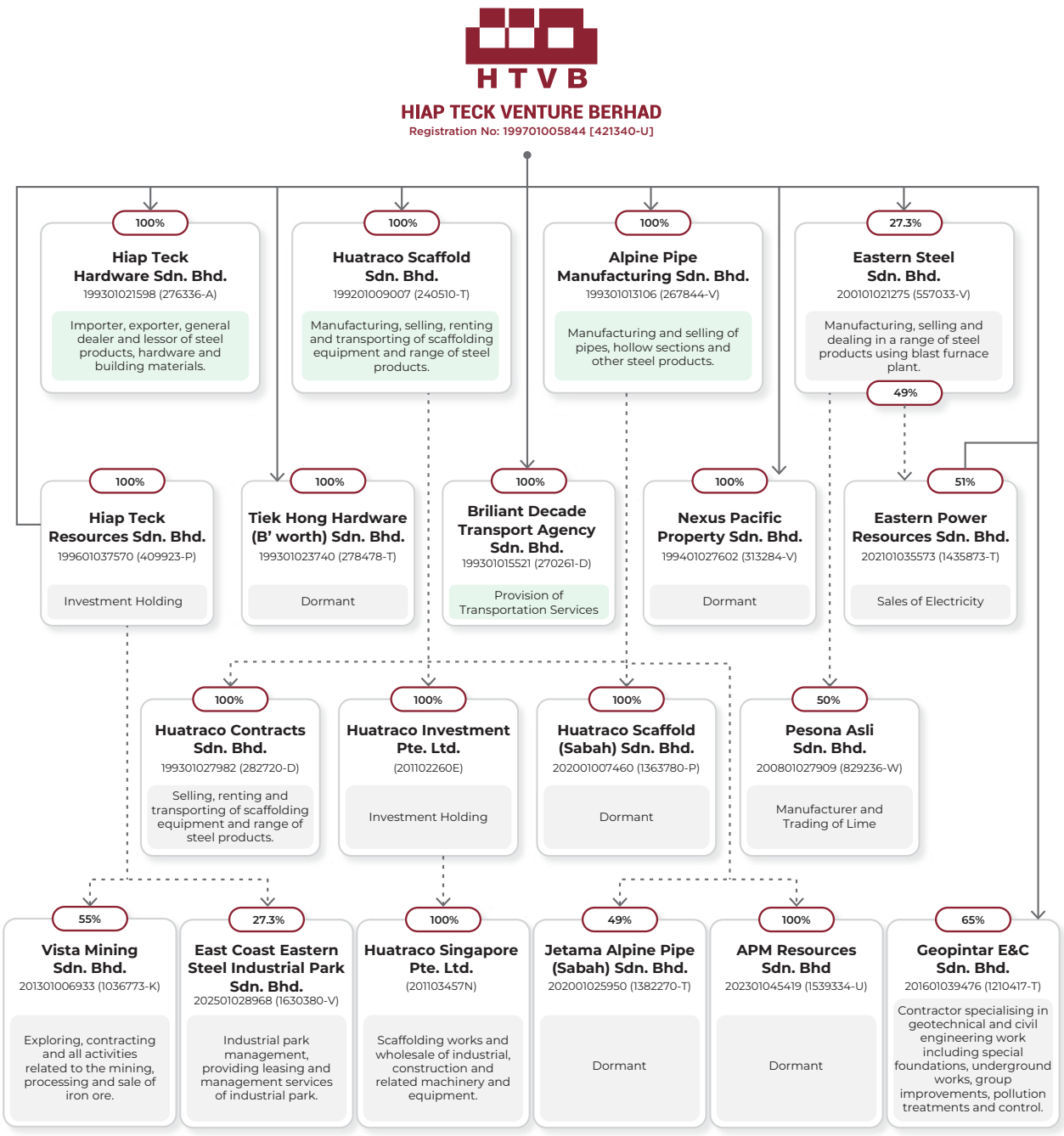
Covering the period from 1 August 2025 to 31 July 2026, this report focuses on our primary operating subsidiaries based in Malaysia, i.e., Alpine Pipe Manufacturing Sdn. Bhd., Hiap Teck Hardware Sdn. Bhd., Huatraco Scaffold Sdn. Bhd., and Briliant Decade Transport Agency Sdn. Bhd.. These entities drive our core operations and represent the majority of our revenue and sustainability footprint. Certain entities have been excluded from this disclosure, including Vista Mining Sdn. Bhd. (due to third-party arrangements and lack of material revenue), Eastern Steel Sdn. Bhd. ("ESSB") (a 27.3%-owned joint venture entity), and other dormant companies within the Group.

EASTERN STEEL SDN BHD BOUNDARY AND EESG OVERSIGHT

As HTVB does not have operational control over ESSB, ESSB is not included within the Group's general sustainability reporting boundary. Nevertheless, HTVB recognises that ESSB's business activities and material sustainability-related risks and opportunities may have a bearing on the Group's investment, financial performance, supply chain resilience and long-term business strategy. Accordingly, HTVB considers material EESG matters relating to ESSB as part of its broader sustainability and risk oversight.

ESSB publishes its own ESG report with financial year ending 31 December which differs from HTVB's financial year ending 31 July. Accordingly, ESSB's report (*https://www.easternsteel.com.my/en/2025-ESG-Report.html*) is not directly time-aligned with this Statement and should be read in conjunction with it.





Included in the scope of sustainability report

REPORTING FRAMEWORKS AND ASSURANCE

This report complies with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and its Sustainability Reporting Guide (3rd Edition). To ensure our disclosures meet evolving international best practices, we have drawn on global frameworks including with reference to the Global Reporting Initiative ("GRI") Standards and the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"). The report's contents and our material topics have been thoroughly reviewed and approved by the Board and the Sustainability and Risk Management Committee ("SRMC"). While this Sustainability Statement has not been subjected to internal audit review for the current financial year, the Group intends to do so in future reporting cycles.

SUSTAINABILITY GOVERNANCE

At HTVB, sustainability governance is a foundational element of our corporate strategy. By embedding EESG principles into our daily operations, policies, and decision-making, our governance framework ensures effective risk management and long-term value creation for all stakeholders.

The Board of Directors serves as the highest governing body, taking ultimate responsibility for HTVB's sustainability strategy, performance, and disclosures. The Board sets the strategic direction for critical material matters, including ethical conduct, occupational health and safety, environmental stewardship, human capital development, and regulatory compliance. To reinforce this commitment, the Board recently updated its evaluation forms to explicitly include ESG responsibilities. For HTVB, sustainability operates as a core driver of resilience and competitiveness, rather than a mere compliance exercise.

Acting as a vital bridge between operations and the Board, the Sustainability and Risk Management Committee ("SRMC") plays a crucial role in integrating sustainability into the Group's broader strategy. The SRMC reviews the Terms of Reference ("TOR") for sustainability governance and evaluates reports from the Sustainability Working Committee ("SWC"). Through rigorous assessment and constructive feedback, the SRMC formulates strategic recommendations for Board approval and provides regular briefings to keep leadership fully aligned with our sustainability objectives.

At the operational tier, the SWC is tasked with driving group-wide implementation. Chaired by an Executive Director[1], the committee includes a Sustainability Coordinator and designated Reporting Champions from core functions such as Human Resources, Production & Operations, Finance, Business Development, and IT. Meeting at least twice a year, the SWC implements initiatives, tracks progress against established targets, reports back to the SRMC, and prepares the annual sustainability statement for the Annual Report.

For material EESG matters associated with investee entities such as ESSB, HTVB's oversight is exercised through the Group's established governance and risk management processes, considering the Group's shareholder interest and information provided by the joint venture. Relevant EESG matters are considered through the Group's management and committee reporting channels where relevant, monitored and assessed for their potential impact on the Group. This includes HSE performance, material incidents, regulatory matters and other pertinent EESG issues. Where material matters are identified, they are escalated through the appropriate management and Board-level channels and, where relevant, incorporated into the Group's Enterprise Risk Management ("ERM"), investment oversight and strategic planning processes.

HTVB's corporate governance and operational practices are deeply anchored in the Group's Core Values. These values are operationalised through clear Key Performance Indicators ("KPIs") and robust internal controls to track accountability. By aligning our strategy, culture, and governance frameworks, HTVB continuously drives ethical conduct, operational excellence, and continuous improvement.

[1]The Sustainability Working Committee was chaired by an Executive Director during the reporting period, who retired on 31 July 2026. The role is now held by the Group CFO.

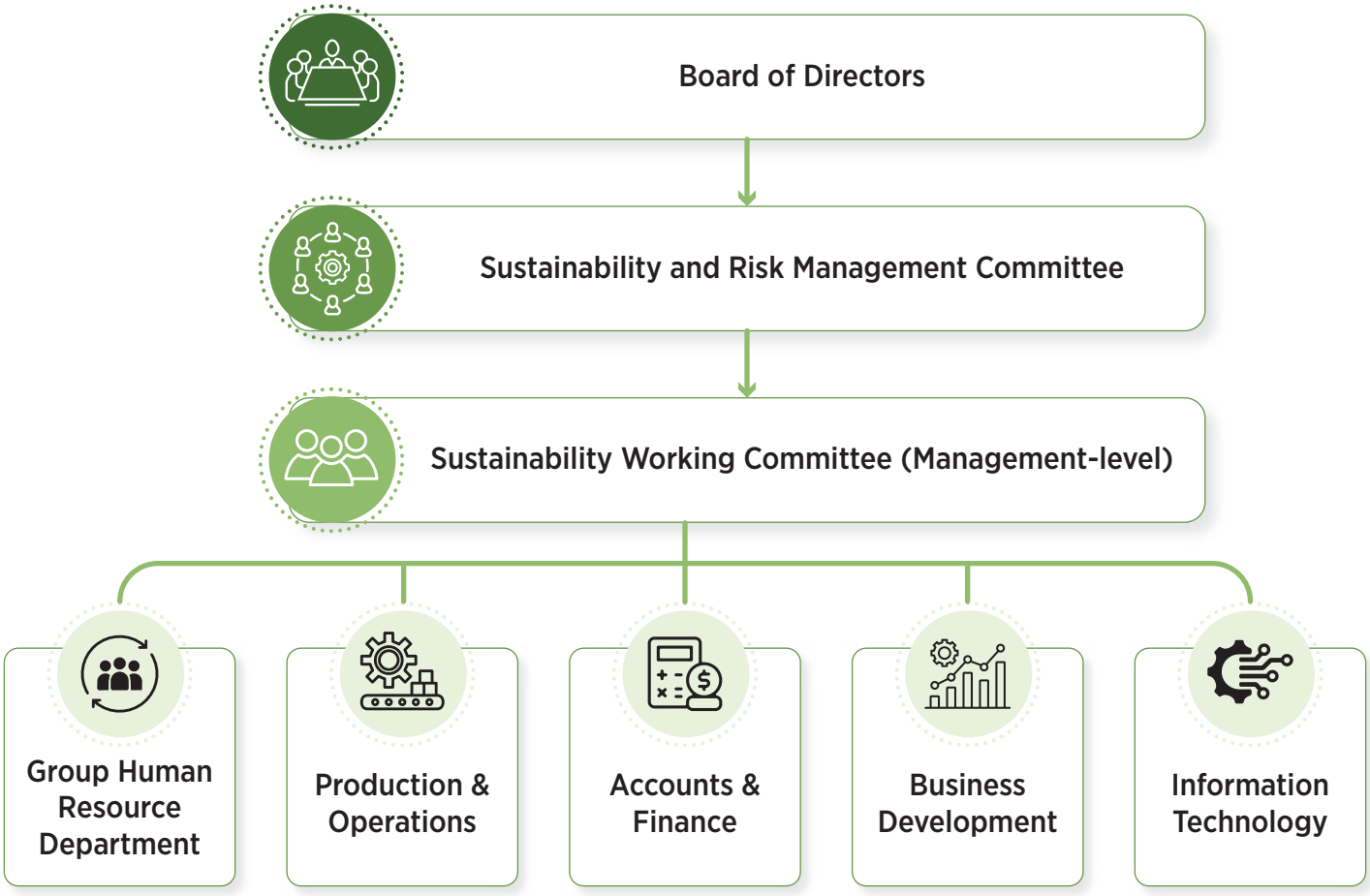


Figure 1. Sustainability Governance Structure

STAKEHOLDER ENGAGEMENT

HTVB recognises that proactive and transparent engagement is essential for building trust, strengthening long-term relationships, and keeping our sustainability priorities relevant. Throughout the year, we actively collaborate with both internal and external stakeholders to better understand their perspectives, expectations, and concerns regarding material EESG topics.

We define our stakeholders as individuals or groups who are impacted by our operations or who can influence our long-term success. By fostering open, two-way communication, we consistently integrate valuable stakeholder feedback into our strategic planning and decision-making processes. This collaborative approach empowers HTVB to proactively identify risks, capitalise on emerging opportunities, and effectively deliver shared value.

To ensure regular, timely, and meaningful engagement with our stakeholders, we utilise a range of communication channels including digital platforms, face-to-face meetings, seminars, and direct consultations. The table below outlines our key stakeholder groups, engagement channels, frequency of engagement, key interests and concerns and our responses.

SUSTAINABILITY STATEMENT (Cont'd)

Stakeholders Group	Engagement Channel	Frequency of Engagement	Key Interest/ Concern	Our Response
Shareholders	• Corporate Website • Quarterly Results Announcement • Material Matters Announcement • Annual Report • Annual General Meeting • Extraordinary General Meeting • Regular Analysts Briefings	• Periodically • Quarterly • Annually	• Corporate governance practices • Risk management practices • Sustainable return and growth	• We are committed to delivering economic value to our shareholders through sound corporate governance, effective risk management and a robust sustainability framework.
Regulatory Bodies	• Forum and dialogues/ meetings • Networking events • Seminar • Briefing and consultation	• Periodically	• Human capital development • Health and safety compliance • Environment and social compliance • Industry regulatory development	• We engage with regulatory bodies to ensure compliance, manage sustainability related risks and maintain high standard of integrity in our operations.
Trade Associations	• Forum and dialogues/ meetings • Networking events • Seminars • Briefings and consultations	• Periodically	• Industry and business trend • Implications of government policies	• We actively participate in industry engagements and collaborate with relevant stakeholders to understand industry development and contribute to the continued developments of the industry.
Customers	• Regulatory site visits and audits • Quality certification audits • Marketing events • Meetings and site visits • Hotline and corporate website	• Ongoing	• Products quality and customer service • Products information and updates • Feedback and communication	• We maintain regular communication with customers to understand their needs, provide relevant product and service information and address feedback in a timely manner.
Business Partners (Suppliers, Distributors, Contractors)	• Trade fairs • Site/ plant visits • New and periodical performance evaluation • Company website	• Ongoing	• Business needs • Company information • Product and service specifications	• We maintain business partner relationships through established procedures, regular communication and performance evaluation to support effective reliable business operations.
Employees	• Daily morning briefings • Weekly Senior management meetings • Weekly operation meetings • Safety meetings • Seminars and trainings • Performance appraisals	• Daily • Weekly • Periodically	• Safe work procedures • Risk, hazards incidents • Workplace concerns • Feedback and follow up actions	• We provide regular communication and engagement platforms for employees to raise concerns, discuss workplace and ensure appropriate follow-up actions.
Community	• Education funds • Community support initiatives	• Periodically • Annually	• Community development and education • Support for community initiatives	• We strive to be a responsible corporate citizen by supporting initiatives that contribute positively to well-being and development of our local communities.

Note: Stakeholder groups and engagement approaches were reviewed during FY2026, with no significant changes identified.

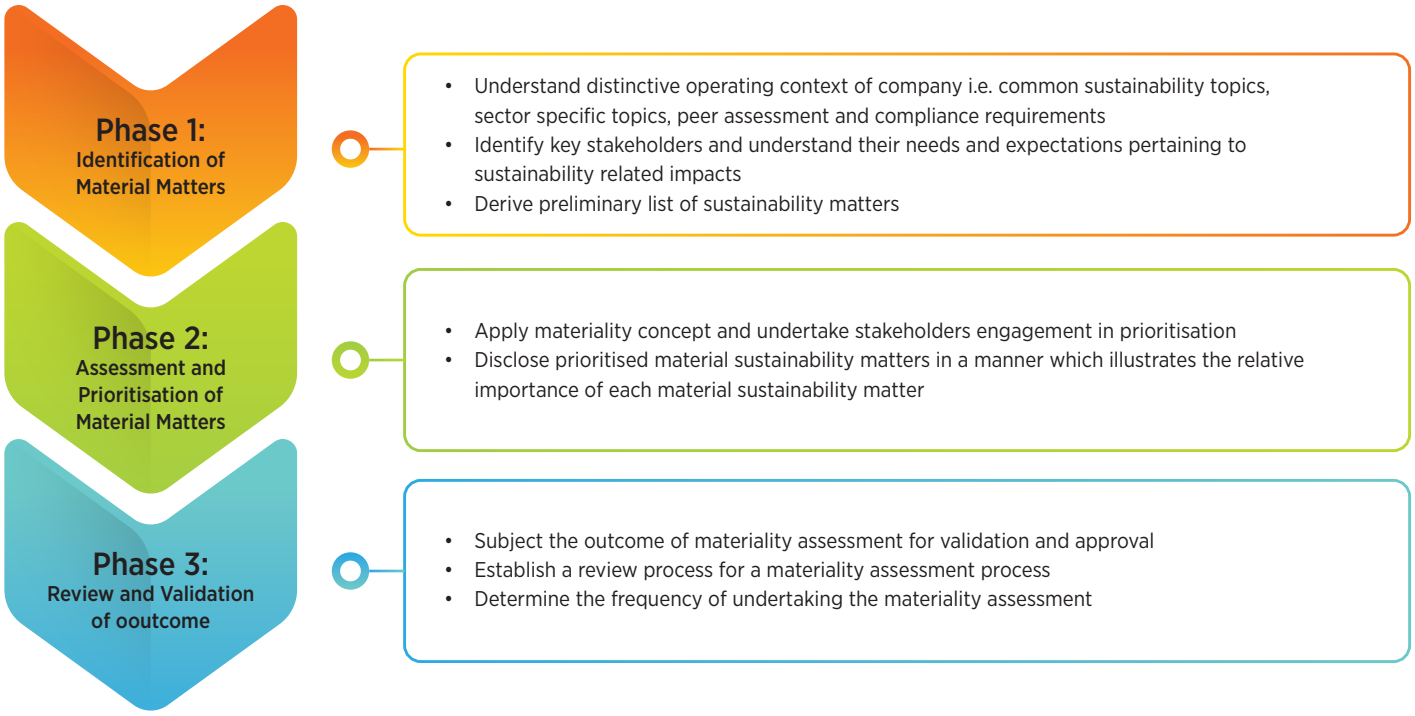
MATERIALITY ASSESSMENT

At HTVB, our materiality assessment is central to identifying the EESG topics that matter most to our business and stakeholders. Following the comprehensive materiality assessment conducted in FY2025, which involved extensive internal and external stakeholder engagement, we undertook a thorough review of our material topics for the current reporting year.

This annual review ensures that our focus areas continue to reflect the expectations of those most impacted by, and most able to influence, our business. Guided by international reporting frameworks such as the GRI Standards and Bursa Malaysia's sustainability reporting guidelines, our leadership and sustainability committees evaluated the existing topics against current industry practices, regulatory expectations, and our ongoing business strategy.

The review process confirmed that the rigorous baseline established last year remains highly relevant and accurately captures HTVB's current sustainability impacts and stakeholder priorities. As a result, no changes were made to our material topics for this reporting cycle. We remain committed to these identified areas, ensuring a holistic approach to resource stewardship, workforce well-being, and corporate responsibility.

The step-by-step methodology of our Materiality Assessment is illustrated below:



SUSTAINABILITY STATEMENT (Cont'd)



Details of HTVB's material EESG factors are provided below:

Environmental	Social	Governance
 Energy Management	 Health and Safety	 Corporate Governance including Anti-Corruption
 Waste Management and Effluents	 Labour Practices and Standards	 Compliance
 Air Quality and GHG Emissions	 Diversity	 Data Privacy and Security
 Water	 Community and Society	 Supply Chain Management

MEMBERSHIP OF ASSOCIATIONS

The Group actively engages with relevant industry associations to contribute to the advancement of the building materials, steel, and renewable energy sectors. Our subsidiaries hold memberships across leading associations including the Building Materials Distributors Association of Malaysia ("BMDAM"), Master Builders Association Malaysia ("MBAM"), Malaysian Iron and Steel Industry Federation ("MISIF"), Malaysian Structural Steel Association ("MSSA"), Malaysia Steel Institute ("MSI"), South East Asia Iron and Steel Institute ("SEAISI"), Malaysian Photovoltaic Industry Association ("MPIA"), and others.

We also play active leadership roles within these industry bodies, such as serving as Deputy President I of MISIF, Council Member of MISIF, Committee Member of MPIA, and Committee Member of MSSA under the ASEAN Iron and Steel Council ("AISC").

GOVERNANCE

CORPORATE GOVERNANCE

At HTVB, robust corporate governance and a zero-tolerance approach to corruption form the foundation of our long-term sustainability and stakeholder trust. We are committed to fostering a corporate culture grounded in integrity, accountability, and transparency at every level of the organisation. Our governance frameworks ensure that ethical conduct is embedded into our daily operations, risk management processes, and strategic decision-making.

The Board of Directors provides strategic oversight to ensure that sound governance and sustainability principles remain integral to HTVB's business model. In line with Bursa Malaysia's guidelines on inclusivity, we regularly monitor and evaluate the composition of our Board with consideration given to a balanced representation of gender, age, and professional expertise to support a diverse, effective and capable governing body.

Percentage of Directors by Gender and Age

	Unit	FY2024	FY2025	FY2026
Total	**Headcount**	**8**	**9**	**9**
By Gender				
Male	Headcount	7	8	8
	Percentage	87%	89%	89%
Female	Headcount	1	1	1
	Percentage	13%	11%	11%
By Age				
X<30	Headcount	0	1	0
	Percentage	0%	11%	0%
30≤X≤50	Headcount	1	1	2
	Percentage	13%	11%	22%
X>50	Headcount	7	7	7
	Percentage	87%	78%	78%

Code of Ethics and Anti-Corruption

Our governance framework is firmly anchored by our Code of Conduct and Ethics, Anti-Bribery and Corruption ("ABC") Policy, and Whistleblowing Policy. Covering critical aspects of ethical business conduct, these foundational documents are integrated into the Employee Handbook and are readily accessible via our corporate website. To ensure our governance practices remain robust and relevant, we regularly review our compliance with the Code of Conduct and Ethics and address any potential gaps arising from changes in regulatory frameworks.

They cover critical aspects such as:



Aligned with Malaysia's anti-bribery law, our ABC Policy clearly sets out HTVB's zero-tolerance stance on corruption and establishes strict measures to prevent, detect, and respond to illicit practices. This policy is continuously strengthened through the development of supporting guidelines to promote consistent compliance across all subsidiaries. ABC clauses are also incorporated into all contractual agreements to reinforce accountability. In addition, employees are required to formally acknowledge their adherence to the ABC Policy and applicable local anti-bribery laws through their appointment letters and annual appraisal forms

HTVB continuously reinforces a culture of integrity through daily briefings, management communications and visible ABC reminders displayed across our offices, factories, canteens, and computer systems. During FY2026, we further strengthened employees' awareness of our ABC and Whistleblowing Policies through targeted communications and training. HR conducted an ABC training session for 24 employees on 5 December 2025, reinforcing their understanding of the Group's anti-corruption requirements and their responsibilities in maintaining ethical business conduct.

Percentage of employees who have received training on anti-corruption by employee category					
		Unit	FY2024	FY2025	FY2026
Senior Management	Number of employees trained	Headcount	8	0	0
	Total number of employees	Headcount	11	12	12
	Percentage trained	Percentage	73%	0%	0%
Middle Management	Number of employees trained	Headcount	6	0	9
	Total number of employees	Headcount	64	65	64
	Percentage trained	Percentage	9%	0%	14%
Other Employees	Number of employees trained	Headcount	17	0	15
	Total number of employees	Headcount	611	601	575
	Percentage trained	Percentage	3%	0%	3%

Over the past three financial years, we have recorded zero incidents of corruption. We continue to strengthen our internal controls, risk management processes and employee awareness initiatives to mitigate corruption-related risks across the Group.

Corruption-related risks continue to be addressed through the Group's established ABC Policy, supporting procedures, internal controls and Enterprise Risk Management framework. These measures are supported by employee acknowledgements, awareness activities and targeted ABC training.

Anti-Corruption Performance			
	FY2024	FY2025	FY2026
Number of confirmed incidents of corruption and action taken	0	0	0

Management recognises the importance of periodically reviewing the Group's corruption-related risk assessment to ensure that the controls remain relevant and aligned with evolving regulatory expectations. The Group will continue to review and enhance its approach to corruption-risk assessment and monitoring as appropriate.

Ethical business practices along the supply chain

Our commitment to integrity extends well beyond our internal operations to encompass all suppliers, contractors, and business partners. We expect every external party engaged with our business to strictly uphold our ethical standards regarding anti-corruption, environmental stewardship, workplace safety, and labour rights. To ensure active adherence, these critical expectations are explicitly formalised within our service agreements and are subject to ongoing monitoring.

By seamlessly aligning our internal governance practices with stringent supply chain requirements, HTVB effectively mitigates operational risks and actively safeguards our corporate reputation. This comprehensive, end-to-end approach to corporate ethics ultimately builds a strong, resilient foundation for sustainable, long-term growth.

COMPLIANCE

HTVB is committed to upholding high compliance standards across our operations through adherence to applicable laws, regulations, and industry requirements. In FY2026, HTVB recorded zero incidents of non-compliance with applicable laws and regulations, including environmental requirements. This continues the Group's clean compliance track record over the past three years and reflects our continued focus on maintaining effective policies, procedures and controls to identify and address potential compliance gaps.

Environmental Compliance

Our environmental compliance framework is aligned with the Environmental Quality Act 1974 ("EQA 1974") and other relevant Malaysian environmental requirements. Through regular management reviews, we identify environmental risks, address potential issues and monitor compliance. This commitment also extends to our waste management practices, under which hazardous and non-hazardous materials are handled, stored, and disposed of in accordance with applicable regulatory requirements. HTVB continues to strengthen its environmental management practices through internationally recognised standards and initiatives. On 12 February 2025, wholly owned subsidiary, Alpine Pipe Manufacturing Sdn. Bhd. ("Alpine") achieved ISO 14001 certification, demonstrating our systematic approach to environmental management and continuous improvement.

In FY2026, Alpine further strengthened its environmental sustainability efforts through the completion of an Environmental Product Declaration ("EPD") for its ERW tubular products and SSAW steel pipes. The EPD is an internationally recognised, third-party verified environmental assessment based on ISO 14025 and EN 15804 standards. It assesses the environmental impacts of these products across their life cycle and provides independently verified environmental information to support customer, export, green procurement and tender requirements. The EPD establishes a verified cradle-to-gate carbon footprint of approximately 2.35 tCO_2e per tonne and incorporates an 85% end-of-life recycling rate, supporting the Group's position in international export markets and green building tenders. The EPD is valid from 4 June 2026 to 4 June 2031.

Social Compliance

In accordance with the Occupational Safety and Health Act 1994 ("OSHA"), each of HTVB's primary operating subsidiaries maintains dedicated Occupational Safety and Health ("OSH") Committees with representation from both employer and employee groups across relevant functions. Supporting teams, including the Environmental Performance Monitoring Committee ("EPMC"), Emergency Response Team ("ERT"), and Hazardous Material Team ("HAZMAT") conduct regular training, audits, and drills to strengthen workforce safety and emergency preparedness. HTVB also continues to uphold fair labour practices in accordance with the Employment Act 1955. Standard working hours are capped at 45 per week, with overtime limited to 104 hours per month per worker.

As a key FY2026 milestone, Alpine achieved its third verification of the SOHELP DIY Programme on 7 April 2026 and attained SOHELP Level 5 (Excellent Level), the highest tier under the Department of Occupational Safety and Health ("DOSH") Malaysia's Systematic Occupational Health Enhancement Level Programme. The achievement reflects the implementation of action plans covering ergonomics, chemical and noise management, continued occupational health improvement initiatives, full implementation of industrial hygiene checklists and no new occupational diseases reported.

Product and Service Quality Standards

Delivering safe, reliable, and premium products remains central to our corporate responsibilities. HTVB operates a robust Quality Management System (QMS) overseen by a dedicated committee led by Senior Management. This framework guarantees that customer expectations and regulatory demands are consistently met through strict quality controls, active feedback mechanisms, and ongoing research and development. Validating our adherence to national and global benchmarks, our subsidiaries Alpine and Huatraco proudly hold multiple internationally recognised certifications, including ISO 9001:2015, MS1462, and various BS EN and JIS protocols. Collectively, these comprehensive certifications across our manufacturing and management systems reinforce our alignment with global best practices, ensuring sustained customer confidence and market competitiveness.

Entity Name	Product/Service	Certification	Certified Body
Alpine Pipe Manufacturing Sdn Bhd	Iron & Steel	CIDB ACT 520 (PPS Schedule 4)	CIDB
	Steel Pipes and Hollow Sections	BS EN39/10219-1&2, JIS G 3444/3452, MS 863, ASTM A500, MS EN 10219-1&2 SPAN TS 21827-2, MS 1462-2-1, MS1462-1	IKRAM
	Mild Steel Cement Lined Pipes Steel Fittings	SPAN TS 21827-1	IKRAM
	Steel Pipes and Hollow Sections	BS EN 10210-1, BS EN 10255, FM 1630, SIRIM ECO 032	SIRIM
	Quality Management System	ISO 9001 (MALAYSIA), ISO 9001 (UKAS), ISO 14001	INTERTEK, DQS
	Competence of testing laboratory	MS ISO/IEC 17025	SAMM
	Mild Steel Cement Lined Pipes -ERW & SAW	SPAN TS 21827-1	SPAN
	Steel Pipes and Hollow Sections	AS NZS 1163	BSI
	Lip & Plain Channel and Hollow Sections	(BC 1) FPC EN 10210-1, EN 10219-1, AS/NZS 1163, JIS G 3350	TUV
	Steel Pipes and Hollow Sections	(CE-MARK) FPC, EN 10219-1, MyHijau MARK	TUV, MGTC
Huatraco Scaffold Sdn Bhd	Iron & Steel (Modular System Scaffolding & Formwork) -TPIB Scheme	CIS-22, CIS-23	CREAM, CIDB
	Steel Modular System Scaffolding (C25 & C60)	MS 1462-3-1	SIRIM, CIDB
	Prefabricated Steel Frame Scaffolding	MS 1462-1	SIRIM, CIDB
	Adjustable Steel Prop	MS EN 1065	SIRIM, CIDB
	Scaffold Accessories & Component	MS 1462-1, MS 1462-4-1	SIRIM, CIDB
	Couplers For Tubular Scaffolding	MS 1462-2-3	SIRIM, CIDB
	Prefabricated Steel Modular System Scaffolding	MS 1462-3-1	CERTIBUILD, CIDB
	Quality Management System	ISO 9001	DQS

DATA SECURITY

HTVB recognises that robust data privacy and security are essential for preserving stakeholder trust. As digital technologies become increasingly integrated into our manufacturing, supply chain, and customer engagement processes, we remain steadfast in safeguarding sensitive information and building system resilience against evolving cyber threats.

Our data management practices strictly comply with Malaysia's Personal Data Protection Act 2010 ("PDPA") and other relevant regulations. Strategic oversight of data protection and cybersecurity is led by Senior Management, actively supported by our dedicated IT teams. These specialised teams are tasked with continuously monitoring systems, rigorously managing access controls, and proactively assessing potential vulnerabilities. To maintain complete transparency and accountability, regular cybersecurity updates are presented to the Board of Directors.

During FY2026, HTVB experienced zero data breaches. Furthermore, the Group received no substantiated complaints regarding customer privacy violations or the loss of customer data, reflecting the effectiveness of our current digital security measures.

Number of reports of data breaches or customer data loss			
	FY2024	FY2025	FY2026
Number of reported cases	0	0	0

SUPPLY CHAIN MANAGEMENT

Effective supply chain management is vital to HTVB's operational excellence and broader sustainability goals. We focus on building a resilient, transparent, and responsible supply network that consistently upholds the highest standards of quality and ethics. Our structured procurement process balances competitive pricing with sustainability through continuous price benchmarking, framework-guided negotiations, and rigorous ongoing evaluations. By conducting annual performance reviews and dedicated supplier sustainability assessments, we ensure our partners align with our environmental, social, and ethical expectations, fostering long-term relationships built on trust and mutual growth.

To maintain our industry reputation for reliability, we source essential raw materials from highly reputable global steel suppliers, ensuring all inputs meet our strict quality specifications. Once manufactured, our finished products undergo comprehensive, ISO-certified testing protocols to guarantee exceptional performance, safety, and durability for our customers.

Wherever feasible, HTVB actively prioritises local sourcing to support the domestic economy, reduce foreign exchange outflows, and minimise transportation-related carbon emissions. Strengthening local supplier participation is a key strategy for building national industrial resilience. In FY2026, the Group recorded an overall local sourcing rate of 57%, a moderation from 64% in FY2025, though still ahead of the 48% achieved in FY2024. We remain committed to strengthening local supplier participation over time as our HRC operations scale.

The Group also recognises the ESG relevance of ESSB's local HRC operations to HTVB's supply-chain strategy. Where applicable, the JV's local production may support greater local sourcing, supply-chain resilience and reduced reliance on imported raw materials and associated transportation and related carbon emissions, while strengthening the Group's broader contribution to Malaysia's industrial ecosystem.

Proportion of spending on local suppliers[2]			
	FY2024	FY2025	FY2026
Proportion of spending on local suppliers	48%	64%	57%

[2]Local suppliers refer to companies or persons that provide products or services to the reporting company, and that is based in the same geographic market as the reporting company (that is, no transnational payments are made to a local supplier). The geographic definition of 'local' can include the community surrounding operations, a region within a country or a country.

SOCIAL

HEALTH AND SAFETY

Ensuring the health, safety, and well-being of our employees, contractors, and surrounding communities is a fundamental responsibility at HTVB. Guided by our Safety and Health Policy, we are committed to maintaining a zero-fatality workplace and fostering a proactive safety culture across the Group.

Governance

Health and safety oversight is provided at the Board level through the Sustainability and Risk Management Committee ("SRMC"), which works closely with Occupational Safety and Health ("OSH") Committees established within each major subsidiary, in accordance with the Occupational Safety and Health Act 1994 ("OSHA").

Comprising representatives from both management and employees across key functions, including production, maintenance, material control, and quality assurance, the OSH Committees provide a platform for frontline perspectives to be considered in workplace health and safety matters. These efforts are further supported by specialised teams including the Environmental Performance Monitoring Committee ("EPMC"), the Emergency Response Team ("ERT"), and the Hazardous Material Team ("HAZMAT"), which contribute to workplace preparedness, environmental monitoring and emergency response.

Occupational Safety and Health (OSH) Committee		
Environmental Performance Monitoring Committee (EPMC)	Emergency Response Team (ERT)	Hazardous Material Team (HAZMAT)

The OSH Committees and sub-committees play a pivotal role in:

- Developing and reviewing workplace safety rules and systems.
- Monitoring and analysing accident trends, near misses, and hazardous occurrences.
- Recommending corrective measures and policy updates to management.

Training and Awareness

Because knowledge is our strongest defence against workplace accidents, all new HTVB employees complete a mandatory Health, Safety, and Environment (HSE) induction, supported by ongoing training and awareness programmes for safety officers, supervisors, and operational staff. During FY2026, HTVB continued to strengthen employees' awareness and capabilities in workplace health and safety through training, engagement and safety awareness initiatives. These efforts complement the Group's occupational health and safety programmes and support our commitment to maintaining a safe and healthy working environment.

While no significant new safety awareness campaign or emergency preparedness programme was introduced during FY2026, safety awareness and preventive measures continued to be actively reinforced across the Group through regular workplace communication, operational monitoring, safety briefings and established health and safety practices. The Group remains focused on maintaining a high level of safety awareness and ensuring that employees remain vigilant in identifying workplace hazards, following established safety procedures and responding appropriately to potential risks.

Beyond accident prevention, HTVB also continues to manage occupational health risks through established preventive measures including regular monitoring and appropriate measures to address potential health hazards at its operating facilities.

Details of the internal safety and health training programmes conducted for Group employees are as follows:

Number of employees trained on health and safety standards			
	FY2024	FY2025	FY2026
Employees trained on health and safety standards	470	602	436

OSH Performance

We closely monitor our safety performance, integrating our findings into continuous improvement strategies. OSH leaders thoroughly review incidents and audit results during monthly management meetings to ensure strict accountability at every operational level. We are proud to report a sustained zero-fatality record across the last three financial years.

Lost time incident rate (LTIR)			
	FY2024	FY2025	FY2026
Number of lost time incidents (High Consequence) (a)	15	15	15
Total number of hours worked by all employees (b)	1,874,460	2,064,570	1,904,800
LTIR[3] (=a/b *200,000)	1.60	1.45	1.57

*[3]LTIR is calculated as rate ("a/b *200,000"), where the number of lost time incidents during the reporting period ("a") are expressed per the total number of hours worked as at the end of the reporting period ("b"). The value of "200,000" represents a standardised value of the total amount of hours that 100 employees work weekly for 40 hours for a duration of 50 weeks (100 x 40 x 50 = 200,000).*

In FY2026, HTVB recorded an LTIR of 1.57 incident cases per 200,000 hours worked. While this rate remains well within our internal safety threshold, it reinforces the need for ongoing vigilance. HTVB will continue to prioritise a safe and healthy workplace through ongoing training and awareness programmes for employees and contractors, while maintaining our target of zero work-related fatalities and keeping the LTIR below 2.50.

LABOUR PRACTICES & STANDARDS

Our people are our most valuable asset and the cornerstone of our operational excellence, innovation, and long-term success. Our approach to labour practices covers a broad spectrum of critical areas, including fair employment, non-discrimination, human rights, talent acquisition, employee development and training and employee well-being. As our sector relies heavily on skilled labour and safe working conditions, effective workforce management is highly material to our business. Strong labour practices help foster a productive and ethical workforce, support customer satisfaction and shareholder value, and mitigate risks such as high employee turnover, operational disruptions, and regulatory non-compliance.

Guided by the principle that employees are central to our success, our human resources policies promote fair treatment, equal opportunities, and respect for human rights across all levels of the organisation. In accordance with Malaysia's Employment Act 1955, we fully comply with applicable local labour requirements relating to working hours and overtime. To safeguard employee welfare and promote a healthy work-life balance, standard working hours are capped at 45 hours per week, with overtime limited to a maximum of 104 hours per month per worker. Reflecting our commitment to ethical practices, we are pleased to report zero complaints concerning human rights violations in FY2026.



Respecting Individual Human Rights

- We acknowledge and appreciate the unique characteristics and differences of our employees, respecting their willingness and initiative to contribute.
- We are committed to upholding each individual's basic human rights, and we strictly prohibit forced labor or child labor in any form.



No Discrimination

- Adhering to the principle of equal employment opportunities, we strive to create an environment that supports free and fair competition.
- Discrimination or harassment of any kind is not tolerated at HTVB, whether based on race, ethnicity, national origin, religion, gender, age, or other personal characteristics.



Creating an Environment of Free, Open-minded Dialogue

- We respect the views or our employees and endevour to promote mutual understanding.
- In line with our freedom to resolve issues fairly and transparently, consistent with laws, conventions, and practices in the countries and regions where we operate.



Enhancing Employee Engagement

- We actively promote employee engagement through various social gatherings such as festivals, annual dinner and birthday celebrations.
- In addition, our annual team-building programmes foster stronger collaboration and teamwork across departments.

Talent Acquisition and Retention

In FY2026, HTVB welcomed 41 new hires, resulting in a new hire rate of 6%. Our recruitment strategy continues to focus on acquiring talent to meet the physical demands of our production lines, predominantly attracting male employees.

New Hire Rate by Gender

		FY2024[4]	FY2025	FY2026
Male	New Hires	86	68	35
	New Hire Rate	15%	12%	6%
Female	New Hires	12	13	6
	New Hire Rate	11%	12%	6%

New Hire Rate by Age Group

		FY2024[5]	FY2025	FY2026
Age < 30	New Hires	64	43	15
	New Hire Rate	33%	24%	12%
30 <= Age <= 50	New Hires	28	32	17
	New Hire Rate	7%	8%	4%
Age > 50	New Hires	6	6	9
	New Hire Rate	5%	5%	6%
Total	New Hires	98	81	41
	No. of employees	686	678	651
	New Hire Rate	14%	12%	6%

Employee retention is a key focus. Our total turnover rate for FY2026 was 10%, a decrease from 13% in the previous year. We actively monitor turnover, considering factors such as economic conditions and demographics, and seek feedback from departing employees to refine our retention strategies. Senior management turnover decreased to 0%, while middle management turnover was 9% in FY2026.

Employee turnover

	FY2024	FY2025	FY2026
No. of Turnover	68	89	68
Total No. of employees	686	678	651
Turnover Rate	10%	13%	10%

[4]Restated following the revision of FY2024 employee numbers.
[5]In 2024, we have changed the methodology to calculate new hire rate. New hire rate for each category = No. of new hires in the category/ Total no. of employees in the category at the end of reporting period.

Total number of employee turnover by employee category					
		Unit	FY2024[6]	FY2025	FY2026
Senior Management	No. of Turnover	Headcount	0	1	0
	Turnover Rate	Percentage	0%	8%	0%
Middle Management	No. of Turnover	Headcount	8	8	6
	Turnover Rate	Percentage	13%	12%	9%
Other Employees	No. of Turnover	Headcount	60	80	62
	Turnover Rate	Percentage	10%	13%	11%

[6]In 2024, we have changed the methodology to calculate turnover rate. Turnover rate for each category = No. of employee turnover in the category/ Total No. of employees in the category at the end of reporting period.

Talent Development and Skill Enhancement

HTVB is dedicated to fostering continuous professional growth and mandates a minimum of one hour of training per year for all employees. In FY2026, our workforce achieved an average of 3.71 training hours. Our comprehensive training programmes cover a diverse array of critical topics, including operational safety, quality assurance, leadership development, environmental management, and regulatory compliance, ensuring our team is equipped to meet evolving industry demands.

Total hours of training by employee category (Bursa C6a; GRI 404)					
		Unit	FY2024[7]	FY2025	FY2026
Senior Management	Total hours of training	Hours	859	72	112
	Average Training hours	Hours	78.09	6.00	9.33
Middle Management	Total hours of training	Hours	1,227	760	488
	Average Training hours	Hours	19.17	11.69	7.63
Other Employees	Total hours of training	Hours	2,932	2,836	1,816
	Average Training hours	Hours	4.80	4.72	3.16
Total	Total hours of training	Hours	5,018	3,668	2,416
	Total no. of employees	Headcount	686	678	651
	Average Training hours	Hours	7.31	5.41	3.71

[7]Turnover rate and average training hours restated based on restated employee number and training information of FY2024.

SUSTAINABILITY STATEMENT (Cont'd)

No.	Training Title	Training Date
1	25TH CONFERENCE & EXHIBITION ON OCCUPATIONAL SAFETY AND HEALTH (COSH 2025)	04/08/2025 - 05/08/2025
2	BASIC SCAFFOLD SUPERVISOR	11/08/2025 - 12/08/2025
3	PROSEDUR PEMBUANGAN PEKERJA & SIASATAN DALAM (DOMESTIC INQUIRY)	14/08/2025
4	ISO 9001 2015 INTERNAL AUDITING	25/08/2025
5	SEMINAR ON SALES & SERVICE TAX (SST) EXPANSION: UPDATES & IMPLICATIONS FOR THE IRON AND STEEL INDUSTRY	26/08/2025
6	RE-SHAPING FINANCIAL STATEMENT PRESENTATION	28/08/2025
7	SEMINAR PENGURUSAN ALAM SEKITAR PENGURUSAN BUANGAN TERJADUAL YANG LESTARI	02/09/2025 - 03/09/2025
8	SEMINAR PERMOHONAN DAN PENGURUSAN PEKERJA ASING DI BAWAH SEKSYEN 60K AKTA KERJA MELALUI SISTEM EPPAX DAN PENGURUSAN PERCUKAIAN BAGI PEKERJA ASING	19/09/2025
9	SEMINAR PEMATUHAN INDUSTRI PYBDT KELESTARIAN, KAWALAN KENDIRI & DIGITALISASI (E-SWIS V2)	23/09/2025 - 24/09/2025
10	TRANSFER PRICING: INTRA GROUP FINANCING	25/09/2025
11	AUDIT COMMITTEE CONFERENCE 2025 - NAVIGATING RISK, DRIVING RESILIENCE	29/09/2025
12	KPMG ESG SYMPOSIUM: ADOPTING IFRS S1 AND S2	30/09/2025 - 01/10/2025
13	SEMINAR PROSEDUR PERMOHONAN PEKERJAASING DAN EKSPATRIAT	07/10/2025 - 08/10/2025
14	PENGURUSAN PEMBANGUNAN ALAM SEKITAR POLISI STRATEGIK, PENGUATKUASAAN TEGAS DAN PEMATUHAN TUNTAS	08/10/2025 - 09/10/2025
15	TAX AND BUSINESS SUMMIT 2025	23/10/2025
16	BASIC SCAFFOLD SUPERVISOR	27/10/2025 - 28/10/2025
17	2ND DIGITAL CONSTRUCTION SUMMIT (DCS 2025)	29/10/2025 - 30/10/2025
18	BDO TAX SEMINAR ON BUDGET 2026	04/11/2025
19	FORKLIFT SAFETY & CERTIFICATION TRAINING	04/11/2025
20	OSH NATIONAL CONVENTION & EXHIBITION 2025	10/11/2025 - 11/11/2025
21	INTERMEDIATE SCAFFOLD ERECTOR	11/11/2025 - 20/11/2025
22	MICROSOFT EXCEL 2019 INTERMEDIATE	18/11/2025
23	ULTRASONIC TESTING LEVEL 2 TRAINING AND EXAMINATION	24/11/2025 - 28/11/2025
24	MANDATORY ACCREDITATION PROGRAMME PART II LEADING FOR IMPACT (LIP)	26/11/2025 - 27/11/2025
25	ANTI-BRIBERY AND CORRUPTION - SECTION 17A	05/12/2025
26	DYE PENENTRANT LEVEL II	08/01/2026 - 09/01/2026
27	STAMP DUTY SELF-ASSESSMENT CRITICAL HR & FINANCE COMPLIANCE ACTION BEFORE 2026	19/01/2026
28	STAMP DUTY MASTERING THE MALAYSIAN STAMP ACT 1949	22/01/2026
29	RIGGING, SLINGING AND HOISTING SAFETY TRAINING	24/01/2026
30	INTERMEDIATE SCAFFOLD SUPERVISOR	28/01/2026 - 29/01/2026
31	ADVANCED SCAFFOLD SUPERVISOR	30/01/2026 - 31/01/2026
32	SEMINAR PENGURUSAN ALAM SEKITAR & TRANSFORMASI DIGITAL; eSWIS V2, CIRCULAR ECONOMY DAN AKTA KUALITI SEKELILING 1974 PINDAAN (2024)	10/02/2026 - 11/02/2026

No.	Training Title	Training Date
33	RPST & CONFLICT OF INTEREST	12/03/2026
34	ENVIRONMENTAL MANAGEMENT SYSTEM ISO 14001: 2015 INTERNAL AUDIT TRAINING	30/03/2026 - 31/03/2026
35	LEADING THE CYBERSECURITY FRONTIER STRATEGIES AND SOLUTIONS WITH DANNY KIM	02/04/2026
36	CRITICAL STAMP DUTY UPDATES	08/04/2026
37	SEMINAR PARADIGMA AKAS 1974 SATU SUARA, SATU MISI, ALAM LESTARI	21/04/2026 - 22/04/2026
38	RIGGING, SLINGING AND HOISTING SAFETY TRAINING	25/04/2026
39	BASIC LEVEL SCAFFOLD INSPECTOR TRAINING	04/05/2026 - 05/05/2026
40	MICROSOFT EXCEL - ADVANCED	05/05/2026 - 06/05/2026
41	HASIL-CTIM TAX FORUM 2026	06/05/2026
42	SAFETY IN THE USE OF CHEMICALS	11/05/2026 - 12/05/2026
43	VISUAL TESTING LEVEL 1	12/05/2026 - 13/05/2026
44	STRATEGIC TENSION & TRUST RECALIBRATING BOARD MANAGEMENT DYNAMICS	14/05/2026
45	BACK PROTECTION MANAGEMENT	03/06/2026 - 04/06/2026
46	AI & MARKETING - THE ULTIMATE POWER COMBO	05/06/2026 - 06/06/2026
47	RE-SHAPING FINANCIAL STATEMENT PRESENTATION	11/06/2026
48	OCCUPATIONAL SAFETY & HEALTH CONFERENCE 2026 (OSHCOF2026)	23/06/2026 - 24/06/2026
49	KPMG ESG SYMPOSIUM ADOPTING IFRS S1 S2	06/07/2026 - 07/07/2026
50	SEMINAR KEMASKINI PINDAAN AKTA 4 PERKESO (PERLINDUNGAN 24 JAM) : TANGGUNGJAWAB MAJIKAN DALAM CARUMAN WAJIB PERKESO DAN KWSP BAGI PEKERJA ASING SERTA PEMATUHAN POTONGAN GAJI PEKERJA ASING YANG DIBENARKAN (PERMIT POTONGAN GAJI) DI BAWAH AKTA KERJA 1955.	10/07/2026
51	ULTRASONIC TESTING LEVEL 1	20/07/2026 - 24/07/2026
52	TRANSFER PRICING & TAX CORPORATE GOVERNANCE SEMINAR 2026	22/07/2026
53	SEMINAR KESELAMATAN & KESIHATAN PEKERJAAN KEBANGSAAN TAHUN 2026	27/07/2026 - 28/07/2026

Employee Well-being and Benefits

We are deeply committed to the holistic well-being of our workforce and actively promote a healthy work-life balance. HTVB offers a comprehensive benefits package featuring Group Personal Accident, Group Hospital and Surgical healthcare, and disability and invalidity coverage. Additionally, we provide various allowances, including support for professional memberships, car and travel expenses, meals, attendance, and night shifts. To strengthen camaraderie and encourage physical fitness, we regularly organise corporate sporting events, including badminton, futsal, football, and bowling.

DIVERSITY

At HTVB, we define diversity as the practice of cultivating a workplace where all individuals, regardless of race, gender, age, ethnicity, cultural background, or professional experience, feel valued, respected, and empowered with equal opportunities to succeed. Operating within dynamic markets and serving a broad customer base, we recognise that a diverse workforce brings invaluable varied perspectives, innovative thinking, and deep local knowledge. This inclusivity strengthens our talent pipeline, enhances decision-making, and builds a resilient, adaptable organisation capable of navigating complex industry challenges. Attracting, developing, and retaining diverse talent remains paramount to sustaining our operational excellence and market leadership.

We are deeply committed to providing equal opportunities and fostering a genuinely fair working environment. Our dedication to Diversity and Inclusion is seamlessly integrated into our human resources policies, ensuring strict non-discrimination across recruitment, promotions, compensation, and training. We actively manage diversity and equity across all personal attributes, anchored by a personnel management approach that views our employees as our most valuable assets. Governance over these initiatives is driven by our Human Resources department, with strategic oversight from Senior Management. Together, they conduct regular reviews of workforce demographics and related policies to ensure continuous alignment with our core values and regulatory requirements.

In FY2026, HTVB's total workforce stood at 651 employees. While this represents a slight decrease from 678 in FY2025, our staffing levels remain robust, stabilising in alignment with our current operational requirements and business activities. The vast majority of our team consists of permanent employees, reflecting our focus on long-term job security and stability.

Percentage of employees that are contractors or temporary staff

	Unit	FY2024	FY2025	FY2026
Permanent employees	Headcount	659	645	617
	Percentage	96%	95%	95%
Temporary/Contract employees	Headcount	27	33	34
	Percentage	4%	5%	5%

Reflecting the traditional nature and demanding physical requirements of the heavy steel manufacturing industry, our workforce continues to be predominantly male. In FY2026, male employees constituted 83% of our total workforce, with female representation remaining steady at 17%. This overall trend has been highly stable over the past three years, and we continue to champion equal opportunities for women across all levels of management.

Employee profile by gender

	Unit	FY2024[8]	FY2025	FY2026
Senior management				
Total	Headcount	11	12	12
Male	Headcount	11	12	12
	Percentage	100%	100%	100%
Female	Headcount	0	0	0
	Percentage	0%	0%	0%
Middle management				
Total	Headcount	64	65	64
Male	Headcount	42	42	45
	Percentage	66%	65%	70%
Female	Headcount	22	23	19
	Percentage	34%	35%	30%
Other employees				
Total	Headcount	611	601	575
Male	Headcount	524	513	485
	Percentage	86%	85%	84%
Female	Headcount	87	88	90
	Percentage	14%	15%	16%
Consolidated				
Total	Headcount	686	678	651
Male	Headcount	577	567	542
	Percentage	84%	84%	83%
Female	Headcount	109	111	109
	Percentage	16%	16%	17%

[8]FY2024 employee numbers have been restated.

Our workforce demonstrates a healthy and balanced age distribution. A strong presence in the 30–50 age bracket highlights an experienced and highly stable core, supported by a steady influx of younger talent and the invaluable wisdom of our senior employees.

Employee profile by age (X=age)				
	Unit	FY2024[9]	FY2025	FY2026
Senior management				
Total	Headcount	11	12	12
X < 30	Headcount	1	1	0
	Percentage	9%	8%	0%
30 <= x <= 50	Headcount	1	2	3
	Percentage	9%	17%	25%
X > 50	Headcount	9	9	9
	Percentage	82%	75%	75%
Middle management				
Total	Headcount	64	65	64
X < 30	Headcount	2	1	1
	Percentage	3%	2%	2%
30 <= x <= 50	Headcount	44	44	37
	Percentage	69%	68%	58%
X > 50	Headcount	18	20	26
	Percentage	28%	31%	41%
Other employees				
Total	Headcount	611	601	575
X < 30	Headcount	192	179	123
	Percentage	31%	30%	21%
30 <= x <= 50	Headcount	334	334	346
	Percentage	55%	55%	60%
X > 50	Headcount	85	88	106
	Percentage	14%	15%	19%
Consolidated				
X < 30	Headcount	192	181	124
	Percentage	29%	27%	19%
30 <= x <= 50	Headcount	379	380	386
	Percentage	55%	56%	59%
X > 50	Headcount	112	117	141
	Percentage	16%	17%	22%

[9]FY2024 employee numbers have been restated.

Our workforce's ethnic diversity, excluding foreign workers, broadly reflects the demographic composition of Malaysia, ensuring a representative and locally attuned team.

Employees by Gender, Age and Ethnicity			
	FY2024[10]	FY2025	FY2026
Employees by ethnicity			
Bumiputera	326	338	331
	48%	50%	52%
Chinese	128	126	119
	19%	19%	18%
Indian	14	15	16
	2%	2%	2%
Others	218	199	185
	31%	29%	28%
Total	**686**	**678**	**651**

COMMUNITY AND SOCIETY

HTVB recognises the importance of maintaining positive relationships with the communities in which we operate. We strive to be a responsible corporate citizen by supporting initiatives that contribute to the well-being and development of our employees, their families and the wider community.

As part of our commitment to supporting education and employee well-being, we encourage our employees and their families to pursue continuing education and personal development. We also provide an annual education allowance for employees' children to support the purchase of books and other educational materials, with a total of RM31,350 disbursed during the financial year.

While there were no significant community outreach or charitable initiatives undertaken during FY2026, we remain committed to supporting relevant community initiatives where there is a meaningful opportunity to contribute. We will continue to monitor community needs and consider appropriate initiatives as part of our broader stakeholder engagement and responsible business practices.

[10]FY2024 employee numbers have been restated.

PROTECTING THE ENVIRONMENT

ENERGY CONSUMPTION

Energy consumption at HTVB encompasses all direct energy sources, such as diesel for machinery and vehicles, and indirect sources, primarily purchased electricity. Because our steel manufacturing processes are inherently energy-intensive, highly efficient energy management is critical to our operational strategy. Optimising our energy use allows us to mitigate rising utility costs, significantly reduce greenhouse gas ("GHG") emissions, ensure operational resilience, and maintain a strong competitive advantage in a market that increasingly prioritises sustainable practices.

As part of our ongoing commitment to reducing our environmental footprint, HTVB has successfully completed a comprehensive transition to highly efficient Light-Emitting Diode ("LED") lighting. By replacing all conventional spotlights and fluorescent tubes across our factories, offices, and streetlights, we have structurally reduced our baseline energy consumption while unlocking substantial long-term cost savings.

In FY2025, we completed the installation of a rooftop solar photovoltaic ("PV") system across Alpine's factories. Fully energised under the Net Energy Metering ("NEM") scheme since 1 March 2025, the system has a designed capacity of 4,681 kWp and an expected annual generation of approximately 6.38 million kWh. Generation rose from 4,460,066 kWh in FY2025 to 6,156,498 kWh in FY2026, exceeding our target of achieving at least 90% of the designed annual generation (approximately 5.74 million kWh).

In FY2026, the electricity generated by the solar PV system is estimated to have avoided approximately 4,765 tCO_2e of greenhouse gas[11] emissions. The continued strong generation performance demonstrates the contribution of the rooftop solar PV system towards reducing reliance on grid electricity, lowering the Group's carbon footprint and supporting our transition towards a lower-carbon energy mix.

In FY2026, our energy consumption from diesel was 2,598 MWh[12] while our consumption of grid electricity was 9,237 MWh. Our total energy consumption, including electricity generated by the solar PV system, was 13,325 MWh.

Total energy consumption

	Unit	FY2024[13]	FY2025	FY2026
Diesel	Litres	200,859	224,992	244,216
Grid Electricity Consumption	kWh	13,529,523	9,792,894	9,236,620
Total Energy[14]	MWh	15,665.88	12,185.93	11,834.13

To firmly anchor our commitment to energy conservation, HTVB has set an ambitious target to source 40% of Alpine Pipe Manufacturing's total electricity consumption from renewable sources by 2030. In FY2026, renewable sources accounted for 31% of Alpine Pipe Manufacturing's total energy consumption. This goal highlights our proactive approach to sustainability and our determination to continuously improve energy performance, driving both robust environmental stewardship and long-term cost efficiency.

[11]Emission factor based on Grid Emission factor for Peninsular Malaysia for year 2022 by Energy Commission.
[12]Based on eia.gov calculations.
[13]We have restated the FY2024 diesel consumption from 160,963 Litres to 200,859 Litres. Due to this restatement the total energy and emission have also been restated accordingly.
[14]Include fuel and electricity consumption.

CARBON EMISSIONS

As a manufacturing entity, HTVB recognises that air emissions and energy consumption are significant environmental impacts of our operations, requiring vigilant monitoring and management. Guided by our comprehensive Environmental Policy and in strong support of Malaysia's national aspiration to achieve climate neutrality by 2050, we actively integrate climate action into our daily business strategies. Our policy emphasises pollution prevention, strict adherence to all environmental legislation, and the continuous improvement of operational efficiencies. To directly mitigate our environmental impact, we have deployed robust carbon management infrastructure, including fume scrubbers, advanced air emission control systems, and stringent monitoring mechanisms. Furthermore, we actively promote environmental awareness among our workforce to ensure responsible practices are upheld at every level.

Reflecting our commitment to transparency and sustainability, HTVB calculates and declares our Scope 1 and Scope 2 GHG emissions in strict accordance with the globally recognised GHG Protocol.

Scope 1 emissions originate from sources directly owned or controlled by HTVB, predominantly through the combustion of fuel. In FY2026, our operations consumed 244,216 litres of diesel, up from 224,992 litres in FY2025, driven by a corresponding increase in Scope 1 emissions of 708 tCO_2e for the reporting year.

Scope 2 emissions arise from the consumption of purchased grid electricity. In FY2026, our grid electricity consumption was 9,236,620 kWh, resulting in Scope 2 emissions of 7,149 tCO_2e, a decrease of approximately 6% compared with FY2025. This continued reduction reflects the sustained contribution of our rooftop solar PV system and our strategic shift towards self-generated green energy.

Our carbon emissions intensity, calculated as the sum of Scope 1 and Scope 2 emissions divided by total revenue, stood at 5.5 tCO2e per RM million of revenue in FY2026. This marks a further decrease from 5.7 in FY2025, and we remain focused on decoupling our carbon footprint from our business growth.

Total Emissions[15] [16]

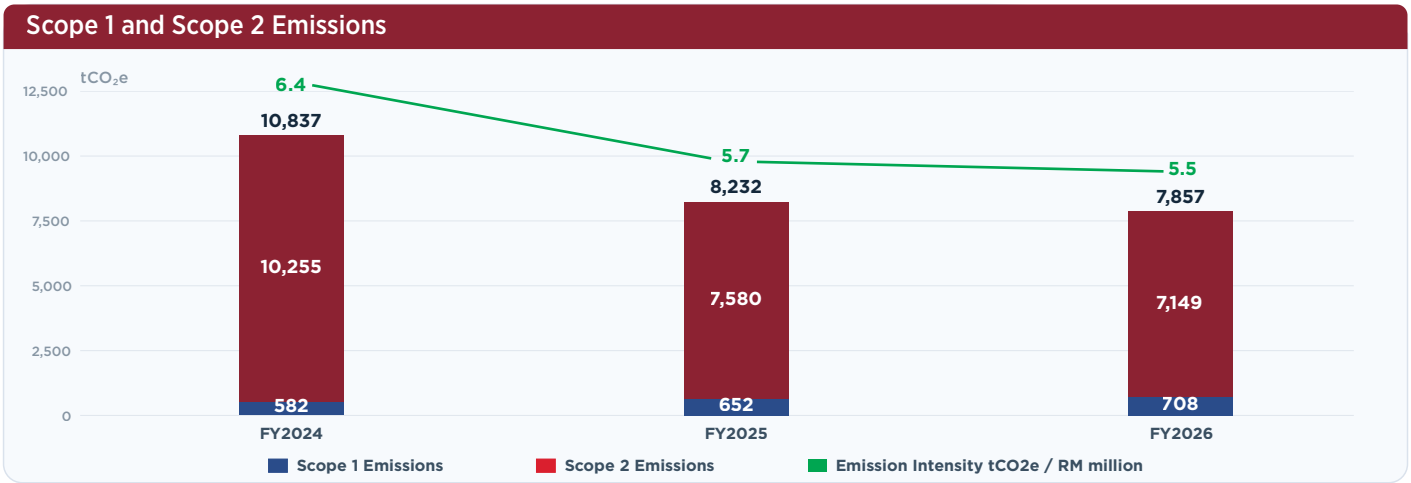
	Unit	FY2024	FY2025	FY2026
Scope 1 Emissions	tCO_2e	582[17]	652[17]	708
Scope 2 Emissions	tCO_2e	10,255	7,580	7,149
Total Emissions	tCO_2e	10,837	8,232	7,857
Emission Intensity (Scope 1 + Scope 2 emissions / Total revenue)	tCO_2e / RM million	6.4	5.7	5.5

[15]Scope 2 emissions of FY2024 based on Grid Emission factor for Peninsular Malaysia for year 2021 by Energy Commission, FY2025 and FY2026 Scope 2 emissions based on Grid Emission factor for Peninsular Malaysia for year 2022 by Energy Commission.

[16]Scope 1 Emission factors are sourced from the World Resource Institute (2015). GHG Protocol tool for stationary combustion. Version 4.2.

[17]FY2024 Scope 1 emissions have been restated from 538 tCO2e to 582 tCO2e and FY2025 Scope 1 emissions have been restated from 603 tCO_2e to 652 tCO_2e, recalculated using the FY2026 Scope 1 emission factor (World Resources Institute (2015), GHG Protocol tool for stationary combustion, Version 4.2 to ensure consistency and comparability across the reporting period.

GHG EMISSIONS
FY2024 – FY2026



HTVB is firmly committed to sustaining these environmental efforts. Our primary goal is to continuously drive down our Scope 2 emissions by expanding our reliance on renewable energy sources. Through these targeted initiatives, we aim to meaningfully contribute to both national and global carbon reduction targets while safeguarding the long-term sustainability and resilience of our operations.

Waste Management

HTVB is deeply committed to responsible waste management in strict accordance with the Environmental Quality Act 1974 ("EQA 1974"). We understand that rigorous waste handling and disposal are essential for mitigating environmental risks and protecting community health. To achieve this, we have developed a comprehensive waste management framework that guarantees regulatory compliance while simultaneously advancing our broader sustainability objectives. Our end-to-end framework manages the entire life cycle of our waste, from initial generation and segregation to treatment, recycling, and final disposal, ensuring all activities are transparently reported to the Department of Environment ("DOE").

The step-by-step approach we adopt to ensure complete accountability and traceability in our waste management practices is illustrated in the flowchart below.

WASTE MANAGEMENT FLOWCHART



The scheduled waste generated by our subsidiaries, Alpine and Huatraco are classified as hazardous under the Environmental Quality (Scheduled Wastes) Regulations. This material includes metal-containing sludge, spent lubricating and hydraulic oils, non-organic used acids, and contaminated soil or debris from spills. It also encompasses hazardous-contaminated containers, rags, plastics, and filters, as well as sludges and off-specification products containing organic solvents from inks and coatings. Every category of this hazardous waste is meticulously handled, safely stored, and properly disposed of in full compliance with DOE requirements to ensure responsible management throughout its entire life cycle.

Aligned with our long-term sustainability commitments, HTVB actively works to minimise overall waste generation across our operational footprint. We continually embed circular economy concepts throughout our supply chains, prioritising the reuse, repurposing, and recycling of materials wherever feasible. This proactive approach not only significantly reduces our total waste volume but also drives resource efficiency and helps conserve vital natural reserves.

We continuously monitor and formally report our scheduled waste performance to ensure ongoing accountability. Over the past three years, we have achieved a steady reduction in the total waste generated from 218.33 metric tonnes (FY2024) to 178.83 metric tonnes (FY2025) to 138.62 metric tonnes (FY2026), alongside a corresponding decline in waste directed to disposal. This reflects tangible effectiveness of our waste minimisation and circular economy initiatives. For FY2026, HTVB achieved an approximately 23% reduction in total waste generation, surpassing the target of a 10% reduction against FY2025 levels established in FY2025.

Total waste generated (Bursa C10a; GRI 306)

	Unit	FY2024	FY2025	FY2026
Total waste diverted from disposal (reused, recycled or other recovery operation)	Metric tonnes	20.17	15.85	10.74
Total waste directed to disposal	Metric tonnes	198.16	162.98	127.88
Total waste generated	Metric tonnes	218.33	178.83	138.62

WATER CONSUMPTION

Steel manufacturing is an inherently water-intensive industry, heavily reliant on water for critical processes such as chilling and descaling. Recognising the vital importance of responsible water stewardship, HTVB is dedicated to conserving natural resources and minimising our operational footprint. We maintain rigorous oversight of our water consumption across all subsidiaries, conducting periodic assessments of our processes and equipment to quickly identify and address any instances of unusually high usage.

Over the past three years, we have gradually reduced both total water consumption and intensity. Following a slight increase in FY2024, usage declined to 39.74 megalitres in FY2025 and further to 37.39 megalitres in FY2026, with intensity improving to 0.026, reflecting continued progress in our efficiency efforts. One of our key initiatives is the introduction of rainwater-harvesting system that channels collected rainwater into storage tanks for use in high water-intensive processes. This reduces reliance on municipal sources while supporting more sustainable operations.

Total volume of water used

	Unit	FY2024	FY2025	FY2026
Total volume of water used	Megalitres	56.065	39.74	37.39
Water consumption intensity (Total water consumption / Total revenue)	(RM Mil)	0.033	0.028	0.026

Our commitment to responsible water management is further underscored by our strict adherence to environmental standards. We are proud to report that in FY2026, HTVB recorded zero incidents of non-compliance regarding water quality and quantity permits, standards, or regulations.

CLIMATE-RELATED DISCLOSURES

In alignment with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), HTVB continues to identify, assess, and manage the climate-related risks and opportunities reasonably expected to affect its operations, value chain, and long-term strategy. Building on the qualitative climate-risk assessment disclosed in 2025, HTVB strengthened its climate-related disclosures this year. Senior management reviewed the climate-risk register and assessed site-level physical-risk findings and a pilot quantitative assessment. These developments represent progress towards more decision-useful, financially relevant disclosures aligned with TCFD and the requirements of IFRS S1 and IFRS S2.

The climate-related risk assessment is conducted at the Group level. The disclosures below cover the assessment at group level of HTVB's Malaysian operating subsidiaries: Hiap Teck Hardware Sdn. Bhd. (trading), Alpine Pipe Manufacturing and Huatraco Scaffold (manufacturing). Please refer to the "Reporting Scope and Boundaries" section for further details. Detailed information on ESSB's climate performance and disclosures is available in ESSB's ESG Report (*https://www.easternsteel.com.my/en/2025-ESG-Report.html*).

Governance

The Group's climate governance approach centres on senior management engagement and continuous maturation. This year, the Group convened a Climate Risk Workshop with Executive Directors and senior management to build upon prior qualitative risk identification.

During the workshop, leadership reviewed the Group's climate risk register, the site-level physical risk assessment, and the scope of a new pilot quantitative scenario analysis. This ensures direct senior management oversight of the climate risk identification process. Moving forward, outputs from these workshops will feed directly into the Group's Enterprise Risk Management ("ERM") framework and, over time, guide capital expenditure and transition-planning decisions. For additional details on the governance of climate-related matters, refer to the "Sustainability Governance" section.

Strategy and Scenario Selection

To comprehensively assess climate impacts, HTVB defines its strategic planning and risk assessment across the following time horizons:

- Short-term: 0–2 years
- Medium-term: 2–5 years
- Long-term: Greater than 5 years

In selecting climate scenarios, the Group applied two internationally recognised frameworks, fulfilling the TCFD expectation to consider a range of scenarios, including one aligned with limiting global warming and one reflecting severe physical outcomes:

1. NGFS Net Zero 2050: Used to assess transition risks, this scenario assumes ambitious and immediate climate policies are implemented globally to limit global warming to 1.5°C, resulting in rapid economic, regulatory, and technological shifts.
2. IPCC SSP5-8.5: Used to assess physical risks, this represents a high-emissions, unmitigated baseline scenario where fossil fuel reliance continues, allowing the Group to stress-test its assets against severe acute and chronic climate impacts.

Climate Risk Management

Consistent with TCFD, the Group categorises climate-related risks into two primary areas:

- Physical risks: Direct impacts of climate change, comprising acute risks (event-driven, such as intensified storms and flooding) and chronic risks (longer-term shifts like sustained higher temperatures, heat stress, and water stress).
- Transition risks: Economic and regulatory changes associated with moving to a lower-carbon economy, comprising policy and legal, technology, market, and reputational risks.

Historically, the climate risk assessment and the overall ERM system have operated as independent processes. A comparative analysis conducted this year revealed that the current climate-related risks within the ERM system require alignment to accurately capture the material risks identified through the standalone climate risk assessment and register. HTVB is actively working to align and integrate these two processes to ensure holistic, enterprise-wide risk oversight in future reporting cycles.

As part of this alignment, HTVB will consider material ESG and climate-related risks associated with ESSB where these could affect the Group's investment exposure, financial performance, supply-chain resilience or strategic planning. This approach enables the Group to maintain appropriate oversight of material ESG risks beyond its direct operational boundary.

Climate Risks

Building on prior assessments, HTVB's climate risk register was reviewed and reconfirmed by senior management as follows:

Risks	Risk Rating	Time Horizon	Mitigation Measures
Extreme weather events, such as Intense Precipitation, Storm, Floods, etc	Moderate	Long Term	• Disaster Task Force established with SOPs, defined roles, and communication protocols to minimise business disruption. • Emergency Preparedness Training conducted by DOSH-registered consultants, covering environmental and climate-related hazards, safety, and compliance requirements.
Water Stress & Heat Stress	Moderate	Long Term	
Increased compliance related to climate regulations	Moderate	Medium Term	• Internal Environmental Auditors appointed to conduct random compliance checks and ensure continuous alignment with regulatory requirements
Cost to transition to lower emission technology	Extreme	Short Term	• Phased Upgradation of Electrical Equipment to more efficient, climate-friendly alternatives • Utilised Green Incentive Tax Allowance for rooftop solar system granted by MGTC
Increased cost of raw material	Extreme	Short Term	• Green Material Substitution initiatives underway to source certified green-labelled input materials • Started to procure Hot Rolled Coil (HRC) locally from February 2025.
Increased stakeholder concern	High	Short Term	• ISO 14001 Certification achieved by Alpine (subsidiary) on 12 February 2025. • Green Product Development initiatives to explore environmentally friendly products and align with stakeholder expectations

Site-Level Physical Risk Assessment

This year, the Group extended its assessment to include site-level physical exposure analysis. The Meru Klang Operation Site, identified as the Group's single largest concentration of manufacturing, warehousing, and office operations and the ESSB Blast Furnace Plant at Kemaman were prioritised for scenario-based analysis due to their relative scale.

Using a high-emissions climate scenario (SSP5-8.5), the Group assessed river flooding and water stress exposure across its key operating sites through to 2080. The assessment indicates that certain sites are located in areas exposed to 1-in-100-year river flooding, while the long-term risk of water stress across all assessed sites is projected to remain within the low-to-medium range.

Building on these findings, the Group piloted a quantitative assessment of the potential financial impacts of flood and heat-stress risks at the Meru Klang Operation Site, using recognised third-party datasets, including the WRI Aqueduct Flood model, FEMA Hazus impact functions and World Bank Climate Change Knowledge Portal heat index projections. The Group is currently validating the key assumptions of this pilot internally, and intends to refine the analysis, extend it to additional sites and disclose quantified financial impacts in a future reporting period.

Independent of this assessment, the Group's major operating assets are protected by material damage and business interruption insurance. Existing physical mitigations, such as bund walls at the Meru Klang Operation Site, have proven effective; recent flood events in 2021 and 2025 resulted in no material disruption to operations.

Climate Opportunities

Alongside risk mitigation, HTVB actively pursues climate-related opportunities to drive operational efficiency and sustainable growth. As part of our climate risk assessment, we also identified the climate-related opportunities relevant to us:

Opportunity Category	Current Initiatives	Identified Opportunities
Resource Efficiency	• Rainwater harvesting systems at Meru and Klang plants, water primarily utilised for cooling tower water pit top-ups and the cement lining process as a medium for concrete mixing • LED lighting retrofits across major operational areas with total cost of around RM 1.1 million resulted in around 2% annual energy saving	• Smart Metering & Controls: Flow and energy sensors to detect inefficiencies and enable predictive maintenance. • High-Efficiency Equipment: Upgrade to next-generation motors and variable-speed drives for conveyors, cranes, and HVAC.
Energy Source	• On-site solar PV systems with a total capacity of 4,681 kWp at Alpine Pipe Manufacturing, Meru. • As at 31 July 2026, a total of 7 units Euro engine (3 units of Euro 3 and 4 units of Euro 5 Prime Movers) are in operations. Further 3 units of Euro 5 engine Prime Movers are being ordered and delivered.	• The primary benefits of solar panels include reduced or eliminated electricity bills, lower reliance on non-renewable energy sources, energy independence, low maintenance and a positive environmental impact through decreased pollution and carbon emissions. Solar power systems also offer a significant return on investment over their lifespan, with options for incentives, rebates, and selling excess energy back to the grid.
Products & Services	• ISO 14001 EMS certification to ensure systematic monitoring and improvement • Green steel procurement through certified low-carbon scrap sourcing	• Equipment Modernisation: Invest in new energy-efficient machinery to replace ageing assets • Cleaner Production Processes: Strengthen environmental controls to meet green steel certification standards

HTVB will continue to mature its climate strategy by formalising climate governance, validating and expanding its quantitative scenario analysis, and seamlessly aligning its ERM register with identified climate risks. In the near future, the Group aims to confirm its GHG emission consolidation approach in alignment with the NSRF requirements. HTVB remains committed to aligning its disclosures with ISSB and TCFD expectations, utilising these insights to strengthen the long-term resilience, sustainability, and competitiveness of its operations.

MOVING FORWARD

HTVB recognises the risks posed by global warming and other various environmental issues, as well as global efforts to mitigate climate change by limiting the increase in the global average temperature to less than 2 degrees Celsius above pre-industrial levels. Our Board of Directors acknowledges that, as a company, we bear significant responsibility. Where appropriate, we will incorporate climate change considerations into the Group's business strategies and establish relevant goals for reducing our carbon footprint, aligning our value creation with a low-carbon economy and complying with national environmental policy guidelines.

DATA TABLE

Economic

Proportion of spending on local suppliers (Bursa C7a; GRI 204)				
	Unit	FY2024	FY2025	FY2026
Spending on local suppliers	Percentage	48%	64%	57%
Revenue	RM'000	1,683,207	1,437,548	1,428,059

Environmental

Electricity consumption (Bursa C4a; GRI 302-1a, 302-1b;)				
	Unit	FY2024	FY2025	FY2026
Grid Electricity Consumption	kWh	13,529,523	9,792,894	9,236,620

Consumption of fuel (GRI 302-1a, 302-1b)				
	Unit	FY2024	FY2025	FY2026
Petrol	Litres	0	0	0
Diesel Consumption	Litres	200,859	224,992	244,216

Total volume of water used (Bursa C9a; GRI 303-1)				
	Unit	FY2024	FY2025	FY2026
Total volume of water used	Megalitres	56.065	39.74	37.39
Water Intensity	Total Water Used / Revenue (RM mil)	0.033	0.028	0.026

GHG Scope 1, 2, 3 emissions* (Bursa C11a, C11b; GRI 305-1, 305-2)				
	Unit	FY2024	FY2025	FY2026
Scope 1 emissions	tonnes of CO2e	582*	652	708
Scope 2 emissions	tonnes of CO2e	10,255*	7,580	7,149
Total Emissions	tonnes of CO2e	10,837*	8,232	7,857

GHG Intensity (GRI 305-4)				
	Unit	FY2024	FY2025	FY2026
Total Emission Intensity	tonnes of CO2e/ Revenue (RM mil)	6.4	5.7	5.5

Total waste generated (Bursa C10a; GRI 306)				
	Unit	FY2024	FY2025	FY2026
Total waste diverted from disposal (reused, recycled or other recovery operation)	Metric tonnes	20.17	15.85	10.74
Total waste directed to disposal	Metric tonnes	198.16	162.98	127.88
Total waste generated (a+b)	Metric tonnes	218.33	178.83	138.62

Confirmed incidents of violation against environmental compliance				
	Unit	FY2024	FY2025	FY2026
Number of cases against environmental regulations	Number	0	0	0

Employee Profile

Employee profile by gender (Bursa C3a)				
	Unit	FY2024*	FY2025	FY2026
Senior management				
Total	Headcount	11	12	12
Male	Headcount	11	12	12
	Percentage	100%	100%	100%
Female	Headcount	0	0	0
	Percentage	0%	0%	0%
Middle management				
Total	Headcount	64	65	64
Male	Headcount	42	42	45
	Percentage	66%	65%	70%
Female	Headcount	22	23	19
	Percentage	34%	35%	30%
Other employees				
Total	Headcount	611	601	575
Male	Headcount	524	513	485
	Percentage	86%	85%	84%
Female	Headcount	87	88	90
	Percentage	14%	15%	16%

Employee profile by age (X=age)				
Senior management				
Total	Headcount	11	12	12
X < 30	Headcount	1	1	0
	Percentage	9%	8%	0%
30 <= x <= 50	Headcount	1	2	3
	Percentage	9%	17%	25%
X > 50	Headcount	9	9	9
	Percentage	82%	75%	75%
Middle management				
Total	Headcount	64	65	64
X < 30	Headcount	2	1	1
	Percentage	3%	2%	2%
30 <= x <= 50	Headcount	44	44	37
	Percentage	69%	67%	58%
X > 50	Headcount	18	20	26
	Percentage	28%	31%	41%

Employee profile by age (X=age) (Cont'd)				
	Unit	FY2024*	FY2025	FY2026
Other employees				
Total	Headcount	611	601	575
X < 30	Headcount	192	179	123
	Percentage	31%	30%	21%
30 <= x <= 50	Headcount	334	334	346
	Percentage	55%	55%	60%
X > 50	Headcount	85	88	106
	Percentage	14%	15%	19%

Percentage of employees that are contractors or temporary staff (Bursa C6b; GRI 401)				
	Unit	FY2024*	FY2025	FY2026
Permanent employees	Headcount	659	645	617
	Percentage	96%	95%	95%
Temporary/Contract employees	Headcount	27	33	34
	Percentage	4%	5%	5%

Employee profile by ethnicity				
	Unit	FY2024*	FY2025	FY2026
Bumiputera	Headcount	326	338	331
	Percentage	48%	50%	52%
Chinese	Headcount	128	126	119
	Percentage	19%	19%	18%
Indian	Headcount	14	15	16
	Percentage	2%	2%	2%
Others	Headcount	218	199	185
	Percentage	31%	29%	28%
Total	Headcount	686	678	651

Percentage of directors by gender (Bursa C3b; GRI 405-1a)				
	Unit	FY2024*	FY2025	FY2026
Total	Headcount	8	9	9
Male	Headcount	7	8	8
	Percentage	87%	89%	89%
Female	Headcount	1	1	1
	Percentage	13%	11%	11%

Percentage of directors by age group (X=age) (GRI 405-1a)				
	Unit	FY2024*	FY2025	FY2026
Total	Headcount	8	9	9
X < 30	Headcount	0	1	0
	Percentage	0%	11%	0%
30 <= x <= 50	Headcount	1	1	2
	Percentage	13%	11%	22%
X > 50	Headcount	7	7	7
	Percentage	87%	78%	78%

New Hire and Turnover

New hire rate by age (X=age) (GRI 401-1a)					
		Unit	FY2024*	FY2025	FY2026
X < 30	New Hires	Headcount	64	43	15
	Total No. of employees (X < 30)	Headcount	195	181	124
	New Hire Rate	Percentage	33%	24%	12%
30 <= x <= 50	New Hires	Headcount	28	32	17
	Total No. of employees (30 to 50)	Headcount	379	380	386
	New Hire Rate	Percentage	7%	8%	4%
X > 50	New Hires	Headcount	6	6	9
	Total No. of employees (X > 50)	Headcount	112	117	141
	New Hire Rate	Percentage	5%	5%	6%
Total	New Hires	Headcount	98	81	41
	Total No. of employees	Headcount	686	678	651
	New Hire Rate	Percentage	14%	12%	6%

New hire rate by gender (GRI 401-1a)					
		Unit	FY2024*	FY2025	FY2026
Male	New Hires	Headcount	86	68	35
	Total No. of employees (Male)	Headcount	577	567	542
	New Hire Rate	Percentage	15%	12%	6%
Female	New Hires	Headcount	12	13	6
	Total No. of employees (Female)	Headcount	109	111	109
	New Hire Rate	Percentage	11%	12%	6%

Total number of employee turnover by employee category					
		Unit	FY2024*	FY2025	FY2026
Senior Management	No. of Turnover	Headcount	0	1	0
	Total No. of Senior Managers	Headcount	11	12	12
	Turnover Rate	Percentage	0%	8%	0%
Middle Management	No. of Turnover	Headcount	8	8	6
	Total No. of Middle Managers	Headcount	64	65	64
	Turnover Rate	Percentage	13%	12%	9%
Other Employees	No. of Turnover	Headcount	60	80	62
	Total No. of Other Employees	Headcount	611	601	575
	Turnover Rate	Percentage	10%	13%	11%

Total number of employee turnover by age (X=age) (GRI 401-1b)					
		Unit	FY2024*	FY2025	FY2026
X < 30	No. of Turnover	Headcount	27	34	21
	Total No. of employees (X < 30)	Headcount	195	181	124
	Turnover Rate	Percentage	14%	19%	17%
30 <= x <= 50	No. of Turnover	Headcount	31	45	33
	Total No. of employees (30-50)	Headcount	379	380	386
	Turnover Rate	Percentage	8%	12%	9%
X > 50	No. of Turnover	Headcount	10	10	14
	Total No. of employees (X>50)	Headcount	112	117	141
	Turnover Rate	Percentage	9%	9%	10%
Total	No. of Turnover	Headcount	68	89	68
	Total No. of employees	Headcount	686	678	651
	Turnover Rate	Percentage	10%	13%	10%

Employee turnover by gender (GRI 401-1b)					
		Unit	FY2024*	FY2025	FY2026
Male	No. of Turnover	Headcount	59	76	60
	Total No. of employees (Male)	Headcount	577	567	542
	Turnover Rate	Percentage	10%	13%	11%
Female	No. of Turnover	Headcount	9	13	8
	Total No. of employees (Female)	Headcount	109	111	109
	Turnover Rate	Percentage	8%	12%	7%

Occupational Health and Safety

Number of work-related fatalities (Bursa C5a; GRI 403-9)

	Unit	FY2024	FY2025	FY2026
Number of work-related fatalities	Number	0	0	0

Lost time incident rate (Bursa C5b)

	Unit	FY2024	FY2025	FY2026
a. Number of lost time incidents in the reporting period	Number	15	15	15
b. Total number of hours worked by all employees in the reporting period	Hours	1,874,460	2,064,570	1,904,800
c. LTIR (=a/b *200,000)	Number	1.6	1.45	1.57

Number of employees trained on health and safety standards (Bursa C5c)

	Unit	FY2024	FY2025	FY2026
Number of employees trained on health and safety standards	Number	470	602	436

Other Social Indicators

Total hours of training by employee category (Bursa C6a; GRI 404)

		Unit	FY2024*	FY2025	FY2026
Senior Management	Total hours of training	Hours	859	72	112
	Total no. of senior managers	Headcount	11	12	12
	Average Training hours	Hours	78.09	6.00	9.33
Middle Management	Total hours of training	Hours	1,227	760	488
	Total no. of middle managers	Headcount	64	65	64
	Average Training hours	Hours	19.17	11.69	7.63
Other Employees	Total hours of training	Hours	2,932	2,836	1816
	Total no. of other employees	Headcount	611	601	575
	Average Training hours	Hours	4.80	4.72	3.16
Total	Total hours of training	Hours	5,018	3,668	2,416
	Total no. of other employees	Headcount	686	678	651
	Average Training hours	Hours	7.31	5.41	3.71

Number of substantiated complaints concerning data security (Bursa C8a; GRI 418)

	Unit	FY2024	FY2025	FY2026
Number of substantiated complaints	Number	0	0	0

Number of substantiated complaints concerning human rights violations (Bursa C6d)

	Unit	FY2024	FY2025	FY2026
Number of substantiated complaints	Number	0	0	0

Anti-corruption

Total hours of training by employee category (Bursa C6a; GRI 404)

		Unit	FY2024*	FY2025	FY2026
Senior Management	Number of employees trained	Headcount	8	0	0
	Total number of employees	Headcount	11	12	12
	Percentage trained	Percentage	73%	0%	0%
Middle Management	Number of employees trained	Headcount	6	0	9
	Total number of employees	Headcount	64	65	64
	Percentage trained	Percentage	9%	0%	14%
Other Employees	Number of employees trained	Headcount	17	0	15
	Total number of employees	Headcount	611	601	575
	Percentage trained	Percentage	3%	0%	3%

Anti-Corruption (Bursa C1c; GRI 205-3a)

	Unit	FY2024*	FY2025	FY2026
Number of confirmed incidents of corruption	Number	0	0	0
Percentage of operations assessed for corruption-related risks	Percentage	0%	0%	0%

** We have restated diesel consumption and employee numbers for FY2024*

GRI CONTENT INDEX

Hiap Teck Venture Berhad has reported the information cited in the GRI content index for the period from 1 August 2025 to 31 July 2026 with reference to the GRI Standards.

GRI Standards	Disclosure	Page
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GRI 2: General Disclosures 2021	2-2: Entities included in the organisation's sustainability reporting	55
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400 series (Social topics)		
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GRI 403: Occupational Health and Safety 2018	403-9: Work-related injuries	68
GRI 404: Training and Education 2016	404-1: Average hours of training per year per employee	71
GRI 405: Diversity and Equal Opportunity 2016	405-1: Diversity of governance bodies and employees	74-77
GRI 418: Customer Privacy 2016	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	66

HIAP TECK VENTURE BERHAD
BMLR Transition Period

Date & Time: 2026-11-16_16:01:32
Main Market | Group 2 | FYE 31/07/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category - Senior Management	Percentage	0	0	—	No assurance
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category - Middle Management	Percentage	0	14	—	No assurance
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category -Other Employees	Percentage	0	3	—	No assurance
Anti-Corruption	Percentage of operations assessed for corruption--related risks	Percentage	0	0	—	No assurance
Anti-Corruption	Confirmed incidents of corruption and action taken	Number	0	0	—	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Senior Management Male	Percentage	100	100	—	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Senior Management Female	Percentage	0	0	—	No assurance

SUSTAINABILITY STATEMENT (Cont'd)

HIAP TECK VENTURE BERHAD

BMLR Transition Period

Date & Time: 2026-11-16 16:01:32

Main Market | Group 2 | FYE 31/07/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Middle Management Male	Percentage	65	70	—	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Middle Management Female	Percentage	35	30	—	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Other Employees Male	Percentage	85	84	—	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Other Employees Female	Percentage	15	16	—	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Senior Management Under 30	Percentage	8	0	—	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Senior Management Between 30-50	Percentage	17	25	—	No assurance

HIAP TECK VENTURE BERHAD

BMLR Transition Period

Date & Time: 2026-11-16 16:01:32

Main Market | Group 2 | FYE 31/07/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Senior Management Above 50	Percentage	75	75	—	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Middle Management Under 30	Percentage	2	2	—	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Middle Management Between 30-50	Percentage	68	58	—	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Middle Management Above 50	Percentage	31	41	—	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Other Employees Under 30	Percentage	30	21	—	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Other Employees Between 30-50	Percentage	56	60	—	No assurance

SUSTAINABILITY STATEMENT (Cont'd)

HIAP TECK VENTURE BERHAD

BMLR Transition Period

Date & Time: 2026-11-16 16:01:32

Main Market | Group 2 | FYE 31/07/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Other Employees Above 50	Percentage	15	18	—	No assurance
Diversity	Percentage of directors by gender and age group -Directors Male	Percentage	89	89	—	No assurance
Diversity	Percentage of directors by gender and age group -Directors Female	Percentage	11	11	—	No assurance
Diversity	Percentage of directors by gender and age group -Directors Under 30	Percentage	11	0	—	No assurance
Diversity	Percentage of directors by gender and age group -Directors Between 30-50	Percentage	11	22	—	No assurance
Diversity	Percentage of directors by gender and age group -Directors Above 50	Percentage	78	78	—	No assurance
Energy Management	Total energy consumption	Mwh	12,186.93	11,834.13	—	No assurance
Health and Safety	Number of work-related fatalities	Number	0	0	—	No assurance
Health and Safety	Lost time incident rate	Rate (per 200,000 hours worked)	1.45	1.57	—	No assurance
Health and Safety	Number of employees trained on health and safety standards	Number	602	436	—	No assurance
Labour Practices and Standards	Total hours of training by employee category - Senior Management	Hours	72	112	—	No assurance

HIAP TECK VENTURE BERHAD
BMLR Transition Period

Date & Time: 2026-11-16 16:01:32
Main Market | Group 2 | FYE 31/07/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Labour Practices and Standards	Total hours of training by employee category - Middle Management	Hours	760	488	—	No assurance
Labour Practices and Standards	Total hours of training by employee category - Other Employees	Hours	2,836	1,816	—	No assurance
Labour Practices and Standards	Percentage of employees that are contractors or temporary staff	Percentage	5	5	—	No assurance
Labour Practices and Standards	Total number of employee turnover by employee category - Senior Management Turnover	Number	1	0	—	No assurance
Labour Practices and Standards	Total number of employee turnover by employee category - Middle Management Turnover	Number	8	6	—	No assurance
Labour Practices and Standards	Total number of employee turnover by employee category - Other Employees Turnover	Number	80	62	—	No assurance
Labour Practices and Standards	Number of substantiated complaints concerning human rights violations	Number	0	0	—	No assurance
Supply Chain Management	Proportion of spending on local suppliers	Percentage	64	57	—	No assurance
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	—	No assurance
Water	Total volume of water used	Megalitres	39.74m	3739	—	No assurance
Waste Management	Total waste generated	Metric tonnes	178.83	138.62	—	No assurance

SUSTAINABILITY STATEMENT (Cont'd)

HIAP TECK VENTURE BERHAD

BMLR Transition Period

Date & Time: 2026-11-16 16:01:32

Main Market | Group 2 | FYE 31/07/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Waste Management	Total waste diverted from disposal	Metric tonnes	15.85	10.76	—	No assurance
Waste Management	Total waste directed to disposal	Metric tonnes	162.98	122.88	—	No assurance
Greenhouse Gas Emissions	Scope 1 Emissions in tonnes of CO2e	tCO2e	652	708	—	No assurance
Greenhouse Gas Emissions	Scope 2 Emissions in tonnes of CO2e	tCO2e	2580	2149	—	No assurance

ADDITIONAL COMPLIANCE INFORMATION
SHARIAH SCREENING

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(a) Group's Total Income and Total Assets

	Group	
	2026	2025
Total Income	RM'000	RM'000
Revenue	1,428,059	1,437,548
Other income and finance income	11,298	7,924
Share of result of joint ventures	120,433	138,391
Total	**1,559,790**	**1,583,863**
Total Assets	**2,126,995**	**2,085,851**

(b) Business Activities

	Group	
	2026	2025
Shariah Non-Compliant Activities	RM'000	RM'000
Interest income	1,572	1,589
Total	**1,572**	**1,589**

(c) Component of Financial Position

(i) Cash Component

	Group	
	2026	2025
Islamic Account/Instruments	RM'000	RM'000
Cash at banks	42,293	34,134
Total Cash	**42,293**	**34,134**
Conventional Account/Instruments		
Cash at banks	63,949	60,840
Total Cash	**63,949**	**60,840**

(ii) Debt Component

	Group	
	2026	2025
Islamic Borrowings	RM'000	RM'000
Current		
Trade financing	58,103	73,639
Term loans	3,739	3,402
Non-Current		
Term loans	8,779	12,181
Total Borrowings	**70,621**	**89,222**
Conventional		
Current		
Trade financing	292,785	344,939
Revolving credit	60,600	33,000
Term loans	2,592	2,265
Non-Current		
Term loans	13,348	15,740
Total Borrowings	**369,325**	**395,944**

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2026

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 July 2026.

Principal activities

The Company is principally engaged in investment and property holdings and the provision of management services whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 5 to the financial statements.

Results	Group RM'000	Company RM'000
Profit for the year attributable to:		
Owners of the Company	137,869	14,191
Non-controlling interests	782	-
	138,651	14,191

Reserves and provisions

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

Dividends

Since the end of the previous financial year, the Company paid a single tier final dividend of 0.50 sen per ordinary share totaling RM8,711,150 in respect of financial year ended 31 July 2025 on 16 January 2026.

The first and final single tier dividend recommended by the Directors in respect of the financial year ended 31 July 2026 is 0.70 sen per ordinary share estimated at approximately RM12,195,610. This dividend will be recognised in subsequent financial period upon approval by the shareholders of the Company at the forthcoming Annual General Meeting.

Directors of the Company

Directors who served during the financial year until the date of this report are:

Tan Sri Dato' Sri Mohamad Fuzi Bin Harun
Tan Sri Dato' Seri Law Tien Seng
Sherman Lam Yuen Suen
Chen Thien Yin
Dato' Ooi Lay See
Foo Kok Siew
Law Wai Cheong
Law Wai Ho
Tan Shau Ming (Retired on 31 July 2026)

Directors of the Company's subsidiaries

Directors who served in the Company's subsidiaries that are not Directors in the Company during the financial year until the date of this report are:

Chew Sow Yong
Hoo Weng Keong
Chan Kong Ming
Wang Shenghua
Tan Yuen Hong (Resigned on 31 August 2026)

Directors' interests in shares

The interests and deemed interests in the shares and options over shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.8.2025	Bought	Sold	At 31.7.2026
Deemed interests in the Company:				
Tan Sri Dato' Seri Law Tien Seng - own	492,713,324	-	-	492,713,324
Tan Shau Ming - own - other*	400,000 968,000	- -	- -	400,000 968,000

**Interest in shares held by Director's spouse pursuant to Section 59(11)(c) of the Companies Act 2016.*

By virtue of their interests in the shares of the Company, Tan Sri Dato' Seri Law Tien Seng is deemed interested in the shares of the subsidiaries during the financial year to the extent that Hiap Teck Venture Berhad has an interest.

None of the other Directors holding office at 31 July 2026 had any interest in the shares and options over shares of the Company and of its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 July 2026 are as follows:

	From the Company RM'000	From subsidiary companies RM'000
Directors of the Company:		
Fees	460	-
Remuneration	13,633	582
Other short-term employee benefits	1,659	71
Trading between companies in which certain Directors who have significant interests and certain companies in the Group in the ordinary course of business	570	323,993
	16,322	324,646

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company during the financial year. There were also no debentures issued during the financial year.

Treasury shares

As at 31 July 2026, a total of 5,492,000 buy-back shares were held as treasury shares and carried at cost.

The shares repurchased are being held as treasury shares in accordance with Section 127 (4)(b) of the Companies Act 2016.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Indemnity and insurance costs

During the financial year, Directors and Officers of the Company, together with its subsidiaries are covered under the Directors' and Officers' Liability Insurance in respect of liabilities arising from acts committed in their respective capacity as, inter alia, Directors and Officers of the Group subject to the terms of the policy. The total amount of Directors' and Officers' Liability Insurance effected for the Directors and Officers of the Group was RM20 million. The total amount of premium paid for the Directors' and Officers' Liability Insurance by the Company was RM21,945.

There were no indemnity and insurance effected for auditors of the Group during the financial year.

Other statutory information

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

i. all known bad debts have been written off and adequate provision made for doubtful debts, and
ii. any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

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

i. that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
ii. that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
iii. which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
iv. not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

i. any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
ii. any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

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

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 July 2026 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration of the Group and of the Company during the financial year are RM547,200 and RM181,300 respectively.

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

Tan Sri Dato' Seri Law Tien Seng
Director

Kuala Lumpur
Date: 3 November 2026

Foo Kok Siew
Director

Kuala Lumpur
Date: 3 November 2026

STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Assets					
Property, plant and equipment	2	321,060	344,069	3,015	3,672
Right-of-use assets	3	784	1,279	784	1,279
Investment properties	4	56,937	57,224	87,850	89,202
Investments in subsidiaries	5	-	-	94,212	94,212
Interest in equity accounted investments	6	983,722	863,262	771,075	771,075
Other investments	7	-	140	-	-
Other receivables	8	-	-	16,022	17,319
Deferred tax assets	13	19,572	15,963	-	-
Total non-current assets		**1,382,075**	**1,281,937**	**972,958**	**976,759**
Inventories	9	392,504	400,160	-	-
Current tax assets		1,560	12,107	-	-
Trade and other receivables	8	241,103	293,235	11,441	20,989
Other investments	7	3,342	3,049	1,145	1,113
Derivative financial assets	10	169	389	-	-
Cash and cash equivalents	11	106,242	94,974	436	1,157
Total current assets		**744,920**	**803,914**	**13,022**	**23,259**
Total assets		**2,126,995**	**2,085,851**	**985,980**	**1,000,018**
Equity					
Share capital	12	872,654	872,654	872,654	872,654
Reserves	12	740,845	611,695	95,836	90,356
Total equity attributable to owners of the Company		**1,613,499**	**1,484,349**	**968,490**	**963,010**
Non-controlling interests		520	474	-	-
Total equity		**1,614,019**	**1,484,823**	**968,490**	**963,010**
Liabilities					
Deferred tax liabilities	13	16,180	13,047	2,577	2,482
Loans and borrowings	14	22,127	27,921	-	-
Lease liabilities		244	837	244	837
Other payables	15	-	-	6,056	27,972
Total non-current liabilities		**38,551**	**41,805**	**8,877**	**31,291**
Loans and borrowings	14	417,819	457,245	-	-
Lease liabilities		512	493	512	493
Trade and other payables	15	54,421	97,863	7,514	4,913
Contract liabilities	16	567	2,922	-	-
Derivative financial liabilities	10	121	-	-	-
Current tax liabilities		985	700	587	311
Total current liabilities		**474,425**	**559,223**	**8,613**	**5,717**
Total liabilities		**512,976**	**601,028**	**17,490**	**37,008**
Total equity and liabilities		**2,126,995**	**2,085,851**	**985,980**	**1,000,018**

The notes set out on pages 115 to 161 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JULY 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Revenue	17	1,428,059	1,437,548	44,483	43,825
Cost of sales	18	(1,343,843)	(1,402,176)	-	-
Gross profit		**84,216**	**35,372**	**44,483**	**43,825**
Other operating income		9,217	5,897	1,219	1,632
Operating costs in respect of income generating investment properties		(852)	(381)	(1,352)	(1,352)
Administrative expenses		(38,552)	(37,046)	(26,519)	(26,619)
Selling and marketing expenses		(14,753)	(16,197)	-	-
Other operating expenses		(308)	(420)	-	-
Net (loss)/gain on impairment of trade receivables		(246)	991	-	-
Results from operating activities		**38,722**	**(11,784)**	**17,831**	**17,486**
Finance income		2,081	2,027	65	76
Finance costs	19	(18,485)	(24,104)	(1,429)	(1,203)
Net finance costs		**(16,404)**	**(22,077)**	**(1,364)**	**(1,127)**
Share of profit of equity-accounted investees, net of tax	6	120,433	138,391	-	-
Profit before tax		**142,751**	**104,530**	**16,467**	**16,359**
Tax expense	20	(4,100)	5,775	(2,276)	(2,476)
Profit for the year	21	**138,651**	**110,305**	**14,191**	**13,883**
Other comprehensive (expense)/income, net of tax					
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		(8)	36	-	-
Other comprehensive (expense)/income for the year, net of tax		**(8)**	**36**	**-**	**-**
Total comprehensive income for the year		**138,643**	**110,341**	**14,191**	**13,883**
Profit for the year attributable to:					
Owners of the Company		137,869	109,115	14,191	13,883
Non-controlling interests		782	1,190	-	-
Profit for the year		**138,651**	**110,305**	**14,191**	**13,883**
Total comprehensive income attributable to:					
Owners of the Company		137,861	109,151	14,191	13,883
Non-controlling interests		782	1,190	-	-
Profit for the year		**138,643**	**110,341**	**14,191**	**13,883**
Earnings per ordinary share (sen):					
Basic	23	7.91	6.26		
Diluted	23	7.91	6.26		

The notes set out on pages 115 to 161 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2026

	Note	Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
		/--------Attributable to owners of the Company ---------/						
		/------- Non-distributable ------/			Distributable /			
Group								
At 1 August 2024		872,654	(7,499)	(353)	519,107	1,383,909	754	1,384,663
Foreign currency translation differences for foreign operations		-	-	36	-	36	-	36
Total other comprehensive income		-	-	36	-	36	-	36
Profit for the year		-	-	-	109,115	109,115	1,190	110,305
Total comprehensive income for the year		-	-	36	109,115	109,151	1,190	110,341
Dividends to owners of the Company	24	-	-	-	(8,711)	(8,711)	-	(8,711)
Total transactions with owners of the Company		-	-	-	(8,711)	(8,711)	-	(8,711)
Dividend to non-controlling interest		-	-	-	-	-	(1,470)	(1,470)
At 31 July 2025		**872,654**	**(7,499)**	**(317)**	**619,511**	**1,484,349**	**474**	**1,484,823**
		/---------- Note 12 ----------/						

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2026 (Cont'd)

	Note	Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
		/--------Attributable to owners of the Company ---------/						
		/------- Non-distributable ------/			Distributable /			
Group								
At 1 August 2025		872,654	(7,499)	(317)	619,511	1,484,349	474	1,484,823
Foreign currency translation differences for foreign operations		-	-	(8)	-	(8)	-	(8)
Total other comprehensive expense		-	-	(8)	-	(8)	-	(8)
Profit for the year		-	-	-	137,869	137,869	782	138,651
Total comprehensive income for the year		-	-	(8)	137,869	137,861	782	138,643
Dividends to owners of the Company	24	-	-	-	(8,711)	(8,711)	-	(8,711)
Total transactions with owners of the Company		-	-	-	(8,711)	(8,711)	-	(8,711)
Dividend to non-controlling interest		-	-	-	-	-	(736)	(736)
At 31 July 2026		**872,654**	**(7,499)**	**(325)**	**748,669**	**1,613,499**	**520**	**1,614,019**
		/---------- Note 12 ----------/						

The notes set out on pages 115 to 161 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2026

	Note	Share capital RM'000	Treasury shares RM'000	Retained earnings/ Accumulated losses RM'000	Total equity RM'000
		/----------Attributable to owners of the Company ----------/			
		/------- Non-distributable ------/		Distributable /	
Company					
At 1 August 2024		872,654	(7,499)	92,683	957,838
Profit and total comprehensive income for the year		-	-	13,883	13,883
Dividends to owners of the Company	24	-	-	(8,711)	(8,711)
Total transactions with owners of the Company		-	-	(8,711)	(8,711)
At 31 July 2025/1 August 2025		872,654	(7,499)	97,855	963,010
Profit and total comprehensive income for the year		-	-	14,191	14,191
Dividends to owners of the Company	24	-	-	(8,711)	(8,711)
Total transactions with owners of the Company		-	-	(8,711)	(8,711)
At 31 July 2026		**872,654**	**(7,499)**	**103,335**	**968,490**
		/---------- Note 12 ----------/			

The notes set out on pages 115 to 161 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Cash flows from operating activities					
Profit before tax		142,751	104,530	16,467	16,359
Adjustments for:					
Allowance for slow moving inventories	9	958	639	-	-
Loss on/(Reversal of) impairment of trade receivables		246	(991)	-	-
Depreciation of investment properties	4	287	282	1,352	1,352
Depreciation of property, plant and equipment	2	32,049	28,169	753	737
Depreciation of right-of-use assets	3	495	736	495	736
Dividend income from subsidiaries	17	-	-	(10,765)	(11,530)
Dividend income from other investments		(20)	-	-	-
Fair value loss/(gain) on foreign exchange derivative		341	(2,950)	-	-
Finance costs	19	18,485	24,104	1,429	1,203
Finance income:					
- Amount due from subsidiaries		-	-	(956)	(1,313)
- Other investments		(39)	(49)	(34)	(36)
- Deposits with licensed banks		(2,042)	(1,788)	(31)	(40)
Gain on disposal of property, plant and equipment		(6,041)	(3,471)	-	-
Gain on lease termination		-	(56)	-	(56)
Net unrealised foreign exchange (gain)/loss		(280)	(416)	1	-
Property, plant and equipment written off		27	231	-	-
Share of profit of equity-accounted joint venture, net of tax	6	(120,433)	(138,391)	-	-
(Reversal of write-down of inventories)/ Write down of inventories to net realisable value	9	(9,300)	11,292	-	-
Operating profit before changes in working capital		**57,484**	**21,871**	**8,711**	**7,412**
Changes in working capital:					
Inventories		15,998	79,997	-	-
Trade and other receivables		51,574	120,802	21,870	(133)
Trade and other payables		(44,226)	(21,695)	2,601	1,148
Contract liabilities		(2,355)	(3,459)	-	-
Cash generated from operations		**78,475**	**197,516**	**33,182**	**8,427**
Interest paid		(18,449)	(24,026)	(1,393)	(1,125)
Net income tax refund/(paid)		6,261	(7,342)	(1,905)	(2,291)
Net cash generated from operating activities		**66,287**	**166,148**	**29,884**	**5,011**

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2026 (Cont'd)

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Cash flows from investing activities					
Additional investment in equity-accounted joint venture	6	(27)	-	-	-
Dividends received from other investments		20	-	-	-
Finance income:					
- Amount due from subsidiaries		-	-	956	1,313
- Other investments		39	49	34	36
- Deposits with licensed banks		2,042	1,788	31	40
(Increase)/Decrease in other investments		(153)	1,679	(32)	(37)
Proceeds from disposal of property, plant and equipment		12,482	7,202	-	-
Purchase of property, plant and equipment	2	(15,508)	(72,971)	(96)	(761)
Purchase of investment properties	(b)	-	(12,892)	-	-
Advances to subsidiaries		-	-	-	(3,167)
Net cash (used in)/generated from investing activities		**(1,105)**	**(75,145)**	**893**	**(2,576)**
Cash flows from financing activities					
(Repayment to)/Loan from a subsidiary		-	-	(21,916)	6,850
Advances to subsidiaries		-	-	(271)	-
Repayment from/(Advances to) joint venture		-	-	10	(10)
Dividends paid to owners of the Company	24	(8,711)	(8,711)	(8,711)	(8,711)
Repayment of loans and borrowings	(c)	(1,206,873)	(1,402,172)	-	-
Drawdown of loans and borrowings	(c)	1,161,653	1,321,837	-	-
Payment of lease liabilities	(c)	(610)	(821)	(610)	(821)
Net cash used in financing activities		**(54,541)**	**(89,867)**	**(31,498)**	**(2,692)**
Net increase/(decrease) in cash and cash equivalents		**10,641**	**1,136**	**(721)**	**(257)**
Effect of exchange rate fluctuations on cash held		627	(43)	-	-
Cash and cash equivalents at beginning of year	11	94,974	93,881	1,157	1,414
Cash and cash equivalents at end of year	11	**106,242**	**94,974**	**436**	**1,157**

(a) Cash outflows for leases as a lessee

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Included in net cash from operating activities					
Payment relating to short-term leases	21	788	956	-	-
Payment relating to leases of low-value assets	21	17	15	-	-
Interest paid in relation to lease liabilities	19	36	78	36	78
Included in net cash from financing activities					
Payment of lease liabilities		610	821	610	821
Total cash outflows for leases		**1,451**	**1,870**	**646**	**899**

(b) Purchase of investment properties

In the previous financial year, the Group acquired an investment property amounting to RM47,637,000 (Note 4) of which RM34,745,000 was paid earlier as prepayment and the remaining RM12,892,000 was fully paid in the previous financial year.

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2026 (Cont'd)

(c) Reconciliation of movement of liabilities to cash flows arising from financing activities

	At 1 August 2024 RM'000	Net changes from financing cash flows RM'000	Other changes RM'000	At 31 July/ 1 August 2025 RM'000	Net changes from financing cash flows RM'000	Other changes RM'000	At 31 July 2026 RM'000
Group							
Bankers' acceptances	317,755	(24,791)	-	292,964	(74,136)	-	218,828
Post shipment buyer loan	55,711	622	-	56,333	501	-	56,834
Accepted bills	142,973	(73,692)	-	69,281	5,945	-	75,226
Revolving credit	49,062	(16,062)	-	33,000	27,600	-	60,600
Term loans	-	33,588	-	33,588	(5,130)	-	28,458
Lease liabilities	3,366	(821)	(1,215)	1,330	(610)	36	756
Total liabilities from financing activities	**568,867**	**(81,156)**	**(1,215)**	**486,496**	**(45,830)**	**36**	**440,702**
Company							
Lease liabilities	3,366	(821)	(1,215)	1,330	(610)	36	756
Loan from a subsidiary	21,122	6,850	-	27,972	(21,916)	-	6,056
Total liabilities from financing activities	**28,488**	**6,029**	**(1,215)**	**29,302**	**(22,526)**	**36**	**6,812**

The notes set out on pages 115 to 161 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Hiap Teck Venture Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The address of the principal place of business and registered office of the Company is as follows:

Principal place of business and registered office
Lot 6096, Jalan Haji Abdul Manan
Batu 5½, Off Jalan Meru
41050 Klang
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 31 July 2026 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interest in joint venture and associate. The financial statements of the Company as at and for the financial year ended 31 July 2026 do not include other entities.

The Company is principally engaged in investment and property holdings and the provision of management services, whilst the principal activities of the subsidiaries are as stated in Note 6 to the financial statements.

These financial statements were authorised for issue by the Board of Directors on 3 November 2026.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

1. Basis of preparation (Cont'd)

(a) Statement of compliance (Cont'd)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2029

- MFRS 20, *Regulatory Assets and Regulatory Liabilities*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 August 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026; and
- from the annual period beginning on 1 August 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027.

The Group and the Company do not plan to apply MFRS 20, *Regulatory Assets and Regulatory Liabilities* that is effective for annual periods beginning on 1 January 2029 as it is not applicable to the Group and the Company.

MFRS 18, Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 *Presentation of Financial Statements* and is effective for annual reporting periods beginning on or after 1 January 2027. The standard introduces new requirements relating to the presentation and classification of income and expenses in the statement of profit or loss, management-defined performance measures, and the aggregation and disaggregation of information in the financial statements. The Group and the Company are currently assessing the impact of adopting MFRS 18.

The initial application of the other accounting standards, interpretations or amendments are not expected to have any material financial impact to the current period and prior period financial statements of the Group and of the Company.

1. Basis of preparation (Cont'd)

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for derivative financial instruments and equity securities at FVOCI and FVTPL which are measured at fair value.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 3 - Extension options and incremental borrowing rate in relation to leases
- Note 9 - Valuation of inventories
- Note 26 - Measurement of expected credit loss ("ECL") and fair value

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

2. Property, plant and equipment

Group	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Rental equipment RM'000	Motor vehicles RM'000	Other assets RM'000	Capital-in-progress RM'000	Mining assets RM'000	Total RM'000
Cost									
At 1 August 2024	86,517	143,322	233,848	73,027	5,279	31,011	8,212	22,094	603,310
Additions	-	406	1,760	61,844	874	197	7,890	-	72,971
Disposals	-	-	(57)	(7,534)	(258)	-	-	-	(7,849)
Written off	-	-	-	(634)	-	-	-	-	(634)
Transfers	-	-	8,982	-	724	-	(9,706)	-	-
Transfer to inventories	-	-	-	(146)	-	-	-	-	(146)
At 31 July 2025/1 August 2025	86,517	143,728	244,533	126,557	6,619	31,208	6,396	22,094	667,652
Additions	-	-	93	14,374	833	196	12		15,508
Disposals	-	-	-	(13,406)	(395)	-	-	-	(13,801)
Written off	-	-	-	(77)	-	-	-	-	(77)
Transfers	-	-	4,660	-	-	-	(4,660)	-	-
At 31 July 2026	86,517	143,728	249,286	127,448	7,057	31,404	1,748	22,094	669,282

2. Property, plant and equipment (cont'd)

Group	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Rental equipment RM'000	Motor vehicles RM'000	Other assets RM'000	Capital-in-progress RM'000	Mining assets RM'000	Total RM'000
Accumulated depreciation									
At 1 August 2024	-	52,516	179,725	30,996	4,724	26,359	-	5,747	300,067
Charge for the year	-	2,903	3,812	19,079	347	1,147	-	881	28,169
Disposals	-	-	(57)	(3,803)	(258)	-	-	-	(4,118)
Written off	-	-	-	(403)	-	-	-	-	(403)
Transfer to inventories	-	-	-	(132)	-	-	-	-	(132)
At 31 July 2025/1 August 2025	-	55,419	183,480	45,737	4,813	27,506	-	6,628	323,583
Charge for the year	-	2,910	4,281	22,495	506	1,175	-	682	32,049
Disposals	-	-	-	(6,965)	(395)	-	-	-	(7,360)
Written off	-	-	-	(50)	-	-	-	-	(50)
At 31 July 2026	-	58,329	187,761	61,217	4,924	28,681	-	7,310	348,222
Carrying amounts									
At 1 August 2024	86,517	90,806	54,123	42,031	555	4,652	8,212	16,347	303,243
At 31 July 2025/1 August 2025	86,517	88,309	61,053	80,820	1,806	3,702	6,396	15,466	344,069
At 31 July 2026	86,517	85,399	61,525	66,231	2,133	2,723	1,748	14,784	321,060

Other assets of the Group comprise office renovations, furniture and fittings, heavy equipment, office equipment, site tools, computer software, electrical installation, forklift, dies and jigs and containers.

2. Property, plant and equipment (Cont'd)

Company	Motor vehicles RM'000	Office renovations RM'000	Office equipment RM'000	Furniture and fittings RM'000	Capital-in-progress RM'000	Total RM'000
Cost						
At 1 August 2024	407	2,461	1,568	974	928	6,338
Additions	-	-	53	2	706	761
At 31 July 2025/1 August 2025	407	2,461	1,621	976	1,634	7,099
Additions	-	-	96	-	-	96
At 31 July 2026	407	2,461	1,717	976	1,634	7,195
Accumulated depreciation						
At 1 August 2024	407	1,410	680	193	-	2,690
Charge for the year	-	361	278	98	-	737
At 31 July 2025/1 August 2025	407	1,771	958	291	-	3,427
Charge for the year	-	361	293	99	-	753
At 31 July 2026	407	2,132	1,251	390	-	4,180
Carrying amounts						
At 1 August 2024	-	1,051	888	781	928	3,648
At 31 July 2025/1 August 2025	-	690	663	685	1,634	3,672
At 31 July 2026	-	329	466	586	1,634	3,015

2.1 Rental equipment

The Group leases its equipment to third parties. Each of the leases contains an initial non-cancellable period of 1 month. Subsequent renewals are negotiated and agreed with the lessees.

The Group generally does not require a financial guarantee on the lease arrangement. Nevertheless, the Group requires 1 to 3 months of rental deposit as normal payments from the lessees. These leases do not include residual value guarantees.

The following are recognised in profit or loss:

Group	2026 RM'000	2025 RM'000
Lease income	37,847	42,054

The operating lease payments to be received are as follows:

Group	2026 RM'000	2025 RM'000
Less than one year	18,879	16,086
More than one year	101	4
Total undiscounted lease payments	18,980	16,090

2.2 Security

A plant and machinery amounting to RM8,317,000 (2025: RM9,980,000) of the Group has been secured against a term loan as disclosed in Note 14.1.

2.3 Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Capital-in-progress are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

- Buildings 50 years
- Plant and machinery 5 - 12 years
- Rental equipment 5 - 10 years
- Motor vehicles 5 years
- Other assets 3 - 10 years

Amortisation of mining assets is based on the unit of production method.

3. Right-of-use assets

Group and Company	Buildings RM'000	Total RM'000
At 1 August 2024	3,252	3,252
Depreciation	(736)	(736)
Derecognition	(1,237)	(1,237)
At 31 July 2025/1 August 2025	1,279	1,279
Depreciation	(495)	(495)
At 31 July 2026	784	784

The Group and the Company leased one office unit with a two-year term and an option to renew.

3.1 Significant judgements and assumptions in relation to lease

The Group and the Company assess at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group and the Company also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. Group entities first determine the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

3.2 Material accounting policy information

(a) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

(b) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4. Investment properties

Group	Note	Leasehold land RM'000	Freehold land RM'000	Buildings RM'000	Total RM'000
Cost					
At 1 August 2024		5,020	485	8,748	14,253
Additions	4.2	-	47,637	-	47,637
At 31 July 2025/1 August 2025/31 July 2026		5,020	48,122	8,748	61,890
Accumulated depreciation and impairment loss					
At 1 August 2024					
Accumulated depreciation		1,441	-	2,486	3,927
Accumulated impairment		-	-	457	457
		1,441	-	2,943	4,384
Charge for the year		92	-	190	282
At 31 July 2025/1 August 2025					
Accumulated depreciation		1,533	-	2,676	4,209
Accumulated impairment		-	-	457	457
		1,533	-	3,133	4,666
Charge for the year		92	-	195	287
At 31 July 2026					
Accumulated depreciation		1,625	-	2,871	4,496
Accumulated impairment		-	-	457	457
		1,625	-	3,328	4,953
Carrying amounts					
At 1 August 2024		3,579	485	5,805	9,869
At 31 July 2025/1 August 2025		3,487	48,122	5,615	57,224
At 31 July 2026		3,395	48,122	5,420	56,937

Company	Freehold land RM'000	Buildings RM'000	Total RM'000
Cost			
At 1 August 2024/31 July 2025/ 1 August 2025/31 July 2026	48,062	67,603	115,665
Accumulated depreciation			
At 1 August 2024	-	25,111	25,111
Charge for the year	-	1,352	1,352
At 31 July 2025/1 August 2025	-	26,463	26,463
Charge for the year	-	1,352	1,352
At 31 July 2026	-	27,815	27,815
Carrying amounts			
At 1 August 2024	48,062	42,492	90,554
At 31 July 2025/1 August 2025	48,062	41,140	89,202
At 31 July 2026	48,062	39,788	87,850

Investment properties comprise of land and buildings which are being leased to third party at the group level and to subsidiaries at the company level.

4.1 Other income/expenses recognised in profit or loss in relation to investment properties

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Rental income	1,906	1,035	11,867	10,011
Direct operating expenses:				
- income generating investment properties	(499)	(381)	(1,352)	(1,352)

4.2 Security

A freehold land of the Group amounted to RM47,637,000 has been pledged as security for bank facilities by financial institution as disclosed in Note 14.1.

4.3 Maturity analysis of operating lease payments to be received

Group	2026 RM'000	2025 RM'000
Less than one year	6,374	422
Between one and five years	3,621	44
Total undiscounted lease payments	9,995	466

4.4 Fair value information

Fair values of investment properties are categorised as follows:

	Level 3 RM'000
2026	
Group	
Freehold land	51,337
Leasehold land with unexpired lease period of more than 50 years	10,800
Buildings	6,510
	68,647
Company	
Freehold land	141,800
Buildings	84,500
	226,300
2025	
Group	
Freehold land	51,337
Leasehold land with unexpired lease period of more than 50 years	10,800
Buildings	6,510
	68,647
Company	
Freehold land	141,800
Buildings	84,500
	226,300

Level 3 fair value

Level 3 fair values of land and buildings have been generally derived using the sales comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

4.5 Material accounting policy information

Investment properties are measured subsequently at cost less any accumulated depreciation and any accumulated impairment.

5. Investments in subsidiaries

	Company	
	2026 RM'000	2025 RM'000
Cost of investment	94,212	94,212

Name of subsidiary	Country of incorporation	Principal activities	Effective ownership interest 2026 %	Effective ownership interest 2025 %
Hiap Teck Hardware Sdn. Bhd.	Malaysia	Importer, exporter, general dealer and lessor of steel products, hardware and building materials	100	100
Tiek Hong Hardware (B'worth) Sdn. Bhd.	Malaysia	Dormant	100	100
Alpine Pipe Manufacturing Sdn. Bhd.	Malaysia	Manufacturing and selling of pipes, hollow sections and other steel products	100	100
Briliant Decade Transport Agency Sdn. Bhd.	Malaysia	Provision of transportation services	100	100
Huatraco Scaffold Sdn. Bhd.	Malaysia	Manufacturing, selling, renting, and transporting of scaffolding equipment and range of steel products	100	100
Hiap Teck Resources Sdn. Bhd.	Malaysia	Investment holding	100	100
Nexus Pacific Property Sdn. Bhd.	Malaysia	Dormant	100	100
Geopintar E&C Sdn. Bhd. #	Malaysia	Contractor specialising in geotechnical and civil engineering works including special foundations, underground works, group improvements, pollution treatments and control	65	65
Eastern Power Resources Sdn. Bhd.	Malaysia	Sales of electricity	51	51
Subsidiary of Hiap Teck Resources Sdn. Bhd.				
Vista Mining Sdn. Bhd.	Malaysia	Exploring, contracting and all activities related to the mining, processing and sale of iron ore	55	55
Subsidiaries of Huatraco Scaffold Sdn. Bhd.				
Huatraco Contracts Sdn. Bhd.	Malaysia	Selling, renting, and transporting of scaffolding equipment and range of steel products	100	100
Huatraco Investment Pte. Ltd. #	Singapore	Investment holding	100	100
Huatraco Scaffold (Sabah) Sdn. Bhd.	Malaysia	Dormant	100	100
Subsidiary of Huatraco Investment Pte. Ltd.				
Huatraco Singapore Pte. Ltd. #	Singapore	Scaffolding works and wholesale of industrial, construction and related machinery and equipment	100	100

5. Investments in subsidiaries (cont'd)

Name of subsidiary	Country of incorporation	Principal activities	Effective ownership interest 2026 %	Effective ownership interest 2025 %
Subsidiary of Alpine Pipe Manufacturing Sdn. Bhd.				
APM Resources Sdn. Bhd.	Malaysia	Dormant	100	100

Not audited by member firms of KPMG PLT.

5.1 Non-controlling interest in subsidiaries

The information of non-controlling interest (NCI) is not disclosed as it is not material.

5.2 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

6. Interest in equity accounted investments

6.1 Investment in joint ventures

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Investment in shares	771,102	771,075	771,075	771,075
Share of post-acquisition reserves	212,620	92,187	-	-
	983,722	863,262	771,075	771,075

Details of the joint ventures are as follows:

Name of entity	Country of incorporation	Principal activities	Effective ownership interest and voting interest 2026 %	Effective ownership interest and voting interest 2025 %
Eastern Steel Sdn. Bhd. ("ESSB")	Malaysia	Manufacturing, selling and dealing in a range of steel products using blast furnace plant	27.3	27.3
East Coast Eastern Steel Industrial Park Sdn. Bhd. ("ECESIP")	Malaysia	Operation, management and provision of supporting services for the industrial park	27.3	-

ESSB and ECESIP is structured as a separate vehicle and provides the Group rights to the net assets of the entity. Accordingly, the Group has classified the investment in ESSB and ECESIP as a joint venture.

6. Interest in equity accounted investments (cont'd)

6.1 Investment in joint venture (cont'd)

6.1.1 Material accounting policy information

Investment in joint venture is measured in the Company's statement of financial position at cost less any impairment losses.

6.1.2 Financial information

Financial information of ECESIP is not disclosed as it is not material.

The following tables summarise the financial information of ESSB, as adjusted for any differences in accounting policies. The tables also reconcile the summarised financial information to the carrying amount of the Group's interest in ESSB, which is accounted for using the equity method.

	ESSB	
	2026 RM'000	2025 RM'000
Summarised financial information		
As at 31 July		
Non-current assets	7,727,824	7,684,854
Current assets	1,217,981	1,172,496
Cash and cash equivalents	71,647	78,537
Non-current liabilities	(2,452,788)	(2,678,470)
Current liabilities	(2,889,638)	(3,016,749)
Non-current financial liabilities (excluding trade and other payables and provisions)	(2,452,788)	(2,678,470)
Current financial liabilities (excluding trade and other payables and provisions)	(1,886,590)	(1,943,068)
Year ended 31 July		
Profit and total comprehensive income for the year	441,148	506,927
Included in the total comprehensive income are:		
Revenue	5,583,744	5,471,094
Depreciation and amortisation	222,703	167,557
Interest income	6,437	4,699
Interest expense	(156,925)	(172,045)
Reconciliation of net assets to carrying amount as at 31 July		
Group's share of net assets	983,722	863,262
Carrying amount in the statement of financial position	983,722	863,262
Group's share of results for year ended 31 July		
Group's share of profit and total comprehensive income for the year	120,433	138,391

6. Interest in equity accounted investments (cont'd)

6.2 Investment in an associate

Name of entity	Country of incorporation	Principal activities	Effective ownership interest 2026 %	Effective ownership interest 2025 %
Jetama Alpine Pipe (Sabah) Sdn. Bhd.	Malaysia	Dormant	49	49

6.2.1 Material accounting policy information

Investment in an associate is measured in the Company's statement of financial position at cost less any impairment losses.

6.2.2 Financial information

Financial information of the associate is not disclosed as it is not material.

7. Other investments

	2026 Carrying amount RM'000	2026 Market value of quoted investments RM'000	2025 Carrying amount RM'000	2025 Market value of quoted investments RM'000
Group				
Non-current				
Fair value through other comprehensive income				
Club membership, unquoted	-	-	140	-
	-	-	140	-
Current				
Fair value through profit or loss				
Unit trust funds of licensed financial institutions within Malaysia	1,145	1,145	1,113	1,113
Equity instruments, quoted in Malaysia	2,197	2,197	1,936	1,936
	3,342		3,049	
	3,342		3,189	
Company				
Current				
Fair value through profit or loss				
Unit trust funds of licensed financial institutions within Malaysia	1,145	1,145	1,113	1,113

7.1 Material accounting policy information

Equity investments

At initial recognition, the Group irrevocably elects to present subsequent changes in the fair value of the investments in profit or loss. This election is made on an investment-by-investment basis.

8 Trade and other receivables

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Non-current					
Non-trade					
Amount due from subsidiaries	8.1	-	-	16,022	17,319
		-	-	16,022	17,319
Current					
Trade					
Trade receivables		222,853	218,471	-	-
Less: Allowance for impairment loss		(4,693)	(4,621)	-	-
		218,160	213,850	-	-
Amount due from joint venture	8.2	15,633	69,467	-	-
Amount due from a related party	8.2	95	2,365	-	-
		233,888	285,682	-	-
Non-trade					
Other receivables		380	1,756	21	3
Amount due from joint venture	8.3	9	19	9	19
Dividend receivables		-	-	765	11,530
Amount due from subsidiaries	8.3	-	-	9,443	7,875
		389	1,775	10,238	19,427
Deposits		1,073	1,553	503	737
Prepayments		5,753	4,225	700	825
		7,215	7,553	11,441	20,989
		241,103	293,235	11,441	20,989
		241,103	293,235	27,463	38,308

The Group's negotiated trade credit term ranges from 14 to 120 (2025: 14 to 120) days. Other credit terms are assessed and approved on a case-by-case basis.

8.1 Non-current non-trade amount due from subsidiaries

The non-current non-trade amount due from subsidiaries is unsecured, subject to interest at 6% (2025: 6%) per annum and not repayable within 12 months.

8.2 Current trade amounts due from joint venture and a related party

The trade amounts due from joint venture and a related party are subject to negotiated terms (2025: negotiated trade terms).

8.3 Current non-trade amounts due from joint venture and subsidiaries

The non-trade amounts due from joint venture and subsidiaries are interest-free and repayable on demand.

9 Inventories

	Note	Group 2026 RM'000	Group 2025 RM'000
Raw materials		132,411	91,096
Work-in-progress		24,072	16,301
Finished goods		132,953	99,329
Merchandise goods		95,761	134,231
Goods in transit		2,678	54,250
Spare parts		4,629	4,953
		392,504	400,160
Recognised in profit or loss:			
Inventories recognised as cost of sales		1,325,736	1,367,401
(Reversal of write-down of inventories)/ Write down of inventories to net realisable value	9.1	(9,300)	11,292
Allowance for slow moving inventories		958	639

9.1 (Reversal of write-down of inventories)/Write down of inventories to net realisable value

The net realisable value ("NRV") of inventories was determined based on estimated selling price of the product less the estimated cost to make the sale.

9.2 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

10 Derivative financial assets/(liabilities)

	2026 Nominal value RM'000	2026 Assets RM'000	2026 Liabilities RM'000	2025 Nominal value RM'000	2025 Assets RM'000	2025 Liabilities RM'000
Group						
Derivatives at fair value through profit or loss						
- Forward exchange contracts	11,527	169	(121)	38,721	389	-
	11,527	169	(121)	38,721	389	-

Forward exchange contracts are used to manage the foreign currency exposures arising from the Group's receivables and payables denominated in currencies other than the functional currencies of the Group entities. Most of the forward contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward contracts are rolled over at maturity.

11 Cash and cash equivalents

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash and bank balances	106,242	94,974	436	1,157

12 Capital and reserves

Share capital

	Group and Company			
	Amount 2026 RM'000	Number of shares 2026 '000	Amount 2025 RM'000	Number of shares 2025 '000
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares				
At 1 August/31 July	872,654	1,747,722	872,654	1,747,722

12 Capital and reserves (cont'd)

Share capital (cont'd)

12.1 Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In respect of the Company's treasury shares that are held by the Group, all rights are suspended until those shares are reissued.

Reserves

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Non-distributable:					
Translation reserves	12.2	(325)	(317)	-	-
Treasury shares	12.3	(7,499)	(7,499)	(7,499)	(7,499)
		(7,824)	(7,816)	(7,499)	(7,499)
Distributable:					
Retained earnings		748,669	619,511	103,335	97,855
		740,845	611,695	95,836	90,356

12.2 Translation reserves

The translation reserves comprise all foreign currency differences arising from the translation of the financial statements of foreign operations.

12.3 Treasury shares

Treasury shares comprise cost of acquisition of the Company's own shares. At 31 July 2026, a total of 5,492,000 (2025: 5,492,000) buy-back shares were held as treasury shares and carried at cost.

13 Deferred tax assets/(liabilities)

13.1 Recognised deferred assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Group						
Property, plant and equipment	-	-	(26,050)	(26,972)	(26,050)	(26,972)
Other payables	4,689	6,047	-	-	4,689	6,047
Tax losses	24,769	21,761	-	-	24,769	21,761
Unabsorbed capital allowances	291	2,059	(307)	-	(16)	2,059
Reinvestment allowances	-	21	-	-	-	21
Tax assets/(liabilities)	29,749	29,888	(26,357)	(26,972)	3,392	2,916
Set-off tax	(10,177)	(13,925)	10,177	13,925	-	-
Net tax assets/(liabilities)	19,572	15,963	(16,180)	(13,047)	3,392	2,916
Company						
Property, plant and equipment	-	-	(2,749)	(2,647)	(2,749)	(2,647)
Other payables	172	165	-	-	172	165
Tax assets/(liabilities)	172	165	(2,749)	(2,647)	(2,577)	(2,482)
Set-off of tax	(172)	(165)	172	165	-	-
Net tax liabilities	-	-	(2,577)	(2,482)	(2,577)	(2,482)

13.2 Movement in temporary differences during the year

	At 1.8.2024 RM'000	Recognised in profit or loss (Note 20) RM'000	At 31.7.2025/ 1.8.2025 RM'000	Recognised in profit or loss (Note 20) RM'000	At 31.7.2026 RM'000
Group					
Property, plant and equipment	(24,638)	(2,334)	(26,972)	922	(26,050)
Other payables	4,726	1,321	6,047	(1,358)	4,689
Tax losses	10,920	10,841	21,761	3,008	24,769
Unabsorbed capital allowances	131	1,928	2,059	(2,075)	(16)
Reinvestment allowances	86	(65)	21	(21)	-
	(8,775)	11,691	2,916	476	3,392
Company					
Property, plant and equipment	(2,536)	(111)	(2,647)	(102)	(2,749)
Other payables	168	(3)	165	7	172
	(2,368)	(114)	(2,482)	(95)	(2,577)

13 Deferred tax assets/(liabilities) (cont'd)

13.3 Global minimum top-up tax

Malaysia has enacted legislation to implement a global minimum top-up tax (the "Global Minimum Tax" or "GMT") consistent with the OECD Pillar Two / GloBE model rules, which introduces a 15% minimum effective tax rate and operate through domestic and multinational top-up mechanisms (Domestic Top-up Tax and Multinational Top-up Tax).

The Group has assessed the scope of the GMT against the in-scope threshold (MNE Companies with consolidated revenues of EUR 750 million or more in at least two of the four preceding financial years) and, based on management's review of the Group's consolidated revenue for the requisite look-back period, the Group is not an in-scope multinational enterprise for the purposes of the GMT. Accordingly, there is no GMT top-up tax charge or deferred tax impact for the year ended 31 July 2026. The Group will continue to monitor developments and update its assessment should circumstances change.

13.4 Material accounting policy information

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

14. Loans and borrowings

		Group	
	Note	2026 RM'000	2025 RM'000
Non-current			
Term loans	14.1	22,127	27,921
Current			
Bankers' acceptances	14.1	218,828	292,964
Post shipment buyer loan	14.1	56,834	56,333
Accepted bills	14.1	75,226	69,281
Revolving credit	14.1	60,600	33,000
Term loans	14.1	6,331	5,667
		417,819	457,245
		439,946	485,166

14.1 Security

The Company has extended corporate guarantees amounting to RM439,946,000 (2025: RM485,166,000) as at the reporting date to financial institutions for banking facilities granted to certain subsidiaries. The Directors have assessed the financial guarantee contracts and concluded that the financial impact of the guarantees is not material as the subsidiaries concerned are in positive financial standings to meet their obligations as and when they fall due.

Banking facilities of the Group require subsidiaries' debt to equity ratio not more than 1 to 3.5 times (2025: 1 to 3.5 times) as disclosed in Note 27.

Certain loans and borrowings of the Group are secured by the plant and machinery and investment property of the Group as disclosed under Note 2.2 and Note 4.2 respectively.

15 Trade and other payables

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Non-current					
Non-trade					
Amount due to a subsidiary	15.1	-	-	6,056	27,972
		-	-	6,056	27,972
Current					
Trade					
Trade payables		16,341	65,971	-	-
Accruals		406	1,012	-	-
Amount due to joint venture	15.2	3,301	-	-	-
		20,048	66,983	-	-
Non-trade					
Other payables		5,099	6,457	212	348
Accruals		20,120	14,379	7,251	4,324
Deposits received		9,154	10,044	51	241
		34,373	30,880	7,514	4,913
		54,421	97,863	7,514	4,913
		54,421	97,863	13,570	32,885

15.1 Non-current non-trade amount due to a subsidiary

The non-current non-trade amount due to a subsidiary relates to a loan and is unsecured and subject to interest at 5% (2025: 5%) per annum.

15.2 Current trade amount due to joint venture

The current trade amount due to joint venture is subject to negotiated trade terms (2025: negotiated trade terms)

16 Contract liabilities

	Group 2026 RM'000	Group 2025 RM'000
Contract liabilities	567	2,922

The contract liabilities primarily relate to the advance consideration received from customers for cash before delivery orders. The contract liabilities are expected to be recognised as revenue in the subsequent financial period. The contract liabilities at the beginning period have been recognised as revenue.

17 Revenue

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue from contracts with customers				
Sale of goods	1,366,335	1,364,708	-	-
Transportation services rendered	33	23	-	-
Selling of electricity	21,500	27,734	-	-
Rental of equipment for hire	37,847	42,054	-	-
Participation fees from sales of iron ore	2,344	3,029	-	-
Other revenue				
Rental of properties	-	-	11,867	10,011
Dividend income	-	-	10,765	11,530
Management fees	-	-	21,851	22,284
	1,428,059	1,437,548	44,483	43,825

Group		
Timing of revenue recognition		
At a point in time	1,368,679	1,367,737
Over time	59,380	69,811
	1,428,059	1,437,548

17 Revenue (Cont'd)

17.1 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Trading, manufacturing and selling of pipes, hollow sections, scaffolding equipment, hardware, building materials and other steel products	Revenue is recognised when the goods are delivered and accepted by the customers at their premises or collected by customers from the Group's premises.	Credit period of 60 days from invoice date.	Early payment discounts are given to customers.	The Group allows returns within 7 days from the delivery date.	Not applicable.
Rental of equipment for hire	Revenue is recognised over time when equipment for hire services are rendered to customers using the output method.	Credit period of 60 days from invoice date.	Not applicable.	Not applicable.	Not applicable.
Selling of electricity	Revenue is recognised over time as the customer simultaneously received and consumed the electricity.	Credit period of 30 days from invoice date.	Not applicable.	Not applicable.	Not applicable.
Transportation services rendered	Revenue is recognised over time when services are rendered to customers using the output method.	Credit period of 60 days from invoice date.	Not applicable.	Not applicable.	Not applicable.
Participation fees from sales of iron ore	Revenue is recognised when the goods are delivered and accepted by the customers at their premises.	Credit period of 14 days from invoice date.	Not applicable.	Not applicable.	Not applicable.

18 Cost of sales

	Note	Group 2026 RM'000	Group 2025 RM'000
Cost of goods sold		1,320,666	1,382,216
Amortisation of mining assets	2	682	881
Depreciation of equipment for hire	2	22,495	19,079
		1,343,843	1,402,176
Included in the cost of goods sold are the following:			
Direct and indirect labour costs		33,169	31,069
Upkeep of property, plant and equipment		6,385	8,731
Depreciation of property, plant and equipment		6,239	6,044

19 Finance costs

	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss:				
Bankers' acceptances	10,456	14,003	-	-
Post shipment buyer loan	1,060	1,740	-	-
Accepted bills	3,974	5,598	-	-
Revolving credit	1,490	1,653	-	-
Term loans	1,469	1,032	-	-
Lease liabilities	36	78	36	78
Amount due to subsidiaries	-	-	1,393	1,125
	18,485	24,104	1,429	1,203

20 Tax expense

20.1 Recognised in profit or loss

	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Current tax expense				
Current year	4,540	5,280	2,039	1,981
Under provision in prior year	36	636	142	381
Total current tax recognised in profit or loss	4,576	5,916	2,181	2,362
Deferred tax expense				
Origination and reversal of temporary differences	(635)	(11,432)	94	110
Under/(Over) provision in prior year	159	(259)	1	4
Total deferred tax recognised in profit or loss	(476)	(11,691)	95	114
Total income tax expense	4,100	(5,775)	2,276	2,476

20 Tax expense (cont'd)

20.2 Reconciliation of tax expense

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Profit before tax	142,751	104,530	16,467	16,359
Share of profit after tax of equity accounted investees	(120,433)	(138,391)	-	-
	22,318	(33,861)	16,467	16,359
Income tax calculated using Malaysian tax rate of 24%	5,356	(8,127)	3,952	3,926
Effect of tax rate in foreign jurisdictions	5	4	-	-
Non-taxable income	(13)	-	(2,558)	(2,767)
Non-deductible expenses	952	1,971	739	932
Utilisation of Green Investment Tax Allowance	(2,395)	-	-	-
Under/(Over) provision of deferred tax in prior years	159	(259)	1	4
Under provision of current tax in prior years	36	636	142	381
	4,100	(5,775)	2,276	2,476

21 Profit for the year

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Profit for the year is arrived at after charging/(crediting):					
Auditors' remuneration					
- Audit fees					
KPMG PLT		547	553	181	196
Other auditors		18	17	-	-
- Non audit fees					
KPMG PLT		15	18	15	15
Material expenses/(income)					
Depreciation of investment properties	4	287	282	1,352	1,352
Depreciation of property, plant and equipment	2	32,049	28,169	753	737
Depreciation of right-of-use assets	3	495	736	495	736
Dividend income from subsidiaries	17	-	-	(10,765)	(11,530)
Dividend income from other investments		(20)	-	-	-
Fair value loss/(gain) on foreign exchange derivative		341	(2,950)	-	-
Fair value (gain)/loss on the FVTPL shares		(256)	1,881	-	-
Finance income:					
- Amount due from subsidiaries		-	-	(956)	(1,313)
- Other investments		(39)	(49)	(34)	(36)
- Deposits with licensed banks		(2,042)	(1,788)	(31)	(40)
Gain on disposal of property, plant and equipment		(6,041)	(3,471)	-	-
Gain on lease termination		-	(56)	-	(56)
Net foreign exchange (gain)/loss					
- Realised		(107)	1,107	-	-
- Unrealised		(280)	(416)	1	-
Property, plant and equipment written off		27	231	-	-
Personnel expenses (including key management personnel):					
- Contributions to state plans		5,588	6,057	2,216	2,673
- Salaries, wages and others		62,739	61,049	19,154	18,184
Rental income from investment properties	4	(1,906)	(1,035)	(11,867)	(10,011)
(Reversal of write-down of inventories)/Write down of inventories to net realisable value	9	(9,300)	11,292	-	-
Allowance for slow moving inventories	9	958	639	-	-

21 Profit for the year (cont'd)

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Expenses arising from leases					
Expenses relating to short-term leases	a	788	956	-	-
Expenses relating to leases of low-value assets	a	17	15	-	-
Net (reversal)/loss on impairment of financial instruments					
Reversal of impairment of trade receivables		-	(991)	-	-
Loss on impairment of trade receivables		246	-	-	-

Note a

The Group leases land and buildings and office equipment with contract terms of 1 to 5 years. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

22 Key management personnel compensation

	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Executive directors:				
- Remuneration	14,215	12,369	13,633	11,798
- Other short-term employee benefits	1,710	2,035	1,639	1,967
	15,925	14,404	15,272	13,765
Non-executive directors:				
- Fees	460	456	460	420
- Other short-term employee benefits	20	20	20	20
	480	476	480	440
	16,405	14,880	15,752	14,205

23 Earnings per ordinary share

23.1 Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at financial year end was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group 2026	Group 2025
Profit attributable to ordinary shareholders (RM'000)	137,869	109,115
Weighted average number of ordinary shares at 31 July ('000)	1,742,230	1,742,230
Basic earnings per ordinary share (sen)	7.91	6.26

23.2 Diluted earnings per ordinary share

There are no dilutive potential ordinary shares for the year. Therefore, diluted earnings per ordinary share is the same as basic earnings per ordinary share.

24 Dividends

Dividends recognised by the Company:

	Sen per share	Total amount	Date of payment
2026			
Final (single tier) in respect of financial year ended 31 July 2025	0.50	8,711	16 January 2026
2025			
Final (single tier) in respect of financial year ended 31 July 2024	0.50	8,711	17 January 2025

After the end of the reporting period, the following dividend was proposed by the Directors. This dividend will be recognised in subsequent financial period upon approval by the shareholders of the Company at the forthcoming Annual General Meeting.

	Sen per share	Total amount
First and final (single tier) in respect of financial year ended 31 July 2026	0.70	12,196

25 Operating segments

(a) Business segments

The Group has six reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Executive Directors and Chief Operating Officer review the internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

i. The trading segment is involved in importing, exporting, general dealing and leasing of steel products, hardware and building materials;
ii. The manufacturing and scaffolding segment is involved in manufacturing, selling and renting of pipes, hollow sections, scaffolding equipment and other steel products;
iii. The property and investment segment is involved in investment and property holdings;
iv. The transportation segment is involved in provision of transportation services;
v. The mining exploration segment is involved in exploring, contracting and all activities related to the mining, processing and sales of iron ore; and
vi. The selling of electricity is involved in sales of electricity.

Except as indicated above, no operating segment has been aggregated to form the above reportable operating segments.

Group income taxes are managed on a group basis and are not allocated to operating segments.

(b) Geographical segments

No segmental information is provided on a geographical basis as the activities of the Group are carried out predominantly in Malaysia.

The Directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on negotiated terms and conditions.

Performance is measured based on segment profit before tax, interest and depreciation as included in the internal management reports that are reviewed by the Executive Directors and Chief Operating Officer. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

25 Operating segments (cont'd)

(b) Geographical segments (cont'd)

Segment assets

The total of segment assets is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Executive Directors and Chief Operating Officer. Segment total assets is used to measure the return of assets of each segment.

Segment liabilities

Segment liabilities information is included in the internal management reports and provided regularly to the Executive Directors and Chief Operating Officer. Hence, disclosure is made on segment liabilities.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment.

Major customers

There is no single major customer with revenue equal or more than 10% (2025: 10%) of the Group's total revenue during the financial year except for sales to joint venture (refer to Note 28).

2026	Trading RM'000	Manufacturing and scaffolding RM'000	Property and investment RM'000	Transportation RM'000	Mining exploration RM'000	Selling of electricity RM'000	Others/ Eliminations RM'000	Total RM'000
Revenue								
External customers	749,883	654,300	-	32	2,344	21,500	-	1,428,059
Inter-segment	-	8,450	44,483	2,633	-	-	(55,566)	-
Total segment revenue	749,883	662,750	44,483	2,665	2,344	21,500	(55,566)	1,428,059
Results								
Segment (loss)/profit	(15,815)	28,905	5,967	(186)	1,440	2,008	120,432	142,751
Included in the measure of segment profit are:								
Finance income	1,059	882	75	5	-	60	-	2,081
Finance costs	(9,768)	(8,681)	(36)	-	-	-	-	(18,485)
Depreciation	234	(29,782)	(753)	(342)	(800)	(138)	-	(32,049)
Net (loss)/gain on impairment of trade receivables	(567)	321	-	-	-	-	-	(246)
Share of profit of equity-accounted joint venture, net of tax	-	-	-	-	-	-	-	120,433
Assets								
Segment assets	238,348	787,243	987,261	1,871	16,386	10,080	63,462	2,104,651
Unallocated assets								22,344
Total assets								2,126,995
Liabilities								
Segment liabilities	185,387	325,905	18,197	585	15,940	9,031	(58,249)	496,796
Unallocated liabilities								16,180
Total liabilities								512,976
Other information								
Addition to non-current assets other than financial instruments and deferred tax assets	48	15,344	96	20	-	-	-	15,508
Property, plant and equipment written off	(26)	(1)	-	-	-	-	-	(27)

25 Operating segments (cont'd)

2025	Trading RM'000	Manufacturing and scaffolding RM'000	Property and investment RM'000	Transportation RM'000	Mining exploration RM'000	Selling of electricity RM'000	Others/ Eliminations RM'000	Total RM'000
Revenue								
External customers	728,846	677,939	-	-	3,029	27,734	-	1,437,548
Inter-segment	-	39,895	43,825	3,278	-	-	(86,998)	-
Total segment revenue	728,846	717,834	43,825	3,278	3,029	27,734	(86,998)	1,437,548
Results								
Segment (loss)/profit	(46,594)	5,935	2,305	(76)	1,927	2,642	138,391	104,530
Included in the measure of segment profit are:								
Finance income	966	891	87	13	-	70	-	2,027
Finance costs	(13,474)	(10,552)	(78)	-	-	-	-	(24,104)
Depreciation	(676)	(24,341)	(2,825)	(208)	(999)	(138)	-	(29,187)
Net (loss)/gain on impairment of trade receivables	(31)	1,022	-	-	-	-	-	991
Share of profit of equity-accounted joint venture, net of tax	-	-	-	-	-	-	-	138,391
Assets								
Segment assets	359,656	702,236	979,626	2,454	16,319	6,835	(10,721)	2,056,405
Unallocated assets								29,446
Total assets								2,085,851
Liabilities								
Segment liabilities	279,335	296,919	6,859	605	54	4,209	-	587,981
Unallocated liabilities								13,047
Total liabilities								601,028
Other information								
Addition to non-current assets other than financial instruments and deferred tax assets	382	70,954	761	874	-	-	-	72,971
Property, plant and equipment written off	(56)	(175)	-	-	-	-	-	(231)

26 Financial instruments

26.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

a. Fair value through profit or loss ("FVTPL")
   - Mandatorily required by MFRS 9

b. Amortised cost ("AC"); and

c. Fair value through other comprehensive income ("FVOCI").

	Carrying amount RM'000	FVTPL RM'000	AC RM'000	FVOCI RM'000
2026				
Financial assets				
Group				
Other investments	3,342	3,342	-	-
Trade and other receivables (excluding prepayments)	235,350	-	235,350	-
Derivative financial assets	169	169	-	-
Cash and cash equivalents	106,242	-	106,242	-
	345,103	3,511	341,592	-
Company				
Other investments	1,145	1,145	-	-
Trade and other receivables (excluding prepayments)	26,763	-	26,763	-
Cash and cash equivalents	436	-	436	-
	28,344	1,145	27,199	-
Financial liabilities				
Group				
Loans and borrowings	(439,946)	-	(439,946)	-
Trade and other payables	(54,421)	-	(54,421)	-
Derivative financial liabilities	(121)	(121)	-	-
	(494,488)	(121)	(494,367)	-
Company				
Trade and other payables	(13,570)	-	(13,570)	-
	(13,570)	-	(13,570)	-

26 Financial instruments (cont'd)

26.1 Categories of financial instruments (cont'd)

	Carrying amount RM'000	FVTPL RM'000	AC RM'000	FVOCI RM'000
2025				
Financial assets				
Group				
Other investments	3,189	3,049	-	140
Trade and other receivables (excluding prepayments)	289,010	-	289,010	-
Derivative financial assets	389	389	-	-
Cash and cash equivalents	94,974	-	94,974	-
	387,562	3,438	383,984	140
Company				
Other investments	1,113	1,113	-	-
Trade and other receivables (excluding prepayments)	37,483	-	37,483	-
Cash and cash equivalents	1,157	-	1,157	-
	39,753	1,113	38,640	-
Financial liabilities				
Group				
Loans and borrowings	(485,166)	-	(485,166)	-
Trade and other payables	(97,863)	-	(97,863)	-
	(494,488)	-	(583,029)	-
Company				
Trade and other payables	32,885	-	(32,885)	-
	32,885	-	(32,885)	-

26.2 Net gains and losses arising from financial instruments

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Net (losses)/gains on:				
Financial assets at fair value through profit or loss	(578)	1,118	34	36
Financial assets measured at amortised cost	1,991	4,095	(986)	(1,273)
Financial liabilities measured at amortised cost	(18,485)	(24,104)	(1,429)	(1,203)
	(17,072)	(18,891)	(2,381)	(2,440)

26.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

26 Financial instruments (cont'd)

26.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from contracts with customers and related party balances. The Company's exposure to credit risk arises principally from amount due from subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries and joint venture. There are no significant changes as compared to prior periods

Trade receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally financial guarantees given by banks, shareholders or directors of customers are obtained, and credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group or the Company assesses whether any of the trade receivables is credit impaired.

The gross carrying amounts of credit impaired trade receivables is written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that is written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statement of financial position.

Concentration of credit risk

The exposure of credit risk for trade receivables as at the end of the reporting period by geographic region was:

	Group	
	2026 RM'000	2025 RM'000
Domestic	228,673	270,101
Asia	5,215	15,581
	233,888	285,682

26 Financial instruments (cont'd)

26.4 Credit risk (cont'd)

Trade receivables (cont'd)

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 90 days. The Group's debt recovery process is as follows:

a. Above 90 days past due after credit term, the Group will start to initiate a structured debt recovery process which is monitored by the sales and credit control teams; and
b. Above 120 days past due, the Group will commence a legal proceeding against the customer.

The Group adopts the simplified approach and uses an allowance matrix to measure ECLs of trade receivables for all segments. Consistent with the debt recovery process, invoices which are past due 120 days will be considered as credit impaired.

Loss rates are calculated using a "roll rate" method based on the probability of a receivable progressing through successive stages of delinquency to 120 days past due.

Loss rates are based on actual credit loss experience over the past few years. The Group also considers differences between (a) economic conditions during the period over which the historical data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

The following table provides information about the exposure to credit risk and ECLs for trade receivables which are grouped together as they are expected to have similar risk nature.

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
2026			
Current (not past due)	127,956	(56)	127,900
1 - 30 days past due	48,107	(34)	48,073
31 - 60 days past due	43,166	(4)	43,162
61 - 90 days past due	7,162	(27)	7,135
91 - 120 days past due	1,980	(38)	1,942
More than 120 days past due	10,210	(4,534)	5,676
	238,581	(4,693)	233,888
2025			
Current (not past due)	165,157	(63)	165,094
1 - 30 days past due	48,499	-	48,499
31 - 60 days past due	40,936	(16)	40,920
61 - 90 days past due	22,914	(28)	22,886
91 - 120 days past due	3,869	(36)	3,833
More than 120 days past due	8,928	(4,478)	4,450
	290,303	(4,621)	285,682

26 Financial instruments (cont'd)

26.4 Credit risk (cont'd)

Trade receivables (cont'd)

Recognition and measurement of impairment loss (Cont'd)

The movements in the allowance for impairment losses in respect of trade receivables during the year are shown below.

	Trade receivables		
	Lifetime ECL RM'000	Credit impaired RM'000	Total RM'000
Group			
Balance at 1 August 2024	1,631	3,981	5,612
Net remeasurement of loss allowance	65	(1,056)	(991)
Balance at 31 July 2025/1 August 2025	1,696	2,925	4,621
Net remeasurement of loss allowance	190	56	246
Amounts written off	-	(174)	(174)
Balance at 31 July 2026	1,886	2,807	4,693

Investments in financial assets

Risk management objectives, policies and processes for managing the risk

Investments in financial assets are allowed only in liquid securities. Transactions involving derivative financial instruments are with approved financial institutions.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position.

In view of the sound credit rating of counterparties, management does not expect any counterparty to fail to meet its obligations.

The investments in financial assets are unsecured.

Impairment losses

As at the end of the reporting period, there was no indication that the investments in financial assets are not recoverable.

26 Financial instruments (cont'd)

26.4 Credit risk (cont'd)

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries and joint venture. The Company monitors on an ongoing basis the results and repayments made by the subsidiaries and joint venture.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM43,510,000 (2025: RM43,098,000) for the Group and RM483,456,000 (2025: RM528,263,000) for the Company representing the outstanding banking facilities of the joint venture and the subsidiaries as at the end of the reporting period.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when the financial performance of a subsidiary or joint venture deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiary or joint venture is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary or joint venture is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

As at the end of the reporting period, there was no indication that any subsidiaries or joint venture would default on repayment.

Inter-company balances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the results of these entities regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the significant exposure to credit risk in respect of the amount due from subsidiaries is disclosed in Note 8 to the financial statements.

26 Financial instruments (cont'd)

26.4 Credit risk (cont'd)

Inter-company balances (cont'd)

Recognition and measurement of impairment loss

Generally, the Company considers loans and advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when the subsidiaries' financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers the subsidiaries' loans or advances to be credit impaired when:

- The subsidiaries are unlikely to repay their loans or advances to the Company in full;
- The subsidiaries' loan or advance is overdue for more than 365 days; or
- The subsidiaries are continuously loss making and are having a deficit shareholders' fund.

The Company determines the probability of default for these loans and advances individually using internal information available.

The following table provides information about the exposure to credit risk and ECLs for subsidiaries' loans and advances.

	Gross carrying amount RM'000	Impairment loss allowance RM'000	Net balance RM'000
2026			
Low credit risk	25,465	-	25,465
2025			
Low credit risk	25,194	-	25,194

As at the end of the reporting period, the Company is of the view that the loss allowance is not material and hence, it is not provided for.

Cash and cash equivalents and deposits with licensed banks

The cash and cash equivalents and deposits are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Other receivables

Credit risks on other receivables are mainly arising from deposits paid for office buildings and fixtures rented. These deposits will be received at the end of the lease terms. The Group manages the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses.

26 Financial instruments (cont'd)

26.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments.

Group	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000	More than 5 years RM'000
2026							
Non-derivative financial liabilities							
Bank loans and facilities	439,946	3.44 - 5.60	440,799	413,767	11,731	15,063	238
Lease liabilities	756	3.25	837	543	294	-	-
Trade and other payables	54,421	-	54,421	54,421	-	-	-
Financial guarantee	-	-	43,510	43,510	-	-	-
	495,123		539,567	512,241	12,025	15,063	238
Derivative financial liabilities/(assets)							
Forward exchange contracts (gross settled):							
Outflow	121	-	5,884	5,884	-	-	-
Inflow	(169)	-	(5,932)	(5,932)	-	-	-
	495,075		539,519	512,193	12,025	15,063	238
2025							
Non-derivative financial liabilities							
Bank loans and facilities	485,166	3.28 - 5.60	588,037	547,521	9,222	27,669	3,625
Lease liabilities	1,330	3.25	1,349	543	543	263	-
Trade and other payables	97,863	-	97,863	97,863	-	-	-
Financial guarantee	-	-	43,098	43,098	-	-	-
	584,359		730,347	689,025	9,765	27,932	3,625
Derivative financial liabilities/(assets)							
Forward exchange contracts (gross settled):							
Outflow	-	-	38,721	38,721	-	-	-
Inflow	(389)	-	(39,110)	(39,110)	-	-	-
	583,970		729,958	688,636	9,765	27,932	3,625

26 Financial instruments (cont'd)

26.5 Liquidity risk (cont'd)

Maturity analysis (Cont'd)

Company	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000
2026						
Non-derivative financial liabilities						
Trade and other payables	7,514	-	7,514	7,514	-	-
Amount due to a subsidiary	6,056	5	6,359	-	6,359	-
Lease liabilities	756	3.25	837	543	294	-
Financial guarantees	-	-	483,456	483,456	-	-
	495,123		539,567	512,241	12,025	15,063
2025						
Non-derivative financial liabilities						
Trade and other payables	4,913	-	4,913	4,913	-	-
Amount due to a subsidiary	27,972	5	29,371	-	29,371	-
Lease liabilities	1,330	3.25	1,349	543	543	263
Financial guarantees	-	-	528,263	528,263	-	-
	34,215		563,896	533,719	29,914	263

26.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows.

26.6.1 Currency risk

The Group is exposed to foreign currency risk on sales, purchases and cash and cash equivalents that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily U.S. Dollar ("USD"), and Singapore Dollar ("SGD"). The Company is not exposed to any foreign currency risk.

Risk management objectives, policies and processes for managing the risk

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level. The Group uses forward exchange contracts to hedge its foreign currency risk. Most of the forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward exchange contracts are rolled over at maturity.

26 Financial instruments (cont'd)

26.6 Market risk (cont'd)

26.6.1 Currency risk (cont'd)

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

Group	Denominated in	
	USD	SGD
	RM'000	RM'000
2026		
Trade receivables	238	11,410
Cash and cash equivalents	2,075	1,626
Total exposure	2,313	13,036
2025		
Trade receivables	541	15,098
Cash and cash equivalents	6,322	2,315
Total exposure	6,863	17,413

Currency risk sensitivity analysis

Foreign currency risk of the Group entities mainly arises from transactions dealing in the above currencies. The exposure to other currencies is not material and hence sensitivity analysis is not presented for other currencies.

A 10% (2025: 10%) strengthening of the above currencies against the functional currency of the Group entities at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

Group	Equity/Profit or loss	
	2026	2025
	RM'000	RM'000
SGD	991	1,323
USD	176	522

A 10% (2025: 10%) weakening of the above currencies against the functional currency of the Group entities at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

26.6.2 Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to risk of change in cash flows due to changes in interest rates. Investments in equity securities, other investments and short-term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group manages its interest rate exposure by maintaining fixed and floating rate borrowings. The Group reviews its debts portfolio, taking into account the investment holding period and nature of its assets.

26 Financial instruments (cont'd)

26.6 Market risk (cont'd)

26.6.2 Interest rate risk (cont'd)

Exposure to interest rate risk

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

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Fixed rate instruments				
Financial assets				
Loan to subsidiaries	-	-	16,022	17,319
	-	-	16,022	17,319
Fixed rate instruments				
Financial liabilities				
Loan from subsidiaries	-	-	(6,056)	(27,972)
Revolving credit	(60,600)	(33,000)	-	-
Bankers' acceptances	(218,828)	(292,964)	-	-
Post shipment buyer loan	(56,834)	(56,333)	-	-
Accepted bills	(75,226)	(69,281)	-	-
	(411,488)	(451,578)	(6,056)	(27,972)
Floating rate instruments				
Financial liabilities				
Term loans	(28,458)	(33,588)	-	-

Interest rate risk sensitivity analysis

a. Fair value sensitivity analysis for fixed rate instruments

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

b. Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or loss	
Group	100 bp increase RM'000	100 bp decrease RM'000
2026		
Floating rate instruments	(216)	216
2025		
Floating rate instruments	(255)	255

26 Financial instruments (cont'd)

26.6 Market risk (cont'd)

26.6.3 Other price risk

Equity price risk arises from the Group's investments in quoted equity securities and Group and Company's unit trust funds of licensed financial institutions within Malaysia.

The quoted equity securities are listed on the Bursa Malaysia Securities Berhad and are classified as measured at fair value through profit or loss.

The Group and Company's investment in unit trust funds of licensed financial institutions within Malaysia is a fixed income fund which provides regular income stream and stable investment returns. The Group invested in the funds for cash management purpose. The instruments are classified as fair value through profit or loss.

Risk management objectives, policies and processes for managing the risk

Management of the Group monitors the equity investments on an individual basis and all buy and sell decisions are approved by the management.

Equity price risk sensitivity analysis

At the reporting date, the sensitivity analysis is not presented because the effect is not material.

26.7 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings approximate fair values due to the relatively short-term nature of these financial instruments.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

26 Financial instruments (cont'd)

26.7 Fair value information (cont'd)

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings approximate fair values due to the relatively short-term nature of these financial instruments.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
2026	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**	**RM'000**	**RM'000**
Group										
Financial assets	2,197	-	-	2,197	-	-	-	-	2,197	2,197
Investment in quoted shares	-	169	-	169	-	-	-	-	169	169
Forward exchange contracts	-	1,145	-	1,145	-	-	-	-	1,145	1,145
Investment in unit trust funds										
	2,197	1,314	-	3,511	-	-	-	-	3,511	3,511
Financial liabilities	-	(121)	-	(121)	-	-	-	-	(121)	(121)
Forward exchange contracts	-	-	-	-	-	-	(22,127)	(22,127)	(22,127)	(22,127)
Long term loans										
	-	(121)	-	(121)	-	-	(22,127)	(22,127)	(22,127)	(22,127)
Company										
Financial asset	-	-	-	-	-	-	16,022	16,022	16,022	16,022
Loan to subsidiaries	-	1,145	-	1,145	-	-	-	-	1,145	1,145
Investment in unit trust funds										
	-	1,145	-	1,145	-	-	16,022	16,022	17,167	17,167
Financial liabilities										
Loan from a subsidiary	-	-	-	-	-	-	(6,056)	(6,056)	(6,056)	(6,056)

26 Financial instruments (cont'd)

26.7 Fair value information (cont'd)

2025	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	RM'000	RM'000
Group										
Financial assets										
Club membership, unquoted	-	-	140	140	-	-	-	-	140	140
Investment in quoted shares	1,936	-	-	1,936	-	-	-	-	1,936	1,936
Forward exchange contracts	-	389	-	389	-	-	-	-	389	389
Investment in unit trust funds	-	1,113	-	1,113	-	-	-	-	1,113	1,113
	1,936	1,502	140	3,578	-	-	-	-	3,578	3,578
Financial liabilities										
Long term loans	-	-	-	-	-	-	(27,921)	(27,921)	(27,921)	(27,921)
Company										
Financial assets										
Loan to subsidiaries	-	-	-	-	-	-	17,319	17,319	17,319	17,319
Investment in unit trust funds	-	1,113	-	1,113	-	-	-	-	1,113	1,113
	-	1,113	-	1,113	-	-	17,319	17,319	18,432	18,432
Financial liabilities										
Loan from a subsidiary	-	-	-	-	-	-	(27,972)	(27,972)	(27,972)	(27,972)

26 Financial instruments (cont'd)

26.7 Fair value information (cont'd)

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and 2 fair values during the financial year (2025: no transfer in either directions).

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

a. Financial instruments carried at fair value

Type	Description of valuation technique and inputs used
Club membership, unquoted	Market comparison technique.

b. Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Long term loans and intercompany loans	Discounted cash flows using a rate based on the current market rate of borrowing of the respective Group entities at the reporting date.

Valuation processes applied by the Group for Level 3 fair value

The Group has an established control framework in respect to the measurement of fair values of financial instruments. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Finance Officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

26 Financial instruments (cont'd)

26.8 Material accounting policy information

The Group or the Company applies settlement date accounting for regular way purchase or sale of financial assets.

27 Capital management

There was no change in the Group's approach to capital management during the financial year.

For the purpose of the Group's capital management, capital includes share capital, treasury shares, and all other equity reserves attributable to the equity holders.

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with covenants and regulatory requirements.

During the financial year, the Group's strategy, unchanged from the previous financial year, is to maintain the debt-to-equity ratio of not more than 1 to 3.5 times to comply with a bank covenant, failing which, the bank may call an event of default. The Group has not breached this covenant (see Note 14). The debt-to-equity ratios at 31 July 2026 and 31 July 2025 were as follows:

		Group	
	Note	2026 RM'000	2025 RM'000
Total loans and borrowings	14	439,946	485,166
Lease liabilities		756	1,330
Less: Cash and cash equivalents	11	(106,242)	(94,974)
Net debt		334,460	391,522
Total equity		1,614,019	1,484,823
Debt-to-equity ratio		0.21	0.26

28 Related parties

Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and the Company, other than key management personnel compensation (see Note 23) are shown below. The balances related to the below transactions are shown in Notes 8 and 15.

	2026 RM'000	2025 RM'000
Group		
Purchases of steel products from a company in which certain Directors of the Company have significant interests:		
JK Ji Seng Sdn. Bhd.	323,993	336,094
Sales of steel products to joint venture:		
Eastern Steel Sdn. Bhd.	(280,132)	(235,427)
Purchases of steel products from joint venture:		
Eastern Steel Sdn. Bhd.	191,429	74,845
Sales of steel products to a company in which certain Directors of the Company have significant interests:		
Teng Long New Materials Sdn. Bhd.	(2,234)	-
Company		
Rental income from subsidiaries:		
Alpine Pipe Manufacturing Sdn. Bhd.	(6,741)	(5,026)
Huatraco Scaffold Sdn. Bhd.	(2,048)	(1,939)
Hiap Teck Hardware Sdn. Bhd.	(3,336)	(3,305)
Briliant Decade Transport Agency Sdn. Bhd.	(6)	(6)
Management fees from subsidiaries:		
Hiap Teck Hardware Sdn. Bhd.	(2,432)	(5,201)
Alpine Pipe Manufacturing Sdn. Bhd.	(13,072)	(11,207)
Huatraco Scaffold Sdn. Bhd.	(6,139)	(5,607)
Briliant Decade Transport Agency Sdn. Bhd.	(208)	(268)
Gross dividends income from subsidiaries:		
Alpine Pipe Manufacturing Sdn. Bhd.	(10,000)	-
Huatraco Scaffold Sdn. Bhd.	-	(10,000)
Eastern Power Resources Sdn. Bhd.	(765)	(1,530)
Finance income from subsidiaries:		
Hiap Teck Resources Sdn. Bhd.	(88)	(305)
Vista Mining Sdn. Bhd.	(868)	(1,008)
Finance costs to a subsidiary:		
Alpine Pipe Manufacturing Sdn. Bhd.	1,393	1,125
Repayment of loan to/(Loan from) a subsidiary:		
Alpine Pipe Manufacturing Sdn. Bhd.	31,074	(38,447)
(Repayment of loan from)/Loan to subsidiaries:		
Vista Mining Sdn. Bhd.	(2,260)	16,136
Hiap Teck Resources Sdn. Bhd.	-	1,944
Rental expenses to a company in which certain Directors of the Company have significant interests:		
Pedoman Cekap Sdn. Bhd	570	807

29 Capital commitment

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Capital expenditure commitments				
Property, plant and equipment				
Contracted but not provided for	12,382	1,200	-	1,200
Joint venture				
Share of capital commitment of the joint venture	48,630	50,084	48,630	50,084

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

In the opinion of the Directors, the financial statements set out on pages 107 to 161 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 July 2026 and of their financial performance and cash flows for the financial year then ended.

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

Tan Sri Dato' Seri Law Tien Seng
Director

Kuala Lumpur
Date: 3 November 2026

Foo Kok Siew
Director

Kuala Lumpur
Date: 3 November 2026

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Foo Kok Siew, the Director primarily responsible for the financial management of Hiap Teck Venture Berhad, do solemnly and sincerely declare that the financial statements set out on pages 107 to 161 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Foo Kok Siew, NRIC: 610523-10-6663, at Kuala Lumpur in the Federal Territory on 3 November 2026.

Foo Kok Siew

Before me:

Rajeev Saigal A/L Ramlabaya Saigal
Commissioner for Oaths
(No. w681)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIAP TECK VENTURE BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hiap Teck Venture Berhad, which comprise the statements of financial position as at 31 July 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 107 to 161.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 July 2026, and of their financial performance and their cash flows for the financial year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIAP TECK VENTURE BERHAD (Cont'd)

Key Audit Matters

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

1. Valuation of inventories
Refer to Note 9 – Inventories.

The key audit matter	How the matter was addressed in our audit
MFRS 102 Inventories requires the entity to value its inventories at the lower of cost and net realisable value. Given that inventories represent a material balance for the Group and the valuation process involves significant judgment. As such, it has been identified as a key audit matter	We performed the following audit procedures, among others: • evaluated management's assessment process for identifying and writing down inventories to their net realisable value, including allowance for slow moving and obsolete inventories. • attended and observed the physical inventory counts, noting any items that exhibited signs of slow movement or obsolescence. • tested the accuracy of the inventory aging reports used in management's assessment for slow moving inventories. • assessed the reasonableness of management's policy for identifying and providing for slow moving inventories and tested the computation of the allowance for slow moving inventories based on the approved policy. • independently assessed the net realisable value of inventories by reference to subsequent sales transactions and estimated selling prices, and compared the results of our assessment against management's recorded net realisable value to assess the adequacy of the write-down and allowance for slow moving and obsolete inventories.

2. Valuation of trade receivabless
Refer to Note 26 – Measurement of expected credit loss ("ECL").

The key audit matter	How the matter was addressed in our audit
The Group is exposed to the risk of potential default by customers, particularly where trade receivables have been long outstanding. Valuation of trade receivables is identified as a key audit matter as the balance constitutes a significant portion of the Group's assets. There is also a certain degree of estimation uncertainty in the measurement of recoverability of trade receivables.	We performed the following audit procedures, among others: • obtained an understanding of the Group's credit control policy, and management's process and methodology for assessing the allowance for expected credit losses on trade receivables. • verified the accuracy of the aging reports used in management's assessment. • assessed the adequacy of the allowance for expected credit loss by comparing past payment trends, reviewing historical bad debt records, checking subsequent receipts, and agreeing to instalment payment plans for specific debtors.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' Report, Statement on Risk Management and Internal Control, and Chairman's Statement (but does not include the financial statements of the Group and of the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the remaining parts of the annual report, which are expected to be made available to us after that date.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIAP TECK VENTURE BERHAD (Cont'd)

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 5 to the financial statements.

Other Matter

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

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Chua See Guan
Approval Number: 03169/02/2027 J
Chartered Accountant

Petaling Jaya, Selangor

Date: 3 November 2026

PROPERTIES OF THE GROUP

As at 31 July 2026

Location	Description and Existing Usage	Tenure	Approximate Age of Building (years)	Approximate Land Area (acres)	Build Up Area (sq. metres)	Net Carrying Amount as at 31 July 2026 (RM)	Date of Acquisition	Date of Last Revaluation	Amount of Last Revaluation
Company and its subsidiaries									
Lot 6085, Mukim of Kapar District of Klang Selangor Darul Ehsan	Single storey factory with a 2 storey office	Freehold	29	9.0	19,005	15,431,740	29-May-03	15-Jul-20	43,800,000
Lot 6088, Mukim of Kapar District of Klang Selangor Darul Ehsan	Single storey factory with a 2 storey office	Freehold	29	9.0	18,732	15,926,992	29-May-03	15-Jul-20	43,800,000
Lot 6089, Mukim of Kapar District of Klang Selangor Darul Ehsan	Single storey factory/ warehouse	Freehold	28	9.0	18,516	16,062,135	29-May-03	15-Jul-20	45,600,000
Lot 6095, Mukim of Kapar District of Klang Selangor Darul Ehsan	Single storey factory/warehouse	Freehold	27	10.0	22,341	23,005,415	5-Jul-96	15-Jul-20	51,800,000
Lot 6096, Mukim of Kapar District of Klang Selangor Darul Ehsan	Single storey factory/ warehouse with 4 storey office building	Freehold	27	10.0	12,179	17,424,032	5-Jan-95	15-Jul-20	41,300,000
Lot 6097, Mukim of Kapar District of Klang Selangor Darul Ehsan	Industrial Land	Freehold	-	5.0	-	6,858,961	14-Jan-12	15-Jul-20	16,000,000
Lot 54959 (formerly PT40530), Mukim of Kapar, District of Klang Selangor	Single storey detached factory with a double storey office building	Freehold	20	18.0	53,243	55,862,243	23-Oct-08	15-Jul-20	109,500,000
51-C, Tingkat Dua Jalan BRP 6/10 Bukit Rahman Putra Seksyen U20 40160 Shah Alam	Shop office	Freehold	26	-	145	115,345	20-Aug-99	28-Jul-20	190,000
4727-01, Jalan Sri Putri 5/7 Taman Putri Kulai 81000 Kulai Johor Darul Takzim	Shop office apartment	Freehold	28	-	143	74,233	2-Aug-99	16-Aug-20	120,000

Location	Description and Existing Usage	Tenure	Approximate Age of Building (years)	Approximate Land Area (acres)	Build Up Area (sq. metres)	Net Carrying Amount as at 31 July 2026 (RM)	Date of Acquisition	Date of Last Revaluation	Amount of Last Revaluation
Company and its subsidiaries (Cont'd)									
No.8, Jalan Firma 3, Tebrau IV Industrial Estate 81100 Johor Bahru Johor Darul Takzim	Single storey detached factory building	Leasehold (60 years) expiring 1/31/60	22	1.0	2,536	2,357,657	27-Feb-07	6-Aug-20	4,100,000
No. 6, Jalan Firma 3, Tebrau IV Industrial Estate 81100 Johor Bahru Johor Darul Takzim	Single storey factory with a 2 storey office	Leasehold (60 years) expiring 1/31/60	24	1.6	3,996	4,538,839	6-Jun-07	6-Aug-20	6,700,000
Lot 169, Mukim of Plentong District of Johor Bahru Johor Darul Takzim	Vacant agricultural land	Freehold	-	6.2	-	670,000	9-Jun-95	6-Aug-20	3,700,000
Lot 296, Mukim 13 District of Seberang Perai Tengah, Pulau Pinang	Single storey warehouse with 2 storey office	Leasehold (60 years) expiring 3/10/58	20	2.2	2,453	1,519,216	6-Jul-96	6-Aug-20	6,200,000
Kapar 2 International Industrial Park ("KIIP 2") Lot T01, Mukim Jeram, Daerah Kuala Selangor, Negeri Selangor.	Vacant industrial land	Freehold	-	20.0	-	47,641,112	-	-	-
Lot 3805, Mukim of Kapar District of Klang Selangor Darul Ehsan	Vacant industrial land	Freehold	-	3.8	-	10,100,425	-	-	-
Jointly controlled entity									
Lot 6293 & Lot 6294 Mukim Teluk Kalung Kemaman, Terengganu	Blast furnance plant	Leasehold (60 years) expiring 4/1/68	-	608.6	-	96,646,754	2-Apr-08		
Lot 60129, 60130, 60131 Mukim Teluk Kalung Kemaman, Terengganu	Vacant industrial land	Leasehold (60 years) expiring 4/14/73	-	600.0	-	4,158,308	3-Apr-13	15-Nov-23	520,000,000
Lot 50497 Mukim Teluk Kalung Kemaman, Terengganu	Staff housing	Leasehold (99 years) expiring 7/29/11	-	50.0	-	451,576	28-May-12		

ANALYSIS OF SHAREHOLDINGS AS AT 21 OCTOBER 2026

Issued and Fully Paid-Up Share Capital : RM872,653,869.50 (1,747,722,015 Ordinary Shares)

Class of Shares : Ordinary shares

Voting Right : One vote per Ordinary Share held

*Excludes treasury shares of 5,492,000 Ordinary Shares

Analysis by Size of Shareholdings as at 21 October 2026

Size of Shareholdings	No. of Shareholders	Percentage (%)	No. of Shares *	Percentage (%)
1 to 99	185	1.58	5,678	0.00
100 to 1000	1,052	9.01	624,055	0.03
1,001 to 10,000	4,562	39.06	28,267,041	1.62
10,001 to 100,000	4,760	40.75	173,806,170	9.98
100,001 to less than 5% of issued shares	1,118	9.57	1,007,667,689	57.84
5% and above of issued shares	3	0.03	531,859,382	30.53
Total	**11,680**	**100.00**	**1,742,230,015**	**100.00**

List of Thirty (30) Largest Shareholders as at 21 October 2026

No.	Names	No. of Shares	Percentage (%)
1.	CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR STANDARD CHARTERED BANK SINGAPORE BRANCH (SG PVB CL AC)	294,213,324	16.89
2.	CIMSEC NOMINEES (ASING) SDN BHD CIMB FOR TS LAW INVESTMENTS LIMITED (PB)	135,000,000	7.75
3.	MAYBANK SECURITIES NOMINEES (ASING) SDN BHD MAYBANK SECURITIES PTE LTD FOR BLUEBAY INVESTMENTS GROUP CORPORATION	102,646,058	5.89
4.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR BANK OF SINGAPORE LIMITED (FOREIGN)	71,552,400	4.11
5.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR UBS AG SINGAPORE (FOREIGN)	64,000,000	3.67
6.	LEE SEE JIN	41,574,600	2.39
7.	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR NORGES BANK (FI 17)	34,960,200	2.01
8.	GOON EE TZE	32,890,000	1.89
9.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTSSMALL-CAP FUND	27,560,300	1.58
10.	MAYBANK SECURITIES NOMINEES (ASING) SDN BHD MAYBANK SECURITIES PTE LTD FOR LAVINGTON INTERNATIONAL LIMITED	22,167,800	1.27
11.	TEH KHOON CHUAN TRADING CO. SDN. BHD.	17,765,000	1.02
12.	TEH CHAK SEONG	15,100,000	0.87
13.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 19)	14,920,000	0.86
14.	YAP KIM FOONG	12,569,200	0.72

ANALYSIS OF SHAREHOLDINGS AS AT 21 OCTOBER 2026 (Cont'd)

List of Thirty (30) Largest Shareholders as at 21 October 2026 (cont'd)

No.	Names	No. of Shares	Percentage (%)
15.	CALVIN CHAN CHEE SHIEN	9,981,200	0.57
16.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR HAU CHENG HAI (MY4500)	9,501,000	0.55
17.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (ESPG IV SC E)	8,044,800	0.46
18.	WONG AH WAH	8,000,000	0.46
19.	LIM YEW MING	7,808,700	0.45
20.	PHANG CHIN KHIONG	7,160,000	0.41
21.	VICTOR LIM FUNG TUANG	6,662,800	0.38
22.	HOI POH YENG	6,000,000	0.34
23.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOR SEK CHOON	6,000,000	0.34
24.	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR EMERGING MARKETS CORE EQUITY 2 PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP INC.	5,861,800	0.34
25.	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KONG HAN	5,791,000	0.33
26.	TANG AH MOOI	5,604,100	0.32
27.	TAN KIAN SER	5,500,000	0.32
28.	LEE THUNG HING	5,124,900	0.29
29.	LEE CHING HER	5,021,000	0.29
30.	HELLY LYKE TABALUJAN	5,000,000	0.29
	Total:	**993,980,182**	**57.05**

ANALYSIS OF SHAREHOLDINGS AS AT 21 OCTOBER 2026 (Cont'd)

Directors' Shareholdings as at 21 October 2026
(As per the Register of Directors' Shareholdings of the Company)

No.	Names	<---------Direct interest---------> No. of Shares	%	<---------Indirect interest---------> No. of Shares	%
1.	Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	-	-	-	-
2.	Tan Sri Dato' Seri Law Tien Seng	-	-	492,713,324[a]	28.28
3.	Foo Kok Siew	-	-	-	-
4.	Law Wai Cheong	-	-	-	-
5.	Law Wai Ho	-	-	-	-
6.	Sherman Lam Yuen Suen	-	-	-	-
7.	Chen Thien Yin	-	-	-	-
8.	Dato' Ooi Lay See	-	-	-	-
9.	Tan Shau Ming (retired on 31st July 2026)	400,000	0.02	968,000[b]	0.06

Notes:

a. Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of his shareholdings in Amardale Offshore Inc. which has a controlling interest in TS Law Investments Limited, a substantial shareholder in the Company.
b. Deemed interest pursuant to Sections 59(11)(c) and 197 of the Companies Act 2016 by virtue of his spouse, Madam Ng Siew Cho's direct shareholdings in the Company.

Substantial Shareholdings as at 21 October 2026
(As per the Register of Substantial Shareholders of the Company)

No.	Names	<---------Direct interest---------> No. of Shares	%	<---------Indirect interest---------> No. of Shares	%
1.	Tan Sri Dato' Seri Law Tien Seng	-	-	492,713,324[a]	28.28
2.	Amardale Offshore Inc.	-	-	492,713,324[b]	28.28
3.	TS Law Investments Limited	-	-	492,713,324[c]	28.28
4.	Bluebay Investments Group Corporation	-	-	102,646,058[d]	5.89
5.	Cartaban Nominees (Asing) Sdn. Bhd.	293,713,324[c]	16.86	-	-
6.	Citigroup Nominees (Asing) Sdn. Bhd.	64,000,000[c]	3.67	-	-
7.	CIMSEC Nominees (Asing) Sdn. Bhd.	135,000,000[c]	7.75	-	-
8.	Maybank Securities Nominees (Asing) Sdn. Bhd.	102,646,058[e]	5.89	-	-

Notes:

a. Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of his 100% shareholdings in Amardale Offshore Inc. which has controlling interest in TS Law Investments Limited, a substantial shareholder of HTVB.
b. Deemed interest by virtue of its 100% shareholdings in TS Law Investments Limited which is a substantial shareholder of HTVB.
c. Substantial Shareholding in HTVB of which TS Law Investments Limited is directly interested.
d. Deemed interest by virtue of its shareholdings in Maybank Securities Nominees (Asing) Sdn. Bhd. which is a substantial shareholder of HTVB.
e. Substantial Shareholding in HTVB of which Bluebay Investments Group Corporation is directly interested.

NOTICE OF THIRTIETH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirtieth Annual General Meeting of the Company will be held at Setia City Convention Centre, Function Room 8, 1st Floor, No. 1, Persiaran Setia Dagang AG U13/AG, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia on Thursday, 17 December 2026 at 10.00a.m. for the following purposes:-

AGENDA

ORDINARY BUSINESS:-

1	To receive the Audited Financial Statements of the Company for the financial year ended 31 July 2026 together with the Directors' and Auditors' Reports attached thereon.	**Please refer to Note A on this Agenda**
2	To approve the Directors' fees of RM460,000 for the financial year ended 31 July 2026.	**Ordinary Resolution 1**
3	To approve the Directors' allowances and benefits payable of RM40,000 in respect of the period from 18 December 2026 up to the next Annual General Meeting of the Company to be held in 2027.	**Ordinary Resolution 2**
4	To approve a First and Final Single-Tier Dividend of 0.70 sen per share for the financial year ended 31 July 2026.	**Ordinary Resolution 3**
5	To re-elect the following Directors who are retiring in accordance with Clause 92 of the Company's Constitution:- (a) Mr. Sherman Lam Yuen Suen; (b) Dato' Ooi Lay See; and (c) Mr. Law Wai Cheong.	**Ordinary Resolution 4** **Ordinary Resolution 5** **Please refer to Note C on this Agenda**
6	To re-appoint Messrs. KPMG PLT as the Company's Auditors for the ensuing year and to authorise the Directors to fix their remuneration.	**Ordinary Resolution 6**
7	**AS SPECIAL BUSINESS:-** To consider and, if thought fit, to pass with or without modifications, the following Resolutions:- **7.1 The Authority to Directors to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016** "**THAT** subject always to the approvals of the relevant authorities, the Directors be hereby authorised pursuant to Sections 75 and 76 of the Companies Act 2016 to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total issued capital of the Company (excluding treasury shares) at the time of issue. **AND THAT** the Directors be hereby also empowered to obtain the approval for the listing of and quotation for the additional shares to be issued on Bursa Malaysia Securities Berhad **AND FURTHER THAT** such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company." **7.2 Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Renewal of RRPT Mandate")** "**THAT** the Company and/or its subsidiaries be hereby authorised to enter into recurrent related party transactions of a revenue or trading nature as specified in Section 2.3.3 of the Circular to Shareholders dated 17 November 2026, provided that such arrangements and/or transactions which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and not detrimental to the minority shareholders of the Company. **AND THAT** the Directors of the Company be hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposed Renewal of Shareholders' Mandate. **AND FURTHER THAT** such authority shall continue to be in force until:- i. the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such Proposed Renewal of Shareholders' Mandate was passed, at which time it will lapse, unless by ordinary resolution passed at the meeting, the authority is renewed either unconditionally or subject to conditions; ii. the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or iii. revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting, whichever is the earlier."	**Ordinary Resolution 7** **Ordinary Resolution 8**

AGENDA

ORDINARY BUSINESS:-

	7.3 Proposed Shareholders' Mandate for Share Buy-Back "**THAT** subject to the Companies Act, 2016, the Constitution of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other prevailing laws, rules, regulations and orders issued and/or amended from time to time by the relevant regulatory authorities, the Company be and is hereby authorised to purchase and/or to hold up to ten percent (10%) of the issued Shares of the Company ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors of the Company may deem fit and expedient in the best interest of the Company and an amount not exceeding the retained profits of the Company, be allocated by the Company for the Proposed Share Buy-Back. The retained profits of the Company are RM103,335,000 for the financial year ended 31 July 2026. **AND THAT** upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised to cancel such shares or retain such shares as the Treasury Shares or a combination of both. The Directors of the Company are further authorised to resell the Treasury Shares on Bursa Securities or distribute the Treasury Shares as dividends to the shareholders of the Company or subsequently cancel the Treasury Shares or any combination of the three. **AND FURTHER THAT** the Directors of the Company be and are hereby authorised to carry out the Proposed Share Buy-Back immediately upon the passing of this resolution until: i. the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the authority shall lapse, unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or ii. the expiration of the period within which the next AGM is required by law to be held; or iii. revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting, whichever occur first but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and to take all steps as are necessary and/or to do all such acts and things as the Directors of the Company deem fit and expedient in the interest of the Company to give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, amendments and/or variations as may be imposed by the relevant authorities.	**Ordinary Resolution 9**
8	To transact any other business of the Company of which due notice shall be given in accordance with the Company's Constitution and the Companies Act 2016.	

NOTICE OF THIRTIETH ANNUAL GENERAL MEETING (Cont'd)

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT a First and Final Single-Tier Dividend of 0.70 sen per share in respect of the financial year ended 31 July 2026 shall be payable on Friday, 15 January 2027 to Depositors registered in the Record of Depositors at the close of business on Tuesday, 5 January 2027.

Depositors shall qualify for entitlement only in respect of:-

a. Shares transferred to the Depositor's Securities Account before 4.00 p.m. on Tuesday, 5 January 2027 in respect of transfers; and
b. Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD
HIAP TECK VENTURE BERHAD

NG YIM KONG (MACS 00305)
SSM PC: 202008000309
Company Secretary
Selangor Darul Ehsan
Date: Tuesday, 17 November 2026

EXPLANATORY NOTES ON THE ORDINARY AND SPECIAL BUSINESSES OF THE AGENDA.

(A) Audited Financial Statements for the Financial Year ended 31 July 2026

Agenda 1 is meant for discussion only as under the provision of Section 340(1)(a) of the Companies Act 2016, formal approval by members is not required to be obtained. Hence, this Agenda will not be put forward for voting.

(B) Payment of Directors' Fees and Benefits Payable

Section 230(1) of the Act provides amongst others, that "the fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the shareholders' approval shall be sought at the 30th AGM for the Directors' fees payable for the financial year ended 31 July 2026 under Ordinary Resolution 1.

Under Ordinary Resolution 2, the allowances payable to the Directors have been reviewed by the Nomination and Remuneration Committee ("NRC") and the Board of Directors of the Company, and are payable for the period from 18 December 2026 up to the conclusion of the next Annual General Meeting of the Company to be held in 2027 and are in the best interest of the Company. The Directors' allowances comprise meeting allowance only.

(C) Re-election of Directors

Clause 92 of the Constitution of the Company states that one-third (1/3) of the Directors shall retire from office and shall be eligible for re-election at each AGM. All Directors shall retire from office at least once every three (3) years but shall be eligible for re-election.

Mr. Sherman Lam Yuen Suen and Dato' Ooi Lay See ("Retiring Directors"), who retire in accordance with Article 92 of the Constitution and being eligible, have offered themselves for re-election.

Mr. Law Wai Cheong, the Executive Director who is due to retire by rotation in accordance with Clause 92 of the Company's Constitution has expressed his intention not to seek re-election. Hence, no Ordinary Resolution will be tabled for the re-election of Mr. Law Wai Cheong. He will retain office until the close of the 30th AGM of the Company.

In determining the eligibility of the Directors to stand for re-election at the forthcoming 30th AGM and in line with Practice 5.1 of the Malaysian Code on Corporate Governance 2021, the NRC has reviewed the composition of the Board with the view that the Board is refreshed periodically and has assessed the performance, time commitment and contribution of each of the Retiring Directors based on the Annual Performance Evaluation of the Board for the financial year ended 31 July 2026.

The NRC has recommended the re-election of the Retiring Directors based on the following consideration:

(i) satisfactory performance and have met Board's expectation in discharging their duties and responsibilities;
(ii) met the fit and proper criteria of character, experience, integrity, competence and time commitment in discharging their roles as Directors of the Company;
(iii) level of independence and ability to act in the best interest of the Company.

The Board has approved the NRC's recommendation for the Retiring Directors pursuant to Clause 92 of the Constitution of the Company. All the Retiring Directors have consented to their re-election, and abstained from deliberation as well as decision on their own eligibility to stand for re-election at the relevant NRC and Board meetings, where applicable.

The evaluation criteria adopted as well as the process of assessment by the Board has been duly elaborated in the

(D) Re-appointment of Auditors

The Audit Committee ("AC") has assessed the suitability and independence of the External Auditors and has recommended the re-appointment of KPMG PLT as External Auditors of the Company for the financial year ending 31 July 2027. The Board has in turn reviewed the recommendation of the AC and recommended the same to be tabled to the shareholders for approval at the forthcoming 30th AGM of the Company under Ordinary Resolution 6.

(E) The Authority to Directors to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Ordinary Resolution 7 under Agenda 7.1, if passed, will empower the Directors of the Company, from the date of the 30th AGM, with the authority to allot and issue shares in the Company up to an amount not exceeding in total 10% of the issued capital of the Company (excluding treasury shares) for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company to be held in 2027.

The general mandate which seeks to grant authority to Directors to allot and issue shares is a renewal of the mandate that was approved by the shareholders at the 29th AGM held on Wednesday, 17 December 2025. The renewal of this general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to placement of shares for purpose of funding current and/or future investment projects, working capital and/or acquisitions.

The Company has not issued any new share to date pursuant to Sections 75 and 76 of the Companies Act 2016 under the general mandate which was approved at the 29th AGM.

(F) The Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Proposed Ordinary Resolution 8 under Agenda 7.2, if passed, will enable the Company and its subsidiaries ("the Group") to continue entering into the specified Recurrent Related Party Transactions as set out in Section 2.3.3 of the Circular to Shareholders dated 17 November 2026 with the specified classes of the Related Parties mentioned therein which are necessary for the Group's day-to-day operations. For further information on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature, please refer to the Circular to Shareholders dated **17 November 2026** enclosed together with the Company's 2026 Annual Report.

(G) Proposed Shareholders' Mandate for Share Buy-Back

The proposed Resolution 9 under item 7.3 of the Agenda, if passed, will allow the Company to purchase and/or hold up to 10% of the total Issued Shares of the Company listed on Bursa Malaysia Securities Berhad. For further information on the Proposed Shareholders' Mandate for Share Buy-Back, please refer to the Statement to Shareholders dated 17 November 2026 enclosed together with the Company's 2026 Annual Report.

NOTICE OF THIRTIETH ANNUAL GENERAL MEETING (Cont'd)

NOTES ON APPOINTMENT OF PROXY:

1. Where a Member, an authorised nominee or an exempt authorised nominee appoints more than one proxy, the appointment shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified.
2. Where a Member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (Central Depositories Act), it may appoint not more than two (2) proxies in respect of each Securities Account it holds in ordinary shares of the Company standing to credit of the said Securities Account.
3. Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
4. A Member entitled to attend, participate, speak and vote at the 30th AGM is entitled to appoint a proxy or attorney or in case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote on his/ her/ its behalf. A proxy may but need not be a member of the Company.
5. The Proxy Form shall be signed by the appointer or his/ her attorney duly authorised in writing or, if the Member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.
6. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or via electronic means through the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com not less than forty-eight (48) hours before the time appointed for holding the 30th AGM or adjourned meeting which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/ or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
7. The completed instrument of proxy once deposited will not preclude the Member from attending and voting in person at the 30th AGM should the Member subsequently wish to do so. A Member who is not resident in Malaysia or Singapore may by cable or other telegraphic communication appoint a proxy/proxies to vote for him/ her at any General Meeting of the Company PROVIDED:-
   (a) such cable or other telegraphic communication shall have been received by the Company Share Registrar not less than forty-eight (48) hours before the time for the holding of the 30th AGM or adjourned meeting as the case may be at which the person named in such cable or other telegraphic communication proposes to vote; and
   (b) the Directors are satisfied as to the genuineness of such cable or other telegraphic communication. ALL the particulars as required in the proxy form must be completed, signed and dated accordingly. Last date and time for lodging the proxy form is **Tuesday, 15 December 2026 at 10.00 a.m.**
8. For a corporate member who has appointed an authorised representative instead of a proxy to attend 30th AGM, please deposit the **original or duly certified certificate** of appointment of authorised representative with the Share Registrar of the Company, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia. The certificate of appointment of authorised representative should be executed in the following manner:
   (a) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
   (b) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
      (1) at least two (2) authorised officers, one (1) of whom shall be a director; or
      (2) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the 30th AGM will be put to vote by way of poll.

NOTICE OF THIRTIETH ANNUAL GENERAL MEETING (Cont'd)

GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining a member who shall be entitled to attend this meeting, the Company shall request Bursa Malaysia Depository Sdn Bhd in accordance with Clause 62(5) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors on Friday, 4 December 2026. Only a depositor whose name appears on the Record of Depositors on Friday, 4 December 2026 shall be entitled to attend the 30th AGM or appoint proxy/proxies to attend and/or vote in his stead.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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FORM OF PROXY

HIAP TECK VENTURE BERHAD
199701005844 [421340-U]

HIAP TECK VENTURE BERHAD
[Registration No. 199701005844 (421340-U)]

THIRTIETH ANNUAL GENERAL MEETING
FORM OF PROXY

I/We,..... NRIC No. / Passport No. / Company No. .....
(FULL NAME IN CAPITAL LETTERS)

of .....
(FULL ADDRESS)

being a member/members of **HIAP TECK VENTURE BERHAD** hereby appoint:

Full Name (in Block)	NRIC/ Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email address			
Telephone number			

*and/or

Full Name (in Block)	NRIC/ Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email address			
Telephone number			

or failing him/her, the Chairman of the Meeting as *my/our proxy to vote for *me/us and on *my/our behalf at the Thirtieth Annual General Meeting of the Company to be held at Setia City Convention Centre, Function Room 8, 1st Floor, No. 1, Persiaran Setia Dagang AG U13/AG, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia on Thursday, 17 December 2026 at 10.00 a.m. and at any adjournment thereof *for/*against the resolution(s) to be proposed thereat.

*My/*Our proxy(ies) *is/*are to vote on the Resolutions as indicated below:-

NO.	RESOLUTIONS	FOR	AGAINST
1	To approve the Directors' fees of RM460,000 for the financial year ended 31 July 2026.		
2	To approve the Directors' allowances and benefits payable of RM40,000 in respect of the period from 18 December 2026 up to the next Annual General Meeting of the Company to be held in 2027.		
3	To approve a First and Final Single-Tier Dividend of 0.70 sen per share for the financial year ended 31 July 2026.		
4	To re-elect Mr. Sherman Lam Yuen Suen who is retiring in accordance with Clause 92 of the Company's Constitution.		
5	To re-elect Dato' Ooi Lay See who is retiring in accordance with Clause 92 of the Company's Constitution.		
6	To re-appoint Messrs. KPMG PLT as the Company's Auditors for the ensuing year and to authorise the Directors to fix their remuneration.		
7	To grant the authority to Directors to Allot Shares and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
8	To approve the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		
9	Proposed Shareholders' Mandate for Share Buy-Back		

[Please indicate with (X) in the spaces provided above as to how you wish your vote to be casted. If no specific direction as to voting is given, the Proxy will vote or abstain at his (her) discretion]

Dated this 2026

Number of Ordinary shares held :	
CDS Account No. :	

.....
[Signature/Common Seal of Member]
* Delete if not applicable

NOTES ON APPOINTMENT OF PROXY:

1. Where a Member, an authorised nominee or an exempt authorised nominee appoints more than one proxy, the appointment shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified.

2. Where a Member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (Central Depositories Act), it may appoint not more than two (2) proxies in respect of each Securities Account it holds in ordinary shares of the Company standing to credit of the said Securities Account.

3. Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.

4. A Member entitled to attend, participate, speak and vote at the 30th AGM is entitled to appoint a proxy or attorney or in case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote on his/ her/ its behalf. A proxy may but need not be a member of the Company.

5. The Proxy Form shall be signed by the appointer or his/ her attorney duly authorised in writing or, if the Member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.

6. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or via electronic means through the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com not less than forty-eight (48) hours before the time appointed for holding the 30th AGM or adjourned meeting which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/ or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

7. The completed instrument of proxy once deposited will not preclude the Member from attending and voting in person at the 30th AGM should the Member subsequently wish to do so. A Member who is not resident in Malaysia or Singapore may by cable or other telegraphic communication appoint a proxy/proxies to vote for him/ her at any General Meeting of the Company PROVIDED:-
   a. such cable or other telegraphic communication shall have been received by the Company Share Registrar not less than forty-eight (48) hours before the time for the holding of the 30th AGM or adjourned meeting as the case may be at which the person named in such cable or other telegraphic communication proposes to vote; and
   b. the Directors are satisfied as to the genuineness of such cable or other telegraphic communication. **ALL** the particulars as required in the proxy form must be completed, signed and dated accordingly. Last date and time for lodging the proxy form is **Tuesday, 15 December 2026** at **10.00 a.m.**

8. For a corporate member who has appointed an authorised representative instead of a proxy to attend 30th AGM, please deposit the **original or duly certified certificate** of appointment of authorised representative with the Share Registrar of the Company, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia. The certificate of appointment of authorised representative should be executed in the following manner:
   a. If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
   b. If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
      (1) at least two (2) authorised officers, one (1) of whom shall be a director; or
      (2) any director and/ or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the 30th AGM will be put to vote by way of poll.

Personal data privacy:
By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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STAMP

The Company Secretary

HIAP TECK VENTURE BERHAD

199701005844 (421340-U)]

c/o Boardroom Share Registrars Sdn. Bhd.

11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim,

Seksyen 13, 46200 Petaling Jaya,

Selangor Darul Ehsan Malaysia

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HIAP TECK VENTURE BERHAD

[Registration No. 199701005844 (421340-U)]

Lot 6096, Jalan Haji Abdul Manan
Batu 5 ½, Off Jalan Meru 41050 Klang
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