CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of Matrix Concepts Holdings Berhad ("Matrix") hereby present this Corporate Governance Overview Statement ("CGOS" or "Statement") in reflecting how Matrix has continued to practice the highest standards of corporate governance; as stipulated in the Malaysian Code of Corporate Governance 2021 practices, the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and the Securities Commission's requirements for large capital listed companies and the laws of Malaysia, including but not limited to Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act.

In addition, where relevant, Matrix has also looked to align with the governance requirements of the National Sustainability Reporting Framework ("NSRF") which draws from the governance requirements, best practices and recommendations of the IFRS S1 and IFRS S2 disclosure standards.

INTRODUCTION

This Statement is intended to provide a comprehensive overview of how Matrix, in respect of financial year ended 31 March 2026 ("FY2026"), has continued to practice a high level of corporate governance in safeguarding the interest of stakeholders, in mitigating against risks and ensuring a high level of corporate integrity, ethical practices and regulatory compliance.

Matrix's practice of good corporate governance is a fundamental aspect of achieving effective execution of the Group's business model, in developing business and operational strategies, enabling market effectiveness and competitiveness and ensuring resilience amidst a turbulent and unpredictable operating environment. Hence, this Statement has been prepared towards ensuring concise and clear disclosures on how Matrix has achieved the following:

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

For more comprehensive details on Matrix's corporate governance practices, please refer to the Group's standalone Corporate Governance Report ("CG Report"). The CG Report demonstrates how Matrix has applied the prescribed practices for listed companies under the Malaysian Code of Corporate Governance ("MCCG").

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

BOARD RESPONSIBILITIES

The Board of Matrix's is the Group's highest governance and decision-making body. The Board has a clear and distinct role as defined in the Board Charter. In essence, the Board provides high-level stewardship of the Group, ensuring that Matrix continues to operate in a responsible manner and is well managed and progressing on track in the realisation of broad-based business goals and objectives. The Board continues to be vigilant, diligent, focused on its roles and responsibilities and in ensuring that Matrix continues to operate in a manner that is in the best interests of all stakeholders, notably shareholders.

The Board is responsible for setting macro or high-level directions, in ensuring that Senior Management continues to be effective in meeting Company key performance indicators and targets as per business plans for the year and ensuring overall robust and effective stewardship of Matrix. This includes review and introduction of policies, focusing on good corporate governance and the permeation of a conducive organisational culture centered on excellence and meritorious performance. The Board is also responsible for ensuring that Matrix continues to have an effective audit and risk management framework in place. The Board has defined a formal schedule of matters reserved for its focus and execution.

The Board reviews the strategies proposed by Management, rigorously deliberates on these strategies, solicits justification from Management personnel, prior to either recommending changes and/or approving the Business Plan and supporting strategies. This also includes budgeting, allocation of resources, major capital expenditure and the quarterly financial and operational performance of Matrix.

In recent years, the Board's role has also expanded to include a focus on sustainability, with environmental, social and governance ("ESG") matters growing in importance, notably with the emergence of Malaysia's NSRF which is based on the disclosure requirements of the International Financial Reporting Standards General Sustainability Disclosures or IFRS S1 and International Financial Reporting Standards for Climate Disclosures, or in short, IFRS S2.

The Board is guided by the Company's Constitution and its Board Charter as well as the supporting Board Committees' Terms of Reference ("TOR") towards the effective discharge of its fiduciary duties. The Board Charter and TORs are reviewed annually to ensure relevance and effectiveness amidst a fast-evolving operating environment, as well as with industry best practices such as any changes necessitated by the NSRF. Where necessary, the Board Charter is also updated in accordance to new industry practices and also ensuring the Group remains consistent with industry peers.

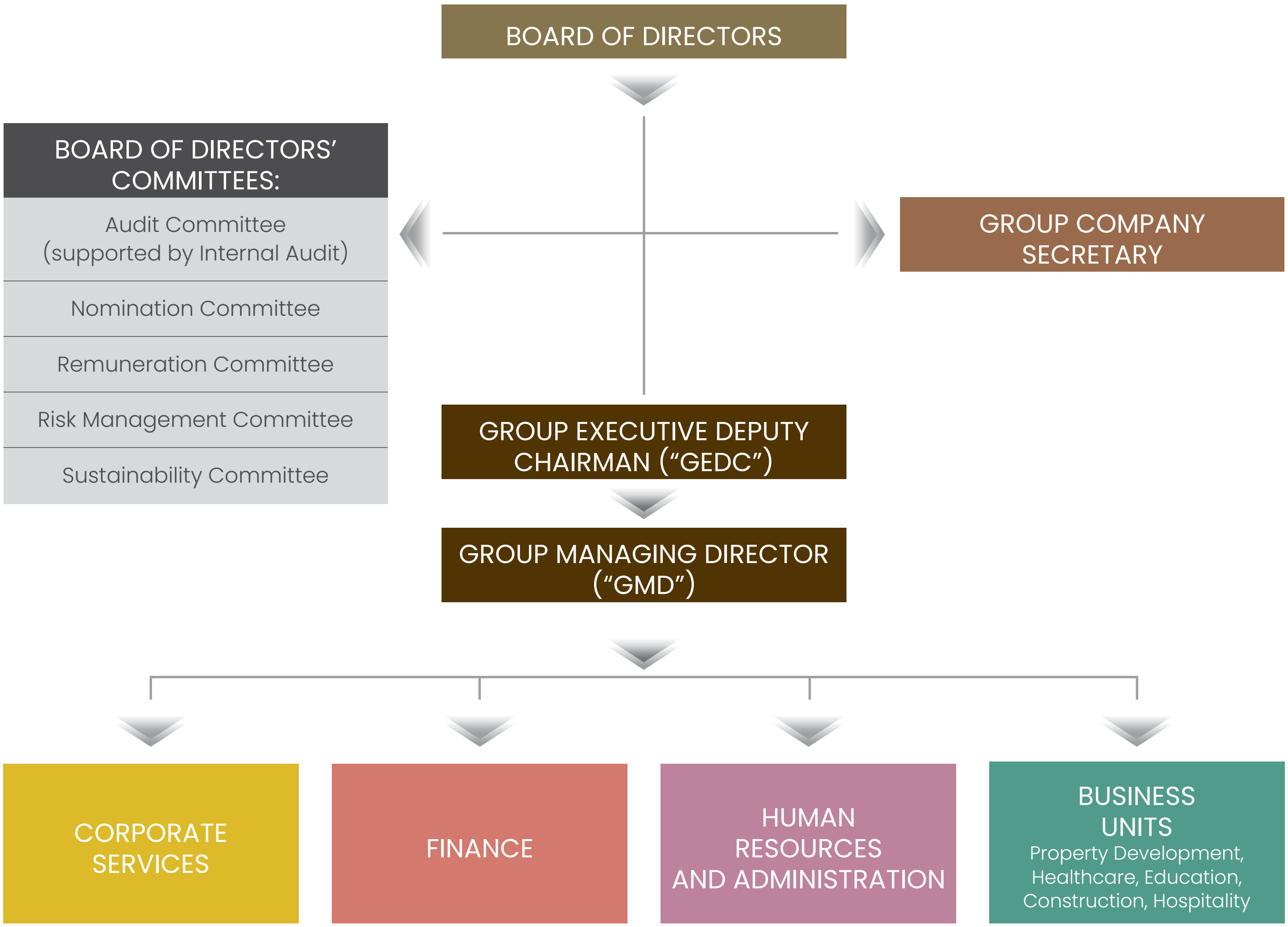
Where the Board sees fit, it may choose to delineate or delegate certain roles and responsibilities to Senior Management or specially formed committees, or at its discretion, alter the matters reserved for its decision, subject to the limitations imposed by the Company's Constitution and the laws.

Matters reserved for the Board include the following:

- Review and adopt a strategic plan, as developed by the Management, taking into account the sustainability of the Company's business, with attention given to the ESG aspects of the business;
- Oversee the conduct of the Company's business, including monitoring the performance of the Management to determine whether the business is being properly managed;
- Identify principal business risks faced by the Group and ensuring the implementation of appropriate internal controls and mitigating measures to manage such risks;
- Develop and maintain an effective succession plan for all senior management positions;
- Review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the Company's continued ability to compete effectively in the marketplace;
- Review the adequacy and integrity of the Company's management information and internal control systems;
- Ensure that there is a sound framework of reporting internal controls and regulatory compliance; and
- Oversee the Group's adherence to high standards of conduct or ethics and corporate behaviour, including the Code of Ethics for directors.

Following is a depiction of Matrix's Governance structure with the Board at the helm of this structure, supported by Senior Management and strategic business and operating functions.

Matrix Governance Framework



In ensuring the Matrix Board has the right skillsets, corporate and industry experiences as well as professional qualifications, the Group has established clear policies and procedures for the sourcing and appointment of directors and retention of the same.

BOARD CHARTER

Matrix's Board Charter defines and stipulates the following:

- Board balance and composition
- Board's authority and schedule of matters reserved for the Board
- The establishment of Board Committees
- Processes and procedures for convening Board meetings
- Process for the assessment of the Board's performance
- Board's access to information and advice
- Declarations of conflict of interest
- Roles and responsibilities of the Chairman of the Board and that of independent and non-independent as well as executive and non-executive directors, which also includes limits of authority

The Board Charter and the TORs of the Board Committees can be viewed at the Company's website: www.mchb.com.my.

SEPARATION OF THE ROLES OF CHAIRMAN AND THE GROUP MANAGING DIRECTOR

Matrix's Chairman is Dato' Haji Mohamad Haslah Bin Mohamad Amin, while Dato' Seri Lee Tian Hock is the GEDC. Hence, there are two (2) distinct individuals for both roles, thus ensuring separation of responsibilities. The GEDC is ably supported by GMD, Mr Kelvin Lee Chin Chuan.

BOARD ACCESS TO INFORMATION AND ADVICE

At all times, the Board has full access to all information pertaining to Matrix. This includes information pertaining to the Group of companies, subsidiaries and the listed holding company. Such access to information is not limited to official engagements such as during Board or Board Committee meetings, as all Board members at their discretion can request for information at any given time.

At Matrix's expense, the Board, Board Committees or individual Board members may also solicit external expertise if they deem it integral in coming to an informed position or to enable them to effectively discharge their duties. Requests for independent professional advice are to be approved by the Chairman of the Board prior to any director or directors seeking such advice.

In ensuring Board members are well prepared for meetings, all Board papers are provided to member five (5) to seven (7) working days prior to meetings. This enables them to have sufficient time to review, formulate questions and come sufficiently prepped to effectively discuss and deliberate on matters put forward for a Board decision. This includes raising pertinent questions for Management's response where needed.

Post meetings, the minutes of meetings are circulated to the Board and/or members of Board Committees within 30 business days from the meeting date for comment and subsequently tabled at the next meeting for approval.

PRESENCE OF QUALIFIED AND COMPETENT COMPANY SECRETARY

In supporting the Board's ability to effectively discharge its duties, at all times, the Board has access to a qualified and competent Company Secretary. Matrix's Group Company Secretary is Ms. Loo Kah Boon (MAICSA 0784630, SSM PC No 201908001700), a highly experienced professional, whose tenure with Matrix commenced in 2013.

All directors may consult the Company Secretary on matters pertaining to their fiduciary duties, responsibilities and authority. The role of the Company Secretary includes advising the Board and its members on related policies and procedures, matters pertaining to Companies Act 2016 and the Company's Constitution and other matters.

Further information on the Group Company Secretary's role, qualifications, experience and duties is provided in Practice 1.5 of CG Report.

BOARD ACTIVITIES AND TASKS UNDERTAKEN IN FY2026

Following is a concise view of the roles and responsibilities undertaken by the Board in FY2026. These roles and responsibilities have been undertaken either by the full Board of Directors, various Board Committees or individual directors.

STRATEGIC FOCUS	ACTIVITIES AND ACCOMPLISHMENTS
Financial and Operational	• Review of quarterly and year-end financial results as well as audit related matters • Review of financial and operational performance against budget, cash flow and proposed dividends • Review of recurrent related party transactions as recommended by the Audit Committee • Review of performance bonus and annual salary increment for FY2026 • Review of dividend payout proposals • Review of Group Financial Plan and operational budget FY2027
Strategic Plans and Investments	• Review and approval of landbank acquisitions • Review and approve business plan • Review and approval of all corporate proposals including strategic alliances, Memorandum of Understanding (MOUs) and business partnerships • Review of overall business strategy and the setting and adjustment of broad goals and overall strategic direction
Corporate Governance	• Ensuring good governance practices in line with the MCCG and MMLR of Bursa Malaysia • Continuing to stay abreast of current developments in corporate governance practices • Ensuring continued progress and improvement across the Group in terms of creating a corporate governance-oriented mindset and culture • Ensuring Board diversity, evaluation and effectiveness
Sustainability	• Matching business goals and objectives with relevant Economic, Environment and Social perspectives to ensure the Group's profitability and growth are consistent with sustainability principles and create positive impact and value for all stakeholders • Review of the mid-year performance and the annual Sustainability Report

BOARD COMMITTEES

In ensuring effective oversight and execution of roles and responsibilities, Matrix has established the following Board level committees:

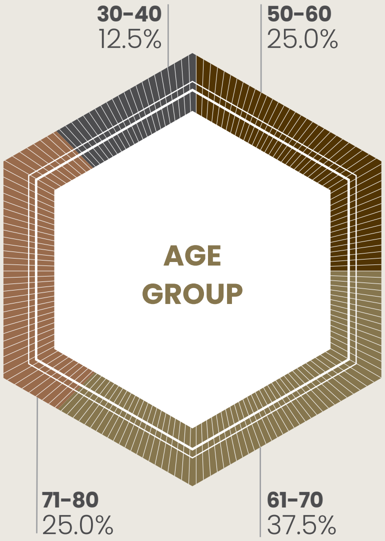
BOARD COMMITTEE	COMPOSITION	ROLES AND RESPONSIBILITIES
Audit Committee ("AC")	• Mazhairul Bin Jamaludin (Chairman) • Datuk Seri Kamaludin Bin Md Said • Chua See Hua • Loo See Mun • Vijayam A/P Nadarajah	• Reviews issues of accounting policy and presentation for external financial reporting. • Monitors the Group's internal audit function. • Ensures an objective and professional relationship is maintained always with External Auditors. • Review related and recurrent related parties transactions.
Nomination Committee ("NC")	• Chua See Hua (Chairperson) • Loo See Mun • Datuk Seri Kamaludin Bin Md Said	• Assessing on an annual basis the contribution of each individual director and the overall effectiveness of the Board. • Propose new nominees to the Board and Board committees as well as review proposed appointments of senior management.
Remuneration Committee ("RC")	• Loo See Mun (Chairperson) • Mazhairul Bin Jamaludin • Datuk Seri Kamaludin Bin Md Said	• Evaluate, deliberate and recommend to the Board a remuneration policy for key management who are executive directors that is fairly guided by market norms and industrial practice. • Recommends the key executive directors' and senior management's remuneration and benefits based on their individual performance and that of the Group. • Reviews the annual remuneration packages, reward structure and fringe benefit applicable to the GEDC, GMD and Senior Management. • Reviews the overall performance of the Company and the specific Key Performance Indicators (KPIs) of the GEDC and GMD.
Risk Management Committee ("RMC")	• Vijayam A/P Nadarajah (Chairperson) • Mazhairul Bin Jamaludin • Chua See Hua • Kelvin Lee Chin Chuan	• Advise the Board on the Company's overall risk appetite, tolerance and strategy. • Review the Company's capability to identify and manage new risks. • Review reports on any material breaches of risk limits and the adequacy of proposed action and all reports on the Company from the risk officer. • Review the effectiveness of the Company's internal financial controls, internal controls and risk management systems. • Review and monitor management's responsiveness to the findings and recommendations of the risk officer.
Sustainability Committee ("SC")	• Dato' Haji Mohamad Haslah Bin Mohamad Amin (Chairman) • Dato' Seri Lee Tian Hock • Kelvin Lee Chin Chuan • Vijayam A/P Nadarajah • Chai Keng Wai	• Overseeing the implementation of sustainability-related policies, measures and actions in achieving the Company's sustainability milestones and goals.

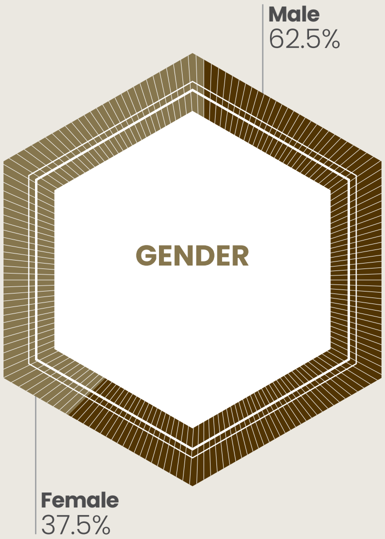
Minutes of Committee meetings are tabled at the Board level to keep Board members apprised of matters being discussed at the Committee level. The Chairman of each Board Committee reports to the Board during full Board meetings.

BOARD COMPOSITION

Matrix's Board comprises a diverse range of individuals who collectively bring a wealth of experience, skills and capabilities to the Group. In compliance with Practice 5.2 of the MCCG 2021, the Board continues to be composed of a majority of independent directors.

The Board continues to also reflect diversity in its composition in terms of ethnic and gender diversity as shown below:





Age Group	
30-40	1
50-60	2
61-70	3
71-80	2

Gender	
Male	5
Female	3

Ethnicity	
Malay	3
Chinese	4
Indian	1

COLLECTIVE SKILLS AND COMPETENCE OF THE BOARD

SKILL/CAPABILITIES	DESCRIPTION
Leadership	Overall stewardship of the Group, strategy formulation, strong and established business networks, and related corporate or public listed company experience.
Entrepreneurial Acumen	Business development and assessment of existing and emerging opportunities.
Technical or Professional Qualifications	Engineering, architectural, real estate and property development, construction, and other related skills.
Sustainability and Stakeholder Management	Governmental relations, community and investor relations, corporate governance and sustainability, and environment and industrial relations.
Finance, Legal and Corporate Services	Accounting, company secretarial, audit, legal, financial literacy, human resources and business administration.

DIRECTORS' INDEPENDENCE

Throughout FY2026, Matrix has maintained a majority of sitting independent directors on its Board at 62.5%. The independent directors are as follows:

- Mazhairul Bin Jamaludin: Senior Independent Non-Executive Director ("SINED")
- Vijayam A/P Nadarajah: Independent Non-Executive Director ("INED")
- Chua See Hua: INED
- Loo See Mun: INED
- Datuk Seri Kamaludin Bin Md Said: INED

Thus, Matrix has met the requirements of the MMLR, which is for 1/3 of directors to be independent directors; and Practice 5.2 of the MCCG, which stipulates that at least half of the Board composition to comprise independent directors.

Encik Mazhairul Bin Jamaluddin is the SINED. The SINED's role includes serving as a contact point for shareholders and to also oversee the effective resolution of any whistleblowing reports. The role of the SINED includes acting as an intermediary for other directors when necessary and also act as a sounding board for the Chairman. The SINED can be reached via the Company Secretary at carmen@mchb.com.my

Directors are assessed for independence by the NC prior to their appointment and thereafter, on an annual basis and at any time deemed necessary by the Board. The position and role of independent directors in Matrix is based on the following criteria:

- Determination of independence based on the MMLR's definition of an Independent Director.
- Presently not an employee of Matrix and is independent of any business relationship or dealings with the Group.
- Continued ability to exercise independent judgement at all times on all matters brought forward for the Board's deliberation.

All of Matrix's independent directors have met the above (and other relevant) requirements to achieve the threshold to serve as independent directors.

As at the date of this Statement, none of the independent directors has served more than nine (9) years on the Board, thereby maintaining compliance with the applicable corporate governance requirements and best practices.

CONFLICT OF INTEREST

The Board has established clear processes for declaring and monitoring actual and potential conflicts of interest as well as resolution of the same.

In essence, Board members, Senior Management or any Matrix personnel are to the best of their knowledge and ability to avoid engaging in actions or entering into agreements that may lead to conflicts of interest with Matrix or the Group. If such situations are unavoidable or occur due not to their actions or knowledge, they are to declare such conflicts of interest as soon as it comes to their knowledge.

Specifically, Board members must recuse himself / herself from participating in any discussion and decision making on matters deemed to be conflict or potential conflict of interest.

Notices on the closed periods for Company share dealings are circulated to all Directors and principal officers of Matrix. This enables parties to make necessary disclosures to the Company in advance whenever the closed period is applicable.

The Board has expressed satisfaction that all transactions were independently scrutinised and reviewed by the AC. All recurrent related party transactions are compliant with the MMLR and the terms of the shareholders' mandate.

BOARD APPOINTMENTS

New Appointments

Board appointments are made based on the principle of merit; that is nomination, and selection is based on the candidate's professional competence, expertise, experience and relevance to Matrix, given the Company's requirements at any specific point of time.

Matrix's NC identifies and recommends candidates for Board appointments to the full Board. All candidates undergo a rigorous selection process comprising interviews and more prior to their approval for appointment. The candidates need to undertake a Fit & Proper assessment prior to appointment. In the appointment of independent non-executive directors, the candidates' independency must be established.

Directors' Retirement and Re-election

In line with Matrix's Constitution and the MMLR, one-third (1/3) of the board of directors, or the number nearest to one third (1/3), shall retire from office each year such that all directors would have retired at least once in every three (3) years at the Annual General Meeting ("AGM").

The retiring directors who are due to retire and eligible to stand for re-election at the 29th AGM, were individually assessed based on their performance, independence, time commitment, fitness and propriety and also taking into considerations the results of the evaluation on the effectiveness of the Board, Board Committees and Directors' self-assessment conducted for the financial year under review, past contributions in discharging their roles and responsibilities, including attendance at the Board or Board Committee meetings and participation in continuing training programmes, skills, knowledge expertise and experience. The results of the evaluation exercise were used to form the basis of recommendation for the re-election of directors.

In FY2026, directors retiring were Dato' Haji Mohamad Haslah Bin Mohamad Amin, Mr Kelvin Lee Chin Chuan and Encik Mazhairul Bin Jamaludin. Based on the outcome of the evaluation exercise, the NC and the Board were satisfied that the retiring directors, as mentioned above met the performance criteria required for an effective and committed Board. The retiring directors shall be eligible for re-election subject to shareholders' approval at the AGM.

BOARD TIME COMMITMENT AND ATTENDANCE

At present, no director has held more than five (5) directorships in public listed companies during the financial year and as such, have duly complied with Paragraph 15.06 of the MMLR. Any director, prior to accepting new directorships, must officially notify the Chairman of the Board and clarify the expectation and provide an indication of time commitments for the new appointment.

All directors surpassed the MMLR's requirements of 50% director attendance for Board meetings. Additionally, directors have also approved various matters requiring the sanction of the Board by way of circular resolution. Following is attendance of directors at Board and Board Committee meetings for FY2026:

DIRECTORS	BOARD	AC	RC	NC	RMC	SC
Dato' Haji Mohamad Haslah Bin Mohamad Amin *Non-Independent and Non-Executive Chairman*	6/6	-	-	-	-	2/2
Dato' Seri Lee Tian Hock *Group Executive Deputy Chairman*	6/6	-	-	-	-	2/2
Kelvin Lee Chin Chuan *Group Managing Director*	6/6	-	-	-	2/2	2/2
Mazhairul Bin Jamaludin *Senior Independent and Non-Executive Director*	6/6	5/5	1/1	-	2/2	-
Chua See Hua *Independent and Non-Executive Director*	6/6	5/5	-	1/1	2/2	-
Loo See Mun *Independent and Non-Executive Director*	6/6	5/5	1/1	1/1	-	-
Vijayam A/P Nadarajah *Independent and Non-Executive Director*	6/6	5/5	-	-	2/2	2/2
Datuk Seri Kamaludin Bin Md Said *Independent and Non-Executive Director*	6/6	5/5	1/1	1/1	-	-
Total number of meetings held during the year	6	5	1	1	2	2

TRAINING FOR BOARD OF DIRECTORS

All Board directors have continued to attend/receive training in FY2026. This is part of ensuring that the Board retains the necessary skills and continues to remain on a path of continuous professional development and growth. Training enables development of new skills and provides exposure for Board members, which improves their individual and collective abilities to better discharge their duties.

Directors' training is guided by the annual Board Effectiveness Evaluation ("BEE") exercise, which identifies the training requirements of individual directors. Aside from the aforementioned IFRS training session, the following training and professional courses were attended by the Board of Directors in FY2026:

NAME OF DIRECTOR	TOPICS OF TRAINING ATTENDED
Dato' Haji Mohamad Haslah Bin Mohamad Amin	• Mastering IFRS S1 & S2: Compliance Meets Strategy
Dato' Seri Lee Tian Hock	• Mastering IFRS S1 & S2: Compliance Meets Strategy
Kelvin Lee Chin Chuan	• Mastering IFRS S1 & S2: Compliance Meets Strategy • Going Public: Board & C-Suite Responsibilities in an IPO

NAME OF DIRECTOR	TOPICS OF TRAINING ATTENDED
Mazhairul Bin Jamaludin	• MIA International Accountants Conference 2025 - Collaborative Leadership for a Sustainable Future • Addressing the issues and challenges of IFRS S1 and S2 • Revenue Assurance Learning Exchange Workshop
Chua See Hua	• Key Requirement for Listed Property Developers • Mastering IFRS S1 & S2: Compliance Meets Strategy
Loo See Mun	• Practical Implementation of e-Invoicing in Malaysia –Concepts & Challenges • Gen AI for Marketing & Sales Course • National Tax Conference 2025 • 2026 Budget Seminar • Transfer Pricing: Documentation & Compliance • Taxation of Employment Income - The Law and Practice Based on Public Rulings • Strategic Tax Insights for C-Suite Executives: e-Invoicing, Stamp Duty, SST and Transfer Pricing • Critical Budget 2026: Must-Have Tax Planning | Important Tax Updates | Urgent Tax Audit Mitigation for Income Tax, RPGT, SST, E-Invoicing, CGT and New Carbon Tax • Liquidation - Tax Risks for Liquidators and Shareholders • From Incentive to Cash Flow: Turning Tax Incentives & Grants into Real Savings • The Tax Appeal Process
Vijayam A/P Nadarajah	• National Climate Governance Summit 2025 • The Influence of Board Culture on Corporate performance • Masterclass I Navigating High-Tech Financial Crime: Key Risk and Board Responsibility • BNM Sasana Symposium 2025: Structural Reforms II Building A Resilient Malaysia • Cyber Risk & Cybersecurity Briefing for Board Members • Competitiveness and Strategy Masterclass • Rajah & Tann Asia AI Symposium – GenAI in Action: Innovation, Regulation & Opportunity in Asia • SIDC-CASI SRI Conference 2025: Shaping the Future of Asean Business in Sustainability (without Immersive Learning Journey) • Asean AI Malaysia Summit 2025 • Invitation: Cloud for Directors of Regulated Financial Institution • Circular Economy and the 2030 Agenda (48 hours)
Datuk Seri Kamaludin Bin Md Said	• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)

BOARD ASSESSMENT

In FY2026, the Chairman of the NC, supported by the Group Company Secretary conducted the BEE towards assessing the performance of all Board members. This is an annual process based on several criteria such as assessment of time commitments, participation and contribution at meetings, length of tenure, services rendered including in terms of involvement in Board committees and other aspects or criteria.

The assessment of the GEDC and GMD is co-related to the execution of the Group's strategic business plans by Management and the achievement of performance targets set by the Board as well as individual KPIs set for the GEDC and GMD.

The following assessments were undertaken by the NC in FY2026:

- Directors' evaluation (self and peer assessment);
- Board and Board Committee evaluation;
- Mix of skills and experience of Board Matrix;
- Declaration of Independence;
- Time commitment;
- Reviewed the performance of the GEDC/GMD; and
- Board's adequacy in terms of its mix of skills, gender diversity and the core competencies.

The BEE is a continuous, annual exercise. Areas requiring improvements were identified and action plans were recommended to the Board for approval and implementation. The evaluation process also involved evaluating the performance of Senior and Key Management including the GEDC and GMD based on individual KPIs set for Senior Management and the Company's performance as a whole. The assessment undertaken by the Board are based on the criteria set for each assessment which are related to the performance of the Board, Committees and individual Directors.

To carry out the assessment, the Directors are provided with a questionnaire to complete and the results are then tabulated by the Secretary and presented to the NC for review and recommendation to the Board. The individual Director each undertook self-assessment of their individual performance as well as overall assessment of the Board during the financial year based on the criteria as prescribed under the MMLR.

An annual BBE is undertaken to assess the performance of each individual Director. Directors are assessed based on their attendance at meetings, contribution to discussions, degree of independence expressed (for Independent Directors), realisation of set KPIs (for the GEDC and GMD) and other criteria as set out by the NC.

The criteria that are used in the assessment of the Board include the adequacy of the Board structure, gender diversity, the efficiency and integrity of the Board's operations and the effectiveness of the Board in the discharge of its duties and responsibilities. A full set of the results plus the summarised version, which is reviewed by the NC, are also provided to the Board for their information.

The Board is satisfied with the outcome of the BEE for FY2026. This includes the performance of the respective Board Committees and individual Directors. Directors will be sent for training where there may be potential gaps or a future requirement to acquire and apply any particular competency or skill.

DIRECTORS' REMUNERATION

Matrix continues to ensure that remuneration provided to Directors is competitive. This is integral in ensuring Directors are well compensated for their time commitment and professional contributions to the Group.

With regard to Executive Directors, the matter of remuneration comes under the purview of the RC. The RC determines remuneration and duly makes its recommendations to the Board. The Board then deliberates and decides on the said remuneration package without the presence of the beneficiary Directors.

Bonuses payable to Executive Directors are performance based and relate to the individual and the Company's as well as Group's achievement of specific goals. Non-Executive Directors do not receive any performance-related remuneration.

In accordance with the Companies Act 2016 ("the Act"), payment of directors' fees and benefits shall be approved at a general meeting. The Board shall seek shareholders' approval at the upcoming AGM for the payment of directors' fees and benefits for the Directors of the Group for FY2026.

	COMPANY				SUBSIDIARIES				
	Fees (RM)	Benefits in-kind (RM)	Others (RM)	Total (RM)	Fees (RM)	Salaries & Bonuses (RM)	Benefits in-kind (RM)	Others (RM)	Total (RM)
Executive Directors									
Dato' Seri Lee Tian Hock	-	-	-	-	-	6,021,728	50,700	1,059,353	7,131,781
Kelvin Lee Chin Chuan	-	-	-	-	-	1,470,000	11,430	177,793	1,659,223
TOTAL	**-**	**-**	**-**	**-**	**-**	**7,491,728**	**62,130**	**1,237,146**	**8,791.004**
Non-Executive Directors									
Dato' Haji Mohamad Haslah Bin Mohamad Amin	-	-	-	-	2,554,690	19,362	32,075	-	2,606,127
Mazhairul Bin Jamaludin	176,000	1,728	13,000	190,728	-	-	-	-	190,728
Chua See Hua	110,000	864	12,000	122,864	-	-	-	-	122,864
Loo See Mun	110,000	864	11,000	121,864	-	-	-	-	121,864
Vijayam A/P Nadarajah	110,000	-	12,000	122,000	-	-	-	-	122,000
Datuk Seri Kamaludin Bin Md Said	99,680	-	11,000	110,680	-	-	-	-	110,680
Harry Lee Chin Yeow (alternate to Kelvin Lee Chin Chuan)	-	-	-	-	-	554,211	76,393	-	630,604
TOTAL	**605,680**	**3,456**	**59,000**	**668,136**	**2,554,690**	**573,573**	**108,468**	**-**	**3,904,867**

The Senior Management's remuneration in FY2026 in band of RM50,000 as shown below:

TOTAL REMUNERATION IN BAND OF RM50,000	NO. OF SENIOR MANAGEMENT
RM750,000 – RM800,000	1
RM900,000 – RM950,000	1
RM1,900,000 – RM1,950,000	1
RM1,951,000 – RM2,000,000	1
RM3,100,000 – RM3,150,000	1

* *Excludes remuneration paid to Executive Directors including the GEDC and GMD, which has been disclosed earlier in the Directors' Remuneration table.*

** *Remuneration of Senior Management is paid at Group level only.*

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Matters of audit are helmed by the AC who is guided by its TOR. The AC is supported by the Company's external and internal audit functions. On matters pertaining to risk, the AC is supported by the Board's RMC.

The AC is responsible for ensuring that the Group's and the Company's financial statements, are made out in line with recognised accounting standards i.e. the Malaysian Financial Reporting Standards ("MFRS") and the International Financial Reporting Standards ("IFRS"), and that a balanced and fair view of the financial state and performance of the Group is presented.

The Company's AC comprises exclusively Independent Directors with the Chairman of the Committee being a Certified Accountant and a Member of the Malaysian Institute of Accountants. In compliance with the MCCG 2021, the AC Chairman is not the Chairman of the Board of Directors.

Having assessed the performance of the AC during the financial year, the Board is satisfied that the AC has effectively discharged its duties. Please refer to the AC Report in IAR2026 for detailed information on the scope of works undertaken by the Group's AC in this financial year.

EXTERNAL AUDIT FUNCTION

Matrix has appointed Messrs. Ernst & Young PLT as the Group's External Auditors. The External Auditors report to the AC and conduct its audit based on an AC approved audit plan.

In the course of performing their duties, the External Auditors met with the AC on one occasion without the presence of Senior Management to provide an update on related accounting and audit matters. This is intended to enable an independent discussion on any matter that the External Auditors has identified as being pertinent for the AC's attention.

The AC has assessed the performance of the External Auditors based on the following criteria:

- The quality and scope of the planning of the audit in assessing risks and how the External Auditors maintain or update the audit plan to respond to changing risks and circumstances;
- The quality and timeliness of reports provided to the AC;
- The level of understanding demonstrated on the Group's business; and
- Communication to the AC about new and applicable accounting practices and auditing standards and their impact on the Group's financial statements.

The AC attests that throughout the Company's external audit engagement, the External Auditors has provided the AC with assurance of its independence in conduct as prescribed by the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) and the Malaysian Institute of Accountants' By-Laws (on Professional Ethics, Conduct and Practice).

In respect of FY2026, the following fees have been paid to the External Auditors:

Fees	FY2026 (RM'000)	FY2025 (RM'000)
Audit Fees	1,369	925
Non-Audit Fees	10	18

INTERNAL AUDIT FUNCTION

Matrix's internal audit function ("IAF") is supported by Wensen Consulting Asia (M) Sdn Bhd, an independent external firm that provides regular and systematic reviews of the internal control, risk management and governance processes within the Group.

The Head of the IAF reports to the AC towards ensuring the independence of the internal audit process. In respect of work undertaken in FY2026, the IAF's paid fees was RM638,904 (FY2025: RM643,358).

RISK MANAGEMENT & INTERNAL RISK CONTROL FRAMEWORK

The framework is not intended to completely eliminate all forms of risks but as some degree of residual risks is inherent to almost any business operation or activity or company. The framework however does ensure a robust and effective approach towards risk prevention and reduction.

Risk is a matter that comes under the purview of the Board, with the RMC tasked with overseeing risks at Board level. The Board is of the view that the system of internal control and risk management in place is sound and sufficient to safeguard the Group's assets, as well as shareholders' investments, and the interests of customers, regulators, employees and other stakeholders.

RELATED PARTY TRANSACTIONS

The Board of Matrix comprising all directors acknowledge their duty to declare respective interest in transactions with the Company and the Group and abstain from deliberation and voting on the relevant resolution in respect of such transactions at the Board or at any general meetings convened to consider the matter.

All related party transactions are reviewed as part of the annual internal audit plan, and the AC reviews any related party transaction and conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that causes questions of management integrity to arise.

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

STAKEHOLDER RELATIONSHIP AND COMMUNICATION

The Group adopts a structured and systematic approach to stakeholder engagement to ensure alignment with regulatory expectations, including those prescribed under the MMLR of Bursa Malaysia, while supporting informed decision-making and sustainable value creation for both financial and non-financial outcomes.

The Group's stakeholder engagement practices, including key stakeholder groups, engagement channels, frequency of engagement and key matters raised, are disclosed in detail in its Sustainability Report. This includes a summary of material matters identified and the corresponding responses by the Group, in line with Bursa Malaysia Sustainability Reporting Guide and other applicable reporting frameworks.

Matrix places strong emphasis on ensuring that all disclosures and communications are timely, accurate, clear, and compliant with applicable laws and regulatory requirements. This includes corporate announcements, circulars to shareholders, quarterly financial results, annual reports, and general meetings. All announcements are made via Bursa LINK following approval by the Board of Directors, ensuring fair, timely and equitable dissemination of material information to the investing public.

The Group prepares and publishes its Integrated Annual Report and Sustainability Report in accordance with the MMLR, the Sustainability Reporting Guide issued by Bursa Malaysia, and other relevant frameworks. These reports are issued within the prescribed timelines and made publicly accessible through the Group's website and Bursa Malaysia's website.

In line with best practices under the MCCG, the Integrated Annual Report, Notice of AGM, and Proxy Form are issued to shareholders at least 28 days prior to the AGM, allowing sufficient time for shareholders to review the Group's performance and exercise their rights, including appointing proxies where necessary.

The Group's corporate website serves as an additional communication channel, providing a dedicated investor relations section which includes, among others, financial results, Integrated Annual Reports, Board Charter, TOR of Board Committees and other relevant corporate governance information. Stakeholders may also engage with the Company through the designated investor relations contact channel for enquiries and feedback.

Matrix continues to view stakeholder relations and engagement as a key aspect of its business model and value creation process. The engagement of stakeholders is a strategic matter towards ensuring regulatory compliance, developing and enhancing brand appeal in developing goodwill among relevant communities and in essence, generating a wide range of desired outcomes that directly and indirectly support the creation of financial and non-financial values. The Group continues to emphasise timely, accurate and compliant communications in relation to stakeholders. This pertains to corporate announcements, circulars to shareholders and financial results as well as publishing of annual reports and holding of company meetings, including the AGM.

CONDUCT OF GENERAL MEETINGS

Matrix convenes its AGM in compliance with the requirements of the MMLR of Bursa Malaysia. Beyond regulatory compliance, the AGM serves as a key platform for shareholders engagement, enabling the Board to present a clear and balanced overview of the Group's financial performance, operational developments, key achievements, and strategic direction.

The AGM provides shareholders with the opportunity to engage directly with the Board of Directors and Senior Management. Shareholders are encouraged to raise questions on the Group's performance, governance, strategy, and resolutions tabled at the meeting. The Board ensures that sufficient time is allocated for meaningful dialogue, with relevant members of Management present to address specific operational and financial queries.

The meeting is conducted in an orderly manner under the leadership of the Chairman of the AGM, in accordance with the approved agenda. During the AGM held in respect of the financial year under review, the Chairman facilitated the proceedings and encouraged active participation from shareholders, including queries on resolutions proposed for voting.

To enhance accessibility and participation, the AGM is conducted via a physical meeting. This enables broader shareholder engagement while ensuring that all participants have the opportunity to deliberate on resolutions on-site and the Group's overall performance and prospects. The Chairman encouraged questions from the floor on resolutions raised for voting during the proceedings. Ample time was provided for questions and responses, and management personnel were also in attendance to answer specific financial or operational questions.

All resolutions tabled at the AGM are put to vote via poll voting, and the results are independently validated by an external scrutineer. The outcome of the AGM, including voting results, is announced to Bursa Malaysia on the same day, in line with regulatory requirements.

Further details of the aforementioned are provided in Practice 13.3 of the Group's CG Report. Matrix will continue to ensure the timely publishing of its Integrated Annual Report and distribution of all information beforehand to shareholders

All Directors and key members of Senior Management are present at the AGM to facilitate engagement. The minutes of the AGM are published on the Company's website within 30 days from the meeting date, in line with the practices advocated under the MCCG.

AUDIT COMMITTEE REPORT

The Board of Directors of Matrix Concepts Holdings Berhad ("Matrix" or "the Company") is pleased to present the report on the Audit Committee (the "Committee") of the Board for the financial year ended 31 March 2026 ("FY2026").

OBJECTIVE

The Committee was established in line with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Malaysia") to act as a Committee of the Board of Directors to fulfill its fiduciary responsibilities in accordance with the Terms of Reference of the Audit Committee of the Company and to assist the Board in reviewing the adequacy and integrity of the Group's financial administration and reporting as well as internal control.

A MEMBERS OF THE AUDIT COMMITTEE

The Committee consists of the following five (5) members, who each satisfy the "independence" requirements contained in the Listing Requirements of Bursa Malaysia:-

- Mazhairul Bin Jamaludin - Chairman
  Senior Independent Non-Executive Director

- Chua See Hua - Member
  Independent Non-Executive Director

- Loo See Mun – Member
  Independent Non-Executive Director

- Vijayam A/P Nadarajah – Member
  Independent Non-Executive Director

- Datuk Seri Kamaludin Bin Md Said - Member
  Independent Non-Executive Director

B SUMMARY ON KEY SCOPE OF RESPONSIBILITIES

The Committee operates under a written Audit Committee's Terms of Reference containing provisions that address requirements imposed by Bursa Malaysia. The Terms of Reference is posted on the Corporate Governance section of the Company's websites at www.mchb.com.my.

The Terms of Reference prescribes the Committee's oversight of financial compliance matters in addition to a number of other responsibilities that the Committee performs. Those key responsibilities include, among others:-

- Overseeing the financial reporting process and integrity of the Group's financial statements;
- Evaluating the independence and appraisal of External Auditors;
- Evaluating the performance and process of the Company's internal audit function and External Auditors;
- Overseeing the Group's system of internal controls and risk management that the management and the Board have established;
- Assessing the Company's practices, processes and effectiveness;
- Reviewing conflict of interest situations and related party transactions of the Group; and
- Reviewing any significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions, and how these matters are addressed.

C DESCRIPTION OF DUTIES PERFORMED BY THE COMMITTEE

The Committee report provides an overview of the duties that the Committee carried out during the year, including the significant issues considered in relation to the financial statements and how the Committee assessed the effectiveness of the External Auditors.

The Committee has a responsibility to oversee the Group's internal control. The Committee continues to monitor and review the effectiveness of the Group's internal control with the support of Group Internal Audit function. The Committee has an annual work plan, to review standing items that the Committee considers at each meeting, in addition to any matters that arise during the year.

The salient matters that the Committee considered during the FY2026 are as described below:-

1. **Financial statements and reporting**

   The Committee monitored the financial reporting processes for the Group, which included reviewing reports, and discussing these with, Management and the External Auditors, Messrs. Ernst & Young PLT. The Committee has reviewed the unaudited quarterly financial results and audited financial statements of the Group before recommending them for Board's approval.

   The Committee had also reviewed the External Auditors' report on other internal controls, accounting and reporting matters and a management representation letter concerning accounting and reporting matters as well as recommendations in respect of control weaknesses noted in the course of their audit. There were no significant and unusual events or transactions highlighted by the Management as well as External Auditors during the financial year.

2. **Going concern assessment**

   The Committee and the Board reviewed the going concern basis for preparing the Group's consolidated financial statements, including the assumptions underlying the going concern statement and the period of assessment. The Committee's assessment was based on presentation by Management and took note of the principal risks and uncertainties, the existing financial position, the Group's financial resources, and the expectations for future performance and capital expenditure.

3. **Internal audit**

   The Group Internal Audit provides independent and objective assurance and advisory services designed to add value and improve the operations of the Group. Its scope encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the Group's governance, risk management and internal control processes in relation to the Group's defined goals and objectives.

   The Head of Group Internal Audit, reports functionally to the Committee, and the Committee reviewed and approved the annual Internal Audit plan and budget for activities to be undertaken during FY2026. The Committee also reviewed the adequacy of the scope, functions, competency and resources of the internal audit function during the year.

   The Group Internal Audit performs routine audit on and reviews all operating units within the Group, with emphasis on principal risk areas. Group Internal Audit adopts a risk-based approach towards planning and conduct of audits, which is partly guided by an Enterprise Risk Management ("ERM") framework.

   The Committee reviewed the audit reports presented by Group Internal Audit on findings and recommendations and management's responses thereto and ensure that material findings are adequately addressed by the Management.

   The total costs incurred for the internal audit function of the Group for the FY2026 was RM638,904 (FY2025: RM643,358).

4. **Assessing the effectiveness of external audit process**

   The Committee places great emphasis on ensuring that there are high standards of quality and effectiveness in the external audit carried out by the External Auditors. Audit quality is reviewed by the Committee and includes reviewing and approving the annual audit plan to ensure that it is consistent with the scope of the audit engagement.

   In reviewing the audit plan, the Committee discussed the significant and elevated risk areas identified by the External Auditors which are most likely to give rise to a material financial reporting error or those that are perceived to be of higher risk and requiring additional audit emphasis. The Committee met with the External Auditors without Management present, to discuss their audit plan and any issues arising from the audit. The Committee had met with the External Auditors on 24 June 2026.

5. Other matters reviewed by the Committee

The Committee also reviewed the following matters:-

(i) the Group's compliance with the relevant provision set out under the Malaysian Code on Corporate Governance 2021 for preparing Statement on Corporate Governance and Statement on Risk Management and Internal Control pursuant to the Listing Requirements of Bursa Malaysia.
(ii) the Circular to Shareholders on the proposed renewal of shareholders' mandate and proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading nature.
(iii) The internal audit report relating to existing related party transactions.
(iv) Recurrent Related Party Transactions on quarterly basis.
(v) Solvency Assessment by the Management in relation to the declaration of dividends.

Overall Summary of work done by the Committee

In summary, the work done during the financial year are as described below:-

1. Reviewed with the internal auditors and report to the Board on the following matters:-

    i) the Group's internal control procedures, including organisational and operational controls.
    ii) the internal audit's scope of work, functions, competency and resources and that it has the necessary authority to carry out its work.
    iii) the internal audit plan, scope of the work and its findings at every quarter, and to highlight to the Board on any material findings.
    iv) the regular management information and to ensure that audit recommendations regarding management weaknesses are effectively implemented.

2. Reviewed with the External Auditors and report to the Board on the following matters:-

    i) the audit planning memorandum.
    ii) the audit reports, to ensure that their recommendations regarding management weaknesses are implemented.
    iii) the annual financial statements and recommend the adoption of the financial statements.
    iv) the audit fees.
    v) the related party transactions and conflict of interest that may arise within the Company and the Group including any transaction, procedure or course of conduct that raise questions of management integrity.

3. The Committee also reviewed the Group's quarterly financial results and year end financial statements, prior to the approval by the Board of Directors focusing particularly on:-

    i) any changes in the implementation of major accounting policy.
    ii) significant and unusual events.
    iii) compliance with accounting standards and other legal requirements.
    iv) Solvency Assessment by Management in relation to the declaration of dividends.

4. Reviewed the quarterly unaudited financial results and make necessary recommendations to the Board prior to release to the relevant authorities and public on:-

    i) Compliance with existing and new accounting standards, policies and practices.
    ii) Highlight any significant adjustment or unusual events.
    iii) Compliance with Listing Requirements of Bursa Malaysia Securities Berhad, Companies Act 2016 and other regulatory requirements.

5. Reviewed the related party transactions and also make enquiry if there are any recurrent related party transactions and to review and to ensure the recurrent related party transactions, if any, are on ordinary commercial terms and are not favourable to the related party than is generally available to the public, and that the transactions are not detrimental to the minority shareholders.

D INTERNAL AUDIT ACTIVITIES FOR THE FINANCIAL YEAR

During the financial year, internal audit function had completed and reported audit assignments covering the following areas:-

- **Property Development**
  1. Sales and Marketing Function (Levia Residence Cheras)
  2. Sales Administration (Levia Residence Cheras)

- **Construction**
  1. Project Budget Monitoring and Cost Control (Levia Residence Cheras)
  2. Project Construction, Security, Safety, Health and Quality Control (Levia Residence Cheras)
  3. Project Budget Monitoring and Cost Control (NS and Johor)

- **Group Support Services**
  1. Information Technology Management and General Controls
  2. Anti-Bribery and Anti-Corruption (ABAC) Programme

- **Education**
  1. Facilities Maintenance, Security, Safety and Health Management

- **Hospitality**
  1. Procurement Management
  2. Financial Management (d'Tempat)
  3. Revenue and Collection Management (d'Tempat)
  4. Membership and Marketing Management (d'Tempat)

- **Healthcare**
  1. Procurement and Payment Management
  2. Admission, Discharge and Billing Management
  3. Cash and Treasury Management

The findings arising from the above reviews have been reported to Management for their response and subsequently for the Audit Committee's deliberation.

E ATTENDANCE

Details of Attendance

A total of five (5) Audit Committee meetings were held during the FY2026. The attendance record of each member is as tabulated below:-

Members	Total Number of Meetings	Number of Meetings Attended
Mazhairul Bin Jamaludin	5	5
Loo See Mun	5	5
Chua See Hua	5	5
Vijayam A/P Nadarajah	5	5
Datuk Seri Kamaludin Bin Md Said	5	5

F REVIEW AND PERFORMANCE EVALUATION OF THE EXTERNAL AUDITORS

As required by its Terms of Reference, the Committee conducted their annual performance evaluation in an effort to continuously improve its processes. The Committee's responsibility is to monitor and review the processes performed by the Management and the External Auditors. It is not the Committee's duty or responsibility to conduct auditing or accounting reviews or procedures. The Committee members are not employees of the Company. Therefore, the Committee has relied, without independent verification, on Management's representation that the financial statements have been prepared with integrity and objective and in conformity with approval accounting principles generally accepted in Malaysia and on the representations of the External Auditors included in its reports on the Company's financial statements and internal control over financial reporting.

The Committee considered the independence and appraisal of the External Auditors. This review took into account the following factors:-

(i) Auditors' effectiveness

The Committee met with Management, to hear their views on the effectiveness of the External Auditors. The criteria for assessing the effectiveness of the audit included the robustness of the audit, the quality of the audit delivery and the quality of the people and service. The Committee concluded that the performance of the External Auditors remained effective.

(ii) Independence and objectivity

The Committee reviews the work undertaken by the External Auditors and each year assesses its independence, objective and performance. In doing so, it takes into account relevant professional and regulatory requirements and the relationship with the auditor as a whole, including the provision of any non-audit services. The Committee monitors the auditor's compliance with relevant regulatory, ethical and professional guidance on the rotation of partners, as well as assessing annually its qualifications, expertise, resources and the effectiveness of the audit process, including presentation from the External Auditors on its own internal quality procedures.

The audit engagement partner is required to rotate at least every five (5) years as per the External Auditors policy, which is in accordance with the By-Laws (on professional ethics, conduct and practice) of the Malaysian Institute of Accountants (MIA).

The Committee always consider the audit partner's independence in relation to the audit and was assured by the External Auditors that they have complied with professional requirements in relation to their independence.

The Committee concluded that it is satisfied with the performance of the External Auditors that they are objective and independent in relation to the audit.

(iii) Non-audit work carried out by the External Auditors

To help protect auditor's objectivity and independence, the provision of any non-audit services provided by the External Auditors requires prior monitoring by the Management.

Certain types of non-audit are of sufficiently low risk and does not to require the prior approval of the Committee, such as "audit-related services" including the review of interim financial information. The prohibited services are those that have potential to conflict directly with the auditors' role, such as the preparation of the Company's financial statements.

The total of audit fees and non-audit fees paid to the External Auditors during the FY2026 is set out in the Note 6 of the audited financial statements.

The External Auditors also provided in its engagement letter on the specific safeguards put in place for each piece of non-audit work confirming that it was satisfied that neither the extent of the non-audit services provided nor the size of the fees charges had any impact on its independence as statutory auditors.

The Committee is satisfied that the quantum of the non-audit relative to the audit fees (being 30% of the total audit fees on a group basis payable to the External Auditors and affiliates) and the Committee concluded that the auditors' independence form the Group was not compromised.

(iv) External Audit fees

The Committee was satisfied that the level of audit fees payable in respect of the external audit services provided (RM1,369,000 for FY2026) [FY2025: RM925,000] was appropriate. The existing authority for the Directors (including the Committee) to determine the current remuneration of the External Auditors is derived from the shareholders' approval granted at the Company's Annual General Meeting ("AGM") held on 28 August 2025.

G RECOMMENDATION FOR APPOINTMENT

Following the annual assessment and performance review on the External Auditors, the Committee has recommended to the Board, the re-appointment of Messrs Ernst & Young PLT as the External Auditors for the ensuing year. The Board has accepted this recommendation and a resolution for its appointment for a further year will be put to the shareholders at the forthcoming AGM.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors ("the Board") is pleased to provide the following statement on the state of internal control and risk management of the Group. This statement was prepared in accordance with the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers" issued by the Institute of Internal Auditors Malaysia.

RESPONSIBILITIES OF THE BOARD

The Board acknowledges its responsibility in maintaining an effective and sound system of internal control and risk management, including reviewing its adequacy and integrity in order to safeguard the assets of the Group and shareholders' investments.

The Board has established an ongoing process to continuously review the adequacy, integrity and effectiveness of the Group's system of internal controls and risk management framework to ensure implementation of appropriate systems to effectively identify, evaluate and manage principal risks of the Group and to mitigate the effects of the principal risks on achieving the Group's business objectives. This process includes enhancing the risk management and internal control system as and when there are changes to the business environment or regulatory guidelines. The process has been in place during the year up to the date of approval of this Integrated Annual Report.

In view of the limitations inherent in any system of internal controls and risk management ("RMIC"), it should be appreciated that an effective system of RMIC framework is designed to manage principal risks of the Group rather than to eliminate the risks. These systems can only provide reasonable and not absolute assurance against material misstatement, fraud or losses.

The Audit Committee with the assistance of the Risk Management Committee will assist the Board in reviewing the adequacy, integrity and effectiveness of the system of internal controls and risk management framework within the Group and to ensure adequate resources are channelled to obtain the level of assurance required by the Board. The Audit Committee presents all its findings to the Board.

The Board is assisted by the Management in implementing the Board's policies and procedures on risk and control by identifying and assessing the risks faced, and in the design, operation and monitoring of suitable internal controls to manage and control these risks.

The Board, through its Risk Management Committee, is entrusted with the responsibility of implementing and maintaining the Enterprise Risk Management (ERM) framework to achieve the following objectives:-

- Communicate the vision, role, direction and priorities to all employees and key stakeholders;
- Identify, assess, treat, report and monitor significant risks in an effective manner; and
- Enable systematic risk review and reporting on key risks, existing control measures and any proposed action plans.

The key features of the RMIC systems and risk management are as described below.

RISK MANAGEMENT AND INTERNAL CONTROLS

The following key features have been implemented by the Board in its effort to maintain an effective and sound system of risk management and internal controls:-

Risk Management Framework

The Risk Management Committee has been established by the Board with clear defined lines of accountability and authority.

They are responsible for identifying business risks, implementing appropriate systems of internal controls to manage these risks and ensuring that there is an ongoing programme to continuously assess, monitor and manage the principal risk of the Group.

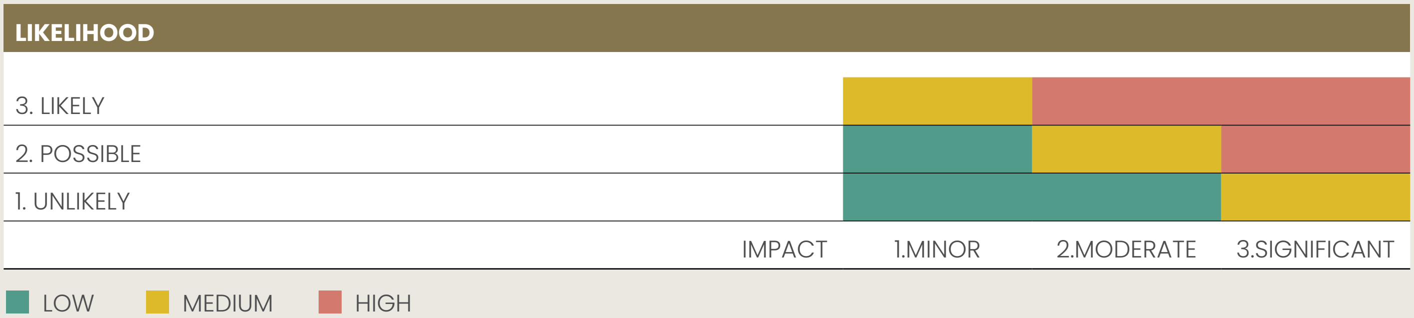
The Company's ERM Framework is consistent with the Committee of Sponsoring Organisations of the Treadway Commission's ("COSO") ERM Framework, the Statement on Risk Management and Internal Control: Guidelines for Listed Issuers, Bursa Malaysia's Corporate Governance Guide and also in line with the International for Standardisation ("ISO") Standard 31000, Risk Management – Principles and Guidelines.

The Company's ERM Framework and processes are summarised in the flow chart as follows:-

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

All identified risks are displayed on a risk matrix based on their risk ranking to assist the Management in prioritising their efforts and appropriately managing the different classes of risks.

RISK RATING SCALE – 3 BY 3 MATRIX



RISK CATEGORY	GENERAL RISK APPETITE
STRATEGIC	The Company is prepared to take a certain degree of calculated risks relating to the realisation of its performance objectives and long-term goals.
OPERATIONAL	The Company attempts to minimise the impact of unforeseen disruption on its operating activities.
FINANCIAL	The Company has a conservative and sound framework of financial policies and procedures to prevent risks that could have a significant impact on the financial results and material misstatements in its financial statements reporting. Eg: Gearing ratios.
COMPLIANCE & GOVERNANCE	The Company applies a zero-tolerance policy.

The Board and Management ensure that the RMIC framework is embedded into the culture, processes and structures of the Group and clearly communicated to all key management personnel. The framework is responsive to changes in the business environment.

The following are initiatives undertaken by the Risk Management Committee during the year:-

- Regular review of the Risk Profile of the Group and action plans to be undertaken to manage the principal risks of the Group; and

- Regular monitoring of the action plans derived by the "Risk Owners" to address principal risks of the Group.

Based on the above RMIC Framework adopted and approved by the Board of Directors, the Risk Management Committee have delegated the responsibilities of identifying Key Risks of the Group to the respective "Risk Management Business Units" and "Risk Owners" whereby the "Risk Owners" are required to report the Key Risks of the Group with proposed action plans to the Risk Management Committee for review and consideration. The Key Risks of the Group with proposed action plans have been updated and presented to the Risk Management Committee in its meetings periodically.

Organisation Structure

The Board has established an Organisation Structure of the Group, with clear lines of job scope and responsibilities for each department and divisions to administer and actively oversee the daily operations of the Group.

The Organisation Structure plays a vital role in acting out the Board's expectations through active participation in the operations of the business. Management meetings with the heads of all departments and business units are held once a month, led by the Group Managing Director to discuss the progress of each project and other operational issues that require immediate attention.

Audit Committee

The Audit Committee was established with a view to assist and to provide the Board with added focus in discharging the Board's duties.

The primary objectives of the Audit Committee are to provide assistance to the Board in fulfilling its fiduciary responsibilities relating to the corporate accounting and practice of the Group and to improve the Group's business efficiency, the quality of the accounting function, the system of internal control and audit function and strengthen the confidence of the public in the Group's reported results.

The Audit Committee also ensures that there are continuous efforts by Management to address and resolve areas with control weaknesses.

Internal Audit

During the financial year ended 31 March 2026, internal audit function of the Group has been undertaken via an in-house internal audit team led by Encik Nik Li R Deraman (Head of Internal Audit) together with an independent, external consulting firm, namely Wensen Consulting Asia (M) Sdn. Bhd. (collectively known as "Internal Auditors") to assist the Audit Committee and the Board primarily in formalising the Internal Audit Plan based on the established risk profile of the Group. The Head of Internal Audit graduated with a Bachelor's Degree in Accounting (Hons) from University Utara Malaysia ("UUM"), is a Chartered member of The Institute of Internal Auditors Malaysia and Malaysian Institute of Accountants.

The in-house internal audit team comprises the Head of Internal Audit supported by two (2) executives whereas Wensen Consulting Asia (M) Sdn. Bhd. assigns at least two (2) executives during each audit assignment, thus providing overall support and back up to the entire internal audit team. The Internal Auditors do not have any relationship with the directors and/or major shareholders of Matrix and they have assured that they are free from any conflict of interest or relationships that could impair their objectivity and independence. The Internal Auditors carries out regular internal control reviews on the business processes based on the approved Internal Audit Plan and reports to the Audit Committee on a quarterly basis.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

All findings including the recommendations for further improvement are presented independently by the Internal Auditors to the Audit Committee subsequent to discussions with Management on a quarterly basis. The independent monitoring, review and reporting arrangements undertaken by the Internal Auditor give reasonable assurance that the structure of internal controls and business processes are appropriate to the Group's operations so as to properly manage the principal risks to an acceptable level throughout the Group's businesses. Internal control weaknesses are identified and duly addressed either immediately or progressively.

External Auditors

The Group employs Ernst & Young PLT as its External Auditors for the financial year ended 31 March 2026.

OTHER KEY INTERNAL CONTROL MECHANISMS

The Group manages its risks by implementing various internal control mechanisms. The key elements of the internal control systems are as described below:-

- Matrix Group's core values set the tone and help nurture a conducive culture of accountability, transparency, integrity, which begin at the top and are cascaded across the organisation. This provides a shared belief system that governs corporate conduct and helps to develop an environment that supports good corporate governance.

- Clearly defined terms of reference, authorities and responsibilities of the various committees which include the Audit Committee, Risk Management Committee, Nomination Committee, Remuneration Committee and Sustainability Committee.

- Well defined organisational structure with clear lines for the segregation of duties, accountability and the delegation of responsibilities to Senior Management and the respective division heads including appropriate authority limits to ensure accountability and approval responsibility.

- Budgets are prepared annually for the Business/Operating units and approved by the Board. The budgets include operational, financial and capital expenditure requirements and performance monitored on a monthly basis and the business objectives and plans are reviewed in the regular management meetings attended by division and business unit heads. The Group Managing Director meets regularly with Senior Management to consider the Group's financial performance, business initiatives and other management and corporate matters.

- There are regular Board meetings, at least five (5) times conducted annually and Board Papers are distributed in advance to all Board members who are entitled to receive and access all necessary and relevant information. For the FY2026, a total of six (6) Board meetings were held. Decisions of the Board are only made after the required information is made available and deliberated on by the Board. The Board maintains complete and effective control over the strategies and directions of the Group.

- The Board is supported by a qualified and competent Group Company Secretary. The Group Company Secretary plays an advisory role to the Board, particularly on matters relating to compliance with the Main Market Listing Requirements, the Companies Act 2016 and other relevant laws and regulations.

- The Audit Committee reviews the effectiveness of the Group's system of internal control on behalf of the Board. The Audit Committee comprises entirely Non-Executive members of the Board, who are Independent Directors. The Audit Committee is not restricted in any way in the conduct of its duties and has unrestricted access to the internal and External Auditors of the Company and to all employees of the Group. The Audit Committee is also entitled to seek such other third party independent professional advice deemed necessary in the performance of its responsibility.

- Review by the Audit Committee of internal control issues identified by the external and internal auditors and actions taken by Management in respect of the findings arising there from. The Internal Audit function reports directly to the Audit Committee. All findings are communicated to the Management and the Audit Committee with recommendations for improvements and are followed up to confirm that all agreed recommendations are implemented. The Internal Audit Plan is structured on risk based approach and is reviewed and approved by the Audit Committee.

- Review of all proposals for material capital and investment opportunities by the Management committee and approval for the same by the Board prior to expenditure being committed.

- In respect of joint ventures entered into by the Group, the Management of the joint ventures, which consist of representations from the Group and other joint venture partners, are responsible to oversee the administration, operation and performance of the joint ventures. Regular financial and operational reports of these joint ventures are provided regularly by the Management of the joint ventures as updates to the Company.

- There are sufficient reports generated in respect of the business and operating units to enable proper review of the operational, financial and regulatory environment. Management Accounts are prepared timely and on a quarterly basis and are reviewed by the Group Managing Director and Senior Management.

- The professionalism and competency of staff are enhanced through trainings and development programmes. A performance management system is in place with established key performance indicators to measure and review staff performance on an annual basis.

- In the course of conducting annual statutory audit, the External Auditors will highlight any significant audit, accounting and internal control matters which require attention of the Board and Audit Committee. At least once a year, the Audit Committee shall meet the External Auditors without the Executive Directors and Management being present. This year, the Audit Committee had communicated and met with the External Auditors on 24 June 2026 without the Executive Directors and Management being present to discuss and highlight on any significant audit issues which require attention.

- Whistleblowing Policy

  The Group has instituted a whistleblowing policy with feedback channels to allow anyone in the Matrix Group to disclose information pertaining to misconduct or improprieties in a safe and secure manner. The confidentiality of the whistleblower is assured throughout the process. There were no reports made during the FY2026.

MONITORING AND REVIEW OF THE ADEQUACY AND INTEGRITY OF THE SYSTEM OF INTERNAL CONTROL

The Board considered the risk management and internal control process in the Group during the financial year to be adequate and effective.

A review on the adequacy and effectiveness of the risk management and internal controls systems has been undertaken based on information from:

a) Management within the organisation responsible for the development and maintenance of the risk management and internal control framework;

b) Assessments of major business units and functional controls by respective management to complement the above input in providing a holistic view on the effectiveness of the Group's RMIC framework; and

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

c) The work by the internal audit function in accordance with the Internal Audit Plan document highlighting the key processes, which have been defined based on the Risk Profile of the Group as well as Internal Audit reports to the Audit Committee together with recommendations for improvement.

The Audit Committee will address and monitor the implementation of key action plans and any internal control weakness and ensure continuous process improvement. During the financial year under review, a number of improvements to internal controls were identified and addressed. There have been no significant weaknesses noted which have resulted in any material losses.

The Board has been assured by the Group Managing Director and Executive Director cum Chief Financial Officer that the Group's risk management and internal control system are operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

The Board considers the system of RMIC as described in this statement to be satisfactory and the risks to be at an acceptable level within the context of the Group's business environment. As the development of an efficient system of internal controls is an ongoing process, the Board and Management maintain an ongoing commitment to continue taking appropriate measures to strengthen the risk management and internal control environment of the Group.

RISKS REVIEW FOR THE FINANCIAL YEAR

A half-yearly review on the adequacy and effectiveness of the risk management and internal control systems have been undertaken for the financial year under review. During the financial year under review, each business unit via its respective working groups, comprising personnel at all levels carried out the following areas of work for periodic review:-

- Conducted reviews and updates of risk profiles of principal risks and emerging risks which will potentially derail the achievement of business objectives and goals.

- Evaluated the adequacy of key processes, systems, and internal controls in relation to the rated principal risks, and established strategic responses, actionable programmes and tasks to manage the aforementioned and/or eliminate performance gaps.

- Ensured internal audit programmes covered identified principal risks. Audit findings throughout the financial period served as key feedback to validate effectiveness of risk management activities and embedded internal controls.

- Reviewed implementation progress of actionable programmes and evaluated post-implementation effectiveness.

- Reviewed the adequacy of all business resumption and contingency plans, and their readiness for rapid deployment.

The review includes the following:-

- Regular internal audit reports which are tabled quarterly to the Board and the Risk Management Committee.

- Bi-annual risk reviews compiled by the respective units' risk owners and presentation to and discussion with the Risk Management Committee, the Board, and Internal Auditors.

- Operating unit's response to the risk analysis conducted on areas of weakness.

The findings arising from the above reviews have been reported to Management for their response and subsequently for Audit Committee deliberation.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control in accordance with the disclosure requirements of section 7 of the SORMIC Guide 2025 pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the Integrated Annual Report of the Group for the financial year ended 31 March 2026 and reported to the Board that nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the processes adopted by the Board in reviewing the adequacy and effectiveness of risk management and internal controls within the Group.

AAPG 3 does not require the External Auditors to consider whether the Director's Statement on Risk Management and Internal Control covers all risk and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and Management thereon. AAPG 3 also does not require the External Auditors to consider whether the processes described to deal with material internal control aspects of any significant matters disclosed in the Integrated Annual Report will, in fact, mitigate the risks identified or remedy the potential problems.

CONCLUSION

The Board is satisfied with the adequacy and effectiveness of the Group's risk management and internal control system. The Board has received assurance from the Group Managing Director and Executive Director cum Chief Financial Officer that the Group's risk management and internal control systems, in all material aspects, is operating adequately and effectively. For the financial year under review, there were no material control failures or adverse compliance events that have directly resulted in any material loss to the Group.

This statement is made in accordance with a resolution of the Board dated 24 June 2026.

STATEMENT OF RESPONSIBILITY BY DIRECTORS

IN RESPECT OF THE PREPARATION OF THE ANNUAL AUDITED FINANCIAL STATEMENTS

(Pursuant to Paragraph 15.26 (a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

The Directors are responsible for ensuring that the annual audited financial statements of the Group and the Company are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia and the MMLR of Bursa Malaysia Securities Berhad.

The Directors are also responsible for ensuring that the annual audited financial statements of the Group and the Company are prepared with reasonable accuracy from the accounting records of the Group and the Company so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 March 2026, and of the results of their operations and cash flows for the year ended on that date.

In preparing the annual audited financial statements, the Directors have applied the appropriate and relevant accounting policies on a consistent basis; made judgments and estimates that are reasonable and prudent; and prepared the annual audited financial statements on a going concern basis.

The Directors are also responsible for taking reasonable steps based on best effort basis to safeguard the assets of the Group and the Company to prevent and detect fraud and other irregularities.