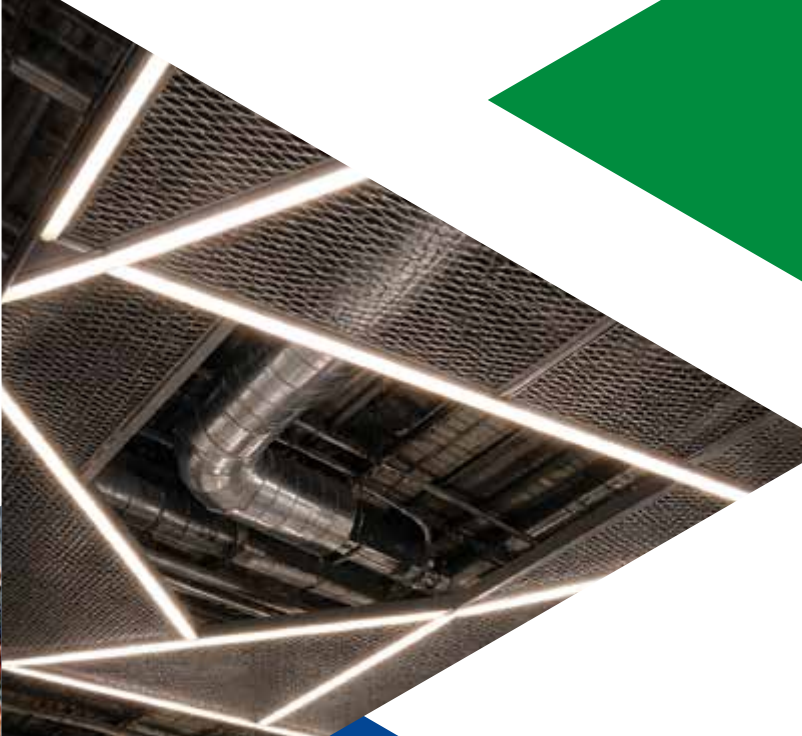


TASHIN

TASHIN HOLDINGS BERHAD

201701028709 (1242878-H)



FORGING INDUSTRIAL MOMENTUM

Annual Report 2025

INSIDE THIS REPORT

Overview

Notice of Annual General Meeting	2
Corporate Information	6
Group Financial Highlights	7
Corporate Structure	8
Management Discussion and Analysis	9
Board of Directors' Profile	12
Profile of Key Senior Management	16

Sustainability

Sustainability Statement	18
--------------------------	----

Governance

Corporate Governance Overview Statement	90
Additional Compliance Information	104
Statement on Risk Management and Internal Control	107
Audit Committee Report	110
Statement of Directors' Responsibility	112

Financial Statements

Directors' Report	113
Statement by Directors	118
Statutory Declaration	118
Independent Auditors' Report	119
Statements of Financial Position	123
Statements of Profit and Loss and Other Comprehensive Income	125
Statements of Changes In Equity	127
Statements of Cash Flows	129
Notes to the Financial Statements	131

Additional Information

List of Properties	180
Statistics of Shareholdings	181
Form of Proxy	Enclosed



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninth Annual General Meeting (“9th AGM” or “Meeting”) of Tashin Holdings Berhad (“the Company”) will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Wilayah Persekutuan on Thursday, 4 June 2026 at 10:00 a.m. for the following purposes:

AGENDA

- | | |
|---|---|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and the Auditors thereon. | <i>(Please refer to item (1) of the Explanatory Notes to Ordinary Business)</i> |
| 2. To approve the payment of a single-tier final dividend of 0.5 sen per ordinary share for the financial year ended 31 December 2025. | <i>(Resolution 1)</i> |
| 3. To approve the payment of Directors’ fees amounting to RM377,300.00 for the financial year ended 31 December 2025. | <i>(Resolution 2)</i> |
| 4. To approve an amount of up to RM40,000.00 as benefits payable to the Directors from 5 June 2026 until the next Annual General Meeting of the Company to be held in year 2027. | <i>(Resolution 3)</i> |
| 5. To re-elect the following Directors who are retiring pursuant to Clause 165 of the Company’s Constitution, and being eligible, have offered themselves for re-election: | |
| (a) Dato’ Kalsom binti Abd. Rahman; | <i>(Resolution 4)</i> |
| (b) Ir. Tan Tiong Ben; and | <i>(Resolution 5)</i> |
| (c) Mr. Koay Kah Ee. | <i>(Resolution 6)</i> |
| 6. To re-appoint Crowe Malaysia PLT as the Company’s External Auditors until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. | <i>(Resolution 7)</i> |
| 7. As Special Businesses: | |

To consider and, if thought fit, with or without any modification, to pass the following resolutions, which will be proposed as ordinary resolutions:

- | | |
|---|-----------------------|
| (a) ORDINARY RESOLUTION 1 | <i>(Resolution 8)</i> |
| - <u>AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS</u> | |

“**THAT** subject always to the Companies Act 2016, the Constitution of the Company and the approvals of Bursa Malaysia Securities Berhad and any other relevant governmental and/or regulatory authorities, where such approval is necessary, the Directors of the Company be and are hereby empowered, pursuant to the Companies Act 2016, to issue and allot shares in the Company, at any time, at such price, to such persons and upon such terms and conditions, and for such purposes as the Directors of the Company may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

THAT the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad;

THAT pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 31 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016;

AND THAT such authority shall commence immediately upon the passing of this ordinary resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

NOTICE OF ANNUAL GENERAL MEETING

7. As Special Businesses: (Cont'd)

To consider and, if thought fit, with or without any modification, to pass the following resolutions, which will be proposed as ordinary resolutions: (Cont'd)

(b) ORDINARY RESOLUTION 2

(Resolution 9)

- **PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

"THAT subject to the provisions of Bursa Malaysia Securities Berhad ACE Market Listing Requirements, approval be and is hereby given to the Company and/or its subsidiaries to enter into the existing recurrent related party transactions of a revenue or trading nature ("**Recurrent Related Party Transactions**") as described in the circular to shareholders dated 30 April 2026 with the related parties mentioned therein subject further to the following:

- (i) the Recurrent Related Party Transactions are in the ordinary course of business, which are necessary for day-to-day operations and are on normal commercial terms not more favourable than those generally available to the public and are not detrimental to the minority shareholders of the Company; and
- (ii) disclosure is made in the annual report of the breakdown of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year;

AND THAT the authority conferred by such mandate upon the passing of this ordinary resolution shall continue to be in force until:

- (a) the conclusion of the first Annual General Meeting ("**AGM**") of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (c) revoked or varied by a resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier;

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution."

8. To transact any other ordinary business for which due notice has been given.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN that a single-tier final dividend of 0.5 sen per ordinary share in respect of the financial year ended 31 December 2025, if approved by shareholders of the Company, will be payable on 10 July 2026 to shareholders of the Company whose names appear in the Record of Depositors on 19 June 2026.

A depositor shall qualify for entitlement to the dividend only in respect of:

- a) Securities transferred into the depositor's securities account before 4:30 p.m. on 19 June 2026 in respect of ordinary transfers; and
- b) Securities 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

Chua Siew Chuan (SSM PC No. 201908002648) (MAICSA No.: 0777689)

Chin Mun Yee (SSM PC No. 201908002785) (MAICSA No.: 7019243)

Chen Chee Kee (SSM PC No. 202508000192) (MAICSA No.: 2328269)

Company Secretaries

Kuala Lumpur

30 April 2026

Explanatory Notes to Ordinary Business:

1. Audited Financial Statements for the financial year ended 31 December 2025

Agenda item no. 1 is meant for discussion only, as the provisions of Section 340(1)(a) of the Companies Act 2016 do not require the formal approval of the shareholders of the Company for the Audited Financial Statements for the financial year ended 31 December 2025. Hence, this Agenda item is not put forward for voting.

2. Resolutions 4 to 6 – Re-election of Directors who retire by rotation pursuant to Clause 165 of the Company's Constitution

Pursuant to Clause 165 of the Company's Constitution, one-third (1/3) of the Directors at the date of the notice convening the Annual General Meeting will retire from office unless elected or re-elected at the Annual General Meeting. The Directors retiring will be those longest in office since their last election. If Directors are elected on the same day, the Directors to retire will either be as agreed between those Directors or by lot. If the total number of Directors is not three (3) or a multiple of it, the number nearest to one-third (1/3) will retire. All Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. Hence, three (3) Directors are to retire in accordance with Clause 165 of the Company's Constitution.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 9th AGM of the Company, the Board of Directors through its Nomination Committee undertook a formal evaluation to determine the eligibility of each retiring Director in line with Practice 6.1 of the Malaysian Code on Corporate Governance, which includes the following:

- (i) Effectiveness of the Board of Directors as a whole and the Committees of the Board;
- (ii) Contribution and performance of each individual Director;
- (iii) Independence of the Independent Non-Executive Directors; and
- (iv) Fit and proper assessment.

Based on the results of the abovementioned evaluations, the Board of Directors considered the performance of Dato' Kalsom binti Abd. Rahman, Ir. Tan Tiong Ben, and Mr. Koay Kah Ee (each referred to as "**retiring Director**") to be effective. The retiring Directors were able to meet the Board of Directors' expectations in terms of experience, expertise, integrity, competency, participation, and contribution. Each retiring Director demonstrates a commitment to the role and has sufficient time to meet his/her commitment to the Company. The retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the meeting of the Board of Directors and Nomination Committee, where relevant.

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes to Special Business:

1. Resolution 8 – Authority to issue and allot shares pursuant to the Companies Act 2016 and waiver of pre-emptive rights

The Company wishes to renew the general mandate to empower the Directors of the Company pursuant to the Companies Act 2016, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the general mandate does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being ("**Renewed Mandate**"). The Renewed Mandate, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The Renewed Mandate will provide flexibility to the Company for the allotment of shares for any possible fundraising activities for the purpose of funding future investment project(s), working capital, and/or acquisition(s).

As at the date of the Notice of Meeting, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Eighth Annual General Meeting of the Company held on 5 June 2025, which will lapse at the conclusion of the 9th AGM of the Company.

Pursuant to Section 85(1) of the Companies Act 2016, read together with Clause 31 of the Company's Constitution, shareholders of the Company have pre-emptive rights to be offered any new shares in the Company that rank equally to the existing issued shares in the Company or other convertible securities.

2. Resolution 9 – Proposed renewal of existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature ("**Recurrent Related Party Transactions**")

The Company wishes to renew the existing shareholders' mandate for Recurrent Related Party Transactions granted by the shareholders of the Company at the Eighth Annual General Meeting of the Company held on 5 June 2025 ("**Renewal of Shareholders' Mandate**"). The Renewal of Shareholders' Mandate will enable the Company and/or its subsidiaries ("**the Group**") to enter into the Recurrent Related Party Transactions which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

Notes:

1. In respect of deposited securities, only shareholders of the Company whose names appear in the Record of Depositors on 25 May 2026 shall be eligible to attend the Meeting.
2. A shareholder of the Company entitled to attend, participate, speak and vote at the Meeting is entitled to appoint one (1) or more proxies (who need not be a shareholder of the Company) to attend, participate, speak and vote for him/her but where that shareholder of the Company appoints more than one (1) proxy, he/she must specify the proportion of his/her shareholdings represented by each proxy.
3. The instrument appointing a proxy shall be in writing and in the case of an individual, shall be signed by the appointor or by his attorney; and in the case of a corporation, shall be either under its common seal or signed by its attorney or by an officer on behalf of the corporation.
4. Where a shareholder of the Company is an exempt authorised nominee who holds ordinary shares in the Company for multiple beneficial owners in one (1) 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.
5. The instrument appointing a proxy shall be deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof. The proxy appointment may also be lodged electronically via the Securities Services e-Portal at <https://www.sshsb.net.my/>. The lodging of the Form of Proxy will not preclude any shareholder from participating and voting at the Meeting should any shareholder subsequently wish to do so, provided a notice of termination of proxy authority in writing is given to the Company and deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan before the commencement of the 9th AGM of the Company or at any adjournment thereof. All resolutions set out in this Notice of Meeting will be voted on by poll.

Should you wish to deposit the Form of Proxy electronically via the Securities Services e-Portal, kindly refer to the e-Proxy Guide, which is available for download at www.tashin.com.my, for further details.

CORPORATE INFORMATION

Board of Directors

Dato' Kalsom binti Abd. Rahman
Independent Non-Executive
Chairperson

Teh Jian Yang
Managing
Director

Foong Kok Chuin
Executive Director /
Chief Financial Officer

Sim Puei Chun
Senior Independent
Non-Executive Director

Khaw Chooi Kee
Independent
Non-Executive Director

Rusdy bin Ishak
Independent
Non-Executive Director

Ir. Tan Tiong Ben
Independent
Non-Executive Director

Dato' Toh Yew Peng
Non-Independent
Non-Executive Director

Toh Yew Seng
Non-Independent
Non-Executive Director

Koay Kah Ee
Non-Independent
Non-Executive Director

Audit Committee

Chairperson
Khaw Chooi Kee

Members
Rusdy bin Ishak
Ir. Tan Tiong Ben

Nomination Committee

Chairman
Sim Puei Chun

Members
Dato' Kalsom binti Abd. Rahman
Rusdy bin Ishak

Remuneration Committee

Chairperson
Dato' Kalsom binti Abd. Rahman

Members
Sim Puei Chun
Ir. Tan Tiong Ben

Risk Management Committee

Chairman
Rusdy bin Ishak

Members
Khaw Chooi Kee
Ir. Tan Tiong Ben

Sustainability Committee

Chairman
Ir. Tan Tiong Ben

Members
Sim Puei Chun
Rusdy bin Ishak

Registered Office

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan

Telephone: 03-2084 9000
Facsimile : 03-2094 9940 /
03-2095 0292
Email Address: info@sshbsb.com.my

Auditors

CROWE MALAYSIA PLT
(Reg No. 201906000005
(LLP0018817-LCA) & AF1018)

Level 16, Tower C, Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Wilayah Persekutuan

Telephone: 03-2788 9999
Facsimile : 03-2788 9998

Head Office

Plot 40, Lorong Perusahaan Maju 7
Kawasan Perusahaan 4
13600 Prai, Penang

Telephone: 04-509 0888
Facsimile : 04-507 9100
Email Address: enquiries@tashin.com.my
Website: www.tashin.com.my

Share Registrar

Securities Services (Holdings) Sdn. Bhd.

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan

Telephone: 03-2084 9000
Facsimile : 03-2094 9940 /
03-2095 0292
Email Address: info@sshbsb.com.my

Company Secretaries

Chua Siew Chuan
(SSM PC No. 201908002648)
(MAICSA 0777689)

Chin Mun Yee
(SSM PC No. 201908002785)
(MAICSA 7019243)

Chen Chee Kee
(SSM PC No. 202508000192)
(MAICSA 2328269)

Stock Exchange Listing

ACE Market of Bursa Malaysia
Securities Berhad

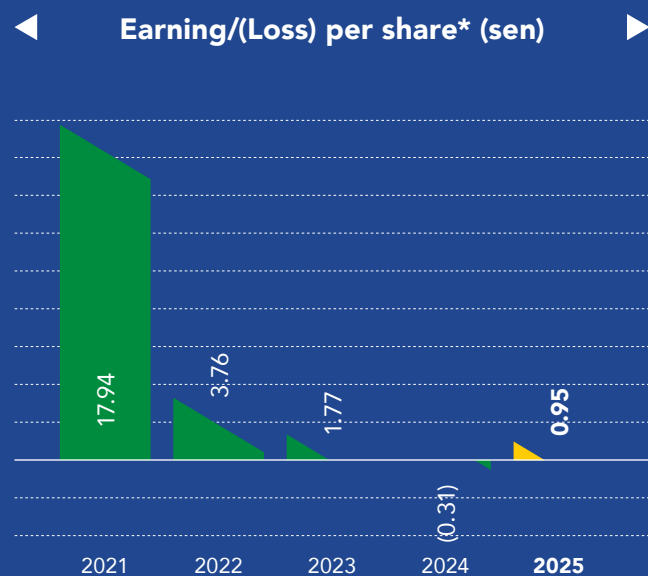
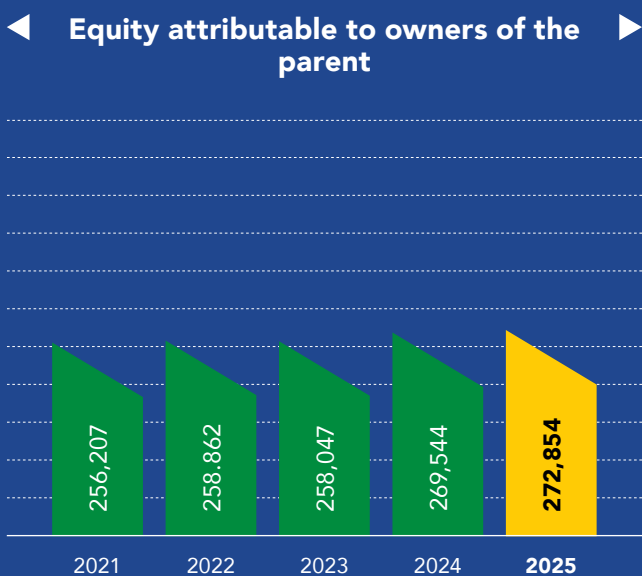
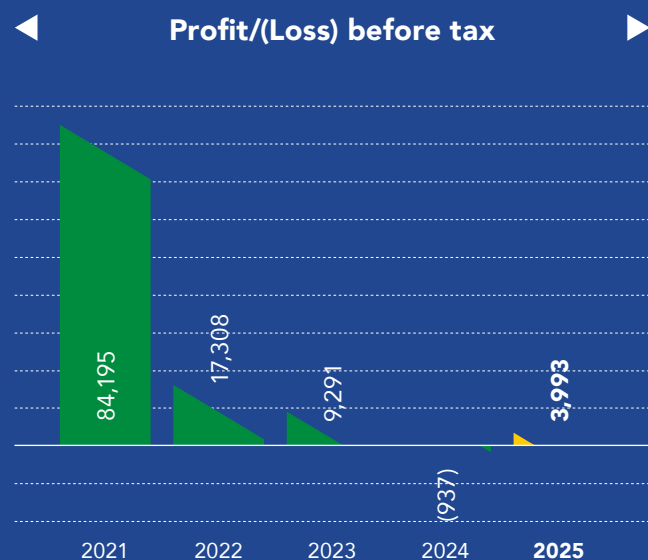
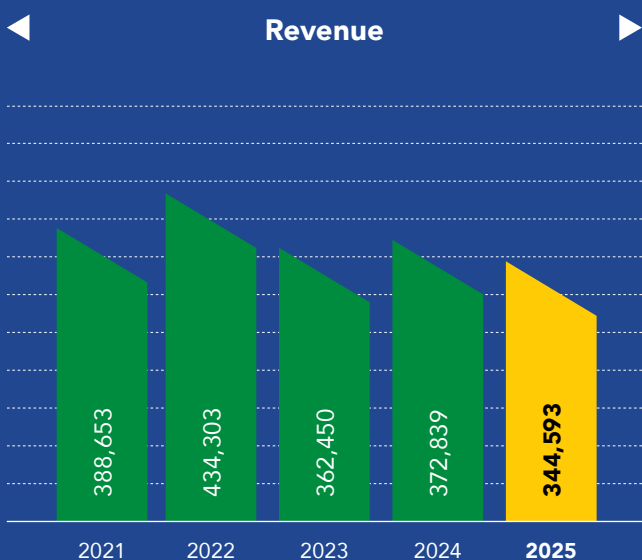
Stock Name: TASHIN
Stock Code : 0211
Sub-sector : Metals

Sector: Industrial Products & Services

GROUP FINANCIAL HIGHLIGHTS

(RM'000)	2021	2022	2023	2024	2025
Revenue	388,653	434,303	362,450	372,839	344,593
Profit/(Loss) before tax	84,195	17,308	9,291	(937)	3,993
Profit/(Loss) attributable to owners of the parent	62,619	13,125	6,166	(1,097)	3,310
Total assets	399,158	377,561	337,309	382,366	358,392
Equity attributable to owners of the parent	256,207	258,862	258,047	269,544	272,854
EBITDA [#]	89,527	24,821	17,050	6,970	11,979
Net assets per share* (RM)	0.73	0.74	0.74	0.77	0.78
Earning/(Loss) per share* (sen)	17.94	3.76	1.77	(0.31)	0.95

Earnings before interests, depreciation, tax and amortisation
 * attributable to owners of the Company



CORPORATE STRUCTURE

TASHIN
TASHIN HOLDINGS BERHAD
201701028709 (1242878-H)

Overview

100%

TASHIN HARDWARE
SDN. BHD.
200401004046
(642549-V)

100%

TASHIN STEEL
SDN. BHD.
199801014965
(471094-P)

Principle Activities

Company	Registration No.	Date/ Place of incorporation	Principal place of business	Effective equity interest %	Principal activities
Tashin Steel Sdn. Bhd.	199801014965 (471094-P)	30 October 1998/ Malaysia	Malaysia	100	Manufacturing and selling of steel products
Tashin Hardware Sdn. Bhd.	200401004046 (642549-V)	16 February 2004/ Malaysia	Malaysia	100	Manufacturing and trading of steel material and general hardware products

MANAGEMENT DISCUSSION AND ANALYSIS

Business and Operations

Tashin Holdings Berhad (“the Company”) and its subsidiaries (“the Group”) are established Malaysian steel products manufacturers with more than twenty (20) years of experience in the steel processing and products manufacturing business. The Group has its beginning in Seberang Perai, Penang, northern Peninsular Malaysia, and has over the years grown to be one (1) of the leading steel processing products players in Malaysia.

The Group remains focused on its core business activities of steel processing and steel products manufacturing. Steel processing products are slit coils and steel sheets, whereas steel products manufacturing consists of steel pipes, flat bars, square bars, expanded metals, checkered plates and c-purlin.

Financial Review

The key financial highlights of the Group for the financial year ended 31 December 2025 (“FYE 2025”) as compared to the financial year ended 31 December 2024 (“FYE 2024”) are as follows:

Profitability	FYE 2025	FYE 2024	Variance	
	RM'000	RM'000	RM'000	%
Revenue	344,593	372,839	(28,246)	(7.58)
Gross profit	25,332	20,054	5,278	26.32
Other income	3,122	2,437	685	28.11
Profit/(Loss) before taxation	3,993	(937)	4,930	526.15
Profit/(Loss) attributable to owners of the parents	3,310	(1,097)	4,407	401.73

Financial Position	FYE 2025	FYE 2024	Variance	
	RM'000	RM'000	RM'000	%
Shareholder equity	272,854	269,544	3,310	1.23
Total assets	358,392	382,366	(23,974)	(6.27)
Inventories	115,898	139,226	(23,328)	(16.76)
Trade and other receivables	75,345	75,450	(105)	(0.14)
Total borrowing	31,501	70,373	(38,872)	(55.24)
Gearing (times)	0.12	0.26	(0.14)	(53.85)

In year 2025, the business environment remained challenging with overall downward trend in steel prices. Weak demand, rising production cost and geopolitical tensions are the main factors affecting global steel prices.

Notwithstanding the above, the Group’s financial performance for FYE 2025 as compared with FYE 2024 improved significantly with increased sales volume and better gross profits margin. The profit before taxation has increased 526% to a profit before tax of RM3.99 million in FYE 2025 as compared to losses of RM0.94 million recorded in FYE 2024.

The Group’s total revenue for FYE 2025 decreased by 7.58% to RM344.59 million from RM372.84 million recorded in FYE 2024. The total cost of sales of the Group for FYE 2025 was RM319.26 million due to mainly the decrease in total material cost as against RM352.78 million recorded in FYE 2024.

During FYE 2025, the Group’s finance cost decreased by RM0.34 million to RM1.94 million as compared to RM2.28 million in FYE 2024, mainly due to lower utilisation of bank facilities to finance raw material purchases.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review (Cont'd)

Financial Position

The Group's financial position improved with the total equity increased to RM273 million as at 31 December 2025 from RM270 million in FYE 2024. The Group's total assets as at 31 December 2025 had decreased to RM358 million from RM382 million recorded in FYE 2024, mainly due to lower holding stock as at 31 December 2025.

The Group's bank borrowings as at 31 December 2025 had decreased by half to RM31.50 million as compared to RM70.37 million in the previous year. The Group's gearing ratio decreased significantly to 0.12 times as at 31 December 2025 as compared to 0.26 times in the previous year in line with lower total borrowing in FYE 2025.

Dividend

The Board of Directors of the Company ("**the Board**") had recommended a single-tier final dividend of 0.5 sen per ordinary share which is subject to the shareholders' approval at the forthcoming Annual General Meeting of the Company scheduled to be held on 4 June 2026, representing 52.72% of the Group's profit after taxation for FYE 2025.

There is no Dividend Policy adopted by the Company, however, the Board strives to adopt a consistent approach to declaring dividends after considering various factors, such as future investment needs, capital expenditure requirements, profitability and liquidity of the Company through the going concern principle.

Operations Review

The Group owns three (3) factories with head-office buildings sited on 20 acres of land in Seberang Perai, Penang. Through our subsidiaries, Tashin Steel Sdn. Bhd. and Tashin Hardware Sdn. Bhd., the Group is principally involved in the following activities:

- (i) Processing (i.e., slitting and shearing) of steel coils into slit coils and steel sheets;
- (ii) Manufacturing of steel products comprising steel pipes, flat bars, square bars, expanded metals, checkered plates and c-purlins; and
- (iii) Trading of steel products including steel plates, steel pipes and angle bars.

The Group's revenue is mainly derived from manufacturing activities and the Group also conducts trading activities for steel products on a smaller scale.

Information And Communication Technology ("ICT")

The Group remains committed to strengthening its resilience and competitiveness. During FYE 2025, approximately RM0.47 million was allocated to maintaining and upgrading ICT hardware and software.

The Group continues to invest in ICT system and infrastructure enhancements to support manufacturing automation, reflecting its strategic focus on operational efficiency and long-term sustainability.

MANAGEMENT DISCUSSION AND ANALYSIS

Key Risks

The Group is mindful of several key risks that the Group is exposed to during its execution of the business plans as follows:

- (a) **Fire risk** – Fire perils are a major risk for the Group. The Group had put in place adequate insurance coverage and developed and implemented various action plans and protection measures to mitigate the potential damages and losses from fire perils. Regular audit and surveillance checks on fire fighting equipment were also carried out in year 2025.
- (b) **Credit risk** – This is the major risk the Group is exposed to mainly due to our business operations which require giving fourteen (14) to ninety (90) days' credit terms for trade debtors. Trade receivables are significant as the Group's businesses cover various industries with hundreds of trading accounts of customers. In order to mitigate the aforesaid risk, each subsidiary established a sound credit appraisal system to review the daily operating procedures with well-written standard operating procedures. In addition, the Group has obtained trade credit insurance from established insurers to hedge against credit risk.
- (c) **Tariffs and trade policies change risk** – The Group imports materials from various countries which may subject to import and anti-dumping duties. Changes in the trade policies may adversely impact the costs of raw materials and disrupting supply chain due to higher tariffs or import restrictions imposed on imported material.
- (d) **Inventories risk** – The carrying amount of inventories as at 31 December 2025 was RM116 million. Raw materials are the largest component in the costs of sales, consistently constituting more than 90% of the Group's total costs of sales. Any fluctuations in the global steel prices and stock obsolescence may lead to a rise in the Group's costs of production as well as carrying costs for maintaining the inventories of the Group. This may negatively impact our financial results. In order to mitigate the aforesaid risk, the Group's sourcing department has a team of experienced staff in the steel industry to implement prudent and effective inventory management.
- (e) **Cyber risk** – Commonly refers to any risk of financial loss, disruption or damages to an organisation resulting from the failure of its information technology ("IT") and information system or network. Email and networking systems of an organisation are the major entry points for various types of computer viruses, hackers and scammers, risking important data being breached and leaked or eliminated. The Group has implemented an IT and email policy which includes the policy on internet access authority, firewall, anti-spam & antivirus applications, data backup and important data security for the Group to manage and mitigate the cyber risk.

Business Outlook Statement – 2026

The upcoming year is expected to present significant challenges for the steel industry as global geopolitical tensions continue to disrupt supply chains and drive cost volatility. The ongoing Russia-Ukraine conflict, now entering its fifth year, coupled with instability in the United States, Israel and Iran, has led to global interruptions in oil supply. This has resulted in elevated fuel costs and increased global steel input prices, placing considerable pressure on local industry operations.

Locally, steel producers will face:

- Rising production costs due to higher energy and raw material prices.
- Logistical constraints from disrupted shipping routes and increased freight charges.
- Margin compression as competitive pressures limit the ability to fully pass on costs to customers.

While the external environment remains uncertain, resilience and adaptability will be critical. By focusing on efficiency, innovation, and strategic partnerships, the Group can navigate the challenges ahead and position itself for sustainable growth in the longer term.

BOARD OF DIRECTORS' PROFILE

Dato' Kalsom Binti Abd. Rahman

▲ Aged 77 ▼ Female ▲ Malaysian

Independent Non-Executive Chairperson

Appointed to the board on 12 January 2018

Dato' Kalsom binti Abd. Rahman ("Dato' Kalsom") is the Chairperson of the Remuneration Committee and a member of the Nomination Committee of the Company. Dato' Kalsom graduated with a Bachelor of Economics (Hons) degree from University of Malaya and obtained her Master's degree in Business Administration (Finance) from the University of Oregon in Eugene, Oregon, United States in 1980.

Dato' Kalsom started her career in 1972 with the Ministry of International Trade and Industry (MITI) where she held various positions and in 1996, she was seconded to the SME Corporation Malaysia as Chief Executive Officer. Dato' Kalsom returned to MITI in 2000 as the Deputy Secretary General, responsible for strategic planning and formulation of policies on trade, industries and investments as well as for overall development of domestic industries and foreign direct investments, until she retired in 2004. Subsequently in the same year, she was appointed as the Chairperson of SME Corporation Malaysia and Chairperson of the Executive Committee of Investin-Penang Berhad where she served until 2008.

Presently, Dato' Kalsom sits on the Board of Bermaz Auto Berhad, a company listed on Main Market of Bursa Malaysia Securities Berhad.

Dato' Kalsom does not have any family relationship with any Director and/or major shareholder of the Company.

Teh Jian Yang

▲ Aged 38 ▼ Male ▲ Malaysian

Managing Director

Appointed to the board on 15 January 2025

Mr. Teh Jian Yang ("Mr. Teh") graduated with a Bachelor of Business in International Business and Marketing from the University of Tasmania, Australia in 2009.

Mr. Teh joined Tashin Steel Sdn. Bhd. in 2013 as a Business Development Manager and was promoted to Senior Sales Manager in 2016. In 2020, he was appointed as General Manager/Director of Tashin Hardware Sdn. Bhd. and Tashin Steel Sdn. Bhd.

He was appointed to the Board of Directors of Tashin Holdings Berhad as Executive Director on 15 January 2025 and was subsequently re-designated as Managing Director with effect from 31 January 2026.

With more than ten (10) years of experience in the steel industry, he possesses extensive knowledge of steel products and market dynamics. He has played an instrumental role in strengthening Tashin Holdings Berhad and its subsidiaries ("**the Group**")'s market position in Malaysia and continues to drive the strategic growth and operational development of the Group.

Mr. Teh is the brother of Ms. Teh Yah Thing, a major shareholder of the Company. He does not hold any directorship in other public companies or public listed companies.

Foong Kok Chuin

▲ Aged 58 ▼ Male ▲ Malaysian

Executive Director/ Chief Financial Officer

Appointed to the board on 18 April 2018

Mr. Foong Kok Chuin ("Mr. Foong") graduated from the University of Malaya with a Bachelor Degree in Accountancy. He is a Chartered Accountant and a member of the Malaysian Institute of Accountants.

Mr. Foong joined Tashin Steel Sdn. Bhd. in 1999 and was appointed as General Manager on 1 January 2015. In 2018, he was appointed as Chief Financial Officer of Tashin Holdings Berhad and its subsidiaries ("**Tashin Group**").

With more than twenty (20) years of experience in accounting and finance, he is responsible for overseeing all finance, accounting and administrative functions of Tashin Group, ensuring sound financial management and corporate governance practices.

Mr. Foong does not have any family relationship with any Director and/or major shareholder of the Company. He does not hold any directorship in other public companies or public listed companies.

BOARD OF DIRECTORS' PROFILE

Sim Puei Chun

▲ Aged 68 ▼ Male ▲ Malaysian

Senior Independent Non-Executive Director

Appointed to the board on 10 January 2018

Mr. Sim Puei Chun ("Mr. Sim") is the Chairman of the Nomination Committee and a member of the Remuneration Committee and Sustainability Committee of the Company. Mr. Sim obtained a Bachelor of Applied Sciences in Computer Technology from Universiti Sains Malaysia in 1983 and a Master in Educational Psychology from Open University Malaysia in 2011.

Upon graduation, Mr. Sim worked in the semi-conductor industry holding various positions from Equipment Engineer to IT Manager. He was responsible for equipment setup, maintenance, onsite information technology disaster recovery and supervision of a team of engineers and technicians. In 2006, Mr. Sim joined Penang Skills Development Centre Institute as a Lecturer where he remained until 2009. Subsequently, he joined the engineering outsource industry company as Technical Director until 2021 involving in the provision of technical advisor, career counselling and conducting management classes.

Mr. Sim does not have any family relationship with any Director and/or major shareholder of the Company. He does not sit on the Board of other public companies and public listed companies.

Khaw Chooi Kee

▲ Aged 59 ▼ Female ▲ Malaysian

Independent Non-Executive Director

Appointed to the board on 10 January 2018

Ms. Khaw Chooi Kee ("Ms. Khaw") is the Chairperson of the Audit Committee and a member of the Risk Management Committee of the Company.

Ms. Khaw graduated with a Bachelor of Accountancy from University of Malaya in 1992. She is a Chartered Accountant and a member of the Malaysian Institute of Accountants.

Upon graduation, Ms. Khaw was attached to KPMG Peat Marwick as Auditor until 1995 where she left to gain her commercial experience in the multinational companies and local conglomerate in manufacturing and services industries involving telecommunication, information technology, semi-conductor, electrical and electronics, steel and hospitality sectors. Ms. Khaw has vast experience in financial planning and analysis, cost and management accounting, cash flow planning, budgetary control and shared services. Ms. Khaw currently is the Finance Director in one of the leading multinational companies.

Ms. Khaw does not have any family relationship with any Director and/or major shareholder of the Company. She does not sit on the Board of other public companies and public listed companies.

Rusdy Bin Ishak

▲ Aged 49 ▼ Male ▲ Malaysian

Independent Non-Executive Chairperson

Appointed to the board on 10 January 2018

Encik Rusdy bin Ishak ("Encik Rusdy") is the Chairman of the Risk Management Committee and a member of the Audit Committee, Nomination Committee and Sustainability Committee of the Company.

Encik Rusdy obtained a Bachelor of Laws from International Islamic University Malaysia in 2000. In the same year, he undertook his pupillage with one of the law firms. In 2001, he was admitted as Advocate and Solicitor of the High Court of Malaya.

Encik Rusdy has approximately twenty-four (24) years of experience in legal practice and is currently a Partner in Messrs. Shahdan Anuar & Jamaludin, primarily engaged in civil litigation work.

Encik Rusdy does not have any family relationship with any Director and/or major shareholder of the Company. He does not sit on the Board of other public companies and public listed companies.

BOARD OF DIRECTORS' PROFILE

Ir. Tan Tiong Ben

▲ Aged 69 ▼ Male ▲ Malaysian

Independent Non-Executive Director

Appointed to the board on 18 April 2018

Ir. Tan Tiong Ben ("Ir. Tan") is the Chairman of the Sustainability Committee, a member of the Audit Committee, Remuneration Committee and Risk Management Committee of the Company.

Ir. Tan graduated with a Bachelor of Engineering (Civil) Honours from University of Malaya in 1980 and he obtained his Master of Business Administration from University of Strathclyde, United Kingdom in 1997. He is a Corporate Member of the Institution of Engineers, Malaysia and also a Professional Engineer of the Board of Engineers Malaysia.

Ir. Tan began his career with the Public Works Department Malaysia in 1980 until his retirement in 2016. While in Public Works Department Malaysia, he held various posts and was the Director of Security Project Branch, Public Works Department Malaysia Headquarter in Kuala Lumpur prior to his retirement.

Ir. Tan does not have any family relationship with any Director and/or major shareholder of the Company. He does not sit on the Board of other public companies and public listed companies.

Dato' Toh Yew Peng

▲ Aged 73 ▼ Male ▲ Malaysian

Non-Independent Non-Executive Director

Appointed to the board on 18 April 2018

Dato' Toh Yew Peng ("Dato' Toh") is a representative of Prestar Resources Berhad ("**Prestar**"), the promoter and major shareholder of the Company.

Dato' Toh has ventured into business after completing his secondary education. He has been the Group Managing Director of Prestar since its inception and is responsible for the strategic development, overall management and profitability of Prestar and leading its growth to a formidable size today.

Dato' Toh sits on the Board of Prestar, a public company listed on the Main Market of Bursa Malaysia Securities Berhad. He does not sit on any Board Committee of the Company. He also sits on Board of several other private limited companies.

Dato' Toh is the brother of Mr. Toh Yew Seng, a Non-Independent Non-Executive Director of the Company.

Toh Yew Seng

▲ Aged 64 ▼ Male ▲ Malaysian

Non-Independent Non-Executive Director

Appointed to the board on 18 April 2018

Mr. Toh Yew Seng ("Mr. Toh") is a corporate representative of Prestar Resources Berhad ("**Prestar**"), the promoter and major shareholder of the Company.

Mr. Toh graduated with a Bachelor of Arts, majoring in Business Administration from Tunghai University, Taiwan in 1984. In 1984 together with his family members, Mr. Toh co-founded Prestar. He held various positions in Prestar until his appointment as an Executive Director in 1986, a post he assumed until present. In 1999, Mr. Toh was appointed as a Director of Tashin Steel Sdn. Bhd.

Mr. Toh sits on the Board of Prestar, a public company listed on the Main Market of Bursa Malaysia Securities Berhad. Mr. Toh is the brother of Dato' Toh Yew Peng, a Non-Independent Non-Executive Director and major shareholder of the Company.

BOARD OF DIRECTORS' PROFILE

Koay Kah Ee

▲ Aged 67 ▼ Male ▲ Malaysian

Non-Independent Non-Executive Director
Appointed to the board on 18 April 2018

Mr. Koay Kah Ee ("Mr. Koay") holds a Master in Business Administration (MBA) from University of Strathclyde, United Kingdom. He is a fellow member of Chartered Institute of Management Accountants (CIMA), United Kingdom, fellow member of the Australia Certified Practising Accountants (CPA Australia), Chartered Accountant (CA) of the Malaysian Institute of Accountants (MIA) and Chartered Global Management Accountants (CGMA).

Mr. Koay was the Group Finance Director of a company listed on the Main Market of Bursa Malaysia Securities Berhad until his retirement in December 2022. Previously, he also served as a member of the SOCSO Appellate Board (JRKS) for the Selangor region from March 2018 to December 2022 and as a member of the Employer Panel of the Industrial Court Malaysia from January 2013 to December 2015 and from February 2016 to February 2019.

Mr. Koay sits on the Board of JF Technology Berhad, a public company listed on the Main Market of Bursa Malaysia Securities Berhad as a Non-Independent Non-Executive Director. He also sits on the Board of PMCK Berhad, a public company listed on the ACE Market of Bursa Malaysia Securities Berhad as an Independent Non-Executive Director and Chairman of the Audit Committee.

Mr. Koay does not have any family relationship with any Director and/or major shareholder of the Company.

Other Information

(i) Conflict of Interests

None of the Directors has any conflict of interests with the Company.

(ii) Offences and Public Sanctions or Penalties Imposed by Regulatory Bodies

None of the Directors has committed any offence within the past five (5) years other than traffic offences, if any during the financial year ended 31 December 2025, as well as any public sanction or penalty imposed by the relevant regulatory bodies.

PROFILE OF KEY SENIOR MANAGEMENT

Goo Kong Hua

▲ Aged 59 ▼ Male ▲ Malaysian

Assistant General Manager

Tashin Steel Sdn. Bhd.

Tashin Hardware Sdn. Bhd.

Mr. Goo Kong Hua ("Mr. Goo") graduated with a Diploma in Technology (Material Engineering) from Tunku Abdul Rahman College in Malaysia in 1990. Subsequently in 1991, he obtained a Master of Science in Materials Engineering from Loughborough University, United Kingdom.

Mr. Goo began his career as a Mechanical Engineer where he was responsible for factory set-up, production and maintenance.

Mr. Goo joined Tashin Steel Sdn. Bhd. in 2004 as Factory Operations Manager. Mr. Goo has a vast experience in overall production operations including warehouse activities. He was first appointed as key senior management on 27 December 2016 as Assistant General Manager.

Ma Swi Teok

▲ Aged 52 ▼ Male ▲ Malaysian

Assistant General Manager

Tashin Steel Sdn. Bhd.

Tashin Hardware Sdn. Bhd.

Mr. Ma Swi Teok ("Mr. Ma") obtained his Certificate of Marketing in 1994. He then joined Supercomal Wire & Cable Sdn. Bhd. as a Sales Executive for wire and cable products.

In 1996, Mr. Ma joined the Business Department of Northern Steel Centre Sdn. Bhd. as a Junior Officer, responsible for servicing Japanese-based industrial customers. In 1997, he was re-designated to Junior Sales Officer and subsequently promoted to Senior Sales Officer in 1998, where he was responsible for sales of slit coils and steel sheet products.

Mr. Ma joined Tashin Steel Sdn. Bhd. in 2000 as a Sales Executive. In the same year, he was promoted to Assistant Sales Manager and subsequently in 2006, he was promoted as a Business Development Manager. In his capacity as Business Development Manager, he took on the role to source for raw material from the foreign suppliers of the Company and its subsidiaries as well as liaising with government agencies such as Malaysian Investment Development Authority (MIDA) and Ministry of International Trade and Industry (MITI) on steel import application. Mr. Ma was first appointed as key senior management on 27 December 2016 as Assistant General Manager.



PROFILE OF KEY SENIOR MANAGEMENT

Tang Meng Kean

▲ Aged 53 ▼ Male ▲ Malaysian

Assistant General Manager

Tashin Steel Sdn. Bhd.

Tashin Hardware Sdn. Bhd.

Mr. Tang Meng Kean ("Mr. Tang") is responsible for the sales and marketing activities in the trade of finished steel products of the Company and its subsidiaries ("**the Group**"). Mr. Tang started his career in 1993 and has total 26 years of sales management experiences.

Mr. Tang joined Tashin Steel Sdn. Bhd. in 1999 as Sales Executive, responsible for the sales of general hardware, steel products and building materials. He was promoted to Assistant Sales Manager in 2001 and Business Development Manager in 2006 where he was responsible for the sales of all the Group's products.

Mr. Tang was promoted as Senior Sales Manager in 2016, he assisted the management to expand sales, product mixes, and adjust selling price by monitoring supply, demand and market trends changes. Mr. Tang was first appointed as key senior management on 1 January 2023 as Assistant General Manager (Head of Sales and Marketing Department for Tashin Hardware Sdn. Bhd.).

Other Information

- (i) **Directorship in other Public Companies and Public Listed Companies**
None of the Key Senior Management sits on the Board of other public companies and public listed companies.
- (ii) **Family Relationship with any Director and/or Major Shareholder**
None of the Key Senior Management has any family relationship with any Director and/or major shareholder of the Company.
- (iii) **Conflict of Interests**
None of the Key Senior Management has any conflict of interests with the Company.
- (iv) **Offences and Public Sanctions or Penalties Imposed by Regulatory Bodies**
None of the Key Senior Management has committed any offence within the past five (5) years other than traffic offences, if any during the financial year ended 31 December 2025, as well as any public sanction or penalty imposed by the relevant regulatory bodies.

SUSTAINABILITY STATEMENT

ABOUT THIS REPORT

Tashin Holdings Berhad ("**Tashin**" or the "**Company**") and its subsidiaries (the "**Group**") recognise sustainability as a critical driver of the Group's long-term value creation and success, and accordingly embed sustainability as a core element of its business model. This includes embedding sustainability considerations into our decision-making processes, operational strategies, and stakeholder engagements.

This Sustainability Statement for FY2025 ("**Statement**" or "**SS FY2025**") highlights the Company's ongoing approaches and commitment to integrating sustainability into our business operations and delivering long-term value to our stakeholders. This Statement also reports the progress of the Group's sustainability strategies, management, targets and performance in addressing key sustainability matters that are critical to the business operations and stakeholders.

This Statement has been prepared in accordance with the ACE Market Listing Requirements ("**AMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and has considered the Sustainability Reporting Guide – 3rd Edition and its accompanying Toolkits. Other frameworks and guidelines referenced in the preparation of this Statement include the Global Reporting Initiative ("**GRI**") and Malaysian Code on Corporate Governance ("**MCCG**") 2021.

This Statement has been approved by the Board of Directors (the "**Board**") of Tashin on 7 April 2026 and is available on our corporate website at www.tashin.com.my. The Board, as Tashin's highest decision-making authority, acknowledges its responsibility for this statement of use.

SUSTAINABILITY STATEMENT

About This Report (Cont'd)

Our Business

Tashin operates primarily as an investment holding company, with subsidiaries mainly involved in steel-related manufacturing and trading activities.

The Group's steel processing operations produce slit coils and steel sheets, while its steel manufacturing products comprise steel pipes, flat bars, square bars, expanded metals, checkered plates and C-purlins. Tashin's steel products serve a broad customer base and are utilised across multiple industries, including automotive, furniture, electronics and electrical, construction and engineering fabrication.

The Group holds memberships in the following industry associations, which support its implementation of sustainability best practices and foster sustainability awareness across its value chain:

- Malaysian Iron and Steel Industry Federation (MISIF)
- Malaysia Steel and Metal Distributors' Association (MSMDA)
- Federation of Malaysian Manufacturers (FMM)
- Malaysian Employers Federation (MEF)
- Penang Hardware and Machinery Merchants Association

Reporting Period and Cycle

The reporting period of this Statement is from 1 January 2025 to 31 December 2025 ("FY2025"), unless otherwise stated. Where relevant, this Statement includes historical statistical data to highlight key trends and support readers' understanding of Tashin Group's comparative performance. This Statement is prepared on an annual reporting cycle.

Reporting Scope and Boundary

Tashin Group continues to report its sustainability data and performance in this Statement, covering all business segments within the Group as detailed below, unless otherwise stated:

Entity	Principal Activities
Tashin Holdings Berhad	Investment Holdings
Tashin Steel Sdn. Bhd.	Manufacturing and selling of steel products
Tashin Hardware Sdn. Bhd.	Manufacturing and trading of steel material and general hardware products

This Statement outlines how the Group manages its sustainability matters at the Group level, including key outcomes, highlights, performance during the financial year, challenges encountered, and the Group's forward-looking plans to address these challenges.

The scope, content and quality of this report are aligned with the prioritisation of material topics deemed significant to the Group. Tashin recognises the potential Economic, Environmental, Social and Governance ("EESG") impacts arising from its business value chain and is committed to progressively extending its sustainability best practices to internal and, subsequently, external stakeholders.

For additional context, the audited Group consolidated financial statements provide the full list of entities within the Group, while the Group Sustainability Statement presents comprehensive sustainability disclosures. Readers are encouraged to read this Statement in conjunction with Tashin's Annual Report 2025 to gain a holistic understanding of the Group's business outlook and the role of sustainability in driving long-term value creation.

Exclusions, Limitations and Disclaimers

The Group recognises that sustainability impacts may arise across its value chain. Currently, the impacts associated with outsourced activities are not included within the scope of this Statement and will be considered for inclusion in future disclosures.

Tashin remains committed to embedding sustainability practices across all its subsidiaries and extending its sustainability commitments to business partners, suppliers and contractors. The Company is also progressively enhancing its sustainability data collection process to address any gaps in sustainability reporting across its operations.

Forward-Looking Statements

This Statement contains forward-looking statements relating to Tashin's future strategies, targets, operations and performance, which are based on current business directions and projections. As with any business, Tashin is subject to risks, uncertainties and unforeseen events beyond its control. Accordingly, readers are advised not to place undue reliance on these forward-looking statements, as actual results may differ.

SUSTAINABILITY STATEMENT

About This Report (Cont'd)

Assurance

This Statement has not been subjected to internal review by the internal audit function, nor has external assurance been obtained. However, the Group has performed internal verification through its internal assurance team, involving the relevant business unit's department head and senior management to ensure accuracy of the data and information presented in this Statement.

Contact Us

The Group values feedback from our internal and external stakeholders. Any enquiries, comments or feedback regarding our sustainability initiatives or reporting can be directed to us via the following contact details:

Mr. KC Foong

Chief Financial Officer

Tel: +604-509 0888 (Head Office)

Email: enquiries@tashin.com.my

Address: Plot 40, Lorong Perusahaan Maju 7, Kawasan Perusahaan 4, 13600 Perai, Pulau Pinang

SUSTAINABILITY STATEMENT

CHAIRPERSON'S MESSAGE

“ Dear Valued Shareholders and Stakeholders,

The global and domestic business environment continues to evolve amid ongoing economic, regulatory and geopolitical uncertainties, which are expected to persist into FY2026. In navigating these challenges, Tashin Group remains steadfast in embedding sustainability into the Group's overall strategy, while closely monitoring external developments that may impact the competitiveness and long-term resilience of the steel industry.

Throughout FY2025, we continue to adapt to an increasingly complex sustainability and regulatory landscape. While responding strategically to economic and geopolitical uncertainties, the Group remained focused on advancing its sustainability objectives. Central to this effort is our commitment to ensuring that our operations create positive and lasting impact on the communities and environments in which we operate.

”

Strengthening Our Sustainability Commitment

Tashin is committed to going beyond regulatory compliance in its sustainability journey. In FY2025, the Group exceeded the requirements of Bursa Securities' ACE Market Listing Requirements for the Sustainability Statement, supported by collaboration with an external consultant.

Building on this strong foundation, we are continuously enhancing our sustainability governance, data collection processes and stakeholder engagement to support the meaningful adoption of sustainable practices across the Group. Notably, Tashin has progressed ahead of Bursa Securities' stipulated timeline for ACE Market companies in meeting sustainability reporting standards. The SS FY2025 reflects the Group's structured approach to governing sustainability objectives and managing the risks and opportunities associated with our identified material sustainability topics.

Both the Board and Management remain aligned in addressing operational challenges while committing to creating a sustainable future for the business, our stakeholders and the communities we serve.

Environmental Stewardship and Climate Readiness

The Group continues to prioritise environmental responsibility through practical and measurable initiatives. To reduce energy consumption and promote energy efficiency, the Group has implemented various energy-saving measures, including the installation of solar panel systems across its manufacturing facilities. In parallel, we have adopted the principles of Reduce, Reuse and Recycle (“3R”) across our operations to enhance resource efficiency and minimise waste.

As climate-related risks become increasingly material and as part of its readiness to comply with upcoming International Financial Reporting Standards (“IFRS”) S2 Climate-related Disclosures, beginning in FY2027, Tashin Group plans to progressively identify and assess the potential impacts of climate-related risks and opportunities, including those arising from extreme weather events such as heatwaves and heavy rainfall. This enables timely mitigation measures to be taken to safeguard business continuity.

In addition, the Group has adopted a proactive approach to estimating and reporting greenhouse gas emissions across Scope 1 and Scope 2. Through the identification and assessment of climate-related risks and opportunities, and by enhancing its emissions measurement and reporting practices, Tashin aims to better understand its environmental footprint and prepare for compliance with IFRS S2.

SUSTAINABILITY STATEMENT

Chairperson's Message (Cont'd)

Responsible Supply Chain and Social Commitment

Responsible sourcing remains a key pillar of Tashin's sustainability approach. The Group conducts supplier assessments from pre-qualification to annual performance reviews to ensure compliance with product quality standards and applicable laws and regulations. In FY2025, the Group increased its engagement with local suppliers, which comprised 73% of the supplier base (up from 47% in the previous year). Correspondingly, the proportion of procurement spending on local suppliers rose to 61% (from 56% in the previous year). These efforts demonstrate the Group's commitment to supporting local industries and contributing to the wider economy through the creation of business opportunities.

As employees are central to the Group's success, Tashin places high importance on employee well-being and benefits, recognising that attracting, motivating and retaining talent is critical to our business operations. The Group's wage structure is designed to reflect role requirements and individual qualifications, skills and experience, ensuring fair and market-competitive remuneration. In addition to statutory entitlements, we provide a range of benefits to support employee well-being and work-life balance.

Reinforcing Governance Excellence

Strong governance underpins the Group's sustainability journey. As environmental and social compliance is a material topic for the Group, Tashin continues to prioritise robust compliance standards across all aspects of its operations. This commitment reinforces the integrity, resilience and sustainability of our business.

The Board remains actively engaged in overseeing sustainability-related risks and opportunities, ensuring that EESG considerations are embedded into decision-making processes and aligned with the Group's long-term strategic objectives.

Looking Ahead

As we move forward, Tashin remains committed to embracing sustainability across our businesses, processes and performance. In FY2025, the Group has established the following key performance indicators ("KPIs") and targets to track the performance of its material sustainability matters ("MSMs"). These targets reflect the Group's commitment to managing the sustainability performance of its MSMs. The Group will continue to establish additional KPIs and targets as appropriate in the future.

FY2025 Targets and Performance

The Group has achieved the targets set for FY2025 and remains committed to sustaining this performance in the years ahead.

Material Sustainability Matters	Indicators	FY2025 Targets	FY2025 Actual Performance
Product and Responsibility	Customer satisfaction score	More than 85%	86.83%
Raw Material and Feedstock Supply	Proportion of spending on local suppliers	More than 60%	60.91%
Corporate Governance and Anti-Corruption	Number of confirmed incidents of corruption and action taken	Zero (0) incidents	Zero (0) incidents
Data Privacy	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Zero (0) complaints	Zero (0) complaints
Social Compliance – Talent Management and Development	Average training hours per employee	Average 20 training hours per employee	23.31 hours
Social Compliance – Diversity and Equal Opportunity	Percentage of total employees (for Executive level and above) by gender - Female	To achieve at least 30% female	31%

SUSTAINABILITY STATEMENT

Chairperson's Message (Cont'd)

Looking Ahead (Cont'd)

FY2025 Targets and Performance (Cont'd)

The Group has achieved the targets set for FY2025 and remains committed to sustaining this performance in the years ahead.

Material Sustainability Matters	Indicators	FY2025 Targets	FY2025 Actual Performance
Occupational Health and Safety	Number of work-related fatalities	Zero (0) work-related fatalities	Zero (0) work-related fatalities
Labour and Human Rights	Number of substantiated complaints concerning human rights violations	Zero (0) complaints	Zero (0) complaints

FY2028 Targets

Material Sustainability Matters	Indicators	FY2028 Targets
Corporate Governance and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category - Senior Management	100% of Senior Management received training on anti-corruption
Environmental Compliance – Climate Change and Emissions	% of reduction in Scope 1 and Scope 2 emissions	10% reduction in Scope 1 and Scope 2 carbon emissions (from FY2024 baseline)
Social Compliance – Hiring and Retention	Full-time staff voluntary turnover rate	Less than 11%
Social Compliance – Diversity and Equal Opportunity	Percentage of directors by gender group - Female	At least 30% female Directors on the Board
Occupational Health and Safety	Lost time incident rate (“LTIR”)	Less than 2.5
	% of employees trained in health and safety standards	More than 85% of employees trained in health and safety standards

Tashin will continue to identify opportunities to integrate sustainable practices into its operations, aligning sustainability initiatives with business performance. The successful adoption of sustainability practices will enhance the Group's resilience, mitigate future sustainability-related risks, safeguard long-term value and assets, and support the delivery of sustainable financial returns.

Dato' Kalsom binti Abd. Rahman
Independent Non-Executive Chairperson

SUSTAINABILITY STATEMENT

TASHIN'S SUSTAINABILITY FRAMEWORK

As part of Tashin's commitment to implement sustainable practices, the Group has established a Sustainability Policy and Framework which highlights Tashin's recognition of its responsibility to operate ethically and responsibly while creating shared value, safeguarding the environment, contributing to society and achieving its business objectives within the steel sector. The Sustainability Policy and Framework contain a structured approach to defining the Group's mission, commitments and strategic enablers, and priorities across the EESG pillars.

The Group actively promotes sustainability by embedding policies across its operations to manage and minimise the environmental and community impacts associated with its manufacturing activities. The Group is also committed to complying with all applicable laws across its operations and mitigating risks and impacts through the implementation of robust systems, processes and resources to ensure the effective delivery of its commitments.

SUSTAINABILITY STATEMENT

Tashin's Sustainability Framework (Cont'd)



Sustainability Policy and Framework

Mission

To provide excellent quality products at competitive prices

Commitment

To support our mission, the Company is firmly committed towards ensuring continued growth through our ability to attain and retain customers by way of offering product excellence, with reliable quality and at competitive pricing.

Strategic Enablers

Stakeholder Communications and Engagement

Collaborative effort between the Company, relevant stakeholders and the local community

Performance Driven KPIs and Targets

Improve performance, compliance, and business achievements via data-supported performance goals and targets.

Organisation Culture

Encourage a sense of responsibility and sustainability throughout every aspect of our business operations

Tashin's priorities and key commitments across EESG pillars are detailed below:

	ECONOMIC	ENVIRONMENTAL	SOCIAL	GOVERNANCE
Priorities	Ensure responsible management of assets and capitals	Reduce carbon footprint	Inculcate inclusivity, safe workplace and improve society well-being	Adherence to the highest standard of integrity and ethical business conduct
Key Commitments	i. Incorporate sustainability considerations in Tashin's investment decisions. ii. Develop framework that links quality, competitive advantage, and organisational performance.	i. Adoption of sustainable technology solutions and renewable energy. ii. Reduction of unit energy consumption and effective management of waste and effluents.	i. Create positive social impacts to the community where we operate and provide a safe and healthy workplace for our workforce.	i. Undertake comprehensive risk assessment to eliminate corrupt practices. ii. Full adherence on Human and Labour Rights policies.
Drivers	<ul style="list-style-type: none"> Process enhancement and transformation Customer feedback 	<ul style="list-style-type: none"> Best practices, data tracking and industry benchmarking on energy usage and effluent management Appropriate measurement of resource usage 	<ul style="list-style-type: none"> Enhance standards of Occupational Health and Safety ("OHS") rules and guidelines Impactful and meaningful Corporate Social Responsibility ("CSR") initiatives within communities 	<ul style="list-style-type: none"> Good track record of operations with governing authorities Compliance with existing environmental regulations

At the core of these priorities are Tashin's commitments to uphold good governance through ethical business practices, sound policies, and effective stewardship. The sustainable transformation journey is considered a critical driver of Tashin's future growth, with EESG principles playing an increasingly important role in shaping its strategies and initiatives. By continuing to integrate these principles across its operations and value chain, Tashin aims to build on the progress it has made, advance its sustainability agenda, and create long-term value for both the Company and its stakeholders.

SUSTAINABILITY STATEMENT

GOVERNANCE FOR SUSTAINABILITY

The Group's sustainability governance structure is set out in the diagram below, with the Board serving as the highest governance body responsible for providing overall direction for the Group's sustainability approaches and initiatives.



The Board continues to embed sustainability within its governance framework to support the effective management of the Group's material sustainability matters. The Board holds ultimate responsibility in overseeing and determining the overall scope of sustainability priorities, which are incorporated into the Company's strategic direction, operational processes, and key performance targets. These decisions are communicated to Tashin's Senior Management for implementation throughout the Company's daily operations.

The Group has established the Board Sustainability Committee ("**SC**") to support the Board in fulfilling its oversight responsibilities in relation to the Company's sustainability strategy and initiatives covering EESG aspects as well as embedding sustainability practices into the business operations. The establishment of a dedicated SC is consistent with Bursa Securities recommended best practices and enhances Board-level oversight of sustainability matters. This governance framework enables more comprehensive evaluation of sustainability risks and impacts, including climate-related and labour matters. Enhanced Board involvement further drives sustainability adoption across the Company and strengthens sustainability data collection, reporting, and engagement with regulators and sustainability rating agencies.

The SC meet at least twice a year and is chaired by an Independent Non-Executive Director. The SC is entrusted with multiple responsibilities, which include the following, amongst others:

- Oversee the formulation and recommendation of the sustainability strategies, priorities, targets and policies for the Board's approval;

- Provide oversight on the implementation of the sustainability strategy and related matters;
- Advise the Board on sustainability trends, developments and updates, as well as on sustainability risks along with recommended mitigation measures. This includes progressively integrating sustainability risk into the existing risk management framework and risk register;
- Ensure that adequate resources and systems are in place for sustainability management and ensure that the identified risks are managed in an effective and efficient manner; and
- Review the Company's progress on sustainability on a bi-annual basis and ensure that efforts are aligned with the Company's long-term business strategies.

The SC has set up a dedicated sub-committee, i.e. Sustainability Working Group ("**SWG**"), to assist the SC in fulfilling its responsibilities effectively. The SWG comprises representatives from various departments, including Human Resources, Production, Finance and Procurement. The SWG plays a critical role in coordinating, implementing, monitoring and reporting the progress of the sustainability strategies and initiatives within the EESG pillars to the SC.

The sustainability governance is reviewed and refined, when necessary, to ensure its effectiveness in meeting the Group's objectives. The performance of the Board and Senior Management is evaluated across multiple dimensions, including their oversight and management of sustainability matters. Board members also participate in relevant sustainability-related training to remain informed of key issues, developments, and emerging trends that may impact the business.

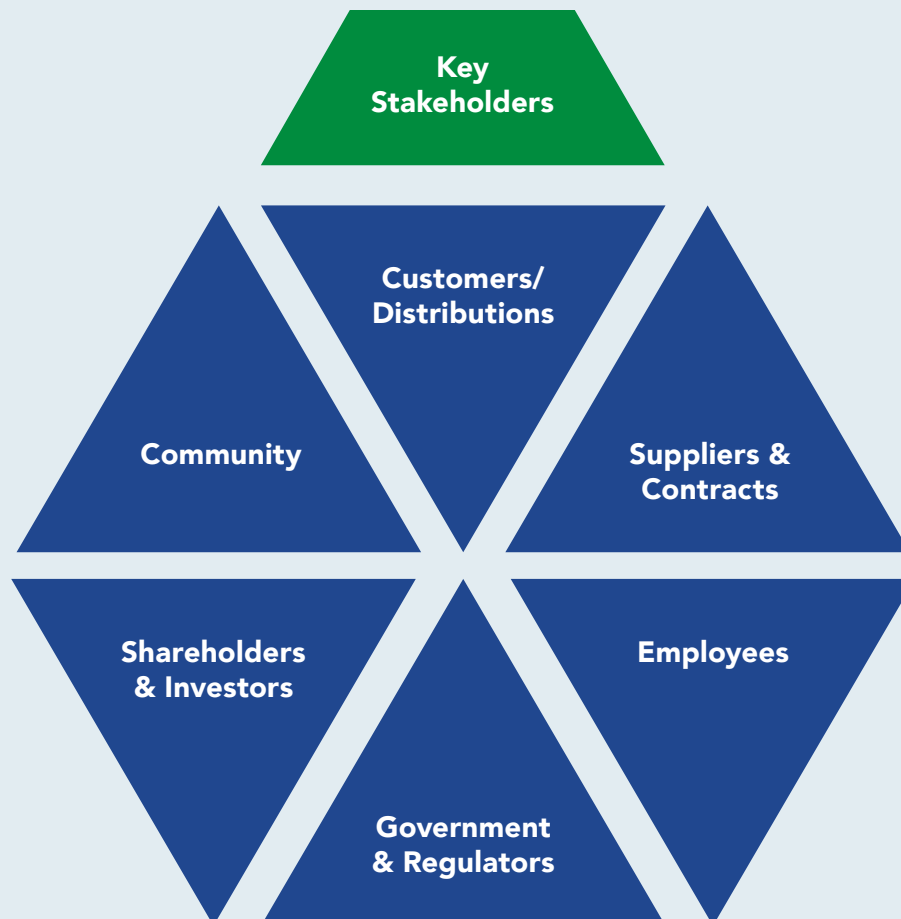
SUSTAINABILITY STATEMENT

STAKEHOLDER ENGAGEMENT

Tashin recognises that ongoing and effective engagement with stakeholders is essential to supporting long-term value creation and the successful execution of its sustainability strategy. These ongoing stakeholder engagements not only help us align our business practices with stakeholder expectations but also enhance our capacity to adapt to evolving market and regulatory demands.

The engagement outcomes are systematically addressed through assigning material issues to relevant departments, identifying gaps within operations, developing appropriate strategies and action plans, establishing stakeholder engagement plans, defining performance indicators, and reporting progress to the relevant reporting committees.

The Group engages with a wide range of stakeholders, including parties that affect business operations and those that influence the Group's activities and decisions, as shown below:



To better understand the views and expectations of its diverse stakeholders in relation to material sustainability matters and business operations, the Group has established multiple stakeholder engagement channels, including meetings, site visits and surveys. Insights gained from these engagements inform the identification of key sustainability issues and support continuous improvement to its sustainability strategies, initiatives and reporting.

SUSTAINABILITY STATEMENT

Stakeholder Engagement (Cont'd)

Our engagement approaches for each of our key stakeholder groups, including the frequency of engagements and their primary areas of interest, are summarised in the table below:

Focus Areas	Key Engagement Approaches and/or Channels	Frequency of Engagement	Engagement Outcomes and Solutions
Customers/ Distributors			
<ul style="list-style-type: none"> Quality of products and meeting customer expectations Protection of data and information Management of unethical behaviour such as bribery and fraud Health and safety at the workplace Prevention of anti-competitive practices 	Customer satisfaction survey	Annually	<ul style="list-style-type: none"> Quality of products meeting customer expectations Managed customer data security and privacy All actions and transactions carried out in accordance with laws Management of unethical behaviour such as bribery and fraud
	Customer audits across the year	Regularly	
	Meetings	Regularly	
Suppliers and Contractors			
<ul style="list-style-type: none"> Compliance with contractual terms, laws and regulations Protection of data and information OHS procedures in place 	Meetings	Regularly	<ul style="list-style-type: none"> Managed OHS Managed data security and privacy All actions and transactions carried out in accordance with laws
	Site visits	Regularly	
Employees			
<ul style="list-style-type: none"> Health and safety at the workplace Human rights Quality of products and meeting customer expectations Management of unethical behaviour such as bribery and fraud Efficient steel manufacturing processes 	Performance evaluation	Annually	<ul style="list-style-type: none"> Established policies and procedures to uphold good governance practices across the Group Incorporated process improvement initiatives
	Employee engagement	Regularly	
	Company intranet, mobile platform, email and memos	Available at all times	
	Learning and development programmes	Regularly	
Government and Regulators			
<ul style="list-style-type: none"> Health and safety at the workplace Human rights Management of unethical behaviour such as bribery and fraud Compliance with environmental laws 	Dialogues and meetings	Regularly	<ul style="list-style-type: none"> Established policies and procedures on OHS, anti-corruption, human rights and whistleblowing Manufacturing activities are certified with the ISO management system
	Government/ regulatory events/ visitation	Regularly	
Shareholders and Investors			
<ul style="list-style-type: none"> Future growth prospects Return on investments Corporate sustainability Corporate exercises Dividends 	Annual General Meeting	Annually	<ul style="list-style-type: none"> Concerns and detailed explanations provided by Management and the Board
	Bursa Securities Announcement	At least once every quarter	
	Analyst briefings	As and when needed	
Community			
<ul style="list-style-type: none"> Management of environmental and social impacts derived from operations Local hiring practices Health and safety at the workplace Management of community relations 	CSR events	Regularly	<ul style="list-style-type: none"> Encouraged and employed local employees across operations Managed environmental impacts Managed OHS risks Organised community development programmes

SUSTAINABILITY STATEMENT

MATERIAL SUSTAINABILITY MATTERS

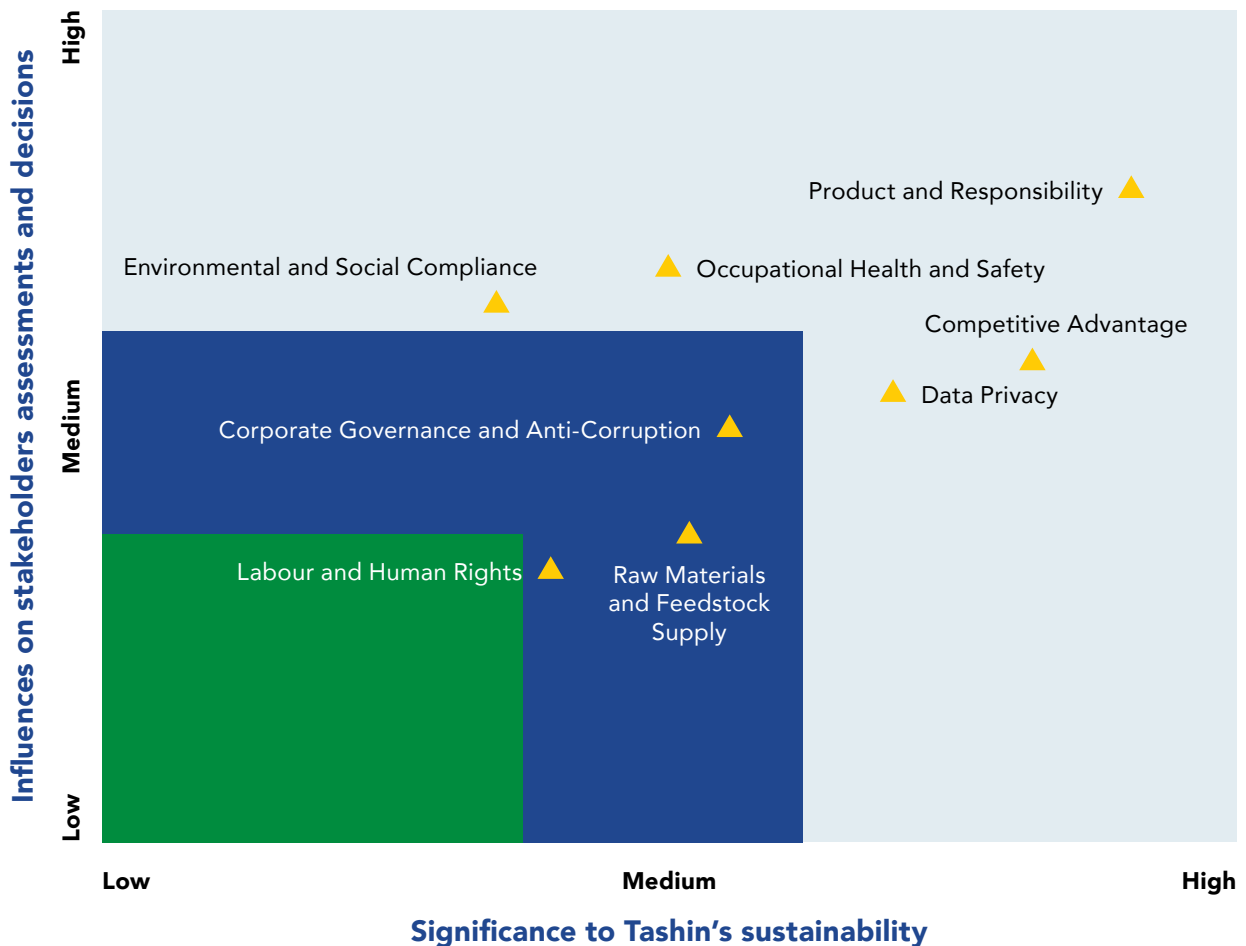
During the year, the Group conducted a general review of its materiality assessment to ensure that its MSMs remain current and aligned with the Group’s sustainability strategy and stakeholder priorities. The assessment process involved active participation from Senior Management and relevant personnel with in-depth knowledge of the Group’s business and an understanding of stakeholder concerns and expectations. The outcomes of the assessment were subsequently presented to the Board for review and approval.

The Group’s materiality assessment process has been carried out considering the AMLR’s’ definition of MSMs. The Group’s MSMs are considered material if they:

- reflect the Group’s significant sustainability impacts; and
- influence the assessments and decisions of stakeholders.

Following consideration of feedback from Senior Management and relevant personnel, the materiality assessment review concluded that the Group’s materiality matrix for FY2025 remains unchanged from the previous year, as it continues to accurately reflect the Group’s most significant sustainability matters and remains aligned with business priorities and stakeholder expectations.

The outcome of the Company’s materiality assessment review guides the disclosures and content of Tashin’s Sustainability Statement. The Group’s materiality matrix for FY2025 is presented as follows:



SUSTAINABILITY STATEMENT

Material Sustainability Matters (Cont'd)

The description and categorisation of the MSMs across EESG pillars are as follows:

Sustainability Pillars	Material Sustainability Matters	Description
Economic	Product and Responsibility	Tashin aims to maintain and enhance product quality to meet the evolving customer needs and expectations.
	Competitive Advantage	Competitive advantage further reinforces the requirement to maintain existing efforts on improving costs and operational efficiencies.
	Raw Materials and Feedback Supply	Tashin aims to re-align its resources to further ensure efficient, fast and cost-effective supply.
Environmental	Environmental and Social Compliance	Tashin continuously ensure a high level of compliance across all operational areas with potential negative environmental impacts.
Social	Occupational Health and Safety	The Group continues to place strong emphasis on workplace safety and is committed to ongoing improvements in this area.
	Labour and Human Rights	Stakeholders increasingly expect organisations to strengthen labour practices across their operations and supply chains. Tashin will continue to work closely with its subsidiaries and suppliers to address identified gaps and enhance labour-related data collection. These efforts are aimed at promoting responsible labour practices, preventing labour-related issues, and minimising the Company's exposure to supply chain risks.
Governance	Data Privacy	Data privacy is a critical priority at the Group, ensuring the protection of sensitive information and maintaining trust in the Group's reputation through data integrity practices. Tashin continues to safeguard operational, personal, and stakeholder data by maintaining up-to-date cybersecurity measures.
	Corporate Governance and Anti-Corruption	Stakeholders increasingly expect companies to operate responsibly. Tashin is determined to pursue a zero-tolerance and non-compromise approach to corruption, also extending it to the supply chain by developing the Supplier's Code of Conduct and Anti-Corruption policies.

SUSTAINABILITY STATEMENT



ECONOMIC

SUSTAINABILITY STATEMENT

Economic (Cont'd)

Product and Responsibility

Product Quality

Tashin Group is committed to manufacturing high-quality products that meet customer requirements. This commitment is supported by a robust internal quality management system guided by the Quality Manual and Standard Operating Procedures (“**SOP**”). Our manufacturing facilities are also ISO 9001:2015 Quality Management System (“**QMS**”) certified, which demonstrates the Group’s commitment to consistently adhering to and fulfilling all QMS requirements and procedures.

The performance of the QMS is overseen by top management and monitored through management reviews. The Group also carries out regular internal audits to evaluate the effectiveness and integrity of its quality processes. No major non-conformances were reported during the financial year, and the Group continued to maintain its QMS certifications.

The Group has implemented various approaches and initiatives to protect and maintain the quality of our products, including:

- established processes to safeguard the quality of supplies procured;
- implemented quality assurance process for all products;
- conducted regular quality inspections;
- conducted regular maintenance of machinery and equipment; and
- provided training to employees on Quality Manual and SOP.

Customer Satisfaction

We are committed to achieving continuous quality excellence across our value chain, recognising that quality remains fundamental to the Company’s reputation and its value proposition as a trusted partner to customers. In line with ISO 9001:2015 requirements, the Group conducts annual customer satisfaction surveys to gather feedback, helping the Company better understand customer needs and improve its processes, products and services.

In addition, Tashin establishes dedicated channels for customers to submit complaints and feedback as part of its continual quality improvement efforts. Customers may lodge formal complaints via email or through messaging applications to their respective sales representatives.

In accordance with Tashin’s policy, all complaints are addressed and responded to within established timeframes. When complaints or inquiries are received, they are promptly referred to the designated person in charge, who is responsible for initiating investigations and implementing appropriate action plans. Throughout the resolution process, our sales personnel maintain ongoing communication with customers to keep them informed of the progress of remedial actions and improvements.

During the financial year under review, Tashin achieved an overall customer satisfaction score of approximately 87%, reflecting strong customer satisfaction with its products and services. The survey findings are used to support continuous improvements in its manufacturing operations and service quality.

	FY2023	FY2024	FY2025
Customer satisfaction score (%)	84.88%	83.72%	86.83%
Customer complaints received	135	189	154
Customer complaints resolved	135	189	154

SUSTAINABILITY STATEMENT

Economic (Cont'd)

Competitive Advantage

A resilient and sustainable business model forms the foundation of Tashin's long-term value creation and competitive advantage. To maintain its market competitiveness, the Group continues to focus on optimising cost structures and enhancing operational efficiency. By continuously improving operational practices and utilising data insights, Tashin improves production efficiency, minimises operational downtime, and optimises resource utilisation. These initiatives not only reduce production costs but also enhance product quality and delivery reliability, reinforcing the Group's reputation as a trusted and cost-effective supplier.

Effective cost management remains central to sustaining profitability and long-term competitiveness. The Group actively identifies cost-saving opportunities across the value chain from raw material sourcing to energy management, while investing in sustainable technologies that reduce waste and energy consumption. This integrated approach of operational efficiency and environmental stewardship enables Tashin to lower operating costs, improve margins, and create lasting value for stakeholders, while supporting sustainable growth and community development.

Tashin also fosters a culture of continuous improvement across all manufacturing processes to drive operational excellence. Through regular process reviews, performance monitoring, and employee training, production workflows are streamlined to eliminate bottlenecks and enhance productivity. This proactive approach ensures resources are used efficiently, strengthens the Group's ability to meet market demand, and further reinforces its competitive position.

Raw Materials and Feedstock Supply

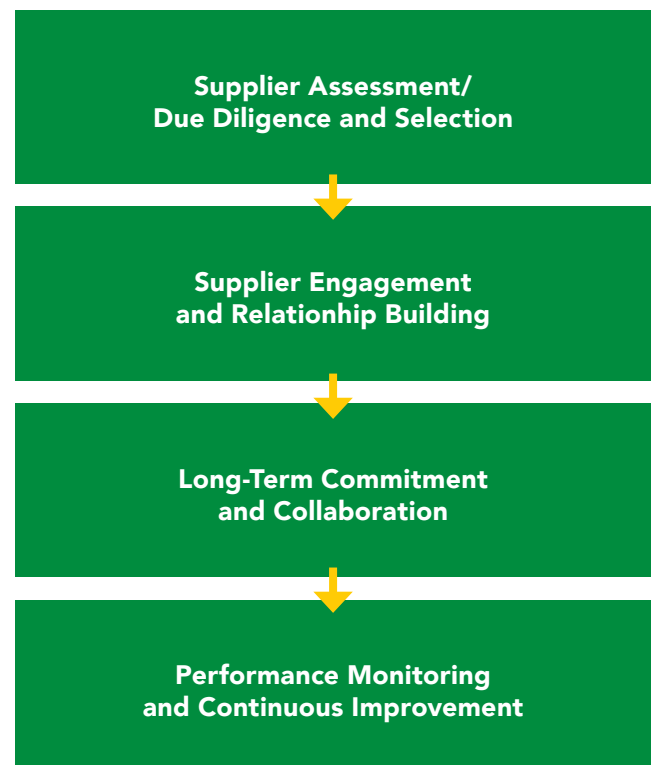
Supply Chain Management

The Group maintains a reliable and resilient supply chain to support its business operations, recognising the importance of both material and service providers in delivering consistent quality outcomes. Through a structured supply chain management process, the Group identifies key suppliers and service providers and monitors their performance against defined criteria, including pricing, quality, delivery timelines, and reliability. To reduce operational risk, the Group sources from multiple suppliers to avoid dependence on a single provider.

Tashin continually strengthens its purchasing and procurement policies for sourcing from external providers. Transparency is required throughout the entire process, from pre-qualification to award and post-project review. The Procurement Department evaluates prospective suppliers based on financial standing, track record, compliance history, tax obligations, and legal requirements. The Group also engages a broad and diverse vendor base to ensure a competitive, transparent, and cost-effective procurement process.

In line with the Group's commitment to responsible sourcing, local contractors with established performance records and demonstrated contributions to the national economy are given due consideration, subject to compliance with the Occupational Safety and Health Act 1994 ("OSHA"), the Environmental Quality Act 1974, and other applicable occupational health, safety, and environmental laws and regulations.

To ensure the continued quality of products supplied to the Group, annual assessments and performance evaluations are conducted on key suppliers. Where a supplier fails to meet required performance standards, corrective actions and operational improvements are required, with follow-up reviews conducted as necessary. The following diagram outlines Tashin's supply chain management process:



SUSTAINABILITY STATEMENT

Economic (Cont'd)

Raw Materials and Feedstock Supply (Cont'd)

Local Procurement

By engaging a broad network of suppliers, the Group not only ensures the quality and continuity of its supply chain but also contributes to the wider economy through the creation of business opportunities and support for local industries, where feasible. In its procurement practices, the Group considers the benefits of local sourcing, including support for the local economy, shorter turnaround times, lower indirect emissions due to reduced transportation distances, and enhanced risk management. At the same time, the Group adopts a balanced approach by considering product availability, cost efficiency, quality standards, and supply chain risk diversification.

The Group's current supplier base comprises of 73% local vendors. Certain specialised raw materials are sourced from overseas due to limited domestic availability that meets the quality requirements. In FY2025, the proportion of local procurement spending has increased to 61% as compared to 56% in the previous year, indicating improved engagement with local suppliers and higher allocation of procurement value to local sourcing.

The table below outlines the Group's procurement data for the last three (3) financial years.



	FY2023	FY2024	FY2025
Total procurement spending (RM'000)	315,051	350,528	286,499
Total local procurement spending (RM'000)	188,677	194,743	174,514
Total foreign procurement spending (RM'000)	126,375	155,784	111,985
Proportion of spending on local suppliers (%)	59.89%	55.56%	60.91%
Percentage of local suppliers (%)	65.38%	47.22%	73.17%

SUSTAINABILITY
STATEMENT



GOVERNANCE

SUSTAINABILITY STATEMENT

Governance (Cont'd)

Corporate Governance and Anti-Corruption

The Group is committed to maintaining high standards of corporate governance across its operations, with a strong emphasis on integrity, transparency, and professionalism in the discharge of its responsibilities. This approach is intended to safeguard the Group’s assets and uphold the integrity of Tashin’s business.

The Board remains committed to continuously reviewing and enhancing the Group’s corporate governance framework to ensure that adopted practices are appropriate and aligned with the Group’s needs. The Group’s corporate governance practices align with the relevant requirements of the AMLR and are guided by the MCCG 2021.

The Group has put in place the following corporate governance frameworks, policies, and guidelines to guide its operations, uphold accountability, and reinforce adherence to best practices.

Board Charter	Audit Committee Terms of Reference	Risk Management Committee Terms of Reference	Remuneration Committee Terms of Reference
Sustainability Committee Terms of Reference	Nomination Committee Terms of Reference	Whistleblowing Policy	Sustainability Policy
Remuneration Policy	Code of Conduct and Ethics	Quality Policy	Directors’ Fit and Proper Policy
Anti-Bribery and Anti-Corruption Policy			



SUSTAINABILITY STATEMENT

Governance (Cont'd)

Corporate Governance and Anti-Corruption (Cont'd)

Board Composition and Diversity

As of FY2025, Tashin's Board comprises eleven (11) Directors, five (5) of whom are Independent Non-Executive Directors ("INEDs"), with the Chairperson serving as an Independent Non-Executive as listed below:

No.	Name	Designation
1.	Dato' Kalsom binti Abd. Rahman (Madam)	Independent Non-Executive Chairperson
2.	Dato' Toh Yew Peng	Non-Independent Non-Executive Director
3.	Sim Puei Chun	Senior Independent Non-Executive Director
4.	Rusdy bin Ishak	Independent Non-Executive Director
5.	Ir. Tan Tiong Ben	Independent Non-Executive Director
6.	Khaw Chooi Kee (Madam)	Independent Non-Executive Director
7.	Toh Yew Seng	Non-Independent Non-Executive Director
8.	Koay Kah Ee	Non-Independent Non-Executive Director
9.	Lim Choon Teik	Managing Director
10.	Foong Kok Chuin	Executive Director/Chief Financial Officer
11.	Teh Jian Yang	Executive Director

The Board is supported by various Board Committees and Management in strengthening the sustainability and corporate governance practices across the Group. The composition of the Board Committees is detailed below:

Board Committee	Composition
Audit Committee	Three (3) members of Board, all of whom are INEDs
Risk Management Committee	Three (3) members of Board, all of whom are INEDs
Sustainability Committee	Three (3) members of Board, all of whom are INEDs
Nomination Committee	Three (3) members of Board, all of whom are INEDs
Remuneration Committee	Three (3) members of Board, all of whom are INEDs

The Company recognises that a strong and diverse Board is essential to effective leadership and informed decision-making. Accordingly, the Board is composed of members with diverse expertise, professional experience, and perspectives that collectively enhance strategic oversight and governance.

In line with the Company's commitment to promoting diversity and inclusion, gender representation has been identified as a key priority. As of FY2025, women account for 18% of the Board. The Board affirms its commitment to increasing female representation at both Board and Senior Management levels. Opportunities to appoint women will be actively considered when vacancies arise, and suitable candidates are identified, reflecting the Company's broader commitment to inclusive leadership and alignment with corporate governance and sustainability principles.

SUSTAINABILITY STATEMENT

Governance (Cont'd)

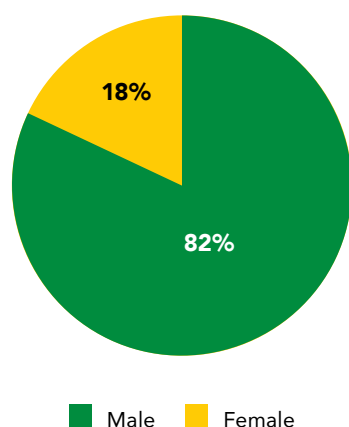
Corporate Governance and Anti-Corruption (Cont'd)

Board Composition and Diversity (Cont'd)

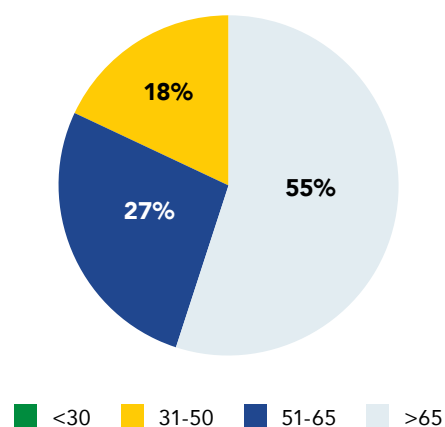
The Group's Board diversity composition as at 31 December 2025 is presented below:

Board Composition	FY2023	FY2024	FY2025
By Gender – Number (%)			
Male	8 (80%)	8 (80%)	9 (82%)
Female	2 (20%)	2 (20%)	2 (18%)
By Age – Number (%)			
Aged 30 and below	0 (0%)	0 (0%)	0 (0%)
Aged 31-50	1 (10%)	1 (10%)	2 (18%)
Aged 51-65	4 (40%)	4 (40%)	3 (27%)
Above aged 65	5 (50%)	5 (50%)	6 (55%)
By Nationality – Number (%)			
Malaysian	10 (100%)	10 (100%)	11 (100%)
Foreigner	0 (0%)	0 (0%)	0 (0%)
By Ethnicity – Number (%)			
Malay	2 (20%)	2 (20%)	2 (18%)
Chinese	8 (80%)	8 (80%)	9 (82%)
Indian	0 (0%)	0 (0%)	0 (0%)
Others	0 (0%)	0 (0%)	0 (0%)
By Disability – Number (%)			
Disabled	0 (0%)	0 (0%)	0 (0%)
Non-Disabled	10 (100%)	10 (100%)	11 (100%)

Board Composition by Gender as of FY2025



Board Composition by Age as of FY2025



SUSTAINABILITY STATEMENT

Governance (Cont'd)

Corporate Governance and Anti-Corruption (Cont'd)

Corporate Governance Practices

As of FY2025, the Audit Committee (“AC”) is chaired by an INED and comprises three (3) INEDs, excluding the Board Chairman. The Remuneration and Nomination Committees also consist entirely of INEDs.

Board remuneration is linked to performance and KPIs set for the Board, with proposals prepared by Management and submitted to the Board for review and approval. Currently, long-term incentives are not part of senior executives’ remuneration.

The Group ensures proper management of conflicts of interest (“COI”) and recurrent related party transactions, with all transactions conducted at arm’s length and fully disclosed. The AC oversees COI mitigation, and all Directors and Committee members declare any COI at each meeting.

In line with the MCCG 2021, the Company has implemented the following principles to promote good governance and protect stakeholders’ interests:

- Principle A** : Board Leadership and Effectiveness
- Principle B** : Effective Audit and Risk Management
- Principle C** : Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

The effectiveness of the Board and its Committees is assessed regularly through the Nomination Committee. A formal evaluation process is in place to review the performance and effectiveness of the Board as a whole. Annual assessments conducted by the Nomination Committee include:

- Performance evaluation of the Board and its Committees;
- Self-performance assessments of individual Directors;
- Audit Committee performance assessment questionnaires; and
- Assessment of INEDs’ independence.

The results of these evaluations are presented to both the Nomination Committee and the Board.

For further details on the Group’s corporate governance practices, please refer to the **Corporate Governance Overview Statement** section of the Annual Report FY2025. The terms of reference of the various Board Committees and corporate governance-related policies are available on the Company’s corporate website at www.tashin.com.my.

Anti-Bribery and Anti-Corruption

Tashin remains committed to a zero-corruption policy, prohibiting any form of bribery or corrupt activity within the Group and across its entire business value chain. The implementation of the Anti-Bribery & Anti-Corruption (“ABAC”) Policy reinforces the Group’s commitment to conduct business ethically and sets clear expectations for all employees, directors, and third parties acting on behalf of the Company to comply with all applicable laws and regulatory requirements, including the relevant provisions of the Malaysian Anti-Corruption Commission Act 2009.

Board oversight has further strengthened the Group’s commitment to anti-bribery and anti-corruption, ensuring the effective and sustainable implementation of an anti-bribery and anti-corruption programme across the Group. To ensure that employees fully understand the requirements and expectations of the Group’s ABAC Policy, all employees are required to read and acknowledge their commitment to comply with the policy by signing an acknowledgement form.

The Group has also communicated its ABAC Policy to all suppliers and third parties appointed to act on behalf of the Company, reinforcing the Group’s zero-tolerance stance on corruption. The Group’s ABAC Policy, which forms part of its Adequate Procedures to combat corruption, is publicly available on Tashin’s corporate website.

In addition, the Company conducts regular internal anti-corruption training for both new and existing employees to equip them with the knowledge and skills required to identify, prevent, and address potential bribery and corruption risks associated with their roles and responsibilities. Anti-corruption messages are also communicated regularly through various internal communication channels to ensure sustained awareness.

SUSTAINABILITY STATEMENT

Governance (Cont'd)

Corporate Governance and Anti-Corruption (Cont'd)

Anti-Bribery and Anti-Corruption (Cont'd)

As at 31 December 2025, approximately 26% of employees have received anti-bribery and anti-corruption training. The breakdown of training conducted during FY2025 by employee category is presented in the table below.

Percentage of employees who have received training on anti-corruption	FY2023	FY2024	FY2025
Senior Management	5.56%	11.11%	25.00%
Management	31.58%	15.79%	47.06%
Executive	57.14%	50%	48.28%
Non-Executive	1.79%	15.11%	20.98%
Total % of Employees	8.19%	17.83%	25.54%

During the financial year under review, no incidents relating to violations of the Group's anti-corruption policies were reported. The Group continues to enhance its training initiatives and will implement additional measures to increase the frequency and coverage of anti-bribery and anti-corruption programmes, with the aim of ensuring comprehensive awareness and compliance among all employees and Directors.

Code of Conducts and Ethics

The Group has established a Code of Conduct and Ethics (the "**Code**") that applies to all individuals and organisations working for or on behalf of the Company, regardless of location, role, or level of seniority. This includes permanent, temporary, and contract employees, Directors, consultants, agents, and any other third parties acting on behalf of the Tashin Group.

The Code sets out a comprehensive framework of principles, guidelines, and standards for ethical business conduct. It addresses, among others, conflicts of interest, corrupt or unethical practices, and clearly defines behaviours and practices that are unacceptable and must not be engaged in by any individual associated with the Company.

The guiding principles of the Code cover key areas, including:

1. Professional Conduct, Conflict of Interest and Corporate Opportunities
2. Company Information, Records and Assets
3. Workplace Culture, Occupational Safety and Environment

Each of the abovementioned individuals (each "**Party**") is responsible for understanding and complying with the Code in full. Where required, a Party may be required to undergo relevant training and provide a written affirmation confirming that he or she has read, understood, and will comply with the Code.

The Code forms an integral part of the terms and conditions of employment or engagement. Any breach of the Code or related Company policies will be treated seriously and may constitute misconduct. Such breaches may result in disciplinary action, up to and including termination of employment (for employees) or termination of the contractual relationship (for contractors, consultants, or other third parties).

Reports of non-compliance with the Code may be made to the Line Manager, Head of Department or the Managing Director. In FY2025, the Group recorded zero reported cases of non-compliance or unethical conduct. To promote transparency and accessibility, the Code is made available through the Company's corporate webpage at www.tashin.com.my.

Ethical and Responsible Supply Chain

Tashin is committed to eradicating corruption not only within its own organisation but across its entire supply chain. We aim to foster responsible sourcing practices that align with our sustainability objectives and uphold high standards of ethics and compliance.

We maintain strong and close collaborative relationships with our vendors, suppliers, contractors, and transporters to ensure that all procured materials and services comply with the relevant standards, laws, and regulations in relation to environmental, occupational health, safety and labour practices as well as the Group's Code of Conduct and Ethics.

SUSTAINABILITY STATEMENT

Governance (Cont'd)

Corporate Governance and Anti-Corruption (Cont'd)

Ethical and Responsible Supply Chain (Cont'd)

Recognising the importance of due diligence, Tashin evaluates customers, business partners, vendors, and employees to assess their adherence to legal requirements, quality benchmarks, bribery and corruption risks. These assessments provide a basis for informed decision-making on whether to enter into contractual arrangements or business relationships.

Tashin's procurement process also considers sustainability factors, including transportation emissions, prohibition of child and forced labour, prevention of excessive working hours, occupational health and safety, conducive workplace conditions, and the empowerment of local communities.

The Company maintains a firm stance on its ABAC Policy, and non-compliance is not tolerated. All parties are made aware of the Group's policies, and Tashin has clearly communicated its anti-corruption stance to suppliers, including by incorporating these requirements into contracts with relevant third-party business partners.

Data Privacy

The Group recognises its responsibility to protect both business and personal data of its stakeholders, including employees, customers, and vendors. In line with this commitment, a Data Protection Policy has been established and is formally incorporated into the Employee Handbook, ensuring that all employees are guided by clear standards in relation to data governance and protection. Tashin manages and processes data in accordance with established policies and controls that govern data access, secure transfer of sensitive information, and cyber hygiene practices to safeguard the integrity of internal IT systems and other data assets.

The Group has implemented organisational measures to safeguard the personal data. These include restricting access to authorised personnel on a need-to-know basis, revoking access upon changes in employment status, maintaining physical security at data storage locations, and deploying cybersecurity tools such as antivirus software and system backups. The use and transfer of personal data via removable media or cloud services are strictly controlled, require management approval, and comply with applicable personal data protection laws. Third-party service providers engaged in data processing activities are contractually obligated to maintain confidentiality and adhere to relevant data protection standards.

During the financial year under review, there were no substantiated complaints concerning breaches of customer privacy or losses of customer data, whether from external parties or regulatory bodies.

Whistle-Blowing Mechanism

The Group is committed to upholding and maintaining high standards of behaviour across its operations. Tashin's Whistleblowing Policy and Guidelines, approved by the Board, provide a transparent and confidential mechanism for employees and stakeholders to report suspected or known misconduct, wrongdoing, corruption, fraud, or abuse of Company resources.

Whistleblowing reports can be submitted to the Audit Committee Chairman via mail or email at whistleblowing@tashin.com.my. Tashin recognises the importance of maintaining confidentiality and protecting whistleblowers. As such, the identity of the whistleblower will remain confidential to the extent possible, provided that the disclosure is made in good faith.

Upon receipt of a report, an investigating panel appointed by the Audit Committee will assess the complaint and prepare a written report with findings and recommendations. The Managing Director will determine the appropriate course of action, including disciplinary measures where necessary. Whistleblowers are kept informed of the investigation's progress and outcome, and may escalate concerns to the Audit Committee if they believe their report is not being adequately addressed.

The Whistleblowing Policy and Guidelines is available on the Company's corporate website at www.tashin.com.my.

	FY2023	FY2024	FY2025
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0

SUSTAINABILITY STATEMENT

ENVIRONMENTAL

SUSTAINABILITY STATEMENT

Environmental (Cont'd)

Environmental Compliance

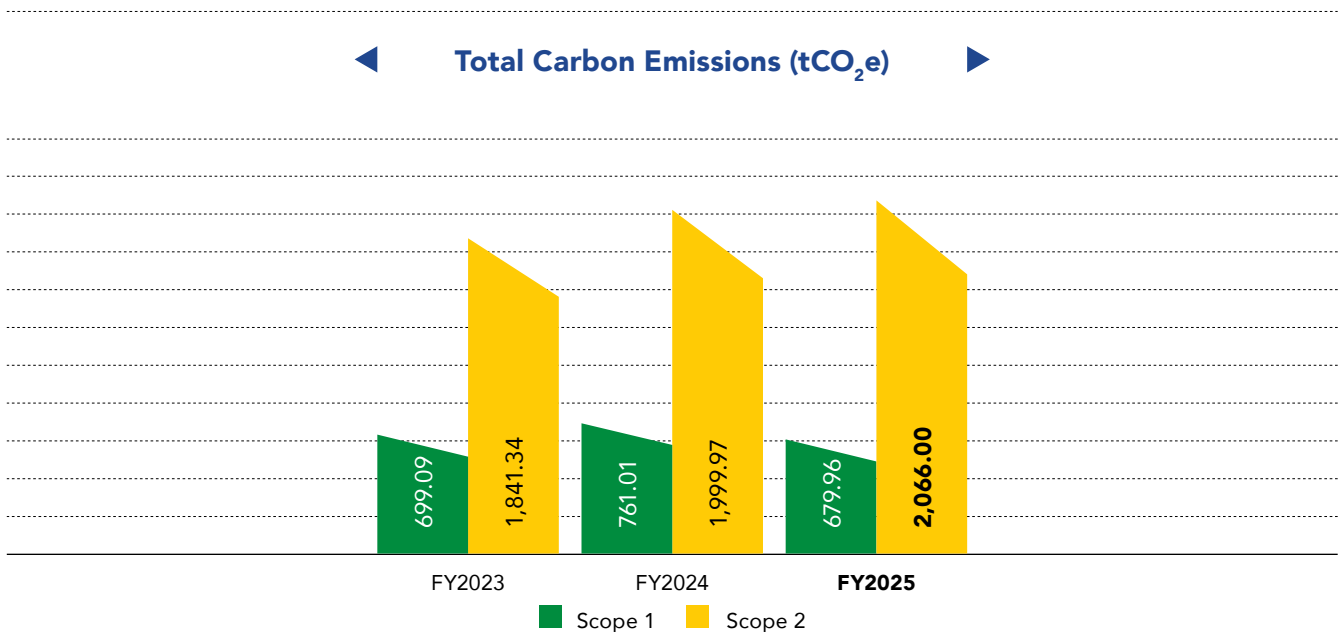
Climate Change and Emissions

Tashin acknowledges that the steel industry has a significant impact on climate change and is committed to supporting Malaysia’s vision of achieving carbon neutrality by 2050. Climate change presents both risks and opportunities, including extreme weather events such as flash floods and heat waves, as well as evolving regulatory requirements such as carbon taxation.

To proactively navigate this evolving landscape, Tashin plans to progressively implement the IFRS S1 and S2 beginning in FY2026, in alignment with the National Sustainability Reporting Framework (NSRF). This approach will support the Group in identifying, managing, and disclosing climate-related risks and opportunities, including improving energy efficiency, advancing low-carbon steel production, and capturing market advantages from sustainable practices. By embedding climate considerations into its strategy and risk management processes, Tashin seeks to enhance business resilience, address climate-related risks, and ensure readiness for emerging regulatory requirements, including the planned carbon tax.

As part of the Group’s commitment to reducing its carbon footprint, Tashin has set a target to achieve a 10% reduction in Scope 1 and Scope 2 greenhouse gas (“GHG”) emissions by FY2028, using FY2024 as the baseline. During the financial year, the Group expanded its data collection to include Scope 1 emissions from petrol consumed in company car and liquefied petroleum gas (“LPG”) used in sweepers and furnaces. The Group continues to maintain a transparent and comprehensive emissions inventory, covering Scope 1 and Scope 2 emissions. Moving forward, the Group will continue to enhance its emissions data collection to encompass additional areas, enabling the identification of areas for improvement and the implementation of more energy-efficient practices and strategies across its operations.

During the financial year under review, the Group recorded a total of 2,742.96 tCO₂e in scope 1 and 2 emissions, which are mainly derived from diesel, petrol, LPG consumption, as well as electricity purchased. An overview of the Group’s total carbon emissions is presented in the graph below:



SUSTAINABILITY STATEMENT

Environmental (Cont'd)

Environmental Compliance

Climate Change and Emissions (Cont'd)

The following table summarises the total emissions generated directly or indirectly from our business operations.

Tashin Group (tCO ₂ e)	FY2023 ¹	FY2024 ¹	FY2025
Scope 1 – diesel consumed ²	521.21	615.48	585.83
Scope 1 – petrol consumed ²	163.60	126.30	76.84
Scope 1 – LPG consumed ²	14.28	19.22	14.29
Scope 2 – electricity purchased ³	1,841.34	1,999.97	2,066.0
Total Scope 1 and 2 emissions generated	2,540.43	2,760.97	2,742.96

¹ FY2023 and FY2024 emission data have been restated following an enhancement in our calculation methodology.

² Scope 1 GHG emissions were estimated based on the GHG Protocol's Calculation Tools, namely the Stationary Combustion Tool (version 4.2) and Transport Tool (version 2.7). Source: <https://ghgprotocol.org/calculation-tools-and-guidance>

³ Scope 2 GHG emissions for electricity were estimated based on the Peninsular's Grid Emission Factor for FY2024 (provisional): 0.74 Gg CO₂e/ GWh. Source: <https://myenergystats.st.gov.my/news-resources>

The Group continues to measure its carbon emission intensity by production volume and revenue to track emissions performance relative to operational output and financial activity. In FY2025, the Group recorded a carbon emission intensity of 0.020 tCO₂e per tonne of production and 7.96 tCO₂e per RM million of revenue.

Tashin Group	FY2023 ⁴	FY2024 ⁴	FY2025
Emission intensity by total production (tCO ₂ e/tonne)	0.022	0.021	0.020
Emission intensity by total revenue (tCO ₂ e/RM'million)	7.01	7.41	7.96

⁴ FY2023 and FY2024 emission intensity data have been restated following an enhancement in our calculation methodology.

As part of its long-term strategic plan, Tashin aims to achieve decarbonisation through collaborative efforts with its supply chain partners, supported by consistent monitoring of carbon intensity trends. The Group remains aligned with Malaysia's national climate ambitions and continues to strengthen emissions tracking across all operational areas to support informed decision-making.

Energy Management

Tashin recognises the energy-intensive nature of its operations and remains committed to managing energy consumption efficiently, as high energy consumption not only increases operating costs but also contributes to higher emissions.

The Group acknowledges that robust energy management practices serve a dual purpose: attracting environmentally conscious customers whilst garnering favour with investors. This strategic approach strengthens Tashin's competitive position in the market, effectively aligning commercial objectives with sustainability principles.

The Group's primary energy consumption is from both electricity and diesel. Electricity is primarily used to support manufacturing activities, while diesel is mainly utilised to power the Group's truck fleet and forklifts for logistics operations. These energy sources are essential to the continuity of the Group's business activities.

SUSTAINABILITY STATEMENT

Environmental (Cont'd)

Environmental Compliance (Cont'd)

Energy Management (Cont'd)

During the financial year under review, the Group recorded a total energy consumption of approximately 6,434 MWh, of which 35% was derived from diesel consumption and 43% from purchased electricity. Total energy consumption in FY2025 decreased by 6.3% compared to the previous year, primarily due to reduced consumption of diesel, petrol, and LPG across the Group's operations.

Tashin Group (MWh)	FY2023 ⁵	FY2024 ⁵	FY2025
Diesel consumed	2,111.04	2,492.89	2,225.32
Petrol consumed	653.21	504.30	302.27
LPG consumed	67.77	91.20	67.80
Electricity purchased	2,488.30	2,702.66	2,791.90
Renewable energy consumed from the Solar PV system	396.13	1,077.27	1,046.46
Total energy consumption	5,716.45	6,868.32	6,433.75

⁵ FY2023 and FY2024 energy consumption data have been restated following an enhancement in our calculation methodology.

As part of Tashin's efforts to reduce energy consumption and promote efficient energy practices, the Group has implemented a range of energy-saving initiatives, including:

- installation of the solar panel systems across its manufacturing facilities;
- maximises natural lighting through the use of transparent roofing and enhances natural air circulation with ventilation fans within the factory premises, creating a more energy-efficient and environmentally friendly working environment;
- investment in energy-efficient compressor inverters to reduce overall energy consumption; and
- machinery upgrades to improve productivity while reducing energy usage per metric tonne of products.

Adopting Renewable Energy

Scope 2 emissions represent the largest source of emissions for the Group. In response, Tashin has implemented solar panel systems across its manufacturing facilities in FY2023 to generate renewable energy, enabling the Group to utilise cleaner energy and reduce operational emissions.

In FY2025, the solar panel systems have generated a total of 1,046.46 MWh of renewable energy, resulting in the avoidance of approximately 774.38 tonnes of CO₂e emissions.



Tashin avoided 774.38 tCO₂e, which is equivalent to the carbon sequestration achieved by 12,804 tree seedlings grown over a ten-year period.

Note: Carbon sequestration calculations were conducted in accordance with Environmental Protection Agency (EPA) methodologies.

SUSTAINABILITY STATEMENT

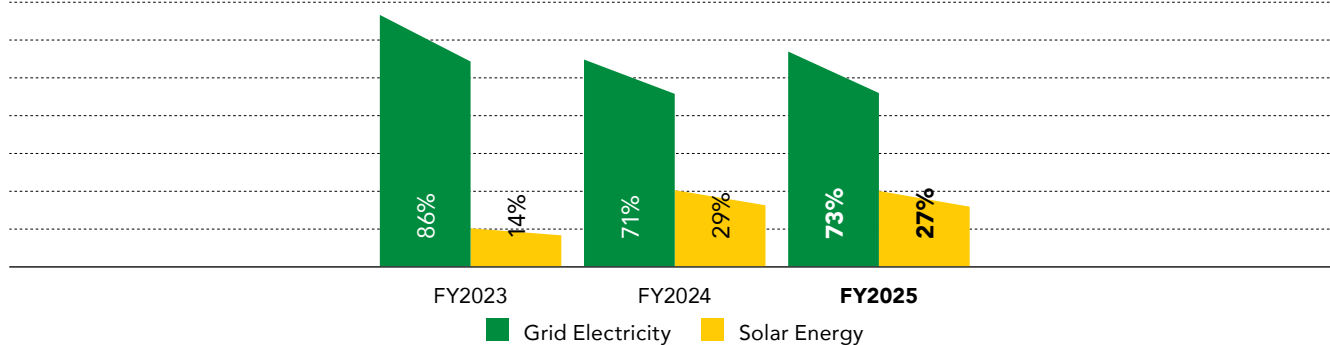
Environmental (Cont'd)

Environmental Compliance (Cont'd)

Adopting Renewable Energy (Cont'd)

The chart below illustrates the proportion of electricity consumed from grid sources and renewable energy.

◀ Proportion of Electricity Consumed ▶



By leveraging solar power, the company strategically reduced its reliance on conventional electricity sources. In FY2025, energy intensity per unit of total production decreased by 9.8%, largely attributable to reduced diesel, petrol and LPG consumption in the Group's operations.

Tashin Group	FY2023 ⁶	FY2024 ⁶	FY2025
Energy intensity by total production (MWh/tonne)	0.048	0.051	0.046
Energy intensity by total revenue (MWh/RM'million)	15.77	18.42	18.67

⁶ FY2023 and FY2024 energy intensity data have been restated following an enhancement in our calculation methodology.

Water Management

Tashin recognises water as a finite resource facing increasing pressure from environmental and climate-related challenges. Malaysia has already experienced drought conditions in some regions, exacerbated by prolonged heatwaves and climate variability, which have strained the water supply in rural and urban areas alike.

The Group's operations are primarily located in Penang and rely on municipal water supplied by Perbadanan Bekalan Air Pulau Pinang (PBA), a region facing growing water supply constraints. Penang has historically recorded the highest per capita water consumption in Malaysia, partly due to comparatively low water tariffs that have reduced incentives for conservation, recycling, and the adoption of water-efficient technologies. Combined with rising demand and dependence on external raw water sources, these factors present a material risk of future water shortages.

SUSTAINABILITY STATEMENT

Environmental (Cont'd)

Environmental Compliance (Cont'd)

Water Management (Cont'd)

In response, Tashin places strong emphasis on proactive water stewardship to enhance operational resilience and support regional water sustainability. The Group is committed to responsible water management and efficiency across its operations, particularly within steel manufacturing processes that require significant water volumes for cooling, cleaning, and production activities.

Water is primarily utilised for heat exchange within the production process, with reuse enabled through an established cooling tower system. This approach reduces freshwater intake and improves overall resource efficiency. In addition, Tashin prioritises efficient water use and responsible discharge management to minimise environmental impacts, protect surrounding ecosystems, and safeguard business continuity.

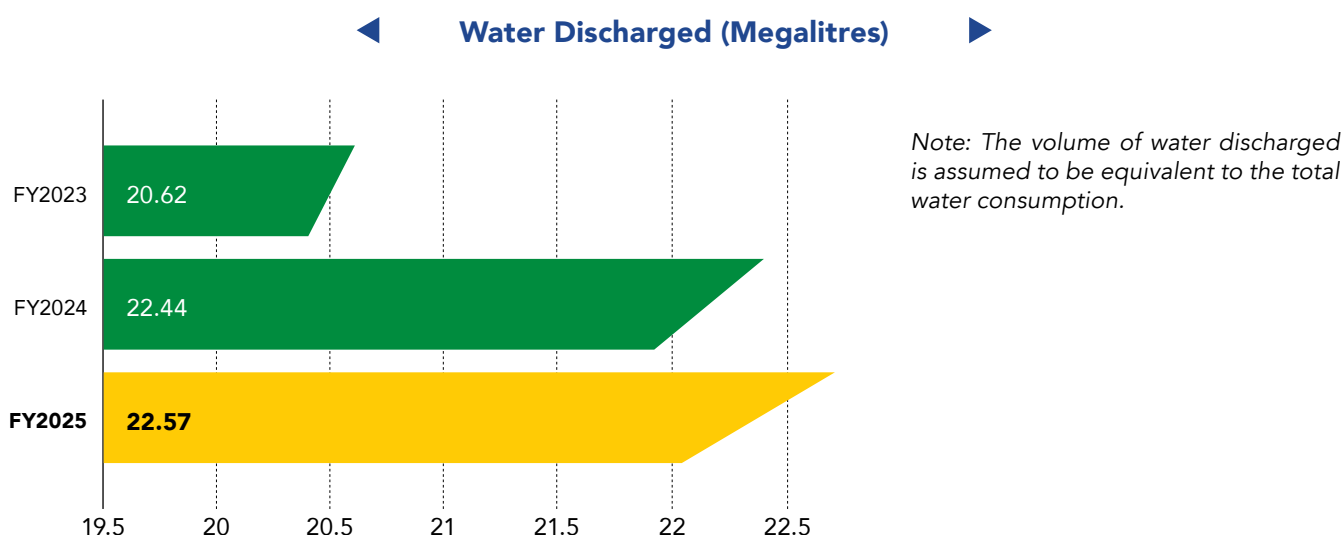
During the financial year under review, the Group recorded a total of 22.57 megalitres ("MI") of water consumption within our business operations.

Tashin Group	FY2023	FY2024	FY2025
Total water usage (MI)	20.62	22.44	22.57

The Group continues to monitor water intensity in relation to both production output and revenue, enabling a comprehensive assessment of water efficiency and the identification of opportunities for operational improvement. In FY2025, water intensity increased primarily due to higher production volumes, which required a corresponding increase in water consumption.

Tashin Group	FY2023	FY2024	FY2025
Water intensity by total production (MI/tonne)	0.0002	0.0002	0.0002
Water intensity by total revenue (MI/RM'million)	0.05	0.06	0.07

As part of its water stewardship efforts, Tashin manages effluent responsibly by monitoring the volume of discharge, as illustrated in the chart below. The Group has installed oil traps at discharge outlets to prevent contaminants from entering local waterways, thereby protecting surrounding water resources and minimising environmental impacts arising from its operational activities.



SUSTAINABILITY STATEMENT

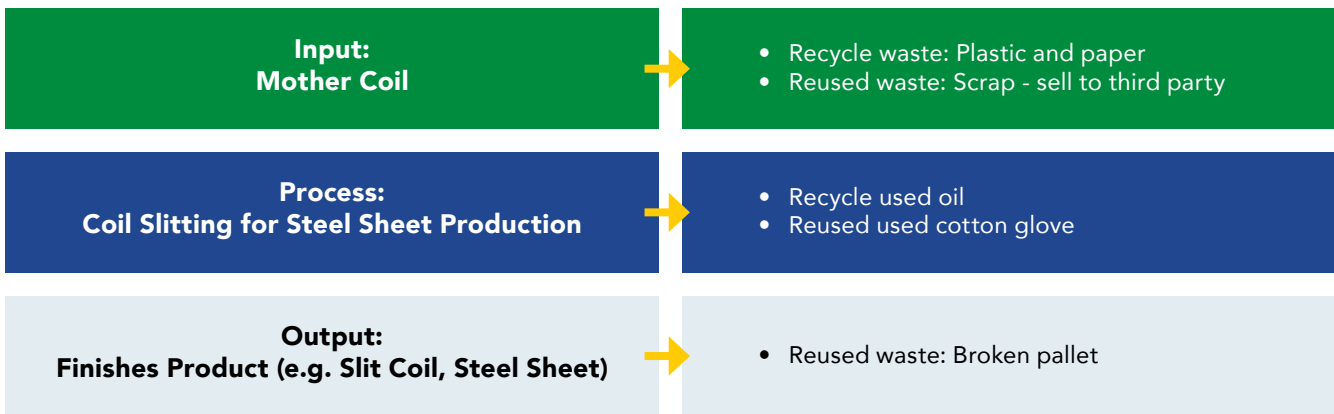
Environmental (Cont'd)

Environmental Compliance (Cont'd)

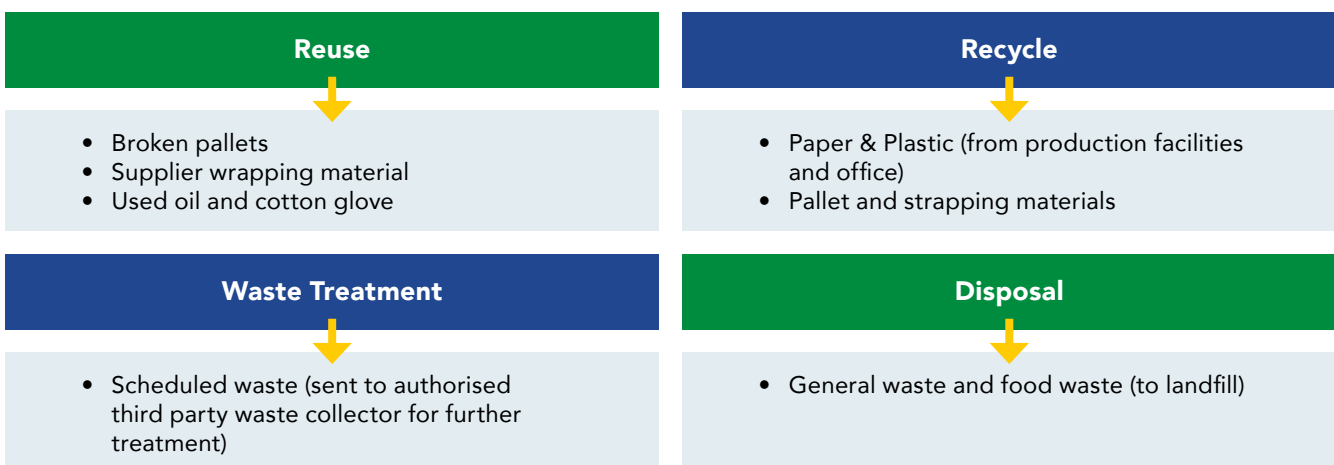
Waste Management

Tashin recognises that the steel industry generates substantial volumes of waste and is committed to the responsible management of all waste arising from its operations, including both hazardous and non-hazardous materials. Such waste requires careful handling to prevent pollution and minimise health risks to employees and surrounding communities. The Group acknowledges that improper disposal practices can increase reliance on landfill and incineration, contributing to environmental degradation.

Effective waste management not only mitigates environmental and health impacts but also helps reduce processing costs and potential regulatory penalties. Accordingly, Tashin systematically monitors waste generation in its production activities, including input and output flows, as outlined below.



To enhance resource efficiency, the Group adopts the principles of 3R across its operations. The following is the segregation of different waste streams of the Group:



SUSTAINABILITY STATEMENT

Environmental (Cont'd)

Environmental Compliance (Cont'd)

Waste Management (Cont'd)

As part of its initiatives to optimise material use and minimise waste generation, the Group has implemented the following waste management measures:

- Adoption of double-sided printing practices to reduce paper consumption in the workplace;
- Enhancement of digital transformation initiatives to reduce waste generation, particularly paper and printing-related waste. By shifting to digital documentation and processes, the Company aims to improve operational efficiency while minimising material use and environmental impact;
- Repurposing of two (2) scheduled wastes—mixed oil (SW305) and used hydraulic oil (SW306)—for reuse as lubricants for couplings in the Flat Bar Production process and as a medium to capture iron dust in the Expanded Machine, supporting smooth punching operations. This initiative reduces waste volumes while delivering cost savings in waste treatment;
- Sale of metal scrap to licensed recycling companies, generating additional revenue and reducing environmental impact; and
- Reuse of used cotton gloves (classified as SW410) as cleaning rags, extending their useful life and reducing reliance on disposable materials.

The Group remains committed to the safe handling, transportation, and disposal of waste in strict compliance with all applicable legal and regulatory requirements. The Group engages only reputable and licensed waste management contractors to ensure waste is managed responsibly and in accordance with environmental regulations.

Tashin continues to collect and monitor waste-related data through two (2) key processes. The Group maintains a comprehensive self-inventory logbook to systematically record and categorise all waste generated from its operations, allowing for the analysis of waste types, quantities, and trends to support targeted reduction strategies. Complementing this, an electronic waste management system improves data accuracy and provides real-time accessibility, strengthening informed decision-making and the systematic minimisation of environmental impacts.

The table below outlines the Group's waste generated from its production facilities and office operations, which is managed through disposal, reuse, or recycling by third parties. In FY2025, the total waste generated has increased mainly due to higher production volumes compared to the previous year.

Tashin Group (tonnes)	FY2023 ⁷	FY2024 ⁷	FY2025
Total non-hazardous waste	120.78	118.19	145.44
Total hazardous waste	1.38	2.00	2.97
Total waste generated	122.16	120.19	148.41
Total waste diverted from disposal			
Recycled waste	28.96	24.75	22.49
Reused waste	37.02	44.55	45.23
Total	65.98	69.30	67.72
Total waste directed to disposal			
Disposed to landfill	56.18	50.89	80.69
Total	56.18	50.89	80.69

⁷ FY2023 and FY2024 waste data have been restated following an enhancement in our calculation methodology.

SUSTAINABILITY STATEMENT

Environmental (Cont'd)

Environmental Compliance (Cont'd)

Waste Management (Cont'd)

During the year under review, the Company recorded a recycling rate of 14.86%. To strengthen future waste management efforts, Tashin is developing KPIs to drive measurable improvements. The Company will continue to identify opportunities to enhance waste performance through data-driven target setting and collaboration with suppliers and partners, supporting the advancement of sustainable practices.

Tashin Group	FY2023	FY2024	FY2025
Waste recycling rate (%)	23.44	16.22	14.86

Resources Management

Tashin recognises the growing challenge of resource scarcity and prioritises material efficiency across its manufacturing operations, in line with its Sustainability Policy. The Company is committed to minimising waste, optimising resource productivity, and ensuring compliance with environmental regulations.

As part of the Group's efforts to optimise resources, the following initiatives have been implemented:

- **Employee engagement:** Staff are actively encouraged to adopt sustainable materials management practices, fostering a collective commitment to environmental responsibility.
- **Use of recycled materials:** Recycled inputs, including metals, pallets, and packaging, are incorporated into production processes. By utilising recycled metals and reclaimed pallets, the Company contributes to a circular economy and reduces demand for new raw materials.
- **Sustainable packaging:** Packaging solutions are carefully selected to prioritise recycled, recyclable, and biodegradable materials.
- **Reprocessing of waste:** Waste generated from prime-grade materials is reprocessed into by-products wherever feasible before being classified as scrap.
- **Optimisation of raw material use:** The Company prioritises maximising material utilisation, achieving usage rates of up to 100%.

These initiatives not only reduce material consumption and costs but also advance Tashin's broader environmental goals by lowering its ecological footprint, reflecting its commitment to responsible resource management. In FY2025, the Group has reduced its usage of non-renewable materials and increased the usage of renewable materials as presented in the table below:

Tashin Group	FY2023	FY2024	FY2025
Total weight or volume of materials used to produce and package products and services (tonnes)	88,274	101,134	103,952
Total non-renewable materials used (tonnes)			
Polyethylene (PE)	18.60	3.00	12.00
Polyester Strapping Band	6.20	3.00	15.85
Stretch Film	6.12	5.76	6.47
Woven	34.00	20.00	26.00
Total	64.92	31.76	60.32

SUSTAINABILITY STATEMENT

Environmental (Cont'd)

Environmental Compliance (Cont'd)

Resources Management (Cont'd)

These initiatives not only reduce material consumption and costs but also advance Tashin's broader environmental goals by lowering its ecological footprint, reflecting its commitment to responsible resource management. In FY2025, the Group has reduced its usage of non-renewable materials and increased the usage of renewable materials as presented in the table below: (Cont'd)

Tashin Group	FY2023	FY2024	FY2025
Total renewable materials used*(tonnes)			
Overlap Seal (Hi-Ten)	23.00	11.12	20.25
Steel Strapping	102.93	140.66	87.78
Wood	634.69	885.44	996.96
Raw material	87,448.26	100,064.55	102,786.86
Total	88,208.88	101,101.77	103,891.85
Percentage of non-renewable materials	0.07%	0.03%	0.06%
Percentage of renewable materials	99.93%	99.97%	99.94%

* **Note:** The total renewable materials used were quantified based on certain assumptions. It was assumed that each overlap seal weighed approximately 25 grams, while each roll of stretch film weighed around 2 kilograms. Additionally, the amount of materials used equals the amount of materials purchased during the reporting year (except for Raw Material).

Biodiversity Conservation

Tashin recognises the critical importance of biodiversity conservation and is committed to minimising or avoiding adverse impacts on natural habitats, flora, fauna, and species classified as threatened or red-listed by the International Union for Conservation of Nature (IUCN) and the Malaysian government.

While the Group's operations are not located in high-biodiversity areas, limiting direct exposure to biodiversity risks, Tashin actively embraces its responsibility to protect ecological systems. This includes monitoring operational impacts, promoting habitat stewardship where possible, and engaging employees and stakeholders in awareness initiatives to support the conservation of local ecosystems.

Details of Tashin's operations are presented below:

Tashin Group	FY2025
Subsurface and underground land	Owned by Tashin
Type of operations	Integrating manufacturing facilities and office
Size of operational site	615,576 square feet

SUSTAINABILITY STATEMENT

Environmental (Cont'd)

Environmental Compliance (Cont'd)

Environmental Monitoring and Compliance

The Group adopts a proactive approach to environmental monitoring and compliance to manage pollution arising from its operations. The Company implements preventive and control measures across key environmental aspects, including noise, water, air, and waste, to minimise adverse impacts and ensure a safe and compliant operating environment.

Noise pollution is managed through regular assessments conducted by qualified noise assessors. Recommendations arising from these assessments are incorporated into operational controls to minimise noise levels and maintain a safe and healthy workplace within permissible limits.

Water and effluent discharges are managed through the installation and maintenance of grease traps at designated discharge outlets, preventing contaminants from entering the drainage system. The Company also maintains appropriate housekeeping practices to reduce the risk of soil and water contamination. Any environmental incidents, such as soil spillages, are addressed promptly to prevent further impact.

Air emissions are monitored systematically through periodic Air Stack Monitoring Reports, ensuring emissions remain within regulatory thresholds. Monitoring results are reviewed to support compliance and continuous improvement in air quality management.

To ensure robust environmental governance, the Group strictly complies with applicable environmental legislation and regulatory requirements, including:

- Environmental Quality Act 1974;
- Environmental Quality (Clean Air) Regulations 2014; and
- Environmental Quality (Scheduled Wastes) Regulations 2005.

Through continuous monitoring, timely corrective actions, and strict regulatory compliance, Tashin reinforces its commitment to responsible environmental management and sustainable operations.

SUSTAINABILITY
STATEMENT

SOCIAL

SUSTAINABILITY STATEMENT

Social (Cont'd)

Social Compliance

Talent Management and Development

Tashin places strong emphasis on continuous employee development through structured training initiatives, which form a core component of its talent management approach. The Group is committed to addressing competency gaps through targeted training programmes, supporting the development of a skilled, motivated, and future-ready workforce. Training areas include occupational safety and health, workplace engagement, teamwork, conflict resolution, ethics and integrity, time management, and data privacy and security.

Employee capabilities are assessed through a structured performance appraisal system, under which employees are evaluated regularly on their skills and competencies. In FY2025, 99% of employees completed performance appraisals, providing a strong foundation for identifying development needs.

To ensure training relevance and effectiveness, Tashin conducts formal training needs analyses for each department, which are reviewed biennially. These analyses align employee competencies with job responsibilities and organisational requirements. The Human Resources Department plays a central role in this process by consolidating assessments conducted by Heads of Department and developing an annual training calendar based on identified needs.

Training needs are identified through an integrated and systematic approach that incorporates performance appraisals, departmental evaluations, competency mapping, employee feedback, and alignment with the Company's strategic objectives. Annual assessments and employee surveys are used to validate that training programmes address individual development needs while supporting business priorities, including technological advancements and regulatory compliance.

The Group also leverages support from the Human Resources Development Fund (HRDF) to fund employee training and development initiatives, reinforcing a culture of continuous learning and skill enhancement. The Group has set a target for at least 50% of employees to complete a minimum of four (4) hours of training annually. In FY2025, this target was exceeded, with 98% of employees completing at least four (4) hours of training.

The Group provides structured development programmes across all stages of employment. New hires participate in an Orientation Programme to familiarise them with the Group's policies, values, and culture, followed by supervised on-the-job training (OJT). Ongoing development is delivered through a combination of customised in-house programmes, external training courses, workshops, e-learning modules, and specialised training provided by vendors or business partners, including international learning opportunities where relevant.

SUSTAINABILITY STATEMENT

Social (Cont'd)

Social Compliance (Cont'd)

Talent Management and Development (Cont'd)

The effectiveness of training programmes is evaluated through participant feedback and performance improvements observed by managers. Insights gained are used to refine future training plans, ensuring continuous improvement and alignment with both employee development goals and organisational performance.

In FY2025, the Group has invested RM112,252 in employee training, averaging approximately RM404 training spend per employee.

Training Spending (RM)	FY2023	FY2024	FY2025
Total training spends as a Group (RM)	127,445.94	111,893.00	112,252.00
Total training spends per Division / Business Unit (RM)	63,722.97	55,946.50	56,126.00
Average training spends per employee (RM)	453.54	391.23	403.78

The Group recorded a total of 6,480.5 training hours provided to our employees throughout the year, averaging approximately 23.3 training hours per employee for the year.

Training Hours/ Days	FY2023	FY2024	FY2025
Total training hours as a Group	5,397.65 hours	5,671.5 hours	6,480.5 hours
Total training hours per Division / Business Unit	2,698.83 hours	2,835.75 hours	3,240.25 hours
Average training hours per employee	19.21	19.83 hours	23.31 hours
Average training days per employee	2.74	2.83 days	3.33 days

The breakdown of training hours provided by gender and employee category is presented in the table below:

Training hours	FY2023		FY2024		FY2025	
	Total	Average	Total	Average	Total	Average
By gender						
Male	3,947.92	16.18	4,681.5	18.73	5,379.75	22.51
Female	1,449.73	37.29	990	27.50	1,100.75	28.22
By employee category						
Senior Management	243	27.00	464.50	77.42	464.50	58.06
Management	770.65	70.06	1,154	76.93	1,096.5	64.50
Executives	738	32.09	809	31.12	939.25	32.39
Non-Executives	3,646	15.07	3,244	13.69	3,980.25	17.77

SUSTAINABILITY STATEMENT

Social (Cont'd)

Social Compliance (Cont'd)

Talent Management and Development (Cont'd)

The training topics provided to our employees in FY2025 are summarised as follows:

1. Understanding & Implementing ISO 9001:2015
2. Review for Implementation of Continuous Improvement Team Project – CITA
3. Mandatory Accreditation Programme (Part 1)
4. Self-Discovery
5. Strategy Planning and New Business Model
6. Excel Dashboards and Reports
7. Cranes and Hoists Operator Training
8. Leading Change, Success through Integrity
9. OSH Tech Symposium 2025
10. MIDA Tax Exemptions under Section 14(2) Customs Act 1967
11. Plastic-free Recycling Green Business
12. Awakening in Transformational Leadership
13. SST Expansion and Impact on Business
14. Green Business Model Seminar
15. Human Capital Planning, Management and Development
16. Introduction to IATF 16949-Automotive Quality Management System (QMS)
17. Strategic Supervisory Skills Program
18. All To Do with Employment Seminar 2025
19. Basic First Aid & CPR/AED
20. The Latest Incentives for Trade Facilities
21. Schedules Waste: Emergency Management
22. Post E-Invoice and Budget 2026
23. Anti-Bribery and Corruption – Awareness & Compliance
24. Safe Handling of Material Handling Equipment (MHE) Training

Hiring and Retention

The Group is committed to attracting, retaining, and motivating a capable and diverse workforce through competitive remuneration and fair employment practices. The Group offers market-aligned compensation packages designed to reward performance, enhance employee engagement, and support long-term retention. A merit-based reward system links remuneration, bonuses, salary adjustments, and promotions to individual performance, which is assessed annually through a structured appraisal process. This approach promotes transparency, open communication, and alignment between employee contributions and organisational objectives.

The Group's recruitment and employment practices comply with Malaysian labour laws, including the Employment Act 1955, and are aligned with international human rights standards. Tashin upholds a non-discriminatory framework that ensures equal opportunities regardless of race, religion, gender, nationality, sexual orientation, disability, or other protected characteristics. The Group strictly prohibits child labour, forced or compulsory labour, recruitment fees, coercion, and the withholding of personal documents. Candidate and employee data are managed in accordance with the Personal Data Protection Act 2010 (PDPA).

As part of its hiring strategy, Tashin prioritises local recruitment to support community development and provide equal employment opportunities. The workforce comprises employees across operational, administrative, technical, and managerial roles, including machine operators, technicians, lorry drivers, engineers, and department heads, ensuring a balanced mix of operational capability and leadership expertise. Performance-based referral incentives are also offered for selected roles to support workforce stability.

To strengthen talent pipelines and retention, Tashin collaborates with educational institutions through apprenticeship and graduate programmes, providing opportunities for early-career talent to transition into permanent roles. For foreign employees, employment contracts are provided in native languages while the working and living conditions comply with Malaysian regulations and international labour standards.

Employee retention is further supported through bi-annual engagement sessions with employees to gather feedback on the Company. Insights from these engagements are reviewed, and where appropriate, follow-up action plans are implemented to address key issues, enhance employee experience, and continuously improve the Group's people management practices.

During the financial year under review, the Group hired a total of 45 new employees, bringing its workforce to 289 personnel as at 31 December 2025. The workforce comprises a mix of local talent, with foreign employees accounting for 37% of total headcount. Tashin does not engage contractors or temporary staff in its operations.

SUSTAINABILITY STATEMENT

Social (Cont'd)

Social Compliance (Cont'd)

Hiring and Retention (Cont'd)

New hire	FY2023	FY2024	FY2025
Total New Hires	32	39	45

New hire	FY2023	FY2024	FY2025
By gender			
Male	30	35	35
Female	2	4	10

By age group			
Aged 30 and below	19	29	24
Aged 31-50	9	8	19
Aged 51-65	4	1	2
Above aged 65	0	1	0

In FY2025, the Group maintained a stable attrition rate relative to industry peers, with 42 employees (14.5%) leaving the organisation. The attrition rate for FY2025 is outlined below:

Full-time staff voluntary turnover	FY2023	FY2024	FY2025
Total Turnover (number)	34	34	42
Turnover Rate (%)	9.51%	11.89%	14.53%

By gender (number)			
Male	33	30	35
Female	1	4	7

By age group (number)			
Aged 30 and below	14	13	14
Aged 31-50	14	18	22
Aged 51-65	6	2	5
Above aged 65	0	1	1

SUSTAINABILITY STATEMENT

Social (Cont'd)

Social Compliance (Cont'd)

Hiring and Retention (Cont'd)

In FY2025, the Group maintained a stable attrition rate relative to industry peers, with 42 employees (14.5%) leaving the organisation. The attrition rate for FY2025 is outlined below:

Full-time staff voluntary turnover	FY2023	FY2024	FY2025
By employee category (number)			
Senior Management	0	0	2
Management	0	1	1
Executives	1	3	4
Non-Executives	33	30	35

Turnover by category for FY2025	Resigned	Average Headcount	Attrition Rate (%)
Managerial and above	3	36	8.3%
Executive and below	39	253	15.4%

Diversity and Equal Opportunity

Employees are fundamental to the Group's long-term success and sustainability, contributing directly to operational performance, innovation, and growth.

Tashin is committed to fostering an inclusive and diverse workplace, recognising diversity as a key driver of business resilience, effective decision-making, and sustainable value creation. The Group benefits from the integration of employees with diverse cultural backgrounds, age profiles, skills, experiences, and perspectives, which supports innovation, collaboration, and continuous improvement across the organisation.

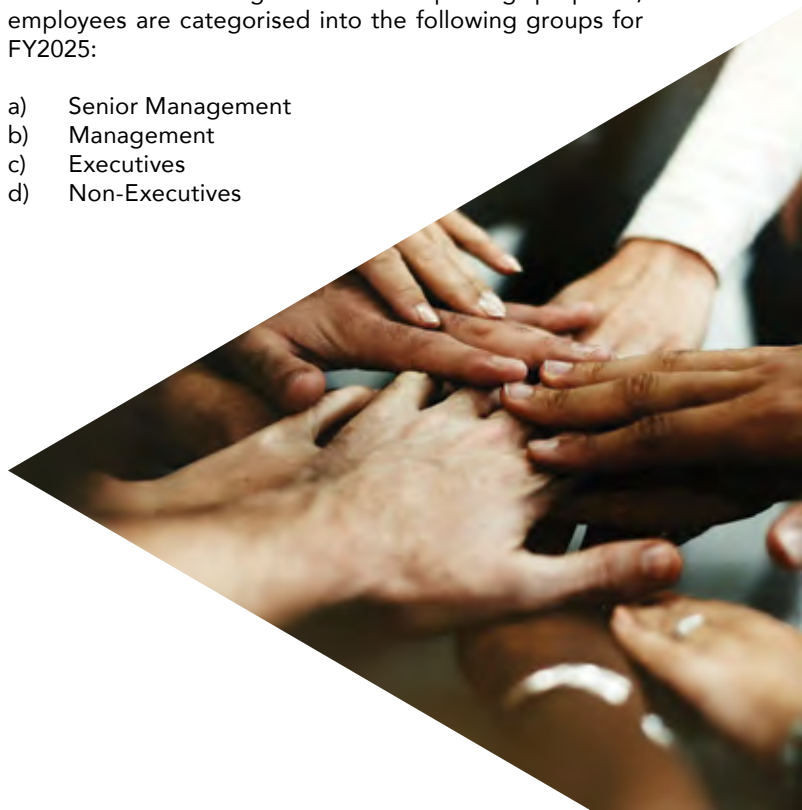
The Group adopts a non-discriminatory employment framework, whereby all employees are assessed based solely on merit, including qualifications, skills, experience, and professional contribution. Equal employment opportunities are provided at all levels, regardless of gender, age, race, ethnicity, disability, nationality, etc. Recruitment and employment practices comply with the Malaysian Employment Act 1955 and other applicable labour laws. Discrimination in any form is not tolerated.

Tashin upholds employee rights through its commitment to freedom of association, collective bargaining, and fair employment practices in accordance with local legislation. Employees can join trade unions, subject to compliance with legal requirements and union regulations.

The Group also seeks to promote balanced gender representation within its workforce. However, due to the physically demanding nature of operations in the steel industry, the workforce remains predominantly male. To address this imbalance, the Group actively encourages greater female participation in office-based, professional, and management roles.

For workforce management and reporting purposes, employees are categorised into the following groups for FY2025:

- Senior Management
- Management
- Executives
- Non-Executives



SUSTAINABILITY STATEMENT

Social (Cont'd)

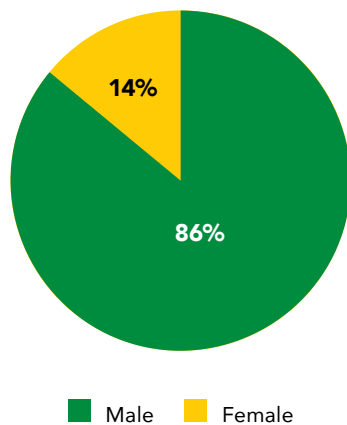
Social Compliance (Cont'd)

Diversity and Equal Opportunity (Cont'd)

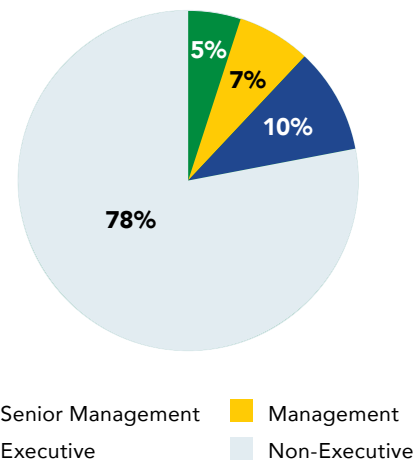
The Group's workforce diversity composition as at 31 December 2025 is presented below:

Employment Type	FY2023		FY2024		FY2025	
	Number	%	Number	%	Number	%
Total permanent employees	281	100%	286	100%	289	100%
Total contract or temporary employees	0	0%	0	0%	0	0%
Total	281	100%	286	100%	289	100%

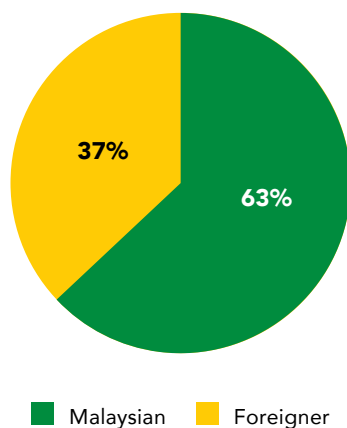
Workforce Composition by Gender as of FY2025



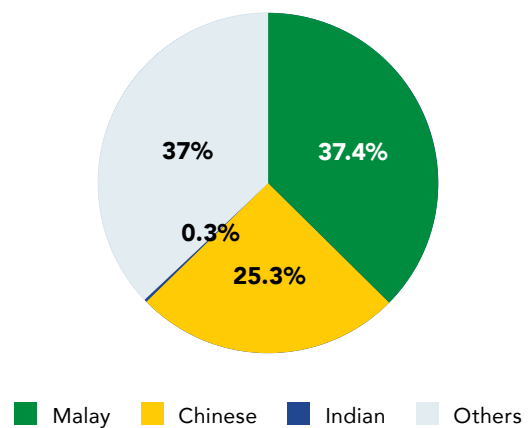
Workforce Composition by Employee Category as of FY2025



Workforce Composition by Nationality as of FY2025



Workforce Composition by Ethnicity as of FY2025



SUSTAINABILITY STATEMENT

Social (Cont'd)

Social Compliance (Cont'd)

Diversity and Equal Opportunity (Cont'd)

The Group's workforce diversity composition as at 31 December 2025 is presented below: (Cont'd)

Workforce Composition	FY2023	FY2024	FY2025
By Employee Category – Number (%)			
Senior Management	18 (6.4%)	18 (6.3%)	16 (5.5%)
Management	19 (6.8%)	19 (6.6%)	20 (6.9%)
Executive	21 (7.5%)	24 (8.4%)	29 (10.1%)
Non-Executive	223 (79.3%)	225 (78.7%)	224 (77.5%)
By Gender (for Total Workforce) – Number (%)			
Male	243 (86.5%)	248 (86.7%)	248 (85.8%)
Female	38 (13.5%)	38 (13.3%)	41 (14.2%)
By Gender (for Executive level and above) – Number (%)			
Male	40 (69%)	41 (67%)	45 (69%)
Female	18 (31%)	20 (33%)	20 (31%)
By Nationality – Number (%)			
Malaysian	169 (60.1%)	169 (59.1%)	183 (63.3%)
Foreigner	112 (39.9%)	117 (40.9%)	106 (36.7%)
By Ethnicity – Number (%)			
Malay	101 (35.9%)	98 (34.3%)	108 (37.4%)
Chinese	65 (23.1%)	69 (24.1%)	73 (25.3%)
Indian	2 (0.7%)	1 (0.3%)	1 (0.3%)
Others	113 (40.3%)	118 (41.3%)	107 (37.0%)
By Disability – Number (%)			
Non-Disabled	281 (100%)	286 (100%)	289 (100%)
Disabled	0 (0%)	0 (0%)	0 (0%)

SUSTAINABILITY STATEMENT

Social (Cont'd)

Social Compliance (Cont'd)

Diversity and Equal Opportunity (Cont'd)

The Group's workforce diversity composition as at 31 December 2025 is presented below: (Cont'd)

Percentage of Employees by Gender	FY2023	FY2024	FY2025
Senior Management			
Female	0%	0%	0%
Male	100%	100%	100%
Management			
Female	36.84%	42.11%	40%
Male	63.16%	57.89%	60%
Executive			
Female	52.38%	50.00%	41.38%
Male	47.62%	50.00%	58.62%
Non-Executive			
Female	8.89%	8.00%	9.38%
Male	91.11%	92.00%	90.62%
Percentage of Employees by Age			
Senior Management			
Aged 30 and below	0%	0%	0%
Aged 31-50	22.22%	11.11%	12.50%
Aged 51-65	55.56%	66.67%	50.00%
Above aged 65	22.22%	22.22%	37.50%
Management			
Aged 30 and below	5.26%	5.26%	0%
Aged 31-50	73.69%	63.16%	60%
Aged 51-65	0.00%	5.26%	20%
Above aged 65	21.05%	26.32%	20%

SUSTAINABILITY STATEMENT

Social (Cont'd)

Social Compliance (Cont'd)

Diversity and Equal Opportunity (Cont'd)

The Group's workforce diversity composition as at 31 December 2025 is presented below: (Cont'd)

Percentage of Employees by Age (Cont'd)	FY2023	FY2024	FY2025
Executive			
Aged 30 and below	4.76%	12.50%	13.79%
Aged 31-50	71.43%	70.83%	68.97%
Aged 51-65	19.05%	16.67%	17.24%
Above aged 65	4.76%	0%	0%
Non-Executive			
Aged 30 and below	31.84%	34.22%	33.48%
Aged 31-50	60.54%	56.89%	58.04%
Aged 51-65	7.62%	8.89%	8.48%
Above aged 65	0%	0%	0%
Percentage of Employees by Ethnicity			
Senior Management			
Malay	0%	0%	0%
Chinese	100%	100%	100%
Indian	0%	0%	0%
Others	0%	0%	0%
Management			
Malay	10.53%	5.26%	5%
Chinese	89.47%	94.74%	95%
Indian	0%	0%	0%
Others	0%	0%	0%
Executive			
Malay	23.81%	25.00%	34.48%
Chinese	71.43%	70.83%	65.52%
Indian	4.76%	4.17%	0%
Others	0%	0%	0%

SUSTAINABILITY STATEMENT

Social (Cont'd)

Social Compliance (Cont'd)

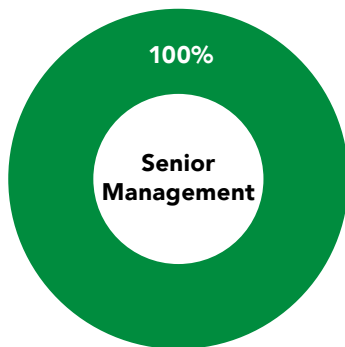
Diversity and Equal Opportunity (Cont'd)

The Group's workforce diversity composition as at 31 December 2025 is presented below: (Cont'd)

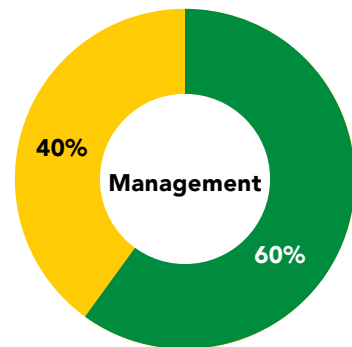
Percentage of Employees by Ethnicity (Cont'd)	FY2023	FY2024	FY2025
Non-Executive			
Malay	42.15%	40.44%	43.30%
Chinese	6.73%	7.11%	8.48%
Indian	0.45%	0%	0.45%
Others	50.67%	52.45%	47.77%

The following chart illustrated the Group's workforce diversity composition for each employee category as of FY2025:

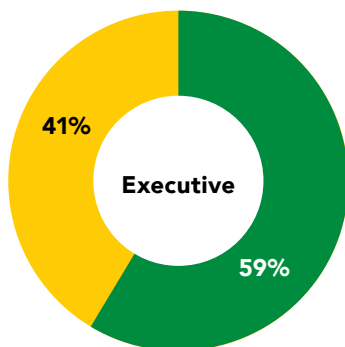
Workforce Composition by Gender



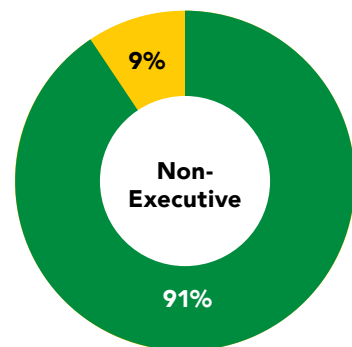
Male Female



Male Female



Male Female



Male Female

SUSTAINABILITY STATEMENT

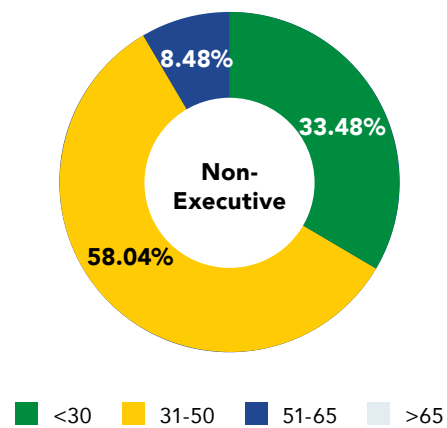
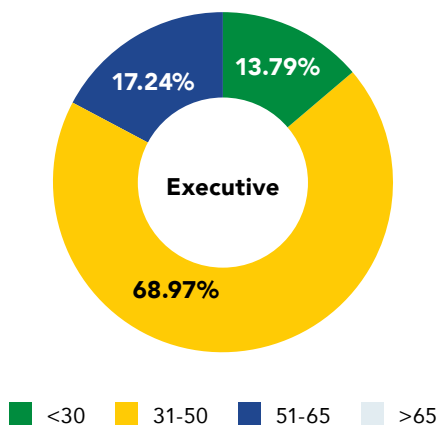
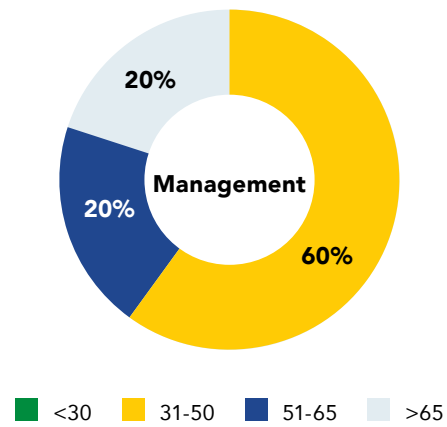
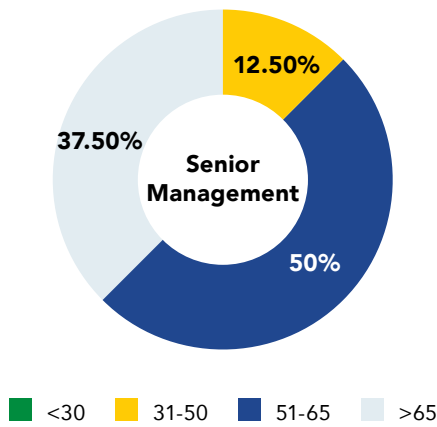
Social (Cont'd)

Social Compliance (Cont'd)

Diversity and Equal Opportunity (Cont'd)

The following chart illustrated the Group's workforce diversity composition for each employee category as of FY2025: (Cont'd)

◀ Workforce Composition by Age Group ▶



SUSTAINABILITY STATEMENT

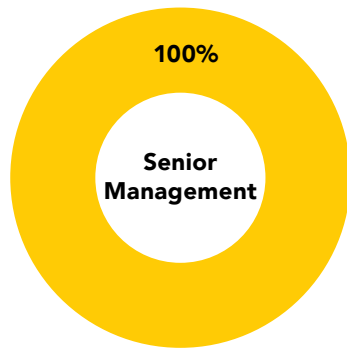
Social (Cont'd)

Social Compliance (Cont'd)

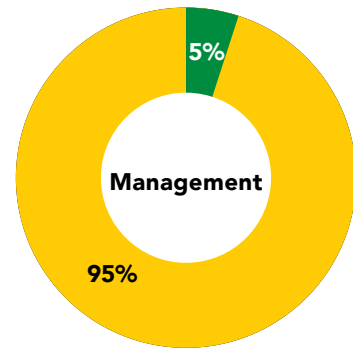
Diversity and Equal Opportunity (Cont'd)

The following chart illustrated the Group's workforce diversity composition for each employee category as of FY2025: (Cont'd)

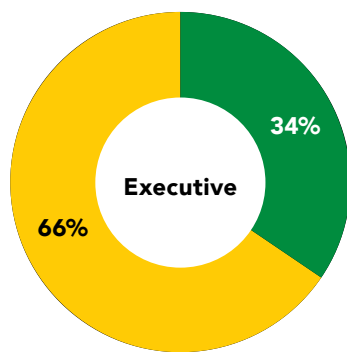
Workforce Composition by Ethnicity



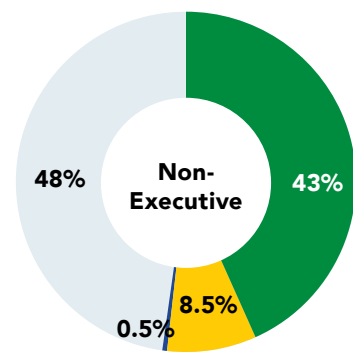
Malay Chinese Indian Others



Malay Chinese Indian Others



Malay Chinese Indian Others



Malay Chinese Indian Others

SUSTAINABILITY STATEMENT

Social (Cont'd)

Social Compliance (Cont'd)

Employee Benefits and Well-being

Tashin continues to offer competitive remuneration packages and benefits as part of its strategy to attract, motivate, and retain talent. The Group's wage structure is designed to reflect the requirements of each role, taking into consideration employees' qualifications, skills, experience, and capabilities to ensure fair and market-competitive compensation.

The Group is fully committed to complying with all applicable employment laws and regulations. This includes statutory contributions for employee accident insurance (SOCISO), retirement savings (EPF), and employment insurance (EIS). In addition, Tashin complies with the government-mandated minimum wage requirements, affirming its commitment to fair pay and the protection of employees' fundamental rights.

Beyond statutory obligations, the Group provides a range of benefits and entitlements to support employees' well-being and work-life balance, including maternity and paternity leave.

In addition to wages, full-time employees are entitled to the following benefits, in accordance with labour laws and internal policies:

- Paid sick leave, based on length of service:
 - 14 days for less than 2 years
 - 18 days for 2 to 5 years
 - 22 days for 5 to 8 years
 - 22 days for more than 8 years
- Hospitalisation leave of up to 60 days
- Maternity leave of 98 consecutive days per confinement
- Paternity leave of 7 consecutive days
- Marriage leave of 2 working days
- Compassionate leave of 2 working days
- Health and medical coverage
- Paid and unpaid leave, where applicable
- Bereavement benefits
- Retirement benefits
- Prolonged illness support
- Overtime compensation, either in the form of payment or time off

The Group maintains a fair and equitable remuneration structure with no significant gender bias or discrimination. Remuneration decisions are based on role requirements and individual performance, resulting in a healthy and justifiable median salary gap between male and female employees, which the Group remains committed to upholding.

The employee benefits provided by the Group are summarised as follows:

Employee Benefits	FY2023	FY2024	FY2025
Percentage of employees entitled to employee benefits (%)	100%	100%	100%
Salary difference between men and women (RM)	617,195	669,568	645,911
Ratio of basic salary and remuneration of women to men for key employee categories	0.21	0.23	0.23
Total payments made to employees in terms of salaries, bonuses and benefits (RM)	13,593,224	13,863,045	14,043,218
Total statutory payments made for employees' retirement benefits (Employees Provident Fund) (RM)	1,445,596	1,468,968	1,510,368
Total payments in medical insurance (SOCISO) for employees (RM)	194,237	226,141	279,789

SUSTAINABILITY STATEMENT

Social (Cont'd)

Social Compliance (Cont'd)

Employee Benefits and Well-being (Cont'd)

The employee benefits provided by the Group are summarised as follows: (Cont'd)

Parental Leave	FY2023	FY2024	FY2025
Employees entitled for maternity and paternity leave [Number (%)]	216 (76.06%)	218 (76.22%)	208 (71.97%)
Employees who took paternity leave [Number (%)]	7 (3.68%)	6 (3.33%)	9 (5.33%)
Employees who took maternity leave [Number (%)]	2 (7.69%)	1 (2.63%)	2 (5.13%)
Employees who return to work (Post-Parental Leave) (%)			
Male	100%	100%	100%
Female	100%	100%	100%
Retention Rates (Post-Parental Leave) (%)			
Male	100%	100%	100%
Female	100%	100%	100%

Community Engagement and Development

Tashin remains committed to supporting community investment initiatives that create meaningful and positive impact for vulnerable and disadvantaged communities. As part of its responsibility as a corporate citizen, the Company integrates social and environmental considerations into its CSR efforts to promote inclusive and sustainable development.

With the continued support of Management and employees, the Company delivers a broad range of financial and non-financial support to local communities. Tashin maintains open and transparent communication channels with its stakeholders to obtain feedback and foster collaboration, ensuring that its initiatives are responsive to community needs and create lasting social value.

In FY2025, Tashin invested approximately RM51,211 in CSR programmes, positively impacting 6 beneficiaries. Employee participation was a key driver of success, with 289 employees contributing 752 volunteer hours, representing 100% participation across the workforce.

	FY2023	FY2024	FY2025
Community Investment			
Total amount invested in the community where the target beneficiaries are external to the Group (RM)	102,898	206,371	51,211
Total number of beneficiaries of the investment in community	10	8	6
Employee Volunteerism			
Number of volunteering hours	708	423	752
Number of employees who volunteered	122	257	289
Percentage of employees who volunteered (%)	42.96%	89.9%	100%

SUSTAINABILITY STATEMENT

Social (Cont'd)

Social Compliance (Cont'd)

Community Engagement and Development (Cont'd)

Tashin focuses its community investment efforts on supporting education, healthcare, and social welfare initiatives. In the area of education, the Company provides financial contributions to educational institutions to enhance learning facilities and strengthen academic programmes. The Group also supports healthcare development by funding projects that improve access to essential medical services.

In addition, the Company contributes to social welfare by providing financial assistance to disaster relief organisations and underprivileged communities through various charitable initiatives. Collectively, these programmes are designed to support vulnerable groups and improve the quality of life of beneficiaries.

Tashin's CSR Programmes in FY2025



Charity Donation – Association Yee Ran Jing Sheh Handicapped Children's Home

A visit to the Association Yee Ran Jing Sheh Handicapped Children's Home was conducted on 29 December 2025 to provide support through the donation of daily necessities for the children. This contribution helps sustain the home's operations while improving the children's living conditions and overall well-being. The initiative also promotes social awareness and reinforces a sense of responsibility toward supporting vulnerable members of the community.

Tashin's CSR Programmes in FY2025



Blood Donation Campaign

A blood donation campaign was organised on 19 November 2025, aimed to raise awareness of the importance of regular blood donation. The initiative successfully contributed to the hospital's blood supply while fostering a strong sense of social responsibility among the donors.

Other Engagement Activities and Events with Staff in FY2025

- Tashin Vision Launching Dinner
- Chinese New Year Celebration
- Hari Raya Celebration
- Christmas Gift Exchange

SUSTAINABILITY STATEMENT

Social (Cont'd)

Occupational Health and Safety

Tashin recognises OHS as a fundamental element of its business operations, reflecting its commitment to safeguarding the safety, health, and well-being of employees, third-party workers, local communities, and other stakeholders.

The primary objective of the Group's OHS approach is to create a safe, healthy, and supportive working environment. Workplace injuries, accidents, or fatalities are unacceptable and must be prevented wherever possible. By providing a safe and secure workplace, Tashin enables its employees to perform their duties effectively with confidence; while ensuring they return home safely to their families and loved ones.

From an operational perspective, OHS incidents can disrupt business continuity, lead to operational delays, and result in financial losses, reputational damage, and regulatory consequences. As such, Tashin places strong emphasis on maintaining a robust OHS management system to mitigate risks, ensure regulatory compliance, and minimise the cost and impact of workplace incidents.

OHS Policy

The Group has implemented an Occupational Health and Safety Policy, demonstrating its commitment to providing a safe and healthy workplace for all employees, contractors, volunteers, and visitors across its Group and subsidiaries. The Group's OHS Policy is regularly reviewed and updated to align with applicable regulations, industry standards, and best practices.

Tashin adopts a proactive approach to hazard prevention by identifying, minimising, and eliminating risks wherever reasonably practicable. The Group emphasises shared responsibility, where all personnel are accountable for maintaining a safe working environment. This is supported through the provision of appropriate healthcare access, mandatory use of personal protective equipment ("PPE"), and the implementation of effective hazard management measures.

OHS Governance and Risk Management

The Safety and Health Committee ("**S&H Committee**") has been established in accordance with relevant occupational safety and health legislation to oversee and monitor the Group's OHS performance. The Committee plays a key role in identifying, assessing, and mitigating workplace risks across operations through the implementation of Hazard Identification, Risk Assessment and Risk Control ("**HIRARC**").

The S&H Committee is chaired by a member of the Management team and supported by the Safety and Health Officer (SHO), together with representatives from relevant departments and operational units. This structure ensures that safety concerns, feedback, and improvement suggestions from operational personnel are effectively communicated and addressed.

HIRARC assessments are conducted to systematically identify work-related hazards and evaluate associated risks. The findings are used to enhance operational processes, strengthen the OHS management system, improve control measures, update standard operating procedures ("**SOPs**"), and identify training requirements.

All operational processes are subject to HIRARC, with identified risks managed in accordance with the six-tier hierarchy of controls: elimination, substitution, isolation, engineering controls, administrative controls, and PPE. In addition to controls embedded within SOPs, employees exposed to hazardous conditions are provided with appropriate PPE. The adequacy and effectiveness of PPE are periodically reviewed, and additional protective equipment is supplied to employees working in higher-risk areas.

The S&H Committee meets quarterly to review HIRARC findings, discuss OHS issues, identify improvement opportunities, and share best practices. In addition, quarterly OHS assessments are conducted to monitor performance, evaluate progress, and ensure alignment with the principles outlined in the OHS Policy, which are to:

1. Ensure the safety and health of employees and third parties, with the goal of achieving "Zero Accidents".
2. Comply with all applicable occupational safety and health laws and regulations.
3. Continuously improve occupational safety and health performance.
4. Maintain employee competence through awareness programs and training in occupational safety and health.
5. Achieve the set objectives and targets for occupational safety and health.

Members of the S&H Committee have undergone HIRARC training, and HIRARC procedures are displayed at workstations to reinforce safe work practices. These measures ensure that all activities are conducted responsibly, protecting both employees and the surrounding environment.

SUSTAINABILITY STATEMENT

Social (Cont'd)

Occupational Health and Safety

Safety Performance

As part of the Group's commitment to continuously enhancing workplace safety and health, the Group has established KPI targets to be achieved by 2028. These targets include zero work-related fatalities, a LTIR of less than 2.5, and more than 85% of employees trained in health and safety standards.

During the financial year under review, the Group recorded zero work-related fatalities and an LTIR of 9.70. All incidents were thoroughly investigated to identify root causes and implement corrective actions. The Group remains steadfast in its commitment to workplace safety and will continue to review and enhance its safety-related SOP to strengthen risk management and incident prevention.

	FY2023	FY2024	FY2025
Total man-hours worked (hours)	691,392 hours	712,608 hours	720,928 hours
Lost Time Incident Rate (%)	1.45	9.82	9.70
Fatalities (cases)	0	0	0

Safety Training

Training and communication are integral to maintaining an effective OHS programme. In FY2025, Tashin continued to prioritise safety training, particularly for employees exposed to higher-risk activities. During the financial year, 225 employees, representing 81% of the workforce, participated in health and safety training programmes designed to enhance hazard awareness and safe work practices.

	FY2023	FY2024	FY2025
Employees trained on health and safety standards (Number/ Percentage)	223 (79%)	233 (81%)	225 (81%)

The health and safety training programmes conducted include:

- Compliance training covering topics on First Aider, Emergency Response Team (ERT), Chemical Handling, PPE, Noise Management at Workplace, Forklift Crane Handling and Ergonomic, Safe Work Instruction (SWI) & Crane Operators Training.
- Awareness training covering topics on OSHA (Legal Register), Fire Extinguisher, HIRARC, Accident and Investigation.

SUSTAINABILITY STATEMENT



Social (Cont'd)

Labour and Human Rights

Advocating Human and Labour Rights

The Group remains committed to monitoring and upholding key social factors, particularly human and labour rights across its operations. This commitment is guided by internationally recognised principles, including the United Nations Global Compact on Business and Human Rights, as well as applicable local legislation such as Malaysia’s Children and Young Persons (Employment) Act 1966.

The Group complies with all relevant employment and labour laws and regulations governing its operations. Tashin strictly prohibits child labour, forced labour, human trafficking, and any form of sexual harassment within its operations and supply chain. Recruitment practices, including those involving foreign workers, are conducted lawfully, ethically, and transparently in accordance with regulatory requirements. Tashin also ensures compliance with regulations relating to worker accommodation, minimum wage, and other employment standards.

The Group has incorporated a dedicated human rights clause into its Recruitment Policy, which reinforces the Group’s commitment to ethical employment practices and responsible working conditions throughout the employee lifecycle. The Group also conducts ongoing due diligence on suppliers to promote compliance with applicable anti-trafficking and labour laws. While Tashin does not currently maintain a standalone children’s rights policy, it does not employ underage workers and remains committed to protecting the rights of young persons in accordance with the law.

The Group has established an anonymous reporting and grievance mechanism that allows employees, job candidates, suppliers, and other external parties to report suspected human rights violations, workplace discrimination, bullying, harassment, or labour-related concerns without fear of retaliation. Recruitment-related grievances may also be raised through internal reporting channels.

The Whistleblowing Policy and Guidelines outline clear procedures for the transparent, fair, and timely handling of complaints, including the provision of appropriate remedies where the Company identifies its involvement in human rights impacts.

Tashin is committed to engaging employees openly and responsibly, including providing reasonable notice of any operational changes that may affect their employment. Such changes may relate to working conditions, job scope, workplace location, compensation, benefits, or contractual terms. Employees are encouraged to raise concerns or grievances relating to these changes through established channels.

During FY2025, Tashin recorded zero reported incidents of human rights violations. This outcome reflects the effectiveness of the Group’s policies, controls, and grievance mechanisms in safeguarding human and labour rights across its operations.

	FY2023	FY2024	FY2025
Number of substantiated complaints concerning human rights violations	0	0	0

SUSTAINABILITY STATEMENT

Prescribed Table

Tashin Holdings Berhad BMLR Transition Period

Date & Time: 2026-04-08 10:10:37
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Product and Responsibility	Customer satisfaction scores	Percentage	86.83	More than 85.00% by FY2025	Internal	Verification performed by internal assurance team comprising function representatives
Raw Material and Feedstock Supply	Proportion of spending on local suppliers	Percentage	60.91	More than 60.00% by FY2025	Internal	Verification performed by internal assurance team comprising function representatives
Corporate Governance and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category- Senior Management	Percentage	25.00	100% by FY2028	Internal	Verification performed by internal assurance team comprising function representatives
Corporate Governance and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category - Management	Percentage	4706	—	Internal	Verification performed by internal assurance team comprising function representatives
Corporate Governance and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage	48.28	—	Internal	Verification performed by internal assurance team comprising function representatives
Corporate Governance and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category - Non-Executive	Percentage	20.98	—	Internal	Verification performed by internal assurance team comprising function representatives
Corporate Governance and Anti-Corruption	Confirmed incidents of corruption and action taken	Number	0	0 by FY2025	Internal	Verification performed by internal assurance team comprising function representatives
Data Privacy	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0 by FY2025	Internal	Verification performed by internal assurance team comprising function representatives

SUSTAINABILITY
STATEMENT

Prescribed Table (Cont'd)

Tashin Holdings Berhad
BMLR Transition PeriodDate & Time: 2026-04-08 10:10:37
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Environmental Compliance – Climate Change and Emissions	Scope 1 emissions	tCO2e	676.96	10% reduction in Scope 1 carbon emissions (tCO2e) by FY2028 (from FY2024 baseline)	Internal	Verification performed by internal assurance team comprising function representatives
Environmental Compliance – Climate Change and Emissions	Scope 2 emissions	tCO2e	2,066.00	10% reduction in Scope 2 carbon emissions (tCO2e) by FY2028 (from FY2024 baseline)	Internal	Verification performed by internal assurance team comprising function representatives
Environmental Compliance – Energy Management	Total energy consumption	MWh	6,433.75	—	Internal	Verification performed by internal assurance team comprising function representatives
Environmental Compliance – Water Management	Total volume of water used	Megaliters	22.57	—	Internal	Verification performed by internal assurance team comprising function representatives
Environmental Compliance – Waste Management	Total waste generated	Tonnes	148.41	—	Internal	Verification performed by internal assurance team comprising function representatives
Environmental Compliance – Waste Management	Total waste diverted from disposal	Tonnes	6772	—	Internal	Verification performed by internal assurance team comprising function representatives
Environmental Compliance – Waste Management	Total waste directed to disposal	Tonnes	80.69	—	Internal	Verification performed by internal assurance team comprising function representatives
Environmental Compliance – Resources Management	Total material used to produce and package products and services	Tonnes	103,952	—	Internal	Verification performed by internal assurance team comprising function representatives

SUSTAINABILITY STATEMENT

Prescribed Table (Cont'd)

Tashin Holdings Berhad BMLR Transition Period

Date & Time: 2026-04-08 10:10:37
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Environmental Compliance – Resources Management	Total non-renewable materials used	Tonnes	60.32	—	Internal	Verification performed by internal assurance team comprising function representatives
Environmental Compliance – Resources Management	Total renewable materials used	Tonnes	103,891.85	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Talent Management & Development	Average training spend per employee	MYR	403.78	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Talent Management & Development	Average training hours per employee	Hours	23.31	20,000 hours by FY2025	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Talent Management & Development	Average training hours by employee category - Senior Management	Hours	58.06	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Talent Management & Development	Average training hours by employee category - Management	Hours	64.50	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Talent Management & Development	Average training hours by employee category - Executives	Hours	32.39	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Talent Management & Development	Average training hours by employee category - Non-Executives	Hours	17.77	—	Internal	Verification performed by internal assurance team comprising function representatives

SUSTAINABILITY
STATEMENT

Prescribed Table (Cont'd)

Tashin Holdings Berhad
BMLR Transition PeriodDate & Time: 2026-04-08 10:10:37
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Social Compliance - Hiring and Retention	Total number of new hires	Number	45	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Hiring and Retention	Total number of employee turnover by employee category - Senior Management	Number	2	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Hiring and Retention	Total number of employee turnover by employee category - Management	Number	1	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Hiring and Retention	Total number of employee turnover by employee category - Executives	Number	4	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Hiring and Retention	Total number of employee turnover by employee category - Non-Executives	Number	35	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Hiring and Retention	Full-time staff voluntary turnover	Number	42	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Hiring and Retention	Full-time staff voluntary turnover	Rate (%)	14.53	Less than 11% by FY2028	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Hiring and Retention	Total employee turnover rate by category - Managerial and above	Rate (%)	8.30	—	Internal	Verification performed by internal assurance team comprising function representatives

SUSTAINABILITY STATEMENT

Prescribed Table (Cont'd)

Tashin Holdings Berhad BMLR Transition Period

Date & Time: 2026-04-08 10:10:37
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Social Compliance - Hiring and Retention	Total employee turnover rate by category - Executive and below	Rate (%)	15.40	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Total permanent employees	Number	289	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Total contract or temporary-employees	Number	0	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of directors by gender group - Male	Percentage	82	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of directors by gender group - Female	Percentage	18	At least 30% female Director on the Board by FY2028	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of directors by age group - 30 and below	Percentage	0	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of directors by age group - between 31 - 50	Percentage	18	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of directors by age group - between 51 - 65	Percentage	27	—	Internal	Verification performed by internal assurance team comprising function representatives

SUSTAINABILITY
STATEMENT

Prescribed Table (Cont'd)

Tashin Holdings Berhad
BMLR Transition PeriodDate & Time: 2026-04-08_10:10:37
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Social Compliance - Diversity and Equal Opportunity	Percentage of directors by age group - above 65	Percentage	55	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of total employees by gender - Male	Percentage	85.80	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of total employees by gender - Female	Percentage	14.20	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of total employees (for Executive level and above) by gender - Male	Percentage	69	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of total employees (for Executive level and above) by gender - Female	Percentage	31	at least 30% by FY2025	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by gender for each employee category - Senior Management Male	Percentage	100	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by gender for each employee category - Senior Management Female	Percentage	0.00	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by gender for each employee category - Management Male	Percentage	60	—	Internal	Verification performed by internal assurance team comprising function representatives

SUSTAINABILITY STATEMENT

Prescribed Table (Cont'd)

Tashin Holdings Berhad BMLR Transition Period

Date & Time: 2026-04-08_10:10:37
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by gender for each employee category - Management Female	Percentage	40	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by gender for each employee category - Executive Male	Percentage	58.62	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by gender for each employee category - Executive Female	Percentage	41.38	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by gender for each employee category - Non-Executive Male	Percentage	90.62	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by gender for each employee category - Non-Executive Female	Percentage	9.38	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Senior Management age 30 and below	Percentage	0	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Senior Management age between 31-50	Percentage	12.50	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Senior Management age between 51-65	Percentage	50.00	—	Internal	Verification performed by internal assurance team comprising function representatives

SUSTAINABILITY
STATEMENT

Prescribed Table (Cont'd)

Tashin Holdings Berhad
BMLR Transition PeriodDate & Time: 2026-04-08_10:10:37
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Senior Management age above 65	Percentage	3750	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Management age 30 and below	Percentage	0	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Management age between 31 - 50	Percentage	60	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Management age between 51 - 65	Percentage	20	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Management age above 65	Percentage	20	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Executive age 30 and below	Percentage	13.79	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Executive age between 31 - 50	Percentage	68.97	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Executive age between 51 - 65	Percentage	1724	—	Internal	Verification performed by internal assurance team comprising function representatives

SUSTAINABILITY STATEMENT

Prescribed Table (Cont'd)

Tashin Holdings Berhad BMLR Transition Period

Date & Time: 2026-04-08_10:10:37
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Executive age above 65	Percentage	0	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Non-executive age 30 and below	Percentage	33.48	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Non-executive age between 31 - 50	Percentage	58.04	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Non-executive between age 51 - 65	Percentage	8.48	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Diversity and Equal Opportunity	Percentage of employees by age group for each employee category - Non-executive age above 65	Percentage	0	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Community Engagement and Development	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	51,211	—	Internal	Verification performed by internal assurance team comprising function representatives
Social Compliance - Community Engagement and Development	Total number of beneficiaries of the investment in community	Number	6	—	Internal	Verification performed by internal assurance team comprising function representatives
Occupational Health and Safety	Employees trained on health and safety standards	Percentage	81	More than 85% by FY2028	Internal	Verification performed by internal assurance team comprising function representatives

SUSTAINABILITY STATEMENT

Prescribed Table (Cont'd)

Tashin Holdings Berhad
 BMLR Transition Period
 Date & Time: 2026-04-08 10:10:37
 FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Occupational Health and Safety	Work-related fatalities	Number	0	0 by FY2025	Internal	Verification performed by internal assurance team comprising function representatives
Occupational Health and Safety	Lost time incident rate (LTIR)	Rate	9.70	Less than 2.5 by FY2028	Internal	Verification performed by internal assurance team comprising function representatives
Labour and Human Rights	Substantiated complaints concerning human rights violations	Number	0	0 by FY2025	Internal	Verification performed by internal assurance team comprising function representatives

SUSTAINABILITY STATEMENT

GRI Content Index

Statement of use

Tashin Holdings Berhad has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Standards.

GRI 1 used

GRI 1: Foundation 2021

Abbreviations:

AR: Annual Report 2025

SS: Sustainability Statement 2025

GRI Standard	Disclosure	Information/ Location	Page Number
General Disclosures			
GRI 2: General Disclosures 2021	The organisation and its reporting practices		
	2-1 Organisational details	Legal name: Tashin Holdings Berhad	
		Nature of ownership: Public Limited Liability Company	
		Location of its headquarters: Prai, Penang, Malaysia	
		Countries of operation: Malaysia	
		AR: Notes to the Financial Statements	131 - 179
		SS: About This Report	18 - 20
	2-2 Entities included in the organisation's sustainability reporting	AR: Financial Statements	113 - 179
		SS: About This Report – Reporting Scope and Boundary	19
	2-3 Reporting period, frequency and contact point	Reporting period: 1 January 2025 to 31 December 2025	
		Frequency: Annually	
		Publication date: 30 April 2026	
		SS: About This Report – Contact Us	20
2-4 Restatements of information	Emissions generated, emission intensity, energy consumption and energy intensity data for FY2023 and FY2024 due to enhancement in the calculation methodology		
2-5 External assurance	SS: About This Report – Assurance	20	
Activities and workers			
2-6 Activities, value chain and other business relationships	Sector: Steel manufacturing and trading		
	AR: Management Discussion and Analysis	09 - 11	
	SS: About This Report – Reporting Scope and Boundary	19	
	SS: Stakeholder Engagement	27 - 28	

SUSTAINABILITY STATEMENT

GRI Content Index (Cont'd)

GRI Standard	Disclosure	Information/ Location	Page Number
General Disclosures (Cont'd)			
GRI 2: General Disclosures 2021	Activities and workers (Cont'd)		
	2-7 Employees	The number of employees is reported based on headcount at the end of the reporting period	
		All our employees are on a full-time permanent basis, and majority of them are locally employed (i.e. Malaysians) in the country we operate. Our employees are required to work in an office-based setting, and their working hours are mainly during standard business hours.	
		No significant fluctuations in the number of employees during the reporting period and between reporting periods	
		SS: Social Compliance – Diversity and Equal Opportunity	58 - 65
	Governance		
	2-9 Governance structure and composition	AR: Board of Directors' Profile	12 - 15
		SS: Governance for Sustainability	26
	2-10 Nomination and selection of the highest governance body	Corporate Governance Report	
		AR: Corporate Governance Overview Statement	90 - 103
	2-11 Chair of the highest governance body	The Chair of the Board of Directors, Madam Dato' Kalsom binti Abd. Rahman, is an Independent Non-Executive Director	
		Corporate Governance Report	
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance Report	
		SS: Governance for Sustainability	26
		SS: Stakeholder Engagement	27 - 28
2-13 Delegation of responsibility for managing impacts	Corporate Governance Report		
	SS: Governance for Sustainability	26	
2-14 Role of the highest governance body in sustainability reporting	SS: Governance for Sustainability	26	
2-15 Conflicts of interest	AR: Audit Committee Report	110 - 111	
	AR: Corporate Governance Overview Statement	90 - 103	
	SS: Corporate Governance and Anti-Corruption – Corporate Governance Practices	39	
2-16 Communication of critical concerns	SS: Corporate Governance and Anti-Corruption – Whistle-Blowing Mechanism	41	

SUSTAINABILITY STATEMENT

GRI Content Index (Cont'd)

GRI Standard	Disclosure	Information/ Location	Page Number	
General Disclosures (Cont'd)				
GRI 2: General Disclosures 2021	Governance (Cont'd)			
	2-17 Collective knowledge of the highest governance body	Corporate Governance Report		
		SS: Corporate Governance and Anti-Corruption – Board Composition and Diversity	37 - 38	
		SS: Corporate Governance and Anti-Corruption – Corporate Governance Practices	39	
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Report		
		SS: Corporate Governance and Anti-Corruption – Corporate Governance Practices	39	
	2-19 Remuneration policies	Corporate Governance Report		
		SS: Corporate Governance and Anti-Corruption – Corporate Governance Practices	39	
	2-20 Process to determine remuneration	Corporate Governance Report		
		SS: Corporate Governance and Anti-Corruption – Corporate Governance Practices	39	
	2-21 Annual total compensation ratio ¹			
	Strategy, policies and practices			
	2-22 Statement on sustainable development strategy	SS: Chairperson's Message	21 - 23	
	2-23 Policy commitments	Code of Conduct and Ethics is made available at https://tashin.com.my/code-of-conduct-and-ethics/		
Sustainability Policy and Framework is made available at https://tashin.com.my/sustainability/				
Anti-Bribery and Anti-Corruption Policy is made available at https://tashin.com.my/anti-bribery-anti-corruption-policy/				
SS: Tashin's Sustainability Framework		24 - 25		
SS: Corporate Governance and Anti-Corruption		36 - 41		
2-24 Embedding policy commitments	SS: Tashin's Sustainability Framework	24 - 25		
	SS: Corporate Governance and Anti-Corruption	36 - 41		
2-25 Processes to remediate negative impacts	Whistleblowing Policy is made available at https://tashin.com.my/whistleblowing-policy/			
	SS: Corporate Governance and Anti-Corruption – Whistle-Blowing Mechanism	41		
2-26 Mechanisms for seeking advice and raising concerns	SS: Corporate Governance and Anti-Corruption – Whistle-Blowing Mechanism	41		

¹ Disclosure for GRI 2-21-a, b & c on Annual total compensation ratio – Disclosure omitted as salary and compensation of employees are confidential information for Tashin.

SUSTAINABILITY STATEMENT

GRI Content Index (Cont'd)

GRI Standard	Disclosure	Information/ Location	Page Number
General Disclosures (Cont'd)			
GRI 2: General Disclosures 2021	Strategy, policies and practices (Cont'd)		
	2-27 Compliance with laws and regulations	SS: Corporate Governance and Anti-Corruption – Anti-Bribery and Anti-Corruption	39 - 40
		SS: Labour and Human Rights	71
	2-28 Membership associations	SS: About This Report – Our Business	19
	Stakeholder engagement		
2-29 Approach to stakeholder engagement	SS: Stakeholder Engagement	27 - 28	
Material Topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	SS: Stakeholder Engagement	27 - 28
		SS: Material Sustainability Matters	29 - 30
	3-2 List of material topics	SS: Material Sustainability Matters	29 - 30
Our Economic			
Product and Responsibility			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Product and Responsibility	32
Competitive Advantage			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Competitive Advantage	33
Raw Materials and Feedstock Supply			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Raw Materials and Feedback Supply	33 - 34
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	SS: Raw Materials and Feedback Supply – Local Procurement	34
Our Governance			
Corporate Governance and Anti-Corruption			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Corporate Governance and Anti-Corruption	36 - 41
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	SS: Corporate Governance and Anti-Corruption – Anti-Bribery and Anti-Corruption	39 - 40
	205-3 Confirmed incidents of corruption and actions taken	SS: Corporate Governance and Anti-Corruption – Anti-Bribery and Anti-Corruption	39 - 40

SUSTAINABILITY STATEMENT

GRI Content Index (Cont'd)

GRI Standard	Disclosure	Information/ Location	Page Number
Our Governance (Cont'd)			
Data Privacy			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Data Privacy	41
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	SS: Data Privacy	41
Our Environment			
Environmental Compliance			
Energy Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Environmental Compliance – Energy Management	44 - 46
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	SS: Environmental Compliance – Energy Management	44 - 46
	302-3 Energy intensity	SS: Environmental Compliance – Energy Management	44 - 46
	302-4 Reduction of energy consumption	SS: Environmental Compliance – Energy Management	44 - 46
Water Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Environmental Compliance – Water Management	46 - 47
GRI 303: Water and Effluents 2018	303- Interactions with water as a shared resource	SS: Environmental Compliance – Water Management	46 - 47
	303-2 Management of water discharge-related impacts	SS: Environmental Compliance – Water Management	46 - 47
	303-4 Water discharge	SS: Environmental Compliance – Water Management	46 - 47
	303-5 Water consumption	SS: Environmental Compliance – Water Management	46 - 47
Biodiversity Conservation			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Environmental Compliance – Biodiversity Conservation	51
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	SS: Environmental Compliance – Biodiversity Conservation	51
	304-2 Significant impacts of activities, products and services on biodiversity	SS: Environmental Compliance – Biodiversity Conservation	51

SUSTAINABILITY STATEMENT

GRI Content Index (Cont'd)

GRI Standard	Disclosure	Information/ Location	Page Number
Our Environment (Cont'd)			
Environmental Compliance (Cont'd)			
Climate Change and Emissions			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Environmental Compliance – Climate Change and Emissions	43 - 44
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	SS: Environmental Compliance – Climate Change and Emissions	43 - 44
	305-2 Energy indirect (Scope 2) GHG emissions	SS: Environmental Compliance – Climate Change and Emissions	43 - 44
Waste Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Environmental Compliance – Waste Management	48 - 50
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	SS: Environmental Compliance – Waste Management	48 - 50
	306-2 Management of significant waste-related impacts	SS: Environmental Compliance – Waste Management	48 - 50
	306-3 Waste generated	SS: Environmental Compliance – Waste Management	48 - 50
	306-4 Waste diverted from disposal	SS: Environmental Compliance – Waste Management	48 - 50
	306-5 Waste directed to disposal	SS: Environmental Compliance – Waste Management	48 - 50
Our Social			
Social Compliance			
Hiring and Retention			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Social Compliance – Hiring and Retention	56 - 58
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	SS: Social Compliance – Hiring and Retention	56 - 58
Employee Benefit and Well-being			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Social Compliance – Employee Benefit and Well-being	66 - 67
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	SS: Social Compliance – Employee Benefit and Well-being	66 - 67
	401-3 Parental leave	SS: Social Compliance – Employee Benefit and Well-being	66 - 67
Talent Management and Development			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Social Compliance – Talent Management and Development	54 - 56

SUSTAINABILITY STATEMENT

GRI Content Index (Cont'd)

GRI Standard	Disclosure	Information/ Location	Page Number
Our Social (Cont'd)			
Social Compliance (Cont'd)			
Talent Management and Development			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	SS: Social Compliance – Talent Management and Development	54 - 56
	404-2 Programs for upgrading employee skills and transition assistance programs	SS: Social Compliance – Talent Management and Development	54 - 56
Diversity and Equal Opportunity			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Corporate Governance and Anti-Corruption – Board Composition and Diversity	37 - 38
		SS: Social Compliance – Diversity and Equal Opportunity	58 - 65
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	SS: Corporate Governance and Anti-Corruption – Board Composition and Diversity	37 - 38
		SS: Social Compliance – Diversity and Equal Opportunity	58 - 65
Community Engagement and Development			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Social Compliance – Community Engagement and Development	67 - 68
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	SS: Social Compliance – Community Engagement and Development	67 - 68
Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Occupational Health and Safety	69 - 70
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	SS: Occupational Health and Safety – OHS Policy	69
		SS: Occupational Health and Safety – OHS Governance and Risk Management	69
	403-2 Hazard identification, risk assessment, and incident investigation	SS: Occupational Health and Safety – OHS Governance and Risk Management	69
	403-5 Worker training on occupational health and safety	SS: Occupational Health and Safety – Safety Training	70
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SS: Occupational Health and Safety	69 - 70
	403-9 Work-related injuries	SS: Occupational Health and Safety – Safety Performance	70

SUSTAINABILITY STATEMENT

GRI Content Index (Cont'd)

GRI Standard	Disclosure	Information/ Location	Page Number
Our Social (Cont'd)			
Social Compliance (Cont'd)			
Labour and Human Rights			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Labour and Human Rights – Advocating Human and Labour Rights	71
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	SS: Labour and Human Rights – Advocating Human and Labour Rights	71
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	SS: Labour and Human Rights – Advocating Human and Labour Rights	71
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	SS: Labour and Human Rights – Advocating Human and Labour Rights	71
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	SS: Labour and Human Rights – Advocating Human and Labour Rights	71

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**the Board**”) of Tashin Holdings Berhad (“**the Company**”) acknowledges the importance of the principles and recommendations as set out in the Malaysian Code on Corporate Governance (“**MCCG**”). In line with this, the Board is committed to the Company’s policy of managing the affairs of the Company and its subsidiaries (“**the Group**”) with transparency, integrity and accountability by ensuring that a sound framework of the best corporate practices is in place at all levels of the Group’s businesses and thus, discharging its principal responsibility towards protecting and enhancing long-term shareholders’ value and stakeholders’ interests. The ensuing paragraphs in this Corporate Governance Overview Statement (“**the Statement**”) describe the extent to which the Group has applied and complied with the practices and guidance as set out in the MCCG for the financial year ended 31 December 2025 (“**FYE 2025**”).

The Statement is presented pursuant to Rule 15.25(1) of Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”) ACE Market Listing Requirements (“**AMLR**”).

The objective of the Statement is to provide an overview of the application of the principles set out in the MCCG throughout FYE 2025. The detailed application for each practice and guidance as set out in the MCCG are disclosed in the Corporate Governance Report (“**CG Report**”) which is available on the Company’s corporate website at www.tashin.com.my and through the announcement published on the website of Bursa Malaysia Securities.

Principle A - Board leadership and effectiveness

Part I: Board responsibilities

1) Clear functions, roles and responsibilities of the Board and Management

- i) The Board takes full responsibility for the overall performance of the Group by setting the strategic directions and objectives, formulating the policies and executing the key strategic action plans. The Board regularly reviews the Group’s business operations and maintains full and effective control over the management of the Group.

The duties and responsibilities of the Board include determining the Group’s overall strategic plans and performing periodic reviews of business and financial performance, as well as adopting and implementing practical risk management and internal control systems within the Group.

The roles and duties of the Chairperson and Managing Director are clearly identified and separated to ensure the effective operations of the Group.

The Board has also delegated certain responsibilities to other Board Committees which operate within clearly defined terms of reference. The standing Board Committees include the Audit Committee (“**AC**”), the Nomination Committee (“**NC**”), the Remuneration Committee (“**RC**”), the Risk Management Committee (“**RMC**”) and the Sustainability Committee (“**SC**”). It is the general policy of the Group that all major decisions be considered by the Board.

The Chairperson of the Board is also the Chairperson of the RC and a member of the NC.

- ii) The Board reviews the sustainability, effectiveness and implementation of the strategic plans and provides guidance and input to Management. In order to ensure the effective discharge of its functions and duties, the principal responsibilities of the Board include, among others, the following:
- To provide leadership and oversee the overall conduct of the Group’s businesses to ensure that the businesses are being properly managed;
 - To review and adopt strategic plans for the Group and to ensure that such strategic plans and the risk, performance and sustainability thereon are effectively integrated and appropriately balanced;
 - To review and adopt corporate governance best practices in relation to risk management, legal and compliance management and internal control systems to safeguard the Group’s reputation, its employees as well as the Group’s assets and to ensure compliance with applicable laws and regulations;
 - To ensure that the Company has effective Board Committees as required by the applicable laws, regulations, rules, directives and guidelines and as recommended by the MCCG;
 - To review and approve the annual business plans, financial statements and annual reports;
 - To monitor the relationships between the Group and Management, shareholders and stakeholders, and to develop and implement an investor relations programme or shareholders’ communications policy for the Group;

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle A - Board leadership and effectiveness (Cont'd)

Part I: Board responsibilities (Cont'd)

1) Clear functions, roles and responsibilities of the Board and Management (Cont'd)

- ii) The Board reviews the sustainability, effectiveness and implementation of the strategic plans and provides guidance and input to Management. In order to ensure the effective discharge of its functions and duties, the principal responsibilities of the Board include, among others, the following: (Cont'd)
- To appoint the Board Committees, to delegate powers to such Committees, to review the composition, performance and effectiveness of such Committees, and to review the reports prepared by the Board Committees and deliberate on the recommendations thereon;
 - To evaluate and approve the major capital expenditures, capital management and all major corporate transactions;
 - To review the succession planning, including appointing, assessing, training, fixing the compensation of and where appropriate, replacing the Board and senior management;
 - To establish a formal schedule of matters reserved for the Board and those delegated to Management and/or Board Committees;
 - To identify the principal risks of the Company and to ensure implementation of appropriate internal control and a proper risk management system; and
 - To review the adequacy and integrity of the management information and internal controls system of the Company.

iii) Role of Company Secretaries

The Board is assisted by three (3) professional Chartered Company Secretaries (outsourced) who carry out the responsibilities of the company secretarial function for the Group. The main duties of the Company Secretaries, among others, are as follows:

- Ensure compliance with Bursa Malaysia Securities AMLR and related statutory obligations and requirements as well as updating the Board regularly on all relevant changes to Bursa Malaysia Securities AMLR and statutory requirements;
- Attend Board meetings, Board Committees meetings and general meetings, and ensure proper recording of proceedings as well as follow-up on matters arising from the aforesaid meetings;
- Ensure proper upkeep of statutory registers and records and maintain a secured retrieval system that stores meeting papers and minutes of meetings; and
- Assist the Chairperson/Chairman in the preparation for and conduct of various meetings of the Company.

All three (3) Company Secretaries have the requisite credentials and are qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016.

iv) Access to information and advice

The Board shall be supplied with appropriate and timely information to enable it to discharge its duties. The board papers are to be comprehensive and include all necessary information so that informed decisions can be made. The Board may also request additional information whenever it deems necessary or appropriate. Management is invited to the Board meetings to furnish clarification on certain issues.

All Directors have access to the professional advice and services of its qualified Company Secretaries in the course of discharging their duties and responsibilities on matters relating to procedures governing the Company which include the Companies Act 2016, Bursa Malaysia Securities AMLR and other applicable laws, rules and regulations, either as a full Board or in their individual capacity.

The Directors may seek independent professional advice, whenever necessary and in appropriate circumstances, either individually or collectively on any matter concerning the discharge of their responsibilities at the expense of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle A - Board leadership and effectiveness (Cont'd)

Part I: Board responsibilities (Cont'd)

2) Demarcation of responsibilities

i) Board Charter

The Board Charter sets out the roles, duties and responsibilities of the Board and the application of principles and practices of good corporate governance. The Board Charter was adopted by the Board on 17 April 2018 and further revised on 15 December 2023.

The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities. Any subsequent amendment to the Board Charter can only be approved by the Board.

The Board Charter is available on the Company's corporate website at www.tashin.com.my.

3) Good business conduct and corporate culture

i) Code of Conducts and Ethics

The Code of Conduct and Ethics of the Company was adopted on 22 April 2020 and applies to all Directors of the Group during the conduct of businesses of the Group.

In addition, all Executive Directors of the Group are required to observe and comply with the Code of Conduct for Workplace which is issued by the Human Resources department.

All Directors shall be accountable for full compliance with the Code of Conduct and Ethics. In the event of any violation of the Code of Conduct and Ethics, the Board shall take necessary actions to ratify the non-compliance or violation.

The Code of Conduct and Ethics is available on the Company's corporate website at www.tashin.com.my.

ii) Whistleblowing Policy

The Board had on 20 February 2020 established and approved a Whistleblowing Policy to uphold the Group's effort and commitment to doing business with ethics of honesty and integrity, henceforth, providing a transparent and confidential process for handling the whistleblowing reports.

The Whistleblowing Policy aims to provide a structured mechanism for its employees, Directors and associates to report suspected and/or known misconduct, wrongdoings, corruption and instances of fraud, waste, and/or abuse involving the resources of the Group and to provide reassurance that they shall be protected from reprisals or victimisation for whistleblowing in good faith.

The Whistleblowing Policy is available on the Company's corporate website at www.tashin.com.my.

iii) Anti-Bribery and Anti-Corruption ("ABAC") Policy & Guidelines

The Board had on 19 August 2020 established and approved the ABAC Policy & Guidelines to uphold the Group's effort and commitment to ensure adequate and standardised ABAC Policy & Guidelines are consistently applied throughout the Group by the staff and business operations within the Group and to adhere strictly to the ABAC Policy & Guidelines.

The ABAC Policy & Guidelines is available on the Company's corporate website at www.tashin.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle A - Board leadership and effectiveness (Cont'd)

Part I: Board responsibilities (Cont'd)

4) Sustainability risks and opportunities

The Company is fully committed to instituting a robust, wide-ranging and germane sustainability framework to cover all aspects of operations. The Board had on 20 November 2023 approved the Sustainability Policy and Framework and established the Sustainability Committee on 15 December 2023.

The Board, together with Management will plan and implement sustainability governance architecture that covers the following areas:

- Assume the ultimate responsibility in approving sustainability strategy;
- Ensure business strategy considers sustainability;
- Evaluate overall sustainability risks and opportunities; and
- Provide leadership over the implementation of the sustainability agenda.

The Sustainability Statement comprises the Group's sustainability strategies, priorities, targets, and performance and communications to various parties, i.e., internal and external stakeholders.

The Board would undertake the relevant training to stay abreast with and understand the sustainability issues relevant to the Company and its businesses, including climate-related risks and opportunities.

Part II: Board composition

5) Board's objectivity

i) Composition of the Board

The Board has eleven (11) Board members as of FYE 2025, comprising one (1) Managing Director, two (2) Executive Directors, three (3) Non-Independent Non-Executive Directors and five (5) Independent Non-Executive Directors, including the Chairperson of the Board, which fulfils the prescribed requirement of one-third (1/3) of the Board to be independent as stated in Rule 15.02(1) of Bursa Malaysia Securities AMLR. In addition, the Company also complies with Practice 5.2 of MCCG to have at least half of the Board comprised Independent Non-Executive Directors.

The presence of Independent Non-Executive Directors who come from various fields are invaluable asset to the Company and fulfil the pivotal role in corporate accountability. The role of Independent Non-Executive Directors is particularly important as they provide unbiased and independent views, advice and judgements taking into account the interests, not only of the Group but also the stakeholders.

The profile of each Director is presented in another section of this Annual Report.

ii) Independent Non-Executive Directors, Board diversity and key management

a) Tenure of Independent Non-Executive Director

At the time of writing this Statement, none of the Independent Non-Executive Directors had served the Board as Independent Non-Executive Directors for more than nine (9) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle A - Board leadership and effectiveness (Cont'd)

Part II: Board composition (Cont'd)

5) Board's objectivity (Cont'd)

ii) Independent Non-Executive Directors, Board diversity and key management (Cont'd)

b) Policy of Independent Non-Executive Director's tenure

The Company does not have a policy that limits the tenure of its Independent Non-Executive Directors to nine (9) years. However, upon completion of the nine (9)-year term, the Independent Non-Executive Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Non-Executive Director.

In the event that the Director is to remain as an Independent Non-Executive Director after the ninth (9th) year, the Company shall first justify the Director's independence and obtain annual shareholders' approval through a two-tier voting process at every Annual General Meeting ("AGM") of the Company to retain the Independent Non-Executive Director of the Company who has served the Board for more than nine (9) years.

The NC is responsible for conducting a review to determine whether an Independent Non-Executive Director can continue to be independent if the tenure of the Independent Non-Executive Director exceeds the cumulative term of nine (9) years. Thereafter, the NC shall recommend to the Board for recommendation to the shareholders on the retention of the aforesaid Independent Non-Executive Director, if he/she so met the independence guidelines as set out in Chapter 1 of Bursa Malaysia Securities AMLR.

c) Diverse Board and senior management team

Appointments of the Board and senior management are based on objective criteria, merit and due regard for diversity in skills, experience, age, cultural background and gender. Please refer to the Profile of Directors and the key senior management team in other sections of this Annual Report for further information.

The NC is responsible for making recommendations relating to any new appointment of the Director to the Board and key senior management personnel. Any new nomination received by the NC is to be assessed and reviewed by the NC with appropriate selection criteria and processes and to identify candidates for directorships of the Company, members of the relevant Board Committees and key senior management personnel prior to the recommendation to the Board for their assessment and approval.

The NC assesses the suitability of the candidates by taking into consideration the mix of skills, knowledge, expertise and experience, competencies, time commitment, fit and proper and professionalism required by the Board.

d) Gender Diversity Policy

Although the Board has yet to establish a formal Gender Diversity Policy or set specific gender diversity targets as of FYE 2025, it recognises and values the importance of gender diversity within the Board and senior management.

The Company's commitment to gender diversity is demonstrated by having two (2) female Directors out of eleven (11) Directors during the financial year under review, representing 18% of the total Board.

The recruitment and appointment of suitable female representatives on the Board will be considered when vacancies arise or suitable candidates are identified in line with the Group's strategic objectives.

e) New candidates for the Board's appointment

An Executive Director was appointed to the Board during FYE 2025 on 15 January 2025 and subsequently re-designated as Managing Director with effect from 31 January 2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle A - Board leadership and effectiveness (Cont'd)

Part II: Board composition (Cont'd)

5) Board's objectivity (Cont'd)

ii) Independent Non-Executive Directors, Board diversity and key management (Cont'd)

e) New candidates for the Board's appointment (Cont'd)

Any potential shortlisted candidate, who is not known to the existing Board members, would be interviewed by the NC and thereafter, meet with the Board for endorsement of appointment.

iii) NC

The NC consists of three (3) members, all of which are Independent Non-Executive Directors and the composition of the NC is as follows:

Members	Designation	Number of NC meetings attended/ held during FYE 2025
Mr. Sim Puei Chun	Chairman	2/2
Dato' Kalsom binti Abd. Rahman	Member	2/2
Encik Rusdy bin Ishak	Member	2/2

The role of the NC is to assist the Board in evaluating candidates for nomination to the Board and to assess the effectiveness of the Board and each individual Director on an ongoing basis in terms of contribution, skills, experience and other qualities.

In addition, the NC also has the function of assessing the effectiveness of the Board, reviewing the skills and competencies of individual Directors and the composition of the various Committees of the Board. The objective is to improve the Board's effectiveness, identify gaps, maximise strengths and address weaknesses of the Board.

During FYE 2025, the main activities undertaken by the NC were as follows:

- Reviewed and recommended to the Board the re-election of Directors of the Company who shall retire at the AGM of the Company, taking into consideration the Fit and Proper Policy.
- Assessed the independence of the Independent Non-Executive Directors of the Company.
- Assessed the effectiveness of the Board as a whole and the Board Committees including the AC.
- Assessed the contribution and performance of each individual Director of the Company and AC member.
- Reviewed and recommended to the Board the appointment of Executive Director of the Company.
- Reviewed and recommended to the Board the revised Board and Board Committee Performance Evaluation Form.

The full terms of reference of the NC, outlining the NC's objectives, composition, proceeding of meetings, circular resolution, authority and duties and responsibilities, is available on the Company's corporate website at www.tashin.com.my.

Reinforce independence: Annual assessment of the independence of Directors

The Board adopts the concept of independence in tandem with the definition of Independent Non-Executive Director as prescribed under Rule 1.01 of Bursa Malaysia Securities AMLR. The Board also carries out an annual assessment of the independence of its Independent Non-Executive Directors through the assistance of the NC.

The Board considers that its Independent Non-Executive Directors provide objective and independent views on various issues dealt with at the Board and Board Committees levels. All the Independent Non-Executive Directors are independent of management and are free from any relationship that could materially interfere with the exercise of their independent judgement.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle A - Board leadership and effectiveness (Cont'd)

Part II: Board composition (Cont'd)

5) Board's objectivity (Cont'd)

iii) NC (Cont'd)

Re-election of Directors

In accordance with Clause 165 of the Company's Constitution, at every AGM, one-third (1/3) of the Board will retire from office unless elected or re-elected at the AGM. The Directors retiring will be those longest in office since their last election. If the Directors were elected on the same day, the Directors to retire will either as agreed between those Directors or by lot. If the total number of the Directors is not three (3) or a multiple of it, the number nearest to one-third (1/3) will retire. All the Directors shall retire from office at least once in each three (3) years but shall be eligible for re-election.

Directors who are appointed by the Board to fill a casual vacancy shall hold office until the next following AGM and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at the AGM pursuant to Clause 156 of the Company's Constitution.

For the purpose of determining the eligibility of the Directors to stand for re-election at the AGM of the Company, the Board through its NC undertakes a formal evaluation to determine the eligibility of each retiring Director in line with MCCG, which includes the following:

- (i) Effectiveness of the Board as a whole and the Committees of the Board;
- (ii) Contribution and performance of each individual Director;
- (iii) Independence of the Independent Non-Executive Directors; and/or
- (iv) Fit and proper assessment.

The Directors who are to retire shall abstain from deliberations and decisions on their own eligibility to stand for re-election at the meetings of the Board and NC, where relevant.

6) Overall Board effectiveness

i) Annual evaluation of the Board

The Company has enhanced its Board and Board Committees Performance Evaluation Form by including questionnaires on Environmental, Social and Governance ("ESG") issues.

The Board had through the NC undertakes the following assessments annually and the results of the evaluations are presented to the NC and the Board:

- a) The Board and Board Committee performance evaluation;
- b) Self-performance evaluation;
- c) AC performance assessment questionnaires; and
- d) Independence of the Independent Non-Executive Directors.

Overall, the Board Committees, individual Directors, individual AC members and the Board as a whole had performed fairly well and had discharged their duties with care and diligence.

The independence of the Independent Non-Executive Directors of the Company had been fulfilled in accordance with Bursa Malaysia Securities AMLR and would not impede their independence in carrying out their duties in the respective Board and Board Committees.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle A - Board leadership and effectiveness (Cont'd)

Part II: Board composition (Cont'd)

6) Overall Board effectiveness (Cont'd)

ii) Board meetings (Cont'd)

During FYE 2025, a total of five (5) Board meetings were held and the details of each Director's attendance at the Board meetings are as follows:

Name of Directors	No. of meetings attended	% of attendance
Dato' Kalsom binti Abd. Rahman	5 / 5	100
Mr. Lim Choon Teik	5 / 5	100
Mr. Teh Jian Yang	5 / 5	100
Mr. Foong Kok Chuin	5 / 5	100
Mr. Sim Puei Chun	5 / 5	100
Madam Khaw Chooi Kee	5 / 5	100
Encik Rusdy bin Ishak	5 / 5	100
Ir. Tan Tiong Ben	5 / 5	100
Dato' Toh Yew Peng	5 / 5	100
Mr. Toh Yew Seng	4 / 5	80
Mr. Koay Kah Ee	5 / 5	100

In the intervals between the Board meetings, the Board's approvals are obtained via circular resolutions for exceptional matters requiring urgent Board's decisions which are supported by the relevant information in order to form an informed decision. In order to facilitate the Directors' planning and time management, an annual meeting calendar is prepared and given to the Directors before the beginning of each financial year.

The Board is satisfied with the time commitment given by the Directors. All of the Directors do not hold more than five (5) directorships in the public listed companies as stipulated under Bursa Malaysia Securities AMLR. If any Director wishes to accept a new directorship in the public listed companies, the Chairperson will be informed beforehand together with an indication of the time that will be spent on the new appointment.

iii) Directors' training

All Directors have attended the Mandatory Accreditation Programme ("MAP") Part I and the majority have attended MAP Part II. The Director who has yet to attend the MAP Part II training has registered to complete the training before the deadline set by Bursa Malaysia Securities.

During FYE 2025, all Directors attended various talks and seminars organised by Bursa Malaysia Securities and other local training organisations as follows:

Attended by	Seminars/Programmes
Dato' Kalsom binti Abd. Rahman	<ul style="list-style-type: none"> Institute of Corporate Directors Malaysia ("ICDM"): The Journey into the AI Age: Game Changer for your Digital Transformation Era ICDM: Boardroom Blindspots: How Our Perceptions of Risk Influence Our Boardroom Effectiveness Data to Disclosures (D2D) Forum: Strengthening Data Capacity for National Sustainability and Research Forum (NSRF) Reporting Entities
Madam Khaw Chooi Kee	<ul style="list-style-type: none"> Cybersecurity Refresher Training 2026 Budget & Tax Conference

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle A - Board leadership and effectiveness (Cont'd)

Part II: Board composition (Cont'd)

6) Overall Board effectiveness (Cont'd)

iii) Directors' training (Cont'd)

Attended by	Seminars/Programmes
Dato' Toh Yew Peng	<ul style="list-style-type: none"> Malaysian Association of Company Secretaries ("MACS"): Service Tax Updates and Implementation for Contractors Rental and Leasing, and Related Industries Chartered Tax Institute of Malaysia ("CTIM"): Navigating the Stamp Duty Shift: Focus on Employment, Services & Rental Contracts The Malaysian Institute of Certified Public Accountants ("MICPA"): Common Offences by Directors under the Companies Act 2016 & Effective Fee Collection Strategy
Mr. Toh Yew Seng	<ul style="list-style-type: none"> MACS: Service Tax Updates and Implementation for Contractors Rental and Leasing, and Related Industries CTIM: Navigating the Stamp Duty Shift: Focus on Employment, Services & Rental Contracts MICPA: Common Offences by Directors under the Companies Act 2016 & Effective Fee Collection Strategy
Mr. Lim Choon Teik	<ul style="list-style-type: none"> Corporate Training on Microsoft Teams Leading Change, Success through Integrity Workshop Strategy Planning and New Business Model Workshop
Ir. Tan Tiong Ben	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II – Leading for Impact (LIP)
Encik Rusdy bin Ishak	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II – Leading for Impact (LIP)
Mr. Sim Puei Chun	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II – Leading for Impact (LIP)
Mr. Teh Jian Yang	<ul style="list-style-type: none"> Leading Change, Success through Integrity Workshop Strategy Planning and New Business Model Workshop Mandatory Accreditation Programme Part I
Mr. Foong Kok Chuin	<ul style="list-style-type: none"> ICDM: Strategic Oversight in Strategy Implementation: Getting Execution Right at The Board Level Leading Change, Success through Integrity Workshop Strategy Planning and New Business Model Workshop
Mr. Koay Kah Ee	<ul style="list-style-type: none"> Key Tax, Accounting and Legal Highlights on E-Invoicing and Finance Act 2024 for Malaysian Businesses SST Expansion 2025: Navigating Compliance and New Developments Directors' Compliance Briefing: ACE Market Listing Requirements and Supporting Regulations Audit Oversight Board's Conversation with Audit Committees Enterprise Risk Management

The Board will continue to strive to ensure that all Directors are equipped with adequate knowledge, skill and experience through structured and unstructured training in order for them to carry out their duties and responsibilities assigned to them diligently and professionally.

Part III: Remuneration

7) Remuneration

The remuneration packages of the Managing Director, Executive Directors and key senior management are linked to corporate and individual performance. For Non-Executive Directors, the level of remuneration is reflective of their experience and level of responsibilities assumed in the Board Committees, and their attendance, special skills and expertise that they bring to the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle A - Board leadership and effectiveness (Cont'd)

Part III: Remuneration (Cont'd)

8) RC

The main function of the RC is to assist the Board in fulfilling its responsibilities on matters relating to the Group's compensation, bonuses, incentives and benefits. The RC assists the Board in assessing the remuneration packages of the Managing Director, Executive Directors and key senior management with a view to ensure that a competitive remuneration package is offered to attract and retain the talented individuals to serve the Group as well as reviewing the Directors' fees and benefits and proposed to the Board for approval and recommendation to the shareholders for approval at the AGM of the Company.

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

Members	Designation	Number of RC meeting attended/held during FYE 2025
Dato' Kalsom binti Abd. Rahman	Chairperson	1/1
Mr. Sim Puei Chun	Member	1/1
Ir. Tan Tiong Ben	Member	1/1

The full terms of reference of the RC, outlining the RC's objectives, composition, proceeding of meetings, circular resolution, authority and duties and responsibilities, is available on the Company's corporate website at www.tashin.com.my.

During FYE 2025, the main activities undertaken by the RC were as follows:

- Reviewed and recommended to the Board, the Directors' fees.
- Reviewed and recommended to the Board, the benefits payable to the Directors from 6 June 2025 until the next AGM of the Company to be held in year 2026.
- Reviewed and discussed the remuneration packages and key performance indicators of the Managing Director, Executive Directors and Senior Management of the Company.

9) Directors' remuneration

The details of the remuneration of Directors of the Company comprising remuneration received/receivable from the Company and its subsidiaries during FYE 2025 are as follows:

(a) Company

Name of Directors	Fees RM'000	Salaries RM'000	Bonuses RM'000	Benefits-in-kind, EPF and allowances RM'000	Total RM'000
Non-Executive Directors					
Dato' Kalsom binti Abd. Rahman	44	-	-	3	47
Mr. Sim Puei Chun	33	-	-	3	36
Madam Khaw Chooi Kee	36	-	-	3	39
Encik Rusdy bin Ishak	33	-	-	3	36
Ir. Tan Tiong Ben	33	-	-	3	36
Dato' Toh Yew Peng	33	-	-	3	36
Mr. Toh Yew Seng	33	-	-	3	36
Mr. Koay Kah Ee	33	-	-	3	36

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle A - Board leadership and effectiveness (Cont'd)

Part III: Remuneration (Cont'd)

9) Directors' remuneration (Cont'd)

The details of the remuneration of Directors of the Company comprising remuneration received/receivable from the Company and its subsidiaries during FYE 2025 are as follows: (Cont'd)

(a) Company (Cont'd)

Name of Directors	Fees RM'000	Salaries RM'000	Bonuses RM'000	Benefits-in-kind, EPF and allowances RM'000	Total RM'000
Executive Directors					
Mr. Lim Choon Teik	33	-	-	3	36
Mr. Teh Jian Yang	33	-	-	3	36
Mr. Foong Kok Chuin	33	-	-	3	36

(b) Group

Name of Directors	Fees RM'000	Salaries RM'000	Bonuses RM'000	Benefits-in-kind, EPF and allowances RM'000	Total RM'000
Non-Executive Directors					
Dato' Kalsom binti Abd. Rahman	44	-	-	3	47
Mr. Sim Puei Chun	33	-	-	3	36
Madam Khaw Chooi Kee	36	-	-	3	39
Encik Rusdy bin Ishak	33	-	-	3	36
Ir. Tan Tiong Ben	33	-	-	3	36
Dato' Toh Yew Peng	54	-	-	3	57
Mr. Toh Yew Seng	54	-	-	3	57
Mr. Koay Kah Ee	33	-	-	3	36
Executive Directors					
Mr. Lim Choon Teik	60	637	159	119	975
Mr. Teh Jian Yang	54	396	66	84	600
Mr. Foong Kok Chuin	33	515	86	113	747

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle A - Board leadership and effectiveness (Cont'd)

Part III: Remuneration (Cont'd)

10) Remuneration of top four (4) key senior management

The top four (4) key senior management's (other than Managing Director and Executive Directors) remuneration components including salary, bonus, benefit-in-kind and other emoluments in bands of RM50,000.00 are shown below:-

Range of Remuneration (RM)	No. of Senior Management
350,001 - 400,000	1
400,001 - 450,000	1
450,001 - 500,000	1
500,001 - 550,000	1

Note: Successive bands of RM50,000.00 are not shown entirely as they are not represented.

Principle B - Effective audit and risk management

11) AC

The AC consists of three (3) Independent Non-Executive Directors which complied with Rule 15.09(1)(b) of Bursa Malaysia Securities AMLR whereby the AC shall only consist of Non-Executive Directors and a majority of whom are Independent Non-Executive Directors. The Chairperson of the AC, Madam Khaw Chooi Kee, is not the Chairperson of the Board.

For detailed information on the AC with regards to its composition, activities and report, please refer to the AC Report in this Annual Report.

None of the AC members was a former partner of the external audit firm of the Company i.e., the former partners of the audit firm and/or affiliate firm (including those providing advisory services, tax consulting, etc.).

All members of the AC are financially literate and have the relevant accounting, finance and/or related financial experience and expertise to effectively discharge their duties. The qualifications and experience of the individual AC members are disclosed in the Directors' Profile in this Annual Report.

12) Suitability, objectivity and independence of the external auditors

The Board, through the AC, maintains a formal and transparent relationship with its external auditors in seeking professional advice. The AC meets with the external auditors without the presence of the Executive Board members and Management at least twice a year regarding audit planning, adequacy of controls, and other relevant audit and accounting issues.

The AC is assigned to assess, review and supervise the performance, suitability and independence of the external auditors. Evaluation of the external auditors is carried out on a yearly basis to determine its' continuance suitability and independence via a formal assessment form. The AC remains confident that the objectivity and independence of the external auditors are not in any way impaired by reason of the non-audit services provided to the Group.

The external auditors confirmed that independence check and confirmation procedures are carried out and there is no conflict of interest for the audit and non-audit services engagement.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle B - Effective audit and risk management (Cont'd)

13) Risk management and internal control

The Board acknowledges its overall responsibility for maintaining a sound internal control system for the Group in identifying and reviewing risks and ensuring the implementation of an appropriate system to manage risk. The RMC assists the Board in continuously reviewing the activities of the Group to identify key business and operational risks and where possible, implement policies and procedures to address such risks.

All subsidiaries have their own Risk Management Unit to review, monitor and assess the risk portfolio composition of significant activities within each subsidiary. The Risk Management Unit provides the RMC with periodical reports on the status of risk management in individual subsidiaries. The RMC reviews the Group's overall risks by assessing the adequacy and effectiveness of risk portfolio composition and risk mitigation controls to determine the desired exposures of each major area of risk on a periodic basis. The Risk Management Reports are further presented to the Board for their deliberations.

The internal control system is devised to cater to the needs of the Group as well as risk management and such controls by their nature could only provide reasonable assurance but not absolute assurance against material misstatement or loss. Information on the Company's risk management framework and internal control system within the Group is presented in the Statement on Risk Management and Internal Control of this Annual Report.

Principle C - Integrity in corporate reporting and meaningful relationship with stakeholders

14) Corporate reporting

In presenting the annual financial statements and quarterly announcements of its results, the Board is committed to providing a balanced, fair and comprehensive assessment of the Company's state of affairs in relation to its financial performance. In order to achieve the above, adequate financial processes are in place, aimed at keeping the Group's accounting records and transactions in accordance with accepted accounting standards.

The AC assists the Board by reviewing the financial statements with Management and the external auditors to ensure the accuracy and adequacy of all the information to be disclosed as well as to ensure its compliance with the requirements of the rules and regulations of the regulators and approved accounting standards. The Chief Financial Officer also presented to the AC and the Board, detailed presentations on the financial results, including performance against targets/budget.

The Statement of Directors' Responsibility pursuant to Bursa Malaysia Securities AMLR on its responsibilities in preparing the audited financial statements is set out in another section of this Annual Report.

15) Communication with stakeholders

Information on the Group's businesses and corporate development, annual reports, circulars, general meetings, press releases, quarterly financial results and timely announcements on material corporate exercises are the primary modes of disseminating information on the Group's business activities and financial performance. These form an important channel of communication to reach the stakeholders.

The Managing Director is the designated spokesperson for all matters related to the Group and dedicated personnel are tasked to prepare and verify material information for timely disclosure upon approval by the Board.

In addition, the Company maintains a website at www.tashin.com.my for shareholders, investors and the general public to access information on amongst others, the Group's corporate profile, products, financial performance announcements published in Bursa Malaysia Securities' website, Board Charter and Board Committees' terms of reference and corporate information.

The minutes of the Eighth AGM of the Company held on 5 June 2025 was uploaded onto the Company's website within thirty (30) business days after the AGM of the Company. It is accessible at <https://tashin.com.my/general-meeting/>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle C - Integrity in corporate reporting and meaningful relationship with stakeholders (Cont'd)

16) Conduct of general meetings

Participation at AGM

In order to encourage shareholders' participation, an adequate notice period for the AGM and annual reports of not less than twenty-eight (28) days is communicated to all the shareholders.

All the Directors of the Company, including the Chairs of the AC, NC, RC, RMC and SC attended the Eighth AGM of the Company held on 5 June 2025.

All the Directors of the Company will endeavour to attend all future AGMs of the Company and provide responses if there are any questions addressed to them. Healthy dialogues and interactions with the shareholders are greatly encouraged and no time limitation for shareholders to raise questions pertaining to the resolutions being proposed and the operations of the Group.

The Board is supported by the external auditors, the Company Secretaries and senior management, where applicable, who are also present at the AGM of the Company to communicate with the shareholders, investors and media as well as to respond to the queries raised.

Poll voting

Bursa Malaysia Securities AMLR requires that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll for all general meetings from 1 July 2016 onwards.

The Company will conduct poll voting on all resolutions for all general meetings.

Compliance with MCGG

The Board is satisfied that during FYE 2025, the Company has complied with the best practices in MCGG on the application of the principles and best practices in corporate governance, except for those departures highlighted in the CG Report.

This Statement and the CG Report are made in accordance with a resolution of the meeting of the Board passed on 7 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

1. Audit and Non-audit Fees

During the financial year ended 31 December 2025 ("FYE 2025"), Crowe Malaysia PLT, the External Auditors have rendered audit and non-audit services to Tashin Holdings Berhad ("THB" or "Company") and its Group ("THB Group"). The breakdown of the fees payable to the External Auditors is as follows:-

	Company (RM)	Group (RM)
Statutory audit fees	31,000	137,000
Non-audit fees for review of Statement on Risk Management and Internal Control	6,000	6,000
Total	37,000	143,000

2. Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving the interests of the Directors, chief executive who is not a Director and major shareholders of the Company, either still subsisting at the end of FYE 2025 or, if not then subsisting, entered into since the end of the previous financial year.

3. Recurrent related party transactions of a revenue or trading nature ("RRPTs")

The RRPTs entered into by the Group during FYE 2025 were as follows:-

Nature of RRPTs	RRPTs entered into between THB Group with related parties	Interested Directors and/or interested major shareholders	Aggregate value of the RRPTs during FYE 2025 (RM)
Sales of goods to Prestar Resources Berhad ("Prestar") Group including steel coils, slit coils and steel sheets	Prestar Group	Prestar, Fabulous Essence Sdn. Bhd., Y.K. Toh Property Sdn. Bhd., Toh Yew Keat, Dato' Toh Yew Peng, Toh Yew Seng and Koay Kah Ee ⁽¹⁾	3,340,688
Sales of goods to Litat Hardware Sdn. Bhd. ("Litat Hardware") including steel pipes and steel plates	Litat Hardware	Lim Choon Teik, Lee Meng Yim and Formula Naga Sdn. Bhd. ("Formula Naga") ⁽²⁾	3,143,801

Notes:

⁽¹⁾ The following Directors and/or major shareholders of THB are deemed interested:-

- (i) Prestar, a major shareholder of THB;
- (ii) Fabulous Essence Sdn. Bhd., a major shareholder of Prestar and THB by virtue of its interest in Prestar pursuant to Section 8(4) of the Companies Act 2016 ("the Act");
- (iii) Y.K. Toh Property Sdn. Bhd. ceased to have any interest in the transactions between THB Group and Prestar Group as of 9 March 2025 as it no longer holds shares in either THB or Prestar, effective from 10 September 2024;
- (iv) Toh Yew Keat, a major shareholder of Prestar and THB by virtue of his interest in Prestar pursuant to Section 8(4) of the Act;
- (v) Dato' Toh Yew Peng, a major shareholder and Director of Prestar and THB by virtue of his interest in Prestar pursuant to Section 8(4) of the Act;
- (vi) Toh Yew Seng, shareholder and Director of Prestar and THB; and
- (vii) Koay Kah Ee, a person connected and shareholder of Prestar and Director and shareholder of THB (Koay Kah Ee is deemed to have an interest in the transactions between THB Group and Prestar Group by virtue of being a person connected to Prestar).

⁽²⁾ The following Director and/or major shareholders of THB are deemed interested:-

- (i) Lim Choon Teik, a major shareholder of Litat Hardware and shareholder of THB (Lim Choon Teik ceased to have any interest in the transactions between THB Group and Litat Hardware as of 31 July 2026 as he is no longer a Major Shareholder of THB effective from 10 January 2025 and no longer a Director of THB, effective from 31 January 2026);
- (ii) Formula Naga, a major shareholder of THB (ceased to have any interest in the transactions between THB Group and Litat Hardware as of 9 July 2025, as Lee Meng Yim and Lim Choon Teik no longer have interests in Formula Naga by virtue of Section 8(4) of the Act, effective from 10 January 2025); and
- (iii) Lee Meng Yim, Director and major shareholder of Litat Hardware and shareholder of Formula Naga and THB (Lee Meng Yim ceased to have any interest in the transactions between THB Group and Litat Hardware as of 9 July 2025 as he is no longer a major shareholder of Formula Naga and THB, effective from 10 January 2025).

ADDITIONAL COMPLIANCE INFORMATION

4. Disclosure of financial data for shariah screening

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

(a) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2025 (RM)	2024 (RM)
Revenue		344,592,919	372,839,238
Other Income		2,605,559	2,010,388
Interest Income		516,096	426,177
Total		347,714,574	375,275,803
Total Assets		358,392,078	382,366,062

(b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2025 (RM)	2024 (RM)
Interest Income		516,096	426,177
Total		516,096	426,177

(c) Component of Financial Position

(i) Cash Component

Islamic Account/ Instruments	Remarks	Group	
		2025 (RM)	2024 (RM)
Cash in Hand		11,504	11,504
Cash at Bank (exclude Cash in Hand)		1,393,794	613,964
Total		1,405,298	625,468

Conventional Account/ Instruments	Remarks	Group	
		2025 (RM)	2024 (RM)
Investment in Cash Funds		12,938,473	6,171,113
Cash at Bank (Exclude Cash in Hand)		6,016,163	11,663,921
Total		18,954,636	17,835,034

ADDITIONAL COMPLIANCE INFORMATION

4. Disclosure of financial data for shariah screening (Cont'd)

(c) Component of Financial Position (Cont'd)

(ii) Debt Component

Islamic Financing	Remarks	Group	
		2025 (RM)	2024 (RM)
Current		-	-
Non-Current		-	-
Total		0	0
Conventional Borrowing	Remarks	Group	
		2025 (RM)	2024 (RM)
Current			
Banker's Acceptances		18,502,000	50,997,000
Hire Purchase Payables		-	152,191
Revolving Credit and Loans		-	4,000,000
Term Loans		12,998,600	15,224,000
Non-Current		-	-
Total		31,500,600	70,373,191

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Rule 15.26(b) of Bursa Malaysia Securities Berhad ACE Market Listing Requirements ("**Listing Requirements**") and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies and the Malaysian Code on Corporate Governance, the Board of Directors ("**the Board**") of Tashin Holdings Berhad ("**the Company**") is pleased to provide the following Statement on Risk Management and Internal Control ("**Statement**") of the Company and its subsidiaries ("**the Group**") in this Annual Report.

BOARD RESPONSIBILITY

The Board acknowledges its responsibility for maintaining sound risk management and internal control systems as well as the adequacy and effectiveness of those systems to safeguard its stakeholders' interests and to protect the Group's assets. The system of risk management and internal control covers not only financial controls but risk management, organisational, operational, fraud prevention and compliance controls. It is designed to manage the Group's risks within an acceptable risk profile rather than eliminate the risk of failure in order to achieve the goals and objectives of the Group. Hence, the system of risk management and internal control could only provide reasonable but not absolute assurance against material misstatement, fraud and potential losses.

The Board affirms that the Group has in place an ongoing process of identifying, evaluating, monitoring and managing the principal risks affecting the achievement of its business objectives throughout the financial year under review. The Board has delegated; i) the review of the adequacy and effectiveness of the internal control system to the Risk Management Committee ("**RMC**") and ii) evaluate the sustainability risk and ethical impact on the Group to Sustainability Committee ("**SC**"). The Board is kept informed of all significant control issues brought to the attention of the RMC by Management, the internal audit function ("**IAF**") and also the external auditors. The Board is working closely with the RMC and SC in reviewing and improving the internal controls as well as addressing the potential risks of the Group from time to time.

RISK MANAGEMENT FRAMEWORK AND PROCESS

The Board is dedicated to strengthening the Group's risk management by establishing and putting in place a risk management framework to promote effective risk management within the Group for identifying, evaluating and managing significant risks faced by the Group systematically during the financial year under review.

As mentioned above, the responsibility to oversee the risk management framework is delegated to the RMC which is responsible for ensuring that all the principal risks of the Group are properly addressed and managed within its acceptable level. The RMC reports to the Board.

The RMC constantly assesses and identifies risks and puts in place necessary controls and mitigation plans to address and maintain the risks at an appropriate level acceptable to the Group throughout the financial year under review.

All significant risks identified and relevant controls and mitigation plans taken by Management are documented in the risk management reports and the same is compiled and tabled to the RMC and the Board for deliberations.

In order to further enhance the risk management processes within the Group, the Group has established the Anti-Bribery and Anti-Corruption ("**ABAC**") Policy and Guidelines guided by the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009 as part of the Anti-Corruption Management System of the Group to help prevent, detect and address bribery and corruption, by establishing ethical business practices, maintain a high standard of corporate governance and develop a healthy workplace culture. A Whistleblowing Policy and Guidelines is also in place to enable the Group to effectively address concerns that may adversely affect its reputation and interests.

The ABAC Policy and Guidelines and the Whistleblowing Policy and Guidelines are available on the Company's corporate website at www.tashin.com.my.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL AUDIT FUNCTION

The IAF is carried out by an external professional firm based on the Internal Audit Plan approved by the Audit Committee ("AC").

The scope of works of the IAF includes but is not limited to the following:

- Review and assess the adequacy, efficiency and effectiveness of the Group's internal control system.
- Review the extent of compliance of the Group with the policies, standard operating procedures and other laws and regulations which possibly cause a significant impact on the business operations of the Group.
- Report significant issues in relation to the business operations and activities of the Group and make recommendations for improvements in the internal audit reports to the AC.
- Conduct follow-up visits to ensure that all agreed corrective action plans are satisfactorily implemented by Management and report the same to the AC.
- Highlight any irregularities to the AC.

During the financial year under review, the IAF has successfully conducted the following audits in accordance with the Internal Audit Plan 2025 which was approved by the AC and agreed on the timing, frequency and scope of the internal audit services to be rendered:

Audit activities	Audit entity
<ul style="list-style-type: none"> • Production Process • Finished Goods, Control-Packing, Storage and Delivery Process • Recurrent Related Party Transaction 	Tashin Steel Sdn. Bhd.

There were no material issues highlighted by the IAF during the financial year under review.

EXTERNAL AUDITOR

The external auditors, in the course of their statutory audit of the Group's financial statements, reviewed the Group's system of internal control to the extent of their planned reliance as laid out in their audit planning memorandum.

Deficiencies in internal controls identified during the audit, together with the recommendations for improvement to strengthen internal controls, were reported in writing to the AC by the external auditors via their presentation deck.

OTHER KEY ELEMENTS OF INTERNAL CONTROL PROCESSES

In addition to the risk management and internal audit, the Group has established various controls to review the adequacy, effectiveness and integrity of the internal control system. Such controls include:

- A budgeting process where budgets are prepared by the operating business units for subsequent monitoring and tracking of variances and performance.
- Documented Quality Management System accredited by the International Organisation for Standardisation (ISO) certification body on the subsidiary's quality management system on various manufacturing activities.
- Quarterly review of financial results and operational matters by the AC and the Board.
- Policies and standard procedures of various operating business units within the Group are properly documented for operational guidance and compliance. These policies and standard procedures are reviewed and updated when necessary to maintain its effectiveness at all times.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

OTHER KEY ELEMENTS OF INTERNAL CONTROL PROCESSES (CONT'D)

In addition to the risk management and internal audit, the Group has established various controls to review the adequacy, effectiveness and integrity of the internal control system. Such controls include: (Cont'd)

- Corporate finance and treasury matters are controlled centrally and monitored on a weekly, monthly and quarterly basis.
- Formal authorisation limit for various levels of personnel is established in order to minimise the risk of unauthorised transactions.
- Monthly key operational performance report on key business indicators and performance results on each subsidiary is reported to Management for review and decision-making.

The Board has received assurance from the Group Managing Director and Chief Financial Officer that the Company's risk management and internal control system are operating adequately and effectively, in all material aspects, based on the risk management model and internal control system adopted by the Group.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

Pursuant to Rule 15.23 of the Listing Requirements, the external auditors have reviewed this Statement for inclusion in the 2025 Annual Report. The external auditors have reported to the Board that, based on their review procedures performed and evidence obtained, nothing has come to their attention that cause them to believe that this Statement intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by Section 7 of the Statement on Risk Management and Internal Control: 2025 Guidelines for Directors of Listed Companies to be set out, nor is the Statement factually inaccurate.

CONCLUSION

The Board is of the view that the system of risk management and internal control in place for the year under review, and up to the date of approval of this Statement, is sound and sufficient to safeguard its stakeholders' interests and to protect the Group's assets.

This Statement is made in accordance with a resolution of the Board dated 7 April 2026.

AUDIT COMMITTEE REPORT

The Board of Directors (“**Board**”) of Tashin Holdings Berhad (“**Tashin**” or “**Company**”) is pleased to present the following report on the Audit Committee (“**AC**” or “**Committee**”) and its activities during the financial year ended 31 December 2025 (“**FYE 2025**”).

The Board has approved this AC Report by a resolution dated 7 April 2026.

1. CONSTITUTION

The AC of Tashin has been established since 17 April 2018.

2. COMPOSITION OF THE AC AND MEETING ATTENDANCE

The Committee comprises three (3) members, which consist of all Independent Non-Executive Directors. This meets the requirements of Rule 15.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”).

During FYE 2025, the AC held a total of five (5) meetings. The members of the AC and their attendance at the meetings are set out below:

Name	Designation	Attendance	Percentage
Ms. Khaw Chooi Kee*	Chairperson/Independent Non-Executive Director	5/5	100%
Encik Rusdy bin Ishak	Member/Independent Non-Executive Director	5/5	100%
Ir. Tan Tiong Ben	Member/Independent Non-Executive Director	5/5	100%

* Ms. Khaw Chooi Kee is a member of the Malaysian Institute of Accountants.

For FYE 2025, the performance and effectiveness of the AC and individual AC members have been evaluated by the Nomination Committee. Having reviewed the results of the AC’s and individual AC members’ performance, the Board is satisfied that the AC and individual AC members have been able to discharge their functions, duties and responsibilities in accordance with the terms of reference of the AC.

3. SUMMARY OF KEY ACTIVITIES FOR FYE 2025

During FYE 2025, the main activities undertaken by the AC were as follows:

- a) Met twice with the external auditors in the absence of the Executive Directors and Management to discuss significant findings, fraud consideration, and Management cooperation level.
- b) Reviewed the audit completion report for the financial year ended 31 December 2024 prepared by the external auditors.
- c) Reviewed the suitability, objectivity and independence of the external auditors to recommend their re-appointment to the Board for recommendation to the shareholders for approval during the Eighth Annual General Meeting of the Company.
- d) Reviewed the performance of the internal auditors for the financial year ended 31 December 2024.
- e) Reviewed the unaudited quarterly financial results of the Company and its Group of Companies and thereafter, recommended to the Board for approval and release to Bursa Malaysia Securities.
- f) Reviewed the recurrent related party transactions on a quarterly basis.

AUDIT COMMITTEE REPORT

3. SUMMARY OF KEY ACTIVITIES FOR FYE 2025 (Cont'd)

During FYE 2025, the main activities undertaken by the AC were as follows: (Cont'd)

- g) Reviewed the draft audited financial statements for the financial year ended 31 December 2024 of the Company and its Group of Companies prior to recommending the same to the Board for approval.
- h) Reviewed the AC Report for inclusion in the 2024 Annual Report.
- i) Reviewed the Circular to Shareholders in relation to the Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature dated 30 April 2025.
- j) Reviewed the internal audit report.
- k) Reviewed the audit planning memorandum for the financial year ending 31 December 2025 prepared by the external auditors.
- l) Reviewed and assessed the suitability of the proposed new Internal Auditors.
- m) Reviewed the declaration of any conflict of interest ("**COI**") or potential COI by the AC members.

4. TERMS OF REFERENCE

The full terms of reference of the AC are available at the Company's corporate website at www.tashin.com.my.

5. STATEMENT ON INTERNAL AUDIT FUNCTION

The Internal Audit Function ("**IAF**") is outsourced and undertaken by an external professional firm i.e., Kloo Point Risk Management Services Sdn. Bhd. to conduct regular reviews and assessments on the adequacy, efficiency, and effectiveness of the Company and its subsidiaries' ("**Group**") internal control system. The IAF is independent of the operations of the Group and provides reasonable assurance that the internal control system of the Group is satisfactory and operating effectively. The internal audit is conducted using a risk-based approach in accordance with the Standards for the Practice of Internal Auditing issued by the Institute of Internal Auditors. The IAF reports directly to the AC. The IAF is responsible for conducting reviews in accordance with the internal audit plan or other ad-hoc assignments which are approved by the AC.

The AC reviews the internal audit findings half-yearly with the internal auditors and discusses the corrective action plans to ensure that the control weaknesses highlighted in the internal audit reports are appropriately addressed by Management. In addition, the IAF carries out follow-up visits to ensure that all agreed corrective action plans are satisfactorily implemented by Management. The progression status of the corrective action plans is also reported to the AC on a half-yearly basis.

For FYE 2025, the IAF has successfully conducted the following audits in accordance with their Internal Audit Plan 2025 which was approved by the AC and agreed on the timing, frequency and scope of internal audit services to be rendered:

Audit activities	Audit entity
<ul style="list-style-type: none"> • Production Process • Finished Goods, Control-Packing, Storage and Delivery Process • Recurrent Related Party Transaction 	Tashin Steel Sdn. Bhd.

Based on the internal audit reviews conducted, none of the internal control weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Annual Report. The cost incurred in maintaining the IAF for FYE 2025 was approximately RM28,000 (Financial year ended 31 December 2024: RM28,000).

STATEMENT OF DIRECTORS' RESPONSIBILITY

Preparation of the Audited Financial Statements of Tashin Holdings Berhad ("the Company") for the financial year ended 31 December 2025 ("FYE 2025")

The Directors are required by the Companies Act 2016 ("the Act") to lay before the Company's shareholders at the Annual General Meeting of the Company, its Audited Financial Statements (which include the Consolidated Statements of Financial Position and the Consolidated Statements of Profit or Loss and Other Comprehensive Income) of the Company and its subsidiaries ("the Group") for each financial year, prepared in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Act and Bursa Malaysia Securities Berhad ACE Market Listing Requirements.

The Directors are responsible for ensuring that the Audited Financial Statements of the Group are prepared in accordance with the accounting records of the Group so as to give a true and fair view of the state of affairs of the Group as at 31 December 2025, and of the results of their operations and cash flows for the year ended on that date.

In preparing the Audited Financial Statements for FYE 2025, the Directors have reviewed and consistently applied suitable accounting policies throughout the financial year. In the cases where judgements and estimations were made, they were based on reasonableness and prudence assumptions.

The Directors also have general responsibility for taking such steps that are available to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

This statement is made in accordance with a resolution of the meeting of the Board of Directors passed on 7 April 2026.

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding. The principal activities of the subsidiaries are disclosed in the "Subsidiaries" section of this report. There has been no significant change in the nature of this activity during the financial year.

RESULTS

	The Group RM	The Company RM
Profit after taxation for the financial year	3,309,810	1,930,020

DIVIDENDS

At the forthcoming Annual General Meeting, a single-tier final dividend of 0.5 sen per ordinary share amounting to RM1,744,955 in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such a dividend, if approved by shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2026.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

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

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

DIRECTORS' REPORT

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

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

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

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

Teh Jian Yang (Appointed on 15.1.2025)
Toh Yew Seng
Dato' Kalsom Binti Abd. Rahman
Dato' Toh Yew Peng
Foong Kok Chuin
Khaw Chooi Kee
Koay Kah Ee
Ir. Tan Tiong Ben
Rusdy Bin Ishak
Sim Puei Chun
Lim Choon Teik (Resigned on 31.1.2026)

The names of directors of the Company's subsidiaries who served during the financial year until the date of this report are similar to those disclosed above.

DIRECTORS' REPORT

DIRECTORS' INTERESTS

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

	< ----- Number of Ordinary Shares ----- >			
	At 1.1.2025/ Date of Appointment	Bought	Sold	At 31.12.2025
The Company				
<i>Direct Interests</i>				
Teh Jian Yang	23,700	-	-	23,700
Toh Yew Seng	1,507,511	-	-	1,507,511
Dato' Kalsom Binti Abd. Rahman	120,000	-	-	120,000
Dato' Toh Yew Peng	2,305,400	-	-	2,305,400
Foong Kok Chuin	2,050,000	-	-	2,050,000
Khaw Chooi Kee	100,000	-	-	100,000
Koay Kah Ee	400,000	-	-	400,000
Ir. Tan Tiong Ben	-	39,600	-	39,600
Rusdy Bin Ishak	20,000	-	-	20,000
Sim Puei Chun	120,000	-	-	120,000
Lim Choon Teik	4,000,000	-	-	4,000,000
<i>Indirect Interests</i>				
Teh Jian Yang [^]	-	99,862,979	-	99,862,979
Toh Yew Seng [#]	-	91,000	-	91,000
Dato' Toh Yew Peng [*]	118,656,619	-	-	118,656,619
Lim Choon Teik [@]	96,716,379	-	(96,716,379) [~]	-

[^] Deemed interested by virtue of his direct shareholdings in Formula Naga Sdn. Bhd. and Highscale Capital Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

[#] Deemed interested by virtue of the shares held by his son pursuant to Section 59(11) of the Companies Act 2016.

^{*} Deemed interested by virtue of his direct shareholding in Prestar Resources Berhad

[@] Deemed interested by virtue of his direct shareholding in Formula Naga Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

[~] Ceased to have interest in Formula Naga Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

By virtue of their shareholdings in the Company, Teh Jian Yang and Dato' Toh Yew Peng are deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

DIRECTORS' REPORT

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" section of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 30(b) to the financial statements.

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

DIRECTORS' REMUNERATION

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

	From the Company RM	From the Subsidiaries RM	Total RM
Fees	377,300	90,000	467,300
Salaries, bonuses and other benefits	32,500	1,879,886	1,912,386
Contributions to defined contribution benefits	-	210,432	210,432
Defined benefit retirement plan	-	86,387	86,387
Estimated money value of benefits-in-kind	-	75,900	75,900
	<u>409,800</u>	<u>2,342,605</u>	<u>2,752,405</u>

INDEMNITY AND INSURANCE COSTS

During the financial year, the amount of insurance effected for the directors and officers of the Company and its subsidiaries was RM5,000,000. No indemnity was given to or insurance effected for the auditors of the Company.

SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent	Principal activities
Tashin Steel Sdn. Bhd. ("TSSB")	Malaysia	100%	Manufacturing and selling of steel products.
Tashin Hardware Sdn. Bhd. ("THSB")	Malaysia	100%	Manufacturing and trading of steel material and general hardware products.

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

DIRECTORS' REPORT

AUDITORS

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

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

	The Group RM	The Company RM
Audit fees	137,000	31,000
Non-audit fees	<u>6,000</u>	<u>6,000</u>
	<u>143,000</u>	<u>37,000</u>

Signed in accordance with a resolution of the directors dated 7 April 2026.

.....
Teh Jian Yang

.....
Toh Yew Seng

STATEMENT BY DIRECTORS

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

We, Teh Jian Yang and Toh Yew Seng, being two of the directors of Tashin Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on pages 123 to 179 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 7 April 2026.

.....
Teh Jian Yang

.....
Toh Yew Seng

STATUTORY DECLARATION

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

I, Foong Kok Chuin (CA 10645), being the director primarily responsible for the financial management of Tashin Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 123 to 179 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Foong Kok Chuin
at Kuala Lumpur
in the Federal Territory
on this 7 April 2026

Before me

Foong Kok Chuin

Shaiful Hilmi Bin Halim
No. W 804
Pesuruhjaya Sumpah
(Commissioner for Oaths)
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TASHIN HOLDINGS BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Tashin Holdings Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 December 2025, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 123 to 179.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Other Matter

The financial statements of the Group and of the Company for the preceding financial year were audited by another firm of auditors whose report dated 7 April 2025, expressed an unmodified opinion on those statements.

Key Audit Matters

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TASHIN HOLDINGS BERHAD (CONT'D)

Key Audit Matters (Cont'd)

We have determined the matters described below to be the key audit matters to be communicated in our report.

Recoverability of Trade Receivables

Refer to Notes 9 and 33.1(b)(iii) to the financial statements

Key audit matter	How our audit addressed the key audit matter
<p>The Group's trade receivables amounted to RM70.1 million, representing 33% of its total current assets.</p> <p>We focused on this area due to the significant portion of receivable balances that have exceeded the credit terms granted by the Group. The total outstanding balances past due amounted to RM15.7 million, which are considered to carry a higher credit risk.</p> <p>The assessment of recoverability of these outstanding receivables involves significant judgement and estimation uncertainty by management.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> Assessed the adequacy of the Group's allowance for impairment losses on trade receivables by assessing the Group's policy and analysing historical collection data; Reviewed subsequent collections after the financial year end for major receivables; Evaluated the expected credit loss assessment by challenging whether the historical experience is representative of the current conditions and recent loss trends in receivables, and assessed the reasonableness of forward-looking adjustments and; Assessed the adequacy of disclosures in the financial statements.

Valuation of Inventories

Refer to Note 8 to the financial statements

Key audit matter	How our audit addressed the key audit matter
<p>The Group's inventories amounted to RM115.9 million as at the end of the financial year, representing 54% of total current assets.</p> <p>We focused on this area due to the significance of the inventory balances and the judgement involved in assessing their valuation, particularly in relation to slow-moving and obsolete items.</p> <p>The valuation of inventories requires management to estimate the net realisable value, taking into consideration historical sales trends, ageing of inventories, and future demand expectations.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> Evaluated the appropriateness of the Group's inventory valuation policies; Attended year-end stock counts to observe physical inventory and assess the effectiveness of stock count procedures; Tested the costing of inventories on a sample basis to supporting documentation; Reviewed inventory ageing reports and assessed the adequacy of provisions for slow-moving and obsolete items; Compared net realisable values to recent selling prices and post year-end sales transactions; and Assessed the adequacy of disclosures in the financial statements.

There are no key audit matters to report for the Company.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TASHIN HOLDINGS BERHAD (CONT'D)

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TASHIN HOLDINGS BERHAD

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

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

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Kuala Lumpur

Elvina Tay Choon Choon
03329/10/2027 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-Current Assets					
Investments in subsidiaries	5	-	-	167,330,999	167,330,999
Property, plant and equipment	6	98,346,575	99,593,950	10,458	13,519
Right-of-use assets	7	45,266,792	46,856,229	-	-
		143,613,367	146,450,179	167,341,457	167,344,518
Current Assets					
Inventories	8	115,898,352	139,226,101	-	-
Trade receivables	9	70,081,308	73,033,865	-	-
Other receivables, deposits and prepayments	10	5,263,644	2,416,062	15,682,651	13,981,132
Current tax assets		3,175,473	2,779,353	-	7,656
Short-term investments	11	12,938,473	6,171,113	1,220,052	1,078,766
Cash and bank balances		7,421,461	12,289,389	375,921	240,843
		214,778,711	235,915,883	17,278,624	15,308,397
TOTAL ASSETS		358,392,078	382,366,062	184,620,081	182,652,915
EQUITY					
Equity					
Share capital	12	179,241,821	179,241,821	179,241,821	179,241,821
Reserves	13	93,611,891	90,302,081	4,964,596	3,034,576
TOTAL EQUITY		272,853,712	269,543,902	184,206,417	182,276,397

The annexed notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025 (CONT'D)

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
LIABILITIES					
Non-Current Liabilities					
Lease liabilities	14	337,538	271,813	-	-
Deferred tax liabilities	15	15,336,510	14,936,336	-	-
Provision for retirement benefits	16	1,426,966	2,099,938	-	-
		17,101,014	17,308,087	-	-
Current Liabilities					
Trade payables	17	30,421,402	19,766,337	-	-
Other payables and accruals	18	5,546,943	5,208,971	410,090	376,518
Lease liabilities	14	184,665	156,936	-	-
Short-term borrowings	19	31,500,600	70,373,191	-	-
Provision for retirement benefits	16	780,168	-	-	-
Current tax liabilities		3,574	-	3,574	-
Derivative liabilities	20	-	8,638	-	-
		68,437,352	95,514,073	413,664	376,518
TOTAL LIABILITIES		85,538,366	112,822,160	413,664	376,518
TOTAL EQUITY AND LIABILITIES		358,392,078	382,366,062	184,620,081	182,652,915

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

AS AT 31 DECEMBER 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	21	344,592,919	372,839,238	2,000,000	300,000
Cost Of Sales		(319,260,554)	(352,784,810)	-	-
Gross Profit		25,332,365	20,054,428	2,000,000	300,000
Other Income		3,121,655	2,436,565	634,908	692,992
		28,454,020	22,490,993	2,634,908	992,992
Selling And Distribution Expenses		(4,411,691)	(4,041,335)	-	-
Administrative Expenses		(18,405,660)	(16,783,908)	(474,411)	(446,867)
Other Expenses		(409,085)	(529,942)	(158,851)	(130,842)
Finance Costs		(1,939,601)	(2,282,447)	-	-
Net Reversal Of Impairment Losses On Financial Asset	22	705,000	210,000	-	-
Profit/(Loss) Before Taxation	23	3,992,983	(936,639)	2,001,646	415,283
Income Tax Expense	24	(683,173)	(159,896)	(71,626)	(127,525)
Profit/(Loss) After Taxation		3,309,810	(1,096,535)	1,930,020	287,758
Other Comprehensive Income	25				
Items That Will Not Be Reclassified Subsequently To Profit Or Loss					
Revaluation Of Property, Plant And Equipment And Right-Of-Use Assets		-	18,233,607	-	-
Re-Measurement On Retirement Benefits		-	(405,766)	-	-
Total Other Comprehensive Income		-	17,827,841	-	-
Total Comprehensive Income For The Financial Year		3,309,810	16,731,306	1,930,020	287,758

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

AS AT 31 DECEMBER 2025 (CONT'D)

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Profit/(Loss) After Taxation Attributable To:-					
Owners of the Company		<u>3,309,810</u>	<u>(1,096,535)</u>	<u>1,930,020</u>	<u>287,758</u>
Total Comprehensive Income Attributable To:-					
Owners of the Company		<u>3,309,810</u>	<u>16,731,306</u>	<u>1,930,020</u>	<u>287,758</u>
Earnings/(Loss) Per Share (Sen)					
Basic	26(a)	<u>0.95</u>	<u>(0.31)</u>	-	-
Diluted	26(b)	<u>0.95</u>	<u>(0.31)</u>	-	-

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	< ----- Non-Distributable ----- >				Total Equity RM
	Share Capital RM	Merger Deficit RM	Revaluation Reserve RM	Distributable Retained Profits RM	
The Group					
Balance at 1.1.2024	179,241,821	(124,830,999)	21,820,290	181,816,349	258,047,461
Loss after taxation for the financial year	-	-	-	(1,096,535)	(1,096,535)
Other comprehensive income for the year:					
- Revaluation of property, plant and equipment and right-of-use assets	-	-	18,233,607	-	18,233,607
- Re-measurement on retirement benefits	-	-	-	(405,766)	(405,766)
Total comprehensive income for the financial year	-	-	18,233,607	(1,502,301)	16,731,306
Distribution to owners of the Company:					
- Dividends	-	-	-	(5,234,865)	(5,234,865)
Amortisation of revaluation reserve	-	-	(827,649)	827,649	-
Balance at 31.12.2024/1.1.2025	179,241,821	(124,830,999)	39,226,248	175,906,832	269,543,902
Profit after taxation/Total comprehensive income for the financial year	-	-	-	3,309,810	3,309,810
Amortisation of revaluation reserve	-	-	(1,411,781)	1,411,781	-
Balance at 31.12.2025	179,241,821	(124,830,999)	37,814,467	180,628,423	272,853,712

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

	Note	Share Capital RM	Retained Profits RM	Total Equity RM
The Company				
Balance at 1.1.2024		179,241,821	7,981,683	187,223,504
Profit after taxation/Total comprehensive income for the financial year		-	287,758	287,758
Distribution to owners of the Company:				
- Dividends	27	-	(5,234,865)	(5,234,865)
Balance at 31.12.2024/1.1.2025		179,241,821	3,034,576	182,276,397
Profit after taxation/Total comprehensive income for the financial year		-	1,930,020	1,930,020
Balance at 31.12.2025		179,241,821	4,964,596	184,206,417

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES					
Profit/(Loss) before taxation		3,992,983	(936,639)	2,001,646	415,283
Adjustments for:-					
Bad debts written off		10,427	82,318	-	-
Depreciation of:					
- property, plant and equipment		4,659,695	4,382,752	3,061	3,061
- right-of-use assets		1,902,767	1,667,159	-	-
Impairment losses on trade receivables		1,223,000	1,045,000	-	-
Interest expense		1,939,601	2,282,447	-	-
Inventories written down		1,340,000	1,200,000	-	-
Loss/(Gain) on modification of leases		3,572	(191)	-	-
Retirement benefit obligations		263,843	174,887	-	-
Dividend income		-	-	(2,000,000)	(300,000)
Fair value gain on derivatives		(8,638)	(228,602)	-	-
Gain on disposal of property, plant and equipment		(70,367)	(49,970)	-	-
Reversal of:					
- impairment losses on trade receivables		(1,928,000)	(1,255,000)	-	-
- inventories written down		(277,000)	(1,311,000)	-	-
Interest income		(516,096)	(426,177)	(634,908)	(692,992)
Operating profit/(loss) before working capital changes		12,535,787	6,626,984	(630,201)	(574,648)
Changes in working capital:					
- inventories		22,264,749	(32,690,323)	-	-
- trade and other receivables		810,068	210,379	(4,189)	-
- trade and other payables		10,993,037	(690,324)	33,572	1,223
Cash From/(For) Operations		46,603,641	(26,543,284)	(600,818)	(573,425)
Interest received		505,576	426,177	634,908	692,992
Retirement benefits paid	16	(156,647)	(15,500)	-	-
Income tax paid		(919,415)	(1,407,555)	(80,271)	(122,981)
Income tax refunded		243,870	-	19,875	-
Net Cash From/(For) Operating Activities		46,277,025	(27,540,162)	(26,306)	(3,414)

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Repayment from/(Advances to) a subsidiary		-	-	302,670	(18,981)
Proceeds from disposal of property, plant and equipment		111,000	318,560	-	-
Purchase of property, plant and equipment		(3,452,953)	(765,836)	-	-
Net Cash (For)/From Investing Activities		(3,341,953)	(447,276)	302,670	(18,981)
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES					
Dividends paid	27	-	(5,234,865)	-	(5,234,865)
Interest paid	28(a)	(1,939,601)	(2,282,447)	-	-
Proceeds from drawdown:					
- bankers' acceptances	28(a)	59,110,708	131,754,948	-	-
- revolving credits	28(a)	1,000,000	3,000,000	-	-
Repayment of:					
- lease liabilities	28(a)	(223,448)	(215,325)	-	-
- hire purchase payables	28(a)	(152,191)	(220,708)	-	-
- term loans	28(a)	(2,225,400)	(2,900,400)	-	-
- bankers' acceptances	28(a)	(91,605,708)	(102,964,948)	-	-
- revolving credits	28(a)	(5,000,000)	-	-	-
Net Cash (For)/From Financing Activities		(41,035,640)	20,936,255	-	(5,234,865)
Net Increase/(Decrease) In Cash And Cash Equivalents		1,899,432	(7,051,183)	276,364	(5,257,260)
Cash And Cash Equivalents At Beginning Of The Financial Year		18,460,502	25,511,685	1,319,609	6,576,869
Cash And Cash Equivalents At End Of The Financial Year	28(c)	20,359,934	18,460,502	1,595,973	1,319,609

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the ACE Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business are as follows:-

Registered office	:	Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur.
Principal place of business	:	Plot 40, Lorong Perusahaan Maju 7, Kawasan Perusahaan 4, 13600 Perai, Pulau Pinang.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as "the Group".

The financial statements of the Company and of the Group are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 7 April 2026.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There has been no significant change in the nature of this activity during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standard and/or interpretation (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 121: Lack of Exchangeability

The adoption of the above accounting standard and/or interpretation (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121: Translation to a Hyperinflationary Presentation Currency	1 January 2027
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. BASIS OF PREPARATION (CONT'D)

- 3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:- (Cont'd)

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and their accompanying notes. The statements of financial position and the statements of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group and of the Company have yet to be assessed.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for property, plant and equipment are based on commercial factors that could change significantly due to technical innovations and competitors' actions in response to market conditions. The Group and the Company anticipate that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in expected usage levels and technological development could affect the economic useful lives and residual values of these assets; therefore, future depreciation charges may be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 6 to the financial statements.

(b) Property, Plant and Equipment and Right-of-use Assets under Revaluation

Certain properties of the Group are reported at revalued amounts which are based on valuations performed by independent professional valuers by reference to the selling prices of recent transactions and asking prices of similar properties of nearby locations and where necessary, adjusting for tenure, location, size, market trends and others. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting valuations. The carrying amounts of property, plant and equipment and right-of-use assets measured at revaluation as at the reporting date are disclosed in Notes 6 and 7 to the financial statements respectively.

(c) Impairment of Property, Plant and Equipment and Right-of-use Assets

The Group and the Company determine whether an item of its property, plant and equipment and right-of-use assets is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as the market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of property, plant and equipment and right-of-use assets as at the reporting date are disclosed in Notes 6 and 7 to the financial statements respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(d) Write-down of Inventories

Management periodically reviews damaged, obsolete, and slow-moving inventory. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 8 to the financial statements.

(e) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts them for qualitative and quantitative, reasonable and supportable, forward-looking information, where applicable. If the expectation is different from the estimation, such a difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 9 to the financial statements.

(f) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about the risk of default (probability of default) and the expected loss if a default happens (loss given default). It also requires the Group and the Company to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group and the Company use judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amount of other receivables as at the reporting date are disclosed in Note 10 to the financial statements.

(g) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on their understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amounts of current tax assets and current tax liabilities of the Group and of the Company as at the reporting date are as follows:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax assets	3,175,473	2,779,353	-	7,656
Current tax liabilities	<u>3,574</u>	<u>-</u>	<u>3,574</u>	<u>-</u>

(h) Discount Rates used in Leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances, including past practice and any costs that will be incurred to change the asset if an option to extend is not exercised. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

4.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to initial recognition, the financial assets are remeasured to their fair value at the reporting date with any fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without a significant financing component which are measured at the transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(b) Financial Liabilities

Financial Liabilities Through Profit or Loss

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest expense.

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

(d) Derivatives

Derivatives are initially measured at fair value. Subsequent to initial recognition, the derivatives are remeasured to their fair value at the reporting date with any fair value changes recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(e) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

4.3 BASIS OF CONSOLIDATION

The Group applies the acquisition method of accounting for all business combinations except for those involving entities under common control which are accounted for by applying the merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the financial statements of the Group at their carrying amounts reported in the individual financial statements. The consolidated statement of profit or loss and other comprehensive income reflects the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital of the merger entities is reflected within equity as merger reserve or merger deficit, as appropriate. The merger deficit is adjusted against suitable reserves of the merger entities to the extent that laws or statutes do not prohibit the use of such reserves.

4.4 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries, which are eliminated on consolidation, are stated in the financial statements of the Company at cost less impairment losses, if any.

4.5 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Leasehold land and building are stated at revalued amounts based on periodic valuations, at least once in every three years, less subsequent depreciation for the land and building. Surpluses arising from the revaluation are recognised in other comprehensive income and accumulated in equity under the revaluation reserve to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss. Deficits arising from the revaluation to the extent that they are not supported by any previous revaluation surpluses, are recognised in profit or loss. The Group makes an annual transfer of the revaluation reserve to retained profits at an amount equal to the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on its original cost, net of tax.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation periods are:-

Buildings	50 years
Furniture, fittings and office equipment	5 - 10 years
Motor vehicles	6 years
Plant and machinery	7 - 20 years
Renovation	10 years

Construction work-in-progress represent building structure under installation. They are not depreciated until such time when the asset is available for use.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group applies the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets, except for leasehold land are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the entity's incremental borrowing rate. Subsequent to initial recognition, lease liabilities are measured at amortised cost and are adjusted for any lease reassessments or modifications.

4.7 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost method and comprises all costs of purchase, cost of conversion plus other costs incurred in bringing the inventories to their present location and condition.

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2025 RM	2024 RM
Unquoted shares, at cost	167,330,999	167,330,999

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal activities
		2025	2024	
Tashin Steel Sdn. Bhd. ("TSSB")	Malaysia	100%	100%	Manufacturing and selling of steel products.
Tashin Hardware Sdn.Bhd. ("THSB") [^]	Malaysia	100%	100%	Manufacturing and trading of steel material and general hardware products.

[^] 90% directly owned by the Company and 10% indirectly owned via TSSB.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

6. PROPERTY, PLANT AND EQUIPMENT

	At 1.1.2025 RM	Additions RM	Disposal RM	Depreciation Charges RM	At 31.12.2025 RM
The Group					
2025					
<i>Carrying Amount</i>					
Buildings	67,120,010	-	-	(1,926,144)	65,193,866
Furniture, fittings and office equipment	1,267,744	280,528	-	(320,695)	1,227,577
Motor vehicles	2,187,242	74,510	(40,633)	(489,502)	1,731,617
Plant and machinery	27,996,453	3,097,915	-	(1,861,738)	29,232,630
Renovation	491,703	-	-	(61,616)	430,087
Construction-in-progress	530,798	-	-	-	530,798
	99,593,950	3,452,953	(40,633)	(4,659,695)	98,346,575

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At 1.1.2024 RM	Additions RM	Disposal RM	Depreciation Charges RM	Revaluation Surplus RM	At 31.12.2024 RM
The Group						
2024						
<i>Carrying Amount</i>						
Buildings	52,418,967	-	-	(1,498,080)	16,199,123	67,120,010
Furniture, fittings and office equipment	1,367,616	209,403	-	(309,275)	-	1,267,744
Motor vehicles	3,079,361	-	(268,590)	(623,529)	-	2,187,242
Plant and machinery	29,330,272	556,433	-	(1,890,252)	-	27,996,453
Renovation	553,319	-	-	(61,616)	-	491,703
Construction-in-progress	530,798	-	-	-	-	530,798
	87,280,333	765,836	(268,590)	(4,382,752)	16,199,123	99,593,950

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At 1.1.2025 RM	Depreciation Charge RM	At 31.12.2025 RM
--	----------------------	------------------------------	------------------------

The Company

2025

Carrying Amount

Furniture, fittings and office equipment	13,519	(3,061)	10,458
--	--------	---------	--------

	At 1.1.2024 RM	Depreciation Charge RM	At 31.12.2024 RM
--	----------------------	------------------------------	------------------------

The Company

2024

Carrying Amount

Furniture, fittings and office equipment	16,580	(3,061)	13,519
--	--------	---------	--------

	At Cost RM	At Valuation RM	Accumulated Depreciation RM	Accumulated Impairment Losses RM	Carrying Amount RM
--	------------------	-----------------------	-----------------------------------	---	--------------------------

The Group

2025

Buildings	-	80,736,450	(15,542,584)	-	65,193,866
Furniture, fittings and office equipment	3,407,349	-	(2,179,772)	-	1,227,577
Motor vehicles	6,950,044	-	(5,218,427)	-	1,731,617
Plant and machinery	55,398,908	-	(25,207,417)	(958,861)	29,232,630
Renovation	616,159	-	(186,072)	-	430,087
Construction-in-progress	530,798	-	-	-	530,798
	66,903,258	80,736,450	(48,334,272)	(958,861)	98,346,575

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At Cost RM	At Valuation RM	Accumulated Depreciation RM	Accumulated Impairment Losses RM	Carrying Amount RM
The Group					
2024					
Buildings	-	80,736,450	(13,616,440)	-	67,120,010
Furniture, fittings and office equipment	3,290,425	-	(2,022,681)	-	1,267,744
Motor vehicles	7,263,214	-	(5,075,972)	-	2,187,242
Plant and machinery	52,300,993	-	(23,345,679)	(958,861)	27,996,453
Renovation	616,159	-	(124,456)	-	491,703
Construction-in-progress	530,798	-	-	-	530,798
	64,001,589	80,736,450	(44,185,228)	(958,861)	99,593,950

	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
--	---------------	-----------------------------------	--------------------------

The Company

2025

Furniture, fittings and office equipment	30,610	(20,152)	10,458
--	---------------	-----------------	---------------

2024

Furniture, fittings and office equipment	30,610	(17,091)	13,519
--	--------	----------	--------

- (a) Certain buildings of the Group have been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 19 to the financial statements.
- (b) In the previous financial year, included in the property, plant and equipment of the Group were motor vehicles held under hire purchase arrangements with a total carrying amount of RM553,393. These assets have been pledged as security for the hire purchase payables of the Group as disclosed in Note 19 to the financial statements.
- (c) On 31 December 2024, the Group's leasehold land and buildings (including right-of-use assets) were revalued by the Directors based on a valuation exercise carried out by an independent professional valuer using the open market value basis. The surplus arising from the revaluations, net of deferred tax, have been credited to other comprehensive income as disclosed in Note 25 to the financial statements and accumulated in equity under the revaluation reserve.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (d) The details of the Group's property, plant and equipment and right-of-use assets carried at fair value are analysed as follows:-

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
The Group				
2025				
Leasehold land	-	-	44,760,093	44,760,093
Buildings	-	-	65,193,866	65,193,866
2024				
Leasehold land	-	-	46,440,000	46,440,000
Buildings	-	-	67,120,010	67,120,010

The level 3 fair values have been determined by external and independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued.

In relying on the valuation reports, the Directors have exercised its judgement and is satisfied that the valuation methods and estimates reflect the current market conditions.

The valuation techniques and significant unobservable inputs used in determining the fair value measurement of Level 3 financial instruments as well as the relationship between significant unobservable inputs and fair value, is detailed in the table below:-

Property category	Valuation technique	Significant unobservable inputs	Range	Inter-relationship
Leasehold land	Comparison method	Price per square foot	RM52.22 to RM57.44 (2024 - RM52.22 to RM57.44)	Lower price per square foot, lower fair value.
Buildings	Cost method	Estimated replacement cost per square foot	RM30 to RM230 (2024 - RM30 to RM230)	Higher estimated replacement cost, lower fair value.

There were no transfers between levels 1, 2 and 3 during the financial year.

The fair value measurements of the leasehold land and buildings (at valuation) are based on the highest and best use which does not differ from their actual use.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (e) If the leasehold land and buildings were measured using the cost model, the carrying amounts would be as follows:-

	2025 RM	2024 RM
<i>Right-of-use assets</i>		
Leasehold land	21,899,764	22,714,671
<i>Property, plant and equipment</i>		
Buildings	<u>38,313,272</u>	<u>39,299,695</u>

- (f) At the end of each reporting year, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

7. RIGHT-OF-USE ASSETS

	At 1.1.2025 RM	Addition RM	Depreciation Charges RM	Modification of Leases RM	Derecognition Due to Lease Termination RM	At 31.12.2025 RM
The Group						
2025						
<i>Carrying Amount</i>						
<i>At Valuation</i>						
Leasehold land	46,440,000	-	(1,679,907)	-	-	44,760,093
<i>At Cost</i>						
Hostels	416,229	380,280	(222,860)	113,276	(180,226)	506,699
	46,856,229	380,280	(1,902,767)	113,276	(180,226)	45,266,792
	At 1.1.2024 RM	Addition RM	Depreciation Charges RM	Modification of Leases RM	Derecognition Due to Lease Termination RM	At 31.12.2024 RM
The Group						
2024						
<i>Carrying Amount</i>						
<i>At Valuation</i>						
Leasehold land	40,097,358	-	(1,449,823)	-	-	46,440,000
<i>At Cost</i>						
Hostels	301,740	332,381	(217,336)	8,671	(9,227)	416,229
	40,399,098	7,792,465	(1,667,159)	8,671	(9,227)	46,856,229

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

7. RIGHT-OF-USE ASSETS (CONT'D)

(a) The Group leases certain pieces of leasehold land and various hostels of which the leasing activities are summarised below:-

(i) Leasehold land The Group has entered into 3 (2024 - 3) non-cancellable operating lease agreements for the use of land. The leases are for a period of 60 (2024 - 60) years with no renewal or purchase option included in the agreements. The leases do not allow the Group to assign, transfer, sublease or create any charge, lien or trust in respect of or dispose of the whole or any part of the land. A tenancy is, however, allowed with the consent of the lessor.

(ii) Hostels The Group has leased several hostels that run for 3 to 6 (2024 - 1 to 6) years, with options to renew the leases after that date. The Group is not allowed to sublease the hostels.

(b) Certain leasehold land of the Group has been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 19 to the financial statements.

(c) The details of the Group's leasehold land carried at fair value are disclosed in Note 6(c), 6(d) and 6(e) to the financial statements.

8. INVENTORIES

	The Group	
	2025 RM	2024 RM
Raw materials	66,889,086	82,788,340
Goods-in-transit	6,164,409	17,633,438
Finished goods	42,844,857	38,804,323
	115,898,352	139,226,101
Recognised in profit or loss:-		
Inventories recognised as cost of sales	302,642,440	333,855,090
Amount written down to net realisable value	1,340,000	1,200,000
Reversal of inventories previously written down	(277,000)	(1,311,000)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

9. TRADE RECEIVABLES

	The Group	
	2025 RM	2024 RM
Third parties	69,241,984	72,665,981
Related parties	1,179,324	1,412,884
	70,421,308	74,078,865
Allowance for impairment losses (Note 33.1(b)(iii))	(340,000)	(1,045,000)
	70,081,308	73,033,865

Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group range from 14 to 90 (2024 - 14 to 90) days.

10. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other receivables:-				
Third parties	458,106	201,667	-	-
Subsidiaries	-	-	15,677,462	13,980,132
	458,106	201,667	15,677,462	13,980,132
Deposits	95,810	111,020	1,000	1,000
Prepayments	4,709,728	2,103,375	4,189	-
	5,263,644	2,416,062	15,682,651	13,981,132

- (a) Included in the amount owing by subsidiaries represent advances amounting to RM13,677,462 (2024 - RM13,680,132), which are unsecured and bears interest rates ranging from 4.10% to 4.46% (2024 - 4.29% to 4.34%) per annum and repayable on demand. The amount owing is to be settled in cash.
- (b) Included in the Group's prepayments amounting to RM3,569,747 (2024 - Nil) are payments made to suppliers for the purchase of goods.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

11. SHORT-TERM INVESTMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Money market funds, at fair value	12,938,473	6,171,113	1,220,052	1,078,766

Short term investments represent investments in highly liquid money market instruments, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value and hence, meet the definition to be classified as cash and cash equivalents.

12. SHARE CAPITAL

	The Group/The Company			
	2025 Number Of Shares	2024	2025 RM	2024 RM

Issued and Fully Paid-Up

Ordinary Shares

At 31 December/1 January	348,991,000	348,991,000	179,241,821	179,241,821
--------------------------	--------------------	-------------	--------------------	-------------

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

13. RESERVES

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-distributable:-				
Revaluation reserve	37,814,467	39,226,248	-	-
Merger deficit	(124,830,999)	(124,830,999)	-	-
	(87,016,532)	(85,604,751)	-	-
Distributable:-				
Retained profits	180,628,423	175,906,832	4,964,596	3,034,576
	93,611,891	90,302,081	4,964,596	3,034,576

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. RESERVES (CONT'D)

(a) Revaluation Reserve

Revaluation reserve of the Group represents revaluation surplus on leasehold land and buildings. Amortisation of asset revaluation reserve to retained profits is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. When revalued leasehold land or buildings are sold, the portion of the revaluation reserve that relates to that asset is transferred directly to retained profits. Items of other comprehensive income included in the revaluation reserve will not be reclassified subsequently to profit or loss.

(b) Merger Deficit

The merger deficit represents the difference between the value of shares issued by the Company in exchange for the value of shares acquired in respect of the acquisition of subsidiaries accounted for under the pooling of interest method.

In financial year ended 31 December 2019, the Company's acquisition of TSSB is a business combination under common control, and the merger method is used to account for the acquisition. The merger deficit derived from the Company's acquisition of TSSB is as follows:-

	RM
Cost of investment	144,830,999
Less: Nominal value of shares in TSSB	<u>(20,000,000)</u>
Merger deficit	<u>124,830,999</u>

14. LEASE LIABILITIES

	The Group	
	2025 RM	2024 RM
At 1 January	428,749	312,440
Additions	380,280	332,381
Interest expense recognised in profit or loss	21,847	16,955
Changes due to lease modification (Notes 28(a))	113,276	8,671
Derecognition due to lease termination (Note 28(a))	(176,654)	(9,418)
Repayment of principal	(223,448)	(215,325)
Repayment of interest expense	(21,847)	(16,955)
At 31 December	<u>522,203</u>	<u>428,749</u>
Analysed by:-		
Current liabilities	184,665	156,936
Non-current liabilities	<u>337,538</u>	<u>271,813</u>
	<u>522,203</u>	<u>428,749</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

15. DEFERRED TAX LIABILITIES

	At 1.1.2025 RM	Recognised in Profit or Loss (Note 24) RM	Recognised in Other Comprehensive Income (Note 25) RM	At 31.12.2025 RM
The Group				
2025				
Property, plant and equipment and right-of-use assets	6,930,969	342,757	-	7,273,726
Revaluation reserve	12,387,236	(445,826)	-	11,941,410
Tax benefits and other temporary differences	(4,381,869)	503,243	-	(3,878,626)
	14,936,336	400,174	-	15,336,510

	At 1.1.2024 RM	Recognised in Profit or Loss (Note 24) RM	Recognised in Other Comprehensive Income (Note 25) RM	At 31.12.2024 RM
2024				
Property, plant and equipment and right-of-use assets	7,173,000	(242,031)	-	6,930,969
Revaluation reserve	6,890,618	(261,363)	5,757,981	12,387,236
Tax benefits and other temporary differences	(4,256,800)	(125,069)	-	(4,381,869)
	9,806,818	(628,463)	5,757,981	14,936,336

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

16. PROVISION FOR RETIREMENT BENEFITS

	The Group	
	2025 RM	2024 RM
At 1 January	2,099,938	1,534,785
Remeasurement of retirement benefit obligations recognised in other comprehensive income	-	405,766
Expenses recognised in profit or loss	263,843	174,887
Retirement benefits paid	(156,647)	(15,500)
At 31 December	<u>2,207,134</u>	<u>2,099,938</u>
Analysed by:-		
Current liabilities	780,168	-
Non-current liabilities	<u>1,426,966</u>	<u>2,099,938</u>
	<u>2,207,134</u>	<u>2,099,938</u>

- (a) The Group operates an unfunded defined benefit plan for eligible employees of the Group. The benefits payable on retirement are generally based on the length of service and basic monthly salary of the eligible employee. Re-measurement on the defined benefit plan was updated on 6 August 2024.

The amount recognised as a liability in respect of defined benefit plan is the present value of the defined benefit obligations at the reporting date. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

The net changes in the defined benefit liabilities are recognised as a cost of defined benefit plan. Settlement of defined benefit schemes are recognised in the period when the settlement occurs.

- (b) The principal actuarial assumptions used at the end of the reporting period (expressed as weighted average) are as follows:-

	The Group	
	2025	2024
Discount rate	4.20%	4.20%
Salary increment rate	<u>6.00%</u>	<u>6.00%</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

16. PROVISION FOR RETIREMENT BENEFITS (CONT'D)

(c) Sensitivity analysis

The reasonably possible changes at the end of the reporting period to one of the relevant actuarial assumptions, while holding other assumptions constant, would affect the retirement benefit obligations by amounts as follows:-

	2025 RM	2024 RM
Discount rate increase by 1% (2024 - 1%)	(68,386)	(76,817)
Discount rate decrease by 1% (2024 - 1%)	76,142	84,446
Salary increment rate increase by 1% (2024 - 1%)	77,052	64,334
Salary increment rate decrease by 1% (2024 - 1%)	(70,244)	(59,031)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

17. TRADE PAYABLES

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 90 (2024 - 30 to 90) days.

18. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other payables:-				
Third parties	2,215,115	2,618,277	1,790	9,218
Sales and service tax payable	173,413	125,283	-	-
Advances from customers	477,438	328,498	-	-
	2,865,966	3,072,058	1,790	9,218
Accruals	2,656,977	2,131,913	408,300	367,300
Deposits received	24,000	5,000	-	-
	5,546,943	5,208,971	410,090	376,518

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. SHORT-TERM BORROWINGS

	The Group	
	2025 RM	2024 RM
<u>Secured</u>		
Bankers' acceptances	8,190,000	18,913,000
Hire purchase payables	-	152,191
	8,190,000	19,065,191
<u>Unsecured</u>		
Bankers' acceptances	10,312,000	32,084,000
Revolving credits	-	4,000,000
Term loans	12,998,600	15,224,000
	31,500,600	70,373,191

- (a) The bankers' acceptances of the Group are secured by the following:-
- (i) a first party legal charge over certain buildings and leasehold land of the Group as disclosed in Notes 6 and 7 to the financial statements respectively; and
 - (ii) a corporate guarantee by the Company.
- (b) In the previous financial year, the hire purchase payables of the Group were secured by certain motor vehicles of the Group as disclosed in Note 6 to the financial statements.
- (c) The term loans of the Group are secured by a corporate guarantee by the Company.
- (d) The interest rate profile of the short-term borrowings of the Group is summarised below:-

	Interest Rate	The Group	
		2025 %	2024 %
Bankers' acceptances	Fixed	3.64 - 4.29	4.17 - 4.52
Revolving credits	Fixed	-	5.03
Term loans	Floating	3.92	4.24 - 5.09
Hire purchase payables	Fixed	-	4.10

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. SHORT-TERM BORROWINGS (CONT'D)

- (e) The major covenants of the term loans require a subsidiary to maintain debt servicing coverage ratio ("DSCR") of not less than 1.25 times.

The term loans have maturity periods of more than 1 year. However, the amount is classified as current because, at the reporting date, a subsidiary did not observe a term loan's covenant of DSCR and the approval to waive this condition is subject to next annual review after the reporting date. The next annual review shall be in August 2026 (2024 - August 2025). Consequently, the entire amount has been classified as current liability.

20. DERIVATIVE LIABILITIES

	Contract/Notional Amount		The Group	
	2025 RM	2024 RM	2025 RM	2024 RM
Forward currency contracts	-	4,001,984	-	8,638

- (a) Forward currency contracts have been entered into operationally hedge forecast purchases denominated in foreign currencies that are expected to occur at various dates within 2 months from the end of the reporting period. The forward currency contracts have maturity dates that coincide with the expected occurrence of these transactions. The fair value of these components have been determined based on the difference between the contracted rate and the forward exchange rate as applicable to a contract of similar amount and maturity profile at the end of the reporting period.
- (b) The Group recognised a net gain of RM8,638 (2024 - RM228,602) arising from fair value changes of derivative financial instruments. The fair value changes are attributable to changes in foreign exchange spot and forward rates.

21. REVENUE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from Contracts with Customers				
<u>Recognised at point in time</u>				
Sales of goods	344,592,919	372,839,238	-	-
Revenue from Other Source				
Dividend income from a subsidiary	-	-	2,000,000	300,000
	344,592,919	372,839,238	2,000,000	300,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

21. REVENUE (CONT'D)

(a) The information about the performance obligations in contracts with customers is summarised below:-

<u>Nature of Goods or Services</u>	<u>Timing and Method of Revenue Recognition</u>	<u>Significant Payment Terms</u>	<u>Variable Considerations</u>	<u>Warranty and Obligation for Returns or Refunds</u>
Sales of steel products	When the goods are delivered and accepted by customers.	Credit periods ranging from 14 - 90 days from the invoice date.	Not applicable.	Not applicable.

(b) The information on the revenue from other source is summarised below:-

Dividend Income

Dividend income is recognised when the right to receive a dividend payment is established.

22. NET REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSET

	The Group	
	2025 RM	2024 RM
Impairment losses on trade receivables	1,223,000	1,045,000
Reversal of impairment losses on trade receivables	(1,928,000)	(1,255,000)
	(705,000)	(210,000)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

23. PROFIT/(LOSS) BEFORE TAXATION

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(Loss) before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- audit fees	137,000	106,000	31,000	23,000
- non-audit fees	6,000	4,000	6,000	4,000
Directors' remuneration (Note 29(a))	2,676,505	2,490,042	409,800	372,800
Material Expenses/(Income)				
Bad debts written off	10,427	82,318	-	-
Depreciation:				
- property, plant and equipment	4,659,695	4,382,752	3,061	3,061
- right-of-use assets	1,902,767	1,667,159	-	-
Interest expense on lease liabilities	21,847	16,955	-	-
Lease expenses:				
- short-term leases	32,380	42,970	-	-
- low-value assets	2,044	2,088	-	-
Loss/(Gain) on modification of leases	3,572	(191)	-	-
Realised loss on foreign exchange	12,967	22,000	-	-
Staff costs (including other key management personnel as disclosed in Note 29(b)):				
- short-term employee benefits	18,057,413	15,502,452	-	-
- defined contribution benefits	1,299,936	1,251,132	-	-
- defined benefit retirement plan	177,456	126,656	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

23. PROFIT/(LOSS) BEFORE TAXATION (CONT'D)

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(Loss) before taxation is arrived at after charging/(crediting) (Cont'd):-				
Interest expenses:				
- hire purchase payables	2,277	11,004	-	-
- term loans	581,817	728,935	-	-
- bankers' acceptances	1,169,329	1,474,276	-	-
- revolving credits	164,331	51,277	-	-
Dividend income	-	-	(2,000,000)	(300,000)
Fair value gain on derivatives	(8,638)	(228,602)	-	-
Gain on disposal of property, plant and equipment	(70,367)	(49,970)	-	-
Interest income:				
- trade receivables	(10,520)	-	-	-
- cash and bank balances	(38,215)	(42,359)	-	-
- amount owing by subsidiaries	-	-	(593,622)	(553,674)
- short-term investments	(467,361)	(383,818)	(41,286)	(139,318)

24. INCOME TAX EXPENSE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax expense	817,100	905,900	75,000	125,200
(Over)/Underprovision in the previous financial year	(146,258)	(117,541)	(3,374)	2,325
Overprovision in prior years	(387,843)	-	-	-
	282,999	788,359	71,626	127,525
Deferred tax (Note 15):				
- origination and reversal of temporary differences	846,000	(367,100)	-	-
- revaluation reserve	(445,826)	(261,363)	-	-
	400,174	(628,463)	-	-
	683,173	159,896	71,626	127,525

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit/(loss) before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(Loss) before taxation	3,992,983	(936,639)	2,001,646	415,283
Tax at the statutory tax rate of 24% (2024 - 24%)	958,316	(224,793)	480,395	99,668
Tax effects of:-				
Non-taxable income	(99,669)	(85,618)	(488,641)	(102,900)
Non-deductible expenses	804,453	849,211	83,246	128,432
Deferred tax on revaluation reserve	(445,826)	(261,363)	-	-
(Over)/Underprovision of current tax in the previous financial year	(146,258)	(117,541)	(3,374)	2,325
Overprovision of current tax in prior years	(387,843)	-	-	-
	683,173	159,896	71,626	127,525

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024 - 24%) of the estimated assessable profit for the financial year.

25. OTHER COMPREHENSIVE INCOME

	The Group	
	2025 RM	2024 RM
Items that Will Not be Reclassified Subsequently to Profit or Loss		
Revaluation of property, plant and equipment and right-of-use assets	-	23,991,588
Less: Deferred taxation (Note 15)	-	(5,757,981)
	-	18,233,607
Re-measurement on retirement benefits	-	(405,766)
	-	17,827,841

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

26. EARNINGS/(LOSS) PER SHARE

(a) Basic Earnings Per Share

The basic earnings per share is calculated by dividing the consolidated profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	The Group	
	2025	2024
Profit/(Loss) after taxation attributable to owners of the Company (RM)	3,309,810	(1,096,535)
Weighted average number of ordinary shares in issue	348,991,000	348,991,000
Basic earnings/(loss) per share (sen)	<u>0.95</u>	<u>(0.31)</u>

(b) Diluted Earnings Per Share

The diluted earnings per share is equal to the basic earnings per share because there were no dilutive potential ordinary shares as at the end of the reporting period.

27. DIVIDENDS

	The Company	
	2025 RM	2024 RM

Ordinary Shares

Single-tier final dividend of Nil (2024 - 1.5) sen per ordinary share in respect of the financial year ended 31 December 2023

-	<u>5,234,865</u>
---	------------------

At the forthcoming Annual General Meeting, a single-tier final dividend of 0.5 sen per ordinary share amounting to RM1,744,955 in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such a dividend, if approved by shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2026.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

28. CASH FLOW INFORMATION

(a) The reconciliations of liabilities arising from financing activities are as follows:-

	Lease Liabilities RM	Hire Purchase Payables RM	Term Loans RM	Bankers' Acceptances RM	Revolving Credits RM	Total RM
The Group						
2025						
At 1 January	428,749	152,191	15,224,000	50,997,000	4,000,000	70,801,940
<u>Changes in Financing Cash Flows</u>						
Proceeds from drawdown	-	-	-	59,110,708	1,000,000	60,110,708
Repayment of principal	(223,448)	(152,191)	(2,225,400)	(91,605,708)	(5,000,000)	(99,206,747)
Repayment of interests	(21,847)	(2,277)	(581,817)	(1,169,329)	(164,331)	(1,939,601)
<u>Other Changes</u>	(245,295)	(154,468)	(2,807,217)	(33,664,329)	(4,164,331)	(41,035,640)
Addition	380,280	-	-	-	-	380,280
Modification of leases	113,276	-	-	-	-	113,276
Derecognition due to lease termination	(176,654)	-	-	-	-	(176,654)
Interest expense recognised in profit or loss (Note 23)	21,847	2,277	581,817	1,169,329	164,331	1,939,601
	338,749	2,277	581,817	1,169,329	164,331	2,256,503
At 31 December	522,203	-	12,998,600	18,502,000	-	32,022,803

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

28. CASH FLOW INFORMATION (CONT'D)

(a) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

	Lease Liabilities RM	Hire Purchase Payables RM	Term Loans RM	Bankers' Acceptances RM	Revolving Credits RM	Total RM
The Group						
2024						
At 1 January	312,440	372,895	18,124,400	22,207,000	1,000,000	42,016,735
<u>Changes in Financing Cash Flows</u>						
Proceeds from drawdown	-	-	-	131,754,948	3,000,000	134,754,948
Repayment of principal	(215,325)	(220,704)	(2,900,400)	(102,964,948)	-	(106,301,377)
Repayment of interests	(16,955)	(11,004)	(728,935)	(1,474,276)	(51,277)	(2,282,447)
	(232,280)	(231,708)	(3,629,335)	27,315,724	2,948,723	26,171,124
<u>Other Changes</u>						
Addition	332,381	-	-	-	-	332,381
Modification of leases	8,671	-	-	-	-	8,671
Derecognition due to lease termination	(9,418)	-	-	-	-	(9,418)
Interest expense recognised in profit or loss (Note 23)	16,955	11,004	728,935	1,474,276	51,277	2,282,447
	348,589	11,004	728,935	1,474,276	51,277	2,614,081
At 31 December	428,749	152,191	15,224,000	50,997,000	4,000,000	70,801,940

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

28. CASH FLOW INFORMATION (CONT'D)

(b) The total cash outflows for leases as a lessee are as follows:-

	The Group	
	2025 RM	2024 RM
Payment of short-term leases	32,380	42,970
Payment of low-value assets	2,044	2,088
Interest paid on lease liabilities	21,847	16,955
Payment on lease liabilities	223,448	215,325
	279,719	277,338

(c) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances	7,421,461	12,289,389	375,921	240,843
Short-term investments	12,938,473	6,171,113	1,220,052	1,078,766
	20,359,934	18,460,502	1,595,973	1,319,609

29. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM

(a) Directors

Directors of the Company

Short-term employee benefits:

- fees	467,300	434,300	377,300	344,300
- salaries, bonuses and other benefits	1,912,386	1,789,676	32,500	28,500
Defined contribution benefits	210,432	217,836	-	-
Defined benefit retirement plan	86,387	48,230	-	-

Total directors' remuneration (Note 23) **2,676,505** 2,490,042 **409,800** 372,800

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company was RM75,900 (2024 - RM75,900).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

29. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
(b) Other Key Management Personnel				
Short-term employee benefits	1,513,370	1,609,634	-	-
Defined contribution benefits	177,301	200,073	-	-
Defined benefit retirement plan	49,694	27,241	-	-
Total compensation for other key management personnel (Note 23)	1,740,365	1,836,948	-	-

The estimated monetary value of benefits-in-kind provided by the Group to the other key management personnel of the Company was RM2,775 (2024 - RM16,650).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

30. RELATED PARTY DISCLOSURES

(a) Subsidiaries

The subsidiaries are disclosed in Note 5 to the financial statements

(b) Significant Related Party Transactions and Balances

In addition to the related party transactions information disclosed in the statements of cash flows, Notes 21 and Note 23 to the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Transactions with corporate shareholders				
<i>Prestar Resources Berhad</i>				
Dividend paid	-	1,779,849	-	-
<i>Formula Naga Sdn. Bhd.</i>				
Dividend paid	-	1,732,746	-	-
Transactions with related parties				
<i>Prestar Storage System Sdn. Bhd.</i>				
Sales of goods	2,490,365	1,114,180	-	-
<i>Dai Dong Steel Sdn. Bhd.</i>				
Sales of goods	552,943	424,310	-	-
<i>Prestar Precision Tube Sdn. Bhd.</i>				
Sales of goods	297,380	85,218	-	-
<i>POSCO-MKPC Sdn. Bhd.</i>				
Sales of goods	-	2,023	-	-
Transaction with a company in which a director of the Company has substantial financial interest				
<i>Litat Hardware Sdn. Bhd.</i>				
Sales of goods	3,143,801	4,213,391	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

30. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant Related Party Transactions and Balances (Cont'd)

In addition to the related party transactions information disclosed in the statements of cash flows, Notes 21 and Note 23 to the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year (Cont'd):-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Transactions with subsidiaries				
<i>Tashin Steel Sdn. Bhd.</i>				
Dividend income	-	-	2,000,000	300,000
<i>Tashin Hardware Sdn. Bhd.</i>				
Interest income	-	-	593,622	553,674

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in Notes 9 and 10 to the financial statements.

31. OPERATING SEGMENTS

31.1 BUSINESS SEGMENT AND GEOGRAPHICAL INFORMATION

The Group operates predominantly in one business segment in Malaysia, which involved in manufacturing of steel related products. Accordingly, the information by business and geographical segments is not presented.

31.2 MAJOR CUSTOMERS

There is no single customer that contributed 10% or more to the Group's revenue.

32. CAPITAL COMMITMENTS

	The Group	
	2025 RM	2024 RM
Purchase of property, plant and equipment	856,399	354,311

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

33.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the functional currency of entities within the Group. The currency giving rise to this risk are primarily United States Dollar ("USD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. On occasion, the Group enters into forward foreign currency contracts to hedge against its foreign currency risk.

Any reasonably possible change in the foreign currency exchange rates at the end of the reporting period against the functional currency of the entities within the Group does not have a material impact on the profit/(loss) after taxation and equity of the Group and of the Company and hence, no sensitivity analysis is presented.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from borrowings with variable rates. The Group adopts a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 19 to the financial statements.

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group	
	2025 RM	2024 RM
Effects on Profit After Taxation		
Increase of 100 basis points	(98,789)	(115,702)
Decrease of 100 basis points	98,789	115,702

The Company does not have any floating rate borrowings and hence, no sensitivity analysis is presented.

(iii) Equity Price Risk

The Group and the Company do not have any quoted investments and hence, are not exposed to equity price risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (Cont'd)

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage their exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

(i) Credit Risk Concentration Profile

The Group does not have any significant credit risk related to any individual customer or counterparty.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries of RM54,157,237 (2024 - RM82,144,158), representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

(iii) Assessment of Impairment Losses

The Group and the Company have a formal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group and the Company closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of the following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables (including related parties) have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on an individual basis.

The expected loss rates are based on the payment profiles of sales over 12 months (2024 - 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward-looking assumptions that correlate to the historical loss rates.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The reconciliations of allowance for impairment losses are as follows:-

	Non-credit Impaired RM	Credit Impaired RM	Total RM
The Group			
<u>Trade Receivables</u>			
Balance at 1.1.2024	1,227,404	27,596	1,255,000
Additions (Note 22)	879,538	165,462	1,045,000
Reversals (Note 22)	<u>(1,227,404)</u>	<u>(27,596)</u>	<u>(1,255,000)</u>
Balance at 31.12.2024/1.1.2025	879,538	165,462	1,045,000
Additions (Note 22)	1,223,000	-	1,223,000
Reversals (Note 22)	<u>(1,904,973)</u>	<u>(23,027)</u>	<u>(1,928,000)</u>
Balance at 31.12.2025	<u>197,565</u>	<u>142,435</u>	<u>340,000</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)

Allowance for Impairment Losses (Cont'd)

The information about the credit exposure and loss allowances recognised for trade receivables are as follows:-

	Gross Amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
The Group				
2025				
Current (not past due)	54,399,638	-	(14,952)	54,384,686
1 to 30 days past due	13,065,018	-	(14,682)	13,050,336
31 to 60 days past due	2,169,188	-	(16,358)	2,152,830
61 to 90 days past due	465,345	-	(9,070)	456,275
Over 90 days past due	179,684	-	(142,503)	37,181
Credit impaired	142,435	(142,435)	-	-
	70,421,308	(142,435)	(197,565)	70,081,308
2024				
Current (not past due)	58,024,884	-	(500,939)	57,523,945
1 to 30 days past due	13,371,421	-	(200,571)	13,170,850
31 to 60 days past due	2,068,049	-	(62,042)	2,006,007
61 to 90 days past due	337,157	-	(40,459)	296,698
Over 90 days past due	111,892	-	(75,527)	36,365
Credit impaired	165,462	(165,462)	-	-
	74,078,865	(165,462)	(879,538)	73,033,865

Trade receivables that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

Trade receivables that are collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

There has been no significant change in the gross amounts of trade receivables that has impacted the allowance for impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES(Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables

The Group applies the 3-stage general approach to measure expected credit losses for its other receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group assesses whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with that as at the date of initial recognition. The Group considers that there has been a significant increase in credit risk when contractual terms change or payments are delayed. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

The Group uses 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

<u>Category</u>	<u>Definition of Category</u>	<u>Loss Allowance</u>
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-month expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Non-performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group measures the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on an individual basis. The remaining receivables are grouped by shared credit risk characteristics and assessed on a collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD was not adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts as the Group has not identified any forward-looking assumptions which correlate to the PD.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Cash and Bank Balances

The Group and the Company consider the licensed banks to be of low credit risk. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and is therefore not provided for.

Amount Owing by Subsidiaries (Non-trade Balances)

The Company also applies the 3-stage general approach to measure expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company measures expected credit losses on an individual basis, which aligns with its credit risk management practices on the inter-company balances.

The Company considers advances to subsidiaries to be of low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. This is because the Company is able to determine the timing of payments and the advances are to be in default when the subsidiaries are unable to pay when demanded.

For advances that are repayable on demand, impairment losses are assessed on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are a financial guarantee contract.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

Allowance for Impairment Losses

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties to which the financial guarantee contracts were issued. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (Cont'd)

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
The Group						
2025						
<u>Non-derivative Financial Liabilities</u>						
Lease liabilities	4.04 - 4.93	522,203	740,920	245,437	495,483	-
Term loans	3.92	12,998,600	14,863,174	14,863,174	-	-
Trade payables	-	30,421,402	30,421,402	30,421,402	-	-
Other payables and accruals	-	4,872,092	4,872,092	4,872,092	-	-
Bankers' acceptances	3.64 - 4.29	18,502,000	18,502,000	18,502,000	-	-
		67,316,297	69,399,588	68,904,105	495,483	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (Cont'd)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
The Group						
2024						
<u>Non-derivative Financial Liabilities</u>						
Lease liabilities	3.71 - 4.83	428,749	467,048	174,391	229,657	63,000
Hire purchase payables	4.10	152,191	154,467	154,467	-	-
Term loans	4.24 - 5.09	15,224,000	17,621,143	17,621,143	-	-
Trade payables	-	19,766,337	19,766,337	19,766,337	-	-
Other payables and accruals	-	4,750,190	4,750,190	4,750,190	-	-
Bankers' acceptances	4.17 - 4.52	50,997,000	50,997,000	50,997,000	-	-
Revolving credits	5.03	4,000,000	4,000,000	4,000,000	-	-
<u>Derivative Financial Liability</u>						
Forward currency contracts	-	8,638	8,638	8,638	-	-
		97,327,105	97,764,823	97,472,166	229,657	63,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (Cont'd)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
The Company			
2025			
<u>Non-derivative Financial Liabilities</u>			
Other payables and accruals	410,090	410,090	410,090
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries	-	54,157,237*	54,157,237
	410,090	54,567,327	54,567,327
2024			
<u>Non-derivative Financial Liabilities</u>			
Other payables and accruals	376,518	376,518	376,518
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries	-	82,144,158*	82,144,158
	376,518	82,520,676	82,520,676

* The potential exposure of the financial guarantee contracts is equivalent to the outstanding amount of the credit facilities of the said subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements because their fair values on initial recognition were not material.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.2 CAPITAL RISK MANAGEMENT

The Group and the Company manage their capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group and the Company include within net debt, interest bearing loans and borrowings, less cash and cash equivalents. Capital includes equity attributable to the owners of the parent. The debt-to-equity ratio of the Group at the end of the reporting period are as follows:-

	The Group	
	2025 RM	2024 RM
Lease liabilities	522,203	428,749
Term loans	12,998,600	15,224,000
Bankers' acceptances	18,502,000	50,997,000
Revolving credits	-	4,000,000
Hire purchase payables	-	152,191
	32,022,803	70,801,940
Less: Cash and cash equivalents (Note 28(c))	(20,359,934)	(18,460,502)
Net debt	11,662,869	52,341,438
Total equity	272,853,710	269,543,902
Debt-to-equity ratio	0.04	0.19

The debt-to-equity ratio of the Company is not presented as the Company does not have borrowings.

There was no change in the Group's approach to capital management during the financial year.

The Group is also required to maintain a minimum DSCR of 1.25 times to comply with a loan covenant, failing which, the banks may call an event of default. The Group has breached this covenant and the details of such non-compliance is disclosed in Note 19(e) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Short-term investments	12,938,473	6,171,113	1,220,052	1,078,766
<u>Amortised Cost</u>				
Trade receivables	70,081,308	73,033,865	-	-
Other receivables	458,106	201,667	15,677,462	13,980,132
Cash and bank balances	7,421,461	12,289,389	375,921	240,843
	77,960,875	85,524,921	16,053,383	14,220,975
Financial Liabilities				
<u>Fair Value Through Profit or Loss</u>				
Derivative liabilities	-	8,638	-	-
<u>Amortised Cost</u>				
Hire purchase payables	-	152,191	-	-
Term loans	12,998,600	15,224,000	-	-
Trade payables	30,421,402	19,766,337	-	-
Other payables and accruals	4,872,092	4,750,190	410,090	376,518
Bankers' acceptances	18,502,000	50,997,000	-	-
Revolving credits	-	4,000,000	-	-
	66,794,094	94,889,718	410,090	376,518

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Net gains recognised in profit or loss	<u>467,361</u>	<u>383,818</u>	<u>41,286</u>	<u>139,318</u>
<u>Amortised Cost</u>				
Net gains recognised in profit or loss	<u>730,286</u>	<u>145,034</u>	<u>593,622</u>	<u>553,674</u>
Financial Liabilities				
<u>Fair Value Through Profit or Loss</u>				
Net gains recognised in profit or loss	<u>8,638</u>	<u>228,602</u>	<u>-</u>	<u>-</u>
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	<u>1,917,699</u>	<u>2,262,485</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value Of Financial Instruments Carried At Fair Value			Fair Value Of Financial Instruments Not Carried At Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
The Group								
2025								
<u>Financial Asset</u>								
Short-term investments	12,938,473	-	-	-	-	-	12,938,473	12,938,473
<u>Financial Liability</u>								
Term loans:								
- floating rate	-	-	-	-	12,998,600	-	12,998,600	12,998,600

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period (Cont'd):-

	Fair Value Of Financial Instruments Carried At Fair Value			Fair Value Of Financial Instruments Not Carried At Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
The Group								
2024								
<u>Financial Asset</u>								
Short-term investments	6,171,113	-	-	-	-	-	6,171,113	6,171,113
<u>Financial Liabilities</u>								
Hire purchase payables	-	-	-	-	152,191	-	152,191	152,191
Term loans:								
- floating rate	-	-	-	-	15,224,000	-	15,224,000	15,224,000
Derivative liabilities:								
- forward currency contracts	-	8,638	-	-	-	-	8,638	8,638
	-	8,638	-	-	15,376,191	-	15,384,829	15,384,829

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period (Cont'd):-

	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	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
The Company								
2025								
<u>Financial Asset</u>								
Short-term investments	1,220,052	-	-	-	-	-	1,220,052	1,220,052
2024								
<u>Financial Asset</u>								
Short-term investments	1,078,766	-	-	-	-	-	1,078,766	1,078,766

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.5 FAIR VALUE INFORMATION (CONT'D)

(a) Fair Value of Financial Instruments Carried at Fair Value

- (i) The fair values above have been determined using the following basis:-
- (aa) The fair value of money market funds is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.
- (bb) The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the end of the reporting period.
- (ii) There were no transfers between level 1 and level 2 during the financial year.

(b) Fair Value of Financial Instruments Not Carried at Fair Value

The fair values, which are for disclosure purposes, have been determined using the following basis:-

- (i) The fair value of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.
- (ii) The fair value of hire purchase payables that carry fixed interest rate are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rate used to discount the estimated cash flows is Nil (2024 - 4.10%).

34. COMPARATIVE FIGURES

The following figures have been reclassified to conform with the presentation of the current financial year:-

	The Group		The Company	
	As Previously Reported RM	As Restated RM	As Previously Reported RM	As Restated RM
Consolidated Statement of Financial Position (Extract):-				
Non-Current Assets				
Property, plant and equipment	146,450,179	99,593,950	-	-
Right-of-use assets	-	46,856,229	-	-
Current Assets				
Short-term investments	-	6,171,113	-	1,078,766
Cash and bank balances	18,460,502	12,289,389	1,319,609	240,843
Current Liabilities				
Lease liabilities	309,127	156,936	-	-
Short-term borrowings	70,221,000	70,373,191	-	-
Consolidated Statement of Profit or Loss and Other Comprehensive Income (Extract):-				
Other income	2,010,388	2,436,565	-	692,992
Interest income	426,177	-	692,992	-

LIST OF PROPERTIES

No.	Name of registered owner/ Address	Description	Built-up (sq. feet)	Tenure	Carrying amount as at 31 December 2025 (RM'000)	Date of Acquisition/ Revaluation
1	Tashin Steel Sdn. Bhd. Plot 40, Lorong Perusahaan Maju 7, Kawasan Perusahaan 4, 13600 Prai, Pulau Pinang	Office cum manufacturing site	152,835	60 years leasehold expiring on 2052 (remaining tenure of 26 years) Age of Building: 27 Years	32,035	31-December-2024
2	Tashin Steel Sdn. Bhd. Plot 39, Lorong Perusahaan Maju 7, Kawasan Perusahaan 4, 13600 Prai, Pulau Pinang	Manufacturing site	132,552	60 years leasehold expiring on 2052 (remaining tenure of 26 years) Age of Building: 16 Years	28,081	31-December-2024
3	Tashin Hardware Sdn. Bhd. No. 1617, Lorong Perusahaan Maju 6, Kawasan Perusahaan 4, 13600 Prai, Pulau Pinang	Office cum manufacturing site	330,189	60 years leasehold expiring on 2052 (remaining tenure of 26 years) Age of Building: 28 Years	49,680	31-December-2024
4	Tashin Steel Sdn. Bhd. F 01-08, Taman Pelangi, Bukit Tengah, 13600 Perai, Pulau Pinang	Hostel	500	99 years leasehold expiring on 2092 (remaining tenure of 66 years) Age of Building: 29 Years	39	23-April-2008
5	Tashin Steel Sdn. Bhd. V 03-16, Taman Pelangi, Bukit Tengah, 13600 Perai, Pulau Pinang	Hostel	500	99 years leasehold expiring on 2092 (remaining tenure of 66 years) Age of Building: 29 Years	53	2-March-2016
6	Tashin Steel Sdn. Bhd. I 02-12, Taman Pelangi, Bukit Tengah, 13600 Perai, Pulau Pinang	Hostel	500	99 years leasehold expiring on 2092 (remaining tenure of 66 years) Age of Building: 29 Years	65	17-May-2022

STATISTICS OF SHAREHOLDINGS

AS AT 31 MARCH 2026

Total number of issued shares	:	348,991,000 Ordinary Shares
Class of shares	:	Ordinary shares
Number of shareholders	:	2,518
Voting rights	:	One (1) vote per Ordinary Share on a poll

ANALYSIS OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	% of shareholders	No. of shares held	% of issued capital
1 – 99	2	0.08	2	0.00
100 – 1,000	431	17.12	194,300	0.06
1,001 – 10,000	1,154	45.83	6,789,400	1.95
10,001 – 100,000	762	30.26	25,250,200	7.24
100,001 – 17,449,549 (*)	167	6.63	101,384,100	29.05
17,449,550 and above (**)	2	0.08	215,372,998	61.71
Total	2,518	100.00	348,991,000	100.00

Remarks:

* Less than 5% of issued shares

** 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS ACCORDING TO THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

Substantial shareholders	No. of shares held			
	Direct	%	Indirect	%
Prestar Resources Berhad	118,656,619	34.00	-	-
Formula Naga Sdn. Bhd.	96,716,379	27.71	-	-
Dato' Toh Yew Peng	2,305,400	0.66	⁽¹⁾ 118,656,619	34.00
Toh Yew Keat	1,392,209	0.40	⁽¹⁾ 118,656,619	34.00
Fabulous Essence Sdn. Bhd.	-	-	⁽¹⁾ 118,656,619	34.00
Teh Jian Yang	23,700	0.01	⁽²⁾ 99,862,979	28.62
Teh Li Jun	834,100	0.24	⁽²⁾ 99,862,979	28.62
Teh Yah Thing	-	-	⁽²⁾ 99,862,979	28.62

Note:

(1) Deemed interested by virtue of Section 8(4) of the Companies Act 2016 in Prestar Resources Berhad.

(2) Deemed interested by virtue of Section 8(4) of the Companies Act 2016 in Formula Naga Sdn. Bhd. and Highscale Capital Sdn. Bhd.

STATISTICS OF SHAREHOLDINGS

AS AT 31 MARCH 2026

DIRECTORS' SHAREHOLDINGS ACCORDING TO THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Directors	Nationality	Direct interest		Indirect interest	
		No. of shares held	%	No. of shares held	%
Dato' Kalsom binti Abd. Rahman	Malaysian	120,000	0.03	0	0.00
Foong Kok Chuin	Malaysian	2,050,000	0.59	0	0.00
Sim Puei Chun	Malaysian	120,000	0.03	0	0.00
Khaw Chooi Kee	Malaysian	100,000	0.03	0	0.00
Rusdy Bin Ishak	Malaysian	20,000	0.01	0	0.00
Ir. Tan Tiong Ben	Malaysian	39,600	0.01	0	0.00
Dato' Toh Yew Peng	Malaysian	2,305,400	0.66	⁽¹⁾ 118,656,619	34.00
Toh Yew Seng	Malaysian	1,507,511	0.43	⁽²⁾ 122,000	0.03
Koay Kah Ee	Malaysian	400,000	0.11	0	0.00
Teh Jian Yang	Malaysian	23,700	0.01	⁽³⁾ 99,862,979	28.62

Note:

- (1) Deemed interested by virtue of Section 8(4) of the Companies Act 2016 in Prestar Resources Berhad.
- (2) Deemed interested pursuant to the shares held by his son, Toh Jin Wei pursuant to Section 59(11) of the Companies Act 2016.
- (3) Deemed interested by virtue of Section 8(4) of the Companies Act 2016 in Formula Naga Sdn. Bhd. and Highscale Capital Sdn. Bhd.

THIRTY (30) LARGEST SHAREHOLDERS

No.	Shareholders	No. of shares held	Percentage (%)
1.	PRESTAR RESOURCES BERHAD	118,656,619	34.00
2.	FORMULA NAGA SDN. BHD.	96,716,379	27.71
3.	YONG LEONG LEONG	4,579,100	1.31
4.	OOI ENG HOCK	4,200,000	1.20
5.	LEE MENG YIM	3,670,000	1.05
6.	LIM CHOON TEIK	3,450,000	0.99
7.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - MOKHTAR BIN MD ISA	3,155,700	0.90
8.	HIGHSCALE CAPITAL SDN. BHD.	3,146,600	0.90
9.	MA SWI TEOK	2,500,000	0.72
10.	GOO KONG HUA	2,475,000	0.71
11.	TAN KENG HOR	2,250,000	0.64
12.	TANG MENG KEAN	2,100,000	0.60
13.	FOONG KOK CHUIN	2,050,000	0.59
14.	KHOR KENG SAW @ KHAW AH SOAY	1,991,100	0.57

STATISTICS OF SHAREHOLDINGS

AS AT 31 MARCH 2026

No.	Shareholders	No. of shares held	Percentage (%)
15.	TEH GEIK SIM	1,984,200	0.57
16.	OOI SOO KWANG	1,719,000	0.49
17.	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR WONG LEY BENG)	1,699,000	0.49
18.	WONG SWEE MEY	1,691,000	0.48
19.	M & A NOMINEE (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR TEH GEIK SIM)	1,600,000	0.46
20.	LEE YUE HAN	1,576,600	0.45
21.	TOH YEW SENG	1,507,511	0.43
22.	CHEW CHEE KEONG	1,500,000	0.43
23.	TOH YEW KEAT	1,392,209	0.40
24.	CHIN WAI KEONG	1,308,000	0.37
25.	DATO' TOH YEW PENG	1,305,400	0.37
26.	TEOH CHA HAI	1,276,600	0.37
27.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - EYO SZE GUAN	1,274,900	0.37
28.	TOH POH KHUAN	1,200,049	0.34
29.	TOH YEW KAR	1,198,320	0.34
30.	LIM LEE TEANG	1,068,000	0.31

This page has been intentionally left blank

No. of Shares held	CDS Account No.
Contact No.	Email Address

FORM OF PROXY

*I/We,
 (FULL NAME IN BLOCK CAPITALS)

NRIC/Passport/Registration/Company No. of

.....
 (FULL ADDRESS)

being a *member/members of TASHIN HOLDINGS BERHAD ("**the Company**"), hereby appoint:

First Proxy "A"

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address	Email		
	Contact No.		

*and/or

Second Proxy "B"

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address	Email		
	Contact No.		

*or the Chairman of the Meeting as *my/our proxy to attend and vote for *me/us and on *my/our behalf at the Ninth Annual General Meeting ("**9th AGM**" or "**Meeting**") of the Company to be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Wilayah Persekutuan on Thursday, 4 June 2026 at 10:00 a.m. or at any adjournment thereof.

Please indicate with an "X" in the spaces provided below how you wish your votes to be cast. If no specific direction as to voting is given, the proxy/proxies will vote or abstain at his/her/their discretion.

No.	Resolutions	Resolution	For	Against
1.	To approve the payment of a single-tier final dividend of 0.5 sen per ordinary share for the financial year ended 31 December 2025.	1		
2.	To approve the payment of Directors' fees amounting to RM377,300.00 for the financial year ended 31 December 2025.	2		
3.	To approve an amount of up to RM40,000.00 as benefits payable to the Directors from 5 June 2026 until the next Annual General Meeting of the Company to be held in year 2027.	3		
4(a).	To re-elect Dato' Kalsom binti Abd. Rahman, who retires pursuant to Clause 165 of the Company's Constitution.	4		
4(b).	To re-elect Ir. Tan Tiong Ben, who retires pursuant to Clause 165 of the Company's Constitution.	5		
4(c).	To re-elect Mr. Koay Kah Ee, who retires pursuant to Clause 165 of the Company's Constitution.	6		
5.	To re-appoint Crowe Malaysia PLT as the Company's External Auditors until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration.	7		
As Special Businesses:				
6(a).	Ordinary Resolution 1 - Authority to issue and allot shares pursuant to the Companies Act 2016 and waiver of pre-emptive rights.	8		
6(b).	Ordinary Resolution 2 - Proposed renewal of existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature.	9		

* Strike out whichever is not applicable.

Signed this _____ day of _____, 2026

 Signature of Member/Common Seal



Notes:

1. In respect of deposited securities, only shareholders of the Company whose names appear in the Record of Depositors on 25 May 2026 shall be eligible to attend the Meeting.
2. A shareholder of the Company entitled to attend, participate, speak and vote at the Meeting is entitled to appoint one (1) or more proxies (who need not be a shareholder of the Company) to attend, participate, speak and vote for him/her but where that shareholder of the Company appoints more than one (1) proxy, he/she must specify the proportion of his/her shareholdings represented by each proxy.
3. The instrument appointing a proxy shall be in writing and in the case of an individual, shall be signed by the appointor or by his attorney; and in the case of a corporation, shall be either under its common seal or signed by its attorney or by an officer on behalf of the corporation.
4. Where a shareholder of the Company is an exempt authorised nominee who holds ordinary shares in the Company for multiple beneficial owners in one (1) 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.
5. The instrument appointing a proxy shall be deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof. The proxy appointment may also be lodged electronically via the Securities Services e-Portal at <https://www.sshsb.net.my/>. The lodging of the Form of Proxy will not preclude any shareholder from participating and voting at the Meeting should any shareholder subsequently wish to do so, provided a notice of termination of proxy authority in writing is given to the Company and deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan before the commencement of the 9th AGM of the Company or at any adjournment thereof. All resolutions set out in the Notice of Meeting will be voted on by poll.

Should you wish to deposit the Form of Proxy electronically via the Securities Services e-Portal, kindly refer to the e-Proxy Guide, which is available for download at www.tashin.com.my, for further details.

Fold Here

STAMP

The Company Secretaries
Tashin Holdings Berhad
201701028709 (1242878-H)
Level 7, Menara Milenium,
Jalan Damanlela, Pusat Bandar Damansara,
Damansara Heights, 50490 Kuala Lumpur,
Wilayah Persekutuan

Fold Here

The background features a white central area with several large, overlapping geometric shapes in green and blue. The top-left corner shows a photograph of a steel structure under construction. The top-right and middle-right areas show a close-up of a metal surface with a diamond-plate texture. The bottom-right area shows a close-up of a metal mesh or grate. The bottom-left area is a solid blue triangle.

TASHIN HOLDINGS BERHAD

201701028709 (1242878-H)

Plot 40, Lorong Perusahaan Maju 7,
Kawasan Perusahaan 4,
13600 Prai, Penang, Malaysia.

T | 604 509 0888

F | 604 5077 100 / 604 5088 100 / 604 5079 100

www.tashin.com.my