CORPORATE GOVERNANCE OVERVIEW STATEMENT

INTRODUCTION

The Board is pleased to present the Corporate Governance ("CG") Overview Statement of the Company for the 18-month financial period ended 30 June 2026. This CG Overview Statement is prepared pursuant to the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("Listing Requirements").

The Board has been guided by the Malaysian Code on Corporate Governance ("MCCG") in its implementation of CG practices by the Company and its subsidiaries to promote a holistic adoption of CG practices and culture within the Group in the best efforts while ensuring compliance with the Listing Requirements and the Companies Act 2016 ("CA 2016") in addition to monitoring developments in industry practice and other relevant regulations.

The CG Overview Statement provides a summary of the Company's CG practices during the financial period, with reference to the following 3 principles, intended outcomes and practices of the MCCG, having considered the Company's structure, processes, business environment and industry practices:

- Board leadership and effectiveness;
- Effective audit and risk management; and
- Integrity in corporate reporting and meaningful relationship with stakeholders.

This CG Overview Statement should be read together with the CG Report, which is available on the Company's website at www.lion.com.my/lionind. It should also be read in conjunction with other statements in this Annual Report such as the Statement on Risk Management and Internal Control, the Audit Committee Report and the Sustainability Statement.

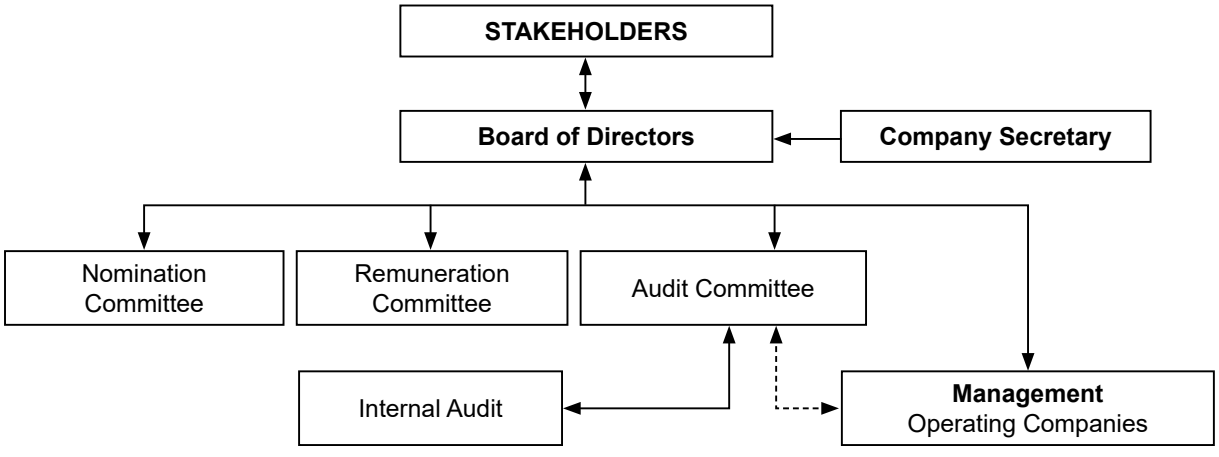
In its deliberation and review of the CG Overview Statement, the Board is satisfied that the practices set out in the MCCG, in all material respects, have been applied to achieve the intended outcomes for the financial period under review except for the following practices:

- Practice 1.3 : The position of Chairman and Chief Executive Officer are held by different individuals.
- Practice 5.10 : Company's policy on gender diversity for the board and senior management.
- Practice 8.2 : Disclosure on a named basis, the remuneration of top 5 senior management.

A detailed explanation of how the Company has applied each CG practice as set out in the MCCG, taking into consideration the specific circumstances affecting the Group, including alternative measures taken to achieve the intended outcomes and the explanation for non-adoption of or departure from the abovementioned practices, are available in the CG Report for the financial period ended 30 June 2026.

CORPORATE GOVERNANCE FRAMEWORK

The governance structure of the Company where the responsibilities of the Board are delegated to the relevant Board Committees and the Management of the Company is illustrated below:



BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

Responsibilities for Leadership and Meeting Objectives and Goals

The Board establishes the vision and strategic objectives of the Group and is entrusted with the responsibility in leading and directing the Group towards achieving its strategic goals, delivering sustainable value and realising long-term shareholders value. The Board is primarily responsible for overseeing the implementation of strategies and plans by the Management, promoting good corporate governance culture and the governance of sustainability within the Group, overseeing the conduct of the Group's businesses, monitoring and evaluating the implementation of appropriate systems and framework to identify, analyse, manage and monitor principal risks, reviewing the adequacy and integrity of the Group's system of internal control, and ensuring effective communications with stakeholders.

The Chairman is primarily responsible in ensuring Board effectiveness and leading the Board in its collective oversight of management whereas the Managing Director ("MD") is responsible for day-to-day management of the Group's businesses and operations including the implementation of business plans, strategies and policies. The distinct and separate roles of the Chairman and MD with clear division of responsibilities are set out in the Company's Board Charter. While the Company is cognisant of the recommendations of the MCCG, the Company considers that, given the Chairman's extensive experience of over 60 years in the Group's businesses and operations, as well as his in-depth knowledge of the Group's history, structure, business environment and the various territories in which the Group operates, his continued involvement in the executive management of the Group in his capacity as MD provides continuity, effective leadership and valuable insights into the Group's businesses and strategic direction. The Company is therefore of the view that the combined roles enable the Group to benefit from his extensive knowledge and experience while ensuring effective oversight and management of the Group.

In line with the recommendation of the MCCG, the Chairman is not a member of any Board Committees.

The Company Secretaries who have the requisite credentials and qualifications are available and provide support to the Board and Board Committees in ensuring that all of their meetings as well as general meetings are properly convened in accordance with applicable rules and procedures and that the records of the proceedings and resolutions are properly maintained. The Company Secretaries also facilitate the communication of decisions made by the Board and Board Committees to the relevant Management for appropriate actions.

The Directors also have access to the Company Secretaries for advice on their duties and obligations under the CA 2016 and updates on corporate governance matters, statutory and regulatory requirements, and other relevant legislations in addition to administrative matters.

The appointment and removal of the Company Secretaries are subject to the approval of the Board.

The Board, as a whole and its members in their individual capacities, have unrestricted access to complete information on a timely basis in the form and quality necessary for the discharge of their duties and responsibilities. Prior to each Board meeting, all Board members are furnished with the relevant documents and sufficient information to enable them to obtain a comprehensive understanding of the matters to be deliberated upon. Senior Management of the Group are also invited to attend Board meetings to provide their professional views, advice and explanation on specific items on the agenda in order for the Board to arrive at an informed decision.

Besides direct interactions with the Management, external independent professional advisers are also made available at the Company's expense to render their independent views and advice to the Board whenever deemed necessary and under appropriate circumstances or at the request of the Board.

The Board meets on a quarterly basis, with additional meetings convened as and when necessary. During the financial period, 6 Board Meetings were held.

Demarcation of Responsibilities between Board, Board Committees, Individual Directors and Management

As part of the corporate governance process, the Board had formalised and adopted the Board Charter which clearly sets out the composition, roles, responsibilities, powers and processes of the Board, and matters reserved for decision of the Board. In facilitating the discharge of duties by the Board, the Board Charter provides for delegation of responsibilities by the Board to Board Committees via approved Terms of Reference of each Board Committee and the reporting obligations by the Board Committees. The Board Charter sets out responsibilities of the Board to ensure effective interactions between the Management and the Board. The Board Charter also serves as reference criteria for the Board in the assessment of its own performance, individual Directors and the Board Committees. Ultimately, the Board Charter reinforces the overall accountability of both the Board and the Management towards the Company and the stakeholders.

The Board Charter is subject to review by the Board at least once in every 3 years or as and when the need arises and in tandem with any new or revision of relevant statutory and regulatory requirements impacting the responsibilities and discharge of duties by the Board. The Company's Board Charter which was last reviewed in November 2025 is available on the Company's website.

In assisting the Board to discharge its oversight functions, the Board delegates certain responsibilities to 3 committees, namely the Audit Committee, the Nomination Committee and the Remuneration Committee. The Terms of Reference which regulate the affairs and conduct of these Committees spell out their composition, responsibilities, authority and duties. The respective Committees report to the Board on matters considered and their recommendations thereon. The Board may also form other committees delegated with specific authority to act on its behalf whenever required. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

The Terms of Reference of the respective Committees are available on the Company's website.

The Board delegates to the MD, the authority and powers of executive management of the Company and its businesses within levels of authority specified from time to time. The MD may delegate aspects of his authority and powers but remains accountable to the Board for the Company's performance and is required to report regularly to the Board on the progress being made by the Company's business units and operations.

Commitment to Good Business Conduct and Healthy Corporate Culture

The Board in discharging its functions has observed Part A of the Code of Ethics for Company Director & Company Secretary issued by the Companies Commission of Malaysia ("CCM") which can be viewed from the CCM's website at www.ssm.com.my, the provisions of the CA 2016, and the principles of the MCCG.

The Group has in place, a Code of Business Ethics and Conduct ("CoBEC") which covers the ethical values and principles of the Group and provides guidance on acceptable behaviour to all Directors and employees of the Group in operating and managing the Group's businesses and affairs. The CoBEC also sets out key processes and procedures for the managing and reporting of conflict of interest ("COI"), potential COI and related activities in compliance with the Listing Requirements. The CoBEC is further supported by other policies which include the Whistleblower Policy, Anti-Bribery and Corruption Policy ("ABC Policy"), Competition Policy, Sexual Harassment Policy, Sustainability Policy, Procurement Framework, Integrity and Fraud Risk Policy, and Personal Data Protection Compliance Framework of the Group.

The ABC Policy reflects the Group's stand of zero tolerance against all forms of bribery and corruption, and its commitment to lawful and ethical conduct at all times. The ABC Policy further elaborates on the Group's core principles set out in the CoBEC and the Employee Code of Conduct, providing information and guidance to all directors, employees and other stakeholders of the Group concerning how to deal with improper solicitation, bribery and other corrupt activities and issues that may arise in the course of business.

The key policies are available on the Company's website under the section "Governance".

Commitment to Address Sustainability Risks and Opportunities in an Integrated and Strategic Manner

The Board shoulders the responsibility of driving economic growth by empowering businesses, and serving in the best interests of the employees, customers, suppliers, community and society at large, while continuously committed to understanding and implementing sustainable practices to achieve the right balance between the objectives of the Shareholders, attaining economic success, protecting the environment and fulfilling ethical obligations to other stakeholders and the wider community (in which the Group has a presence).

Full details of the Group's commitment to sustainability in the aspects of Economic, Environmental and Social impacts are found in the Sustainability Statement in pages 50 to 74 of this Annual Report.

II. BOARD COMPOSITION

Objectivity in Board Decision-Making

The objectivity in decision-making by the Board is driven by its composition, role of independent non-executive directors and competencies of its members. Following the retirement of Y. Bhg. Dato' Nik Rahmat bin Nik Taib, an independent Director at the conclusion of the 94th Annual General Meeting of the Company ("AGM") held on 30 May 2025 and resignation of Y. M. Datuk Seri Utama Raja Nong Chik bin Dato' Raja Zainal Abidin, a non-independent Director on 27 November 2025, Y. Bhg. Tan Sri Dato' Seri Dr Aseh bin Haji Che Mat, a new independent Director, was appointed during the financial period. Hence, the Board currently comprises 5 Directors, 3 of whom are independent non-executive Directors (60%) whose presence and participation provide independent oversight, objective views and sound judgement in the Board's deliberation and decision-making processes, in ensuring balanced and unbiased decisions that safeguard the interests of all stakeholders. As and when a potential COI arises, it is mandatory practice for the Directors concerned to declare their interests and abstain from the decision-making process.

In accordance with the Company's Constitution, 1/3 of the Directors shall retire from office at every annual general meeting and all Directors shall retire from office at least once in every 3 years. Retiring Directors can offer themselves for re-election. Directors who are appointed by the Board during the financial period are subject to re-election by the Shareholders at the next annual general meeting following their appointment.

The MCCG provides that the tenure of an independent Director shall not exceed a cumulative period of 9 years. Upon completion of the 9 years, an independent Director may continue to serve on the Board as a non-independent Director. In the event such Director is to be retained as an independent Director beyond 9 years, the Board must provide justification and obtain Shareholders' approval through a two-tier voting process. In the review and assessment of the appointment of Y. Bhg. Tan Sri Dato' Seri Dr Aseh bin Haji Che Mat as an independent non-executive Director in November 2025, the Board was satisfied with his level of independence.

The Nomination Committee is responsible for recommending to the Board the re-election of Directors and the retention of the independent Directors whose tenure of service will exceed 9 years or has exceeded 9 years. Further, the Board, assisted by the Nomination Committee, assesses the independence of the independent Directors and tenure of each Director on annual basis. In addition, the independent Directors affirm their independence annually to the Board.

In optimising the collective leadership by the Board in providing clear direction and opportunities for the Group, the Board, in its appointments and composition, pays due recognition to the mix of competencies, expected contributions and diversity representation of the Board. The Board, from time to time, undertakes a review of the merit of the appointment criteria in the context of the Group's businesses and strategies for appropriateness.

The Nomination Committee is responsible for identifying, evaluating and nominating suitable candidates to be appointed to the Board and Board Committees.

As an enhancement to its process of sourcing suitable candidates for the Board, the Nomination Committee may also consider procuring suitable candidates from independent sources, when appropriate and practicable.

In assessing and recommending to the Board suitable candidature of Directors, the Nomination Committee shall consider the broad fit and proper, and independence criteria as set out in the Directors' Fit and Proper Policy and the following:

- Competencies – qualifications, knowledge including financial literacy, industrial experience and expertise, seniority and past achievements;
- Expected contributions – appointment scope, role, commitment level, professionalism and integrity; and
- Diversity representation – appropriateness and the fulfilment of the Board's desired mix of competencies, age, gender and cultural background.

Further, the Nomination Committee reviews the roles and responsibilities of a chairman and undertakes the evaluation and assessment process of candidates for appointment of Chairman as set out in the Board Charter and in line with the recommendations under the MCCG.

While recognising the importance of providing fair and equal opportunities for appointment of Board and Senior Management, the Board is supportive of the Government's target of having at least 30% women participation on boards of public listed companies in Malaysia. The Board currently has 2 women Directors.

The process and criteria to identify and nominate candidates for appointment as a Director, re-election of existing Directors, and retention of independent Directors are set out in the Board Charter.

A brief description of each Director's background is presented in the respective profile under Directors' Profile on pages 6 to 9 of this Annual Report.

The Nomination Committee comprises 3 members, all of whom are non-executive Directors with a majority of them being independent Directors. The Nomination Committee is chaired by an independent Director. The composition and the Terms of Reference of the Nomination Committee are presented on page 40 of this Annual Report and are available on the Company's website.

Effectiveness of the Board and Individual Directors

The Nomination Committee assesses and evaluates on an annual basis the performance and the effectiveness of the Board as a whole, the Board Committees, the independence of the independent Directors as well as the contribution of each individual Directors and Audit Committee members based on the criteria set out by the Board and in accordance with the respective Board Committee's Terms of Reference.

In the evaluation of the performance of the Board for the financial period, the Directors were also assessed on their commitment in ensuring that Environmental, Social and Governance ("ESG") risks and opportunities as well as stakeholders engagement were considered in the organisation's vision and strategy and that the organisation's sustainability initiatives were communicated to its internal and external stakeholders.

The assessment criteria for review of performance and effectiveness of the Board, Board Committees and individual Directors are set out in the Board Charter.

Time Commitment

A Director shall notify the Chairman of the Board of his/her acceptance of any new directorship in public listed companies. In any event, the maximum number of appointments in public listed companies shall be limited to 5 or any other number as set out in the Listing Requirements.

The notification shall include an assurance of his/her continued time commitment to serve the existing Board and that his/her other appointments shall not be in conflict or compete with the existing appointment with the Company.

Directors' Training

The Board is mindful of the need for continuous training to keep abreast of matters affecting the changing business environment within which the Group operates, and is encouraged to attend training programmes/forums/seminars and external programmes facilitated by external professionals in accordance with their respective needs in discharging their duties and roles as Directors pertaining to the laws and regulations which may affect the Group. The Board will continue to evaluate and determine training needs of each Director to enhance Directors' skills and knowledge including financial literacy and sustainability matters. The Company Secretary keeps a complete record of the trainings attended by the Directors.

All Directors including the newly appointed Director, had attended the Mandatory Accreditation Programme ("MAP") Part I and Part II, as required by Bursa Securities.

The Directors are kept up-to-date with market developments and relevant requirements covering corporate governance, regulatory compliance and other related areas through Board discussion meetings with Management and by email communication. In addition, the Company may arrange site visits for the Directors, whenever necessary, to enhance their understanding of the Group's businesses and have a better awareness of the risks associated with the Group's operations.

Newly appointed Directors are required to attend a familiarisation programme which also serves as a platform to establish effective channel of communication and interaction with Management. Y. Bhg. Tan Sri Dato' Seri Dr Aseh bin Haji Che Mat who was appointed during the financial period, had attended a familiarisation programme where the Company Secretaries had briefed on the statutory and regulatory requirements, and responsibilities as a Director, while Senior Management had briefed on the core businesses, operations, financials and ongoing corporate exercises of the Group.

During the financial period, the Directors had attended the following webinars, seminars, dialogues and other training programmes including the MAP Part II (collectively referred to as the "Programmes") on topics in relation to board leadership and ethics; corporate governance; risk management and internal controls; statutory and regulatory updates and requirements; financial, accounting and taxation knowledge and updates; sustainability covering ESG; fraud and cyber security risks; and artificial intelligence:

Name of Directors	**Programme**
Tan Sri Cheng Heng Jem	• ICDM – Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Tan Sri Dato' Seri Dr Aseh bin Haji Che Mat	• ICDM – Mandatory Accreditation Programme Part II: Leading for Impact (LIP) • Lion Group In-House Directors' Training: Intelligent Compliance Conference - Transforming Business with AI, MFRS & Stamp Duty Self-Assessment System • Lion Group In-House Training – Malaysia Transfer Pricing Guidelines 2024

Name of Directors	Programme
Dato' Sun Teoh Tia	• ICDM – Mandatory Accreditation Programme Part II: Leading for Impact (LIP) • Bursa Malaysia & ICDM - Strategic Oversight in Strategy Implementation: Getting Execution Right at the Board Level • Lion Group In-House Directors' Training: Intelligent Compliance Conference - Transforming Business with AI, MFRS & Stamp Duty Self-Assessment System • Lion Group In-House Online Self-Learning Programme – Cybersecurity Awareness Program V2.0 • Lion Group In-House Training – Malaysia Transfer Pricing Guidelines 2024 • Securities Commission Malaysia's Audit Oversight Board Conversation with Audit Committees – Governance, Accountability and the Cost of Silence
Zainab binti Dato' Hj. Mohamed	• Lion Group In-House Directors' Training: Intelligent Compliance Conference - Transforming Business with AI, MFRS & Stamp Duty Self-Assessment System • Lion Group In-House Online Self-Learning Programme – Cybersecurity Awareness Program V2.0 • Securities Commission Malaysia's Audit Oversight Board Conversation with Audit Committees – Governance, Accountability and the Cost of Silence
Cheng Hui Ya, Serena	• Bursa Malaysia & ICDM – The Journey into the AI Age: Game Changer for Your Digital Transformation Era • Lion Group In-House Directors' Training: Intelligent Compliance Conference - Transforming Business with AI, MFRS & Stamp Duty Self-Assessment System • Lion Group In-House Training – Malaysia Transfer Pricing Guidelines 2024 • Companies Commission of Malaysia Training Academy & Knowledge Management (COMTRAC) – [SSM Webinar] Practical Beneficial Ownership Reporting

The Directors are also updated and apprised on a continuing basis by the Company Secretaries on new and/or revised regulatory and statutory requirements ("Continuing Updates").

The Board, after having undertaken an assessment, viewed that the Directors, having attended the Programmes and having been updated with market developments and relevant requirements, and apprised with the Continuing Updates, had adequately met the training needs of each of the Directors towards enhancing their skills and knowledge in discharging their duties and roles as a Director.

III. REMUNERATION

Level and Composition of Remuneration that Attract and Retain Talents

The Company has a formal remuneration policy for the Board of Directors and Senior Management respectively to ensure that it attracts, retains and motivates experienced, well qualified and high calibre Directors and Senior Management to manage the Company's and the Group's businesses and operations effectively. Directors do not participate in decisions regarding their own remuneration. The Board continues to apply the criteria set for determining the remuneration packages of executive Directors whilst the recommendation made by the Board on the non-executive Directors' fees for approval by Shareholders at the Company's annual general meeting was reflective of the market competitiveness and responsibilities undertaken by the Directors.

The Board delegates the oversight of the remuneration of the MD to the Remuneration Committee. The composition and the Terms of Reference of the Remuneration Committee are presented on page 42 of this Annual Report and are available on the Company's website.

Remuneration Factoring in Individual and Company's Performance

Details of the remuneration paid or payable to all Directors of the Company for the financial period ended 30 June 2026 are as follows:

The Group

	Fees RM'000	Meeting Allowance RM'000	Salaries & Bonuses* RM'000	Benefits-in-kind RM'000	Total RM'000
Executive Director					
Tan Sri Cheng Heng Jem (1)	108	12	3,600	249	3,969
Non-executive Directors					
Tan Sri Dato' Seri Dr Aseh bin Haji Che Mat (2)	33	4	–	–	37
Dato' Sun Teoh Tia	82	14	–	–	96
Zainab binti Dato' Hj. Mohamed	90	14	–	–	104
Cheng Hui Ya, Serena	82	14	188	31	315
Datuk Seri Utama Raja Nong Chik bin Dato' Raja Zainal Abidin (3)	77	9	–	–	86
Dato' Nik Rahmat bin Nik Taib (4)	23	4	–	–	27
	495	71	3,788	280	4,634

The Company

Executive Director					
Tan Sri Cheng Heng Jem (1)	70	6	1,440	–	1,516
Non-executive Directors					
Tan Sri Dato' Seri Dr Aseh bin Haji Che Mat (2)	33	4	–	–	37
Dato' Sun Teoh Tia	82	14	–	–	96
Zainab binti Dato' Hj. Mohamed	90	14	–	–	104
Cheng Hui Ya, Serena	52	8	–	–	60
Datuk Seri Utama Raja Nong Chik bin Dato' Raja Zainal Abidin (3)	77	9	–	–	86
Dato' Nik Rahmat bin Nik Taib (4)	23	4	–	–	27
	427	59	1,440	–	1,926

Notes:

* The salaries and bonuses are inclusive of employer's provident fund.
(1) Appointed as Chairman on 27 November 2025
(2) Appointed on 27 November 2025
(3) Resigned with effect from 27 November 2025
(4) Retired on 30 May 2025

EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

Effective and Independent Audit Committee

The Board affirms its responsibility for the presentation of a balanced and clear assessment of the Group's position, financial performance and future prospects to the Company's stakeholders through the annual financial statements, quarterly financial reports and corporate announcements which are in accordance with the Listing Requirements.

The Audit Committee supports the Board in its responsibility to oversee the financial reporting and the effectiveness of the internal controls of the Group. The Board discusses and reviews the recommendations proposed by the Audit Committee prior to the adoption of the quarterly financial results and the annual audited financial statements of the Group and of the Company, including timely and quality disclosure through appropriate corporate disclosure policies and procedures adopted.

Following the resignation of an independent Director and a non-independent Director during the financial period, they had also relinquished the position as members of the Audit Committee. Consequently, the Audit Committee comprises 3 members, all of whom are independent Directors and financially literate. The Chairman of the Audit Committee is elected among the members of the Committee and is not the Chairman of the Board. The Terms of Reference and the main works undertaken by the Audit Committee for the financial period under review are set out in the Audit Committee Report on pages 33 to 39 of this Annual Report.

The Board has established a formal and transparent relationship with the External Auditors through the Audit Committee. The Audit Committee evaluates the performance and assesses the suitability, objectivity and independence of the External Auditors based on the policies and procedures which are in place. The Audit Committee had also considered information presented in the Audit Quality Commitment Newsletter published by the External Auditors. The Audit Committee also recommends the re-appointment of External Auditors and their remuneration to the Board. The re-appointment of the External Auditors is subject to the approval of Shareholders at the annual general meeting whilst their remuneration is determined by the Board.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Informed Decisions on Level of Risks and Implementation of Controls in Pursuit of Objectives

The Board has the oversight responsibility of the adequacy and effectiveness of the Group's system of internal control which comprises the governance, risks and controls aspects. The Board believes that effective maintenance of the system is important to help the Group to achieve its various objectives at many levels and having considered the risks that the Group faces whilst balancing out the interests of its many stakeholders and protecting the Group's assets and investments.

The Board fulfils its oversight function of risk management and internal control system via the Audit Committee. An approved Enterprise Risk Management ("ERM") Framework which was developed based on ISO31000 is in place and provides guidance to both the Board and Management on the risk management reporting structure and governance, processes, assessment methodologies and tools. The Management of key operating companies adopt and apply the prescribed methodologies to identify, evaluate, treat, control, track and report the Strategic, Business, Financial and Operational Risks based on the risk appetite set. In addition to the ERM Framework, the Group has in place an approved Compliance Framework which defines the roles and responsibilities to manage compliance risks via the establishment of internal policies, procedures and related framework. It dictates the spheres of compliance governance and promotes effective compliance mechanism in accordance with applicable laws, regulations, rulings, directives and guidelines.

The Internal Audit Function assesses and reports the adequacy and effectiveness of the Group's governance, risk management and internal control system using the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control – Integrated Framework and provide confirmation of the effectiveness of internal control and risk assessment process by the respective Heads of Operating Companies ("OC") and Heads of accounts and finance of the OC (on financial related matters) with signing-off of the Risk Management and Internal Control – Self-Assessment Questionnaire (RMIC-SAQ) on an annual basis.

An overview of the Board's responsibility, the state and descriptions of the key components of the Group's system of internal control which include the conduct of reviews by the Internal Audit Function, risk management and compliance management are set out in the Statement on Risk Management and Internal Control on pages 23 to 32 of this Annual Report.

Effectiveness of Governance, Risk Management and Internal Control System

The Board has established an Internal Audit Function within the Group to provide assurance on the effectiveness of risk, control, anti-corruption, whistleblowing and governance processes. Oversight of the Internal Audit Function is delegated to the Audit Committee to ensure that there are sufficient resources and internal audits are carried out objectively, effectively and independently. The Internal Audit Function is led by the Group Chief Internal Auditor ("CIA") who reports directly to the Audit Committee. As the position of the Group CIA was vacant during the first 12 months of the financial period, a Senior Manager from the Group Management Audit Department attended the 4 Audit Committee Meetings held during the period, representing the Internal Audit Function. He was subsequently appointed as the Group CIA in January 2026 and in his new capacity, attended the remaining 2 Meetings held during the financial period. The Internal Auditors attend all meetings of the Audit Committee. The Audit Committee's review of the scope of work, budget, reports by the Internal Audit Function and the detailed description of the Internal Audit Function are provided in the Audit Committee Report on pages 38 and 39 of this Annual Report.

The Internal Audit Function discharges its duties in accordance with internationally recognised framework and guidelines as described on page 26 in the Statement on Risk Management and Internal Control and pages 38 and 39 in the Audit Committee Report of this Annual Report.

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. COMMUNICATION WITH STAKEHOLDERS

Continuous Communication between the Company and Stakeholders to Facilitate Mutual Understanding of Objectives and Expectations

The Board acknowledges the importance of timely and equal dissemination of material information to the Shareholders, investors and public at large. The Board ensures its adherence to and compliance with the disclosure requirements of the Listing Requirements as well as the Corporate Disclosure Guide issued by Bursa Malaysia Berhad ("Bursa Malaysia").

The Company's Shareholders and members of the public may gain access to any latest corporate information of the Company on its website at www.lion.com.my/lionind which is linked to the announcements published on the website of Bursa Malaysia at www.bursamalaysia.com. The Company's website also provides easy access to the Company's Board Charter, Terms of Reference of Board Committees, key policies and annual reports.

The Group also values dialogues with institutional investors, fund managers and analysts. The Group has been practising open discussions with investors/fund managers/analysts upon request through meetings, teleconferencing and emails. In this regard, information is disseminated with strict adherence to the disclosure requirements of Bursa Securities.

The Board has identified the Company Secretaries to whom concerns may be conveyed and who would bring the same to the attention of the MD.

II. CONDUCT OF GENERAL MEETINGS

Participation by Shareholders and Informed Voting Decisions

The Board has oversight over the implementation and maintenance of the required effective communications and engagements with Shareholders.

The annual general meetings and other meetings of Shareholders are the principal forum for dialogue with Shareholders. Shareholders are given sufficient time and provided with an opportunity to participate in the question and answer session at which Shareholders may raise questions regarding the proposed resolutions at the said meetings as well as on matters relating to the Group's financial and non-financial performance, long-term strategies, businesses and affairs. The Shareholders may also pose questions prior to the meetings via email. The Chairman, the Board members, Senior Management as well as the External Auditors are in attendance at the meetings to respond to Shareholders' queries. The Chairman also shares with the Shareholders, the Company's responses to questions submitted in advance of the annual general meetings by the Minority Shareholders Watch Group and ensures that meaningful responses are provided to relevant questions posed by the Shareholders. Minutes of the general meetings of the Company are made available on the Company's website within 30 business days after the meetings.