

#deliveringProgress

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#deliveringProgress

In a world of complex challenges, the future is not a destination we await, but a reality we build with every action we take. MISC Group stands at the nexus of this journey, where reliability meets visionary change. Our theme, *#deliveringProgress*, reflects the powerful duality of our mission: we are the unwavering maritime force that delivers the energy essential for today's world, while simultaneously advancing the innovations that will define the next era of energy transition.

With 57 years of heritage, MISC Group is deeply anchored in Malaysia's nation-building journey. We have not only contributed to the growth of our national economy but have also positioned Malaysia as a key player in the global maritime industry. Our legacy is built on operational excellence, maritime leadership and a steadfast commitment to national progress, a legacy we carry forward as we navigate the evolving global energy landscape and contribute to shaping its sustainable future.

For MISC Group, progress is not an aspiration but a measurable result, delivered through our Resilient Core, alongside our efforts in pioneering new energy solutions and our unwavering commitment to decarbonisation. This commitment is what enables us to serve as the vital link between the energy needs of today and a sustainable tomorrow, proving that leadership means taking responsibility for the future, one milestone at a time.



To download a soft copy, go to <https://www.miscgroup.com/investor-relations/presentations-and-reports> and scan the QR code.

NAVIGATION ICONS

Key Capitals

- F Financial
- I Intellectual
- N Natural
- P Physical
- S Social & Relationship
- H Human

Risks

- R1 Geopolitical Risk
- R2 Market Risk
- R3 Energy Transition and Decarbonisation Risk
- R4 Financial Risk
- R5 Asset Integrity and Performance Risk
- R6 Project Delivery Risk
- R7 Health, Safety, Security and Environment Risk
- R8 Cybersecurity Risk
- R9 Talent Risk
- R10 Compliance and Regulatory Risk
- R11 Physical Climate Risk

Operating Environment

- E1 Geopolitics
- E2 Global Economy
- E3 LNG Sector
- E4 Crude Oil Sector
- E5 Offshore Sector
- E6 Decarbonisation of the Maritime Industry

United Nations Sustainable Development Goals



Key Stakeholder Groups

- S1 Government/Regulators
- S2 Shareholders/Investors/Financial Services Providers
- S3 Customers
- S4 Employees
- S5 Business Partners/Suppliers & Vendors
- S6 Communities
- S7 Industry Peers
- S8 Academic Organisations
- S9 Trade Associations/NGOs
- S10 Media

Material Matters

- M1 Climate Change and GHG Emissions
- M2 Waste Management
- M3 Ecological Impact
- M4 Air Pollution
- M5 Health, Safety and Security
- M6 Talent Management
- M7 Human Rights
- M8 Community Engagement and Development
- M9 Corporate Governance and Business Ethics
- M10 Cybersecurity
- M11 Supply Chain Management
- M12 Digitalisation

Materiality Quadrant

- Areas of focus
- Areas to monitor

Strategic Pillars

- SP1 Resilient Core
- SP2 Profitable New Energy Business
- SP3 Decarbonisation

ABOUT THIS REPORT

We are pleased to present MISC Berhad’s (“MISC” or “the Group”) Integrated Annual Report 2025, which provides a balanced and fair assessment of how the Group creates value for its stakeholders.

This report outlines our material matters, business strategies, risks and corporate governance practices, as well as financial and non-financial performance. It also highlights the Group’s ongoing efforts to advance innovation and low-carbon solutions in support of our value creation approach.

REPORTING SCOPE AND BOUNDARIES

This Integrated Annual Report (IAR) covers MISC Berhad, its subsidiaries, associates and joint ventures, collectively referred to as MISC or the Group. The reporting period is from 1 January to 31 December 2025 unless stated otherwise and includes material events up to the date of publication. Any material developments after publication will be communicated through Bursa Malaysia or other public channels.

The information presented relates to the Group’s business activities and operations across Gas Assets & Solutions, Petroleum & Products, Offshore, Marine & Heavy Engineering, Marine Services and Maritime Education & Training.

MATERIALITY

The information in this IAR is based on material matters that are most important to the Group and its stakeholders. In determining these matters, we considered issues that affect our ability to execute our strategies, create value and sustain long-term financial and non-financial performance. The assessment also reflects recognised risks and the interests of key stakeholder groups.

DEMONSTRATING OUR INTEGRATED THINKING

This report outlines how the Group creates value through its corporate and sustainability strategies. It maps the connections between our financial and non-financial capitals, material topics, stakeholder expectations, strategic objectives, and the risks and opportunities that influence our decisions.

While cost-benefit considerations inform the level of detail in certain disclosures, we do not omit information that is material to understanding our value creation.

SUSTAINABILITY RISKS AND GOVERNANCE

Across our operating markets, we consider material economic, environmental, social and governance (EES&G) principles when developing our strategies, policies and initiatives. EES&G-related risk management is embedded within our performance modelling to support effective decision-making.

ASSURANCE

- The financial information in this report is derived from the consolidated Audited Financial Statements for the year ended 31 December 2025, which were audited by Ernst & Young PLT.
- MISC obtained independent limited assurance on selected sustainability performance data for the year ended 31 December 2025. The independent assurance statement is presented in the Sustainability Report 2025.

FORWARD-LOOKING STATEMENTS

This IAR includes forward-looking statements that reflect the Group’s expectations of its future value creation prospects. As the operating environment is dynamic and the industry in which MISC operates involves inherent uncertainties, actual outcomes may differ from these expectations. These statements should therefore not be regarded as guarantees of future performance.

RESPONSIBILITY STATEMENT

The Board of Directors acknowledges its responsibility in ensuring the integrity of the MISC Berhad Integrated Annual Report 2025. In the Board’s opinion, this report has addressed all material issues and matters and fairly presents the Group’s performance for the year 2025. This report has been prepared in accordance with the International Integrated Reporting <IR> Framework.

Approved by the Board of Directors on 23 February 2026 and signed on behalf of the Board:

DATUK ABU HURAIRA ABU YAZID
Chairman

ZAHID OSMAN
President & Group Chief Executive Officer

MISC’S 2025 INTEGRATED REPORTING SUITE

A CONNECTED NARRATIVE OF VALUE CREATION



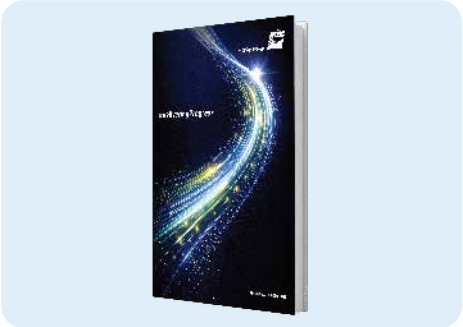
INTEGRATED ANNUAL REPORT (IAR) 2025

Provides shareholders and stakeholders with an integrated view of the Group’s financial and non-financial performance, value creation and strategic direction. It covers the external operating environment, business model, strategy, achievements, material matters, corporate governance and risk management.



SUSTAINABILITY REPORT (SR) 2025

Presents the Group’s sustainability strategy, initiatives and performance across key environmental, social and governance (ESG) areas to support transparency in our ESG disclosures with a dedicated section on Sustainability-related Financial Disclosures aligned with the International Financial Reporting Standards (IFRS®) issued by the International Sustainability Standards Board (ISSB).



FINANCIAL REPORT (FR) 2025

Contains the Group’s detailed financial disclosures, including the Directors’ Report, Audited Financial Statements and Independent Auditors’ Report, prepared in accordance with applicable financial reporting standards.

These frameworks guide the structure, content and assurance of MISC’s integrated reporting:

KEY FRAMEWORKS APPLIED ACROSS THE INTEGRATED REPORTING SUITE	IAR	SR	FR
Reporting Standards/Frameworks/Guidelines			
International <IR> Framework issued by the International Integrated Reporting Council (IIRC)	●		
Malaysian Financial Reporting Standards (MFRS)	●		●
International Financial Reporting Standards (IFRS)	●		●
National Sustainability Reporting Framework (NSRF)		●	
IFRS Sustainability Disclosure Standards (S1 and S2)		●	
Sustainability Accounting Standards Board (SASB) Standards		●	
Global Reporting Initiative (GRI) Standards		●	
AA1000 Stakeholder Engagement Standard		●	
United Nations Global Compact Guiding Principles		●	
United Nations Guiding Principles on Business and Human Rights		●	
Principles of Climate Governance by World Economic Forum		●	
United Nations Sustainable Development Goals (SDGs)		●	
Regulatory Requirements			
Main Market Listing Requirements (MMLR) issued by Bursa Malaysia	●	●	●
Companies Act 2016 (CA 2016)	●		●
Malaysian Code on Corporate Governance 2021	●	●	●
Corporate Governance Guide (4 th Edition) issued by Bursa Malaysia	●	●	
External Benchmarks/Indices/Ratings/Assessments			
FTSE4Good Bursa Malaysia Index		●	
Carbon Disclosure Project (CDP)		●	
MSCI ESG Ratings		●	
Morningstar Sustainalytics ESG Risk Ratings		●	
S&P Corporate Sustainability Assessment		●	

SECTION 2

ABOUT MISC

06	Who We Are
07	Our Investment Case
08	Our Businesses
12	How We Move Energy

WHO WE ARE



MISC Berhad is an energy-related maritime group with more than five decades of industry experience. The Group's businesses cover energy shipping and related activities, offshore floating solutions, marine repair and conversion, integrated marine services, port and terminal management, as well as maritime education and training.

The Group operates across the maritime energy value chain through a global presence supported by 108 vessels and 12 offshore assets. Our diversified fleet includes liquefied natural gas (LNG) carriers, ethane carriers, petroleum tankers and offshore floating facilities, alongside Malaysia's largest fabrication yard and one of Southeast Asia's largest drydocks.

MISC's operations are carried out by a skilled global workforce, committed to the safe, reliable and efficient delivery of energy and maritime related solutions and services.

In addition to our established core businesses, the Group continues to advance the energy transition as we explore and invest in new energy-related opportunities, reflecting MISC's commitment to shaping a sustainable future for the maritime and energy industries.

OUR VISION

To consistently provide better energy-related maritime solutions and services

OUR MISSION

To be consistently better, we strive to:

- Exceed the expectations of our customers
- Promote individual and team excellence of our employees
- Create a positive difference to the lives of communities
- Care for the environment and operate responsibly
- Drive sustainable value for our shareholders

OUR SHARED VALUES

- Loyalty**
Loyal to corporation
- Integrity**
Honest and upright
- Professionalism**
Strive for excellence
- Cohesiveness**
United, trust and respect for each other

OUR INVESTMENT CASE

OUR STRENGTH

Proven Track Record

57 years of experience in delivering energy-related maritime solutions and services



Global Operations

Operating presence in **11** countries, moving energy across continents



Workforce

Over **8,000** sea and shore employees from over **40** nationalities



Market Strength

Among the world's leading energy shipping and maritime solutions provider with a market capitalisation of **RM34.8 billion**

Strong Credit Ratings

MOODY'S **Baa2 (Stable)**

S&P Global **BBB+ (Stable)**
Ratings



Fleet Strength

- Modern fleet of **108** gas and petroleum vessels
- **12** offshore floating production assets
- **19** gas and petroleum vessels under construction
- **1** offshore floating asset under construction

For more information, please visit MISC's corporate website at www.miscgroup.com.

VALUE PROPOSITION

- 1** Diversified business portfolio supported by long-term contracted assets and track record of operational excellence
- 2** Strong growth pipeline supported by long-term contracts in both our core and profitable new energy businesses
- 3** Sustainable partnerships with key industry players
- 4** Stable cash flow with strong discipline in risk and financial management
- 5** Integrated commercial viability and ESG priorities in our business operations
- 6** Highly experienced leaders, operating within a strong governance framework

OUR BUSINESSES

Navigating Growth,
Resilient Through
Challenges

GAS ASSETS & SOLUTIONS

Our Gas Assets & Solutions (GAS) segment specialises in transporting LNG and ethane, as well as providing asset-based solutions, leveraging decades of expertise.



41*
vessels

* including 10 co-owned



14
vessels under
construction

FLEET STRENGTH

LNG Carrier (LNGC)



32 vessels

Floating Storage Unit (FSU)



3 vessels

Very Large Ethane Carrier (VLEC)



6 vessels



Please refer to the Gas Assets & Solutions Business Review on pages 96 to 101 for more information.

PETROLEUM & PRODUCTS

We operate a modern and diverse fleet of petroleum and product tankers, including specialised vessels such as Dynamic Positioning Shuttle Tankers and Modular Capture Vessels. Our fleet is designed to deliver petroleum and refined products with a focus on safety, reliability and efficiency.



67
vessels



5
vessels under
construction

FLEET STRENGTH

Very Large Crude Carrier (VLCC)



11 vessels

Dynamic Positioning Shuttle Tanker (DPST)



17 vessels

Suezmax Tanker



6 vessels

Long Range 2 (LR2) Tanker



2 vessels

Aframax Tanker



23 vessels

Lightering Support Vessel (LSV)



8 vessels

Note: Includes two modular capture vessels (MCVs)



Please refer to the Petroleum & Products Business Review on pages 102 to 107 for more information.

OFFSHORE

We are owners and operators of floating production systems across various locations globally, offering a comprehensive suite of services tailored to meet the dynamic floating solutions needs of the offshore business landscape, from shallow to ultra-deepwater field developments.

**12**
offshore floating solutions

**1**
unit under construction

FLEET STRENGTH

Semi-submersible Floating Production System (Semi-FPS)



Floating Production, Storage and Offloading (FPSO)



Floating Storage and Offloading (FSO)



Please refer to the Offshore Business Review on pages 108 to 113 for more information.

MARINE & HEAVY ENGINEERING

Our Marine & Heavy Engineering segment operates one of the largest fabrication yards in Southeast Asia. We specialise in offshore construction, marine repairs and upgrades, as well as the conversion of floaters, including FPSOs and FSOs. We also provide solutions in the new energy space such as offshore carbon capture facility and substation platform projects.

**Malaysia's largest fabrication yard by tonnage capacity and one of Southeast Asia's largest drydocks**

KEY SERVICES

Heavy Engineering



Marine Business



Please refer to the Marine & Heavy Engineering Business Review on pages 114 to 119 for more information.

MARINE SERVICES

We provide a comprehensive range of integrated marine solutions including ship management, port and terminal operations, port engineering and maintenance, and marine assurance services. Our services are tailored to meet the diverse requirements of our clients while ensuring adaptability to the evolving dynamics of the marine industry.

KEY SERVICES

Ship Management Services



Port Management & Maritime Services



Please refer to the Marine Services Business Review on pages 120 to 125 for more information.

MARITIME EDUCATION & TRAINING

Akademi Laut Malaysia (ALAM) offers a spectrum of maritime courses including nautical and marine engineering programmes, maritime and offshore safety courses, simulator-based courses and maritime management programmes, as well as research and consultancy services. Through strategic partnerships with leading academic institutions and industry pioneers, we enhance research, develop future-ready talent and address critical industry challenges.

KEY SERVICES

Pre-Sea Diploma, Post-Sea, Ratings and Modular Programmes



Research & Consultancy Services



Please refer to the Maritime Education & Training Business Review on pages 126 to 130 for more information.

HOW WE MOVE ENERGY

MISC plays a critical role in the energy value chain, providing long-distance transportation of energy resources and specialised maritime assets supporting offshore oil and gas production.



DEVELOPING NEW ENERGY SOLUTIONS

The world is transitioning towards more sustainable and resilient energy systems. Our New Energy & Decarbonisation portfolio anchors ship management on: carbon capture and storage (CCS), ammonia, offshore wind value chains and other future fuels and technologies that support maritime decarbonisation. We believe progress is built together, and we invite like-minded partners to accelerate the development and scaling of these vital solutions.

CARBON CAPTURE AND STORAGE

Our maritime heritage gives us a unique advantage in delivering CCS at scale. With decades of experience operating complex marine assets, we provide integrated marine solutions to move carbon dioxide (CO₂) safely and efficiently across the entire value chain. From onboard carbon capture to liquefied CO₂ (LCO₂) transport and offshore floating assets, we are aiming to provide a true end-to-end CCS solution.

AMMONIA

Unlocking ammonia as a low-carbon energy source requires deep expertise and collaboration across the entire value chain. With a strong maritime presence and close partnerships with molecule producers, MISC is uniquely positioned to deliver low-carbon ammonia safely while advancing its use as a marine fuel. From transport and handling to emerging floating ammonia solutions, we work alongside industry partners to enable practical, scalable solutions for the maritime industry.

OFFSHORE WIND

The offshore wind value chain offers strong potential for MISC, leveraging our offshore and maritime capabilities across the project lifecycle. We are positioning our maritime expertise to support offshore wind projects from construction and installation through to long-term operations and maintenance.

FUTURE FUELS AND TECHNOLOGIES

At MISC, the pursuit of future fuels and technologies is not a side effort — it is a core pillar of who we are. Our commitment to reducing reliance on fossil fuels and advancing global decarbonisation drives us to continuously innovate beyond the industry norm. From low-carbon fuels such as ethanol to next-generation propulsion systems such as fuel cells, we push boundaries to demonstrate how ambition, paired with innovation, can shape a more sustainable maritime future.



HOW WE MOVE ENERGY

MISC plays a critical role in the energy value chain, providing long-distance transportation of energy resources and specialised maritime assets supporting offshore oil and gas production.

- Complete/Full Range Offshore Platform EPCIC Services for Offshore & Onshore Construction
- Comprehensive Marine Repair & Refurbishment
- Marine Conversion Works
- Ship Management

MISC Businesses and Activities

- Gas Assets & Solutions
- Petroleum & Products
- Offshore
- Developing New Energy Solutions
- Marine & Heavy Engineering
- Marine Services
- Maritime Education & Training
- Related activities across value chains



SECTION 3

KEY MESSAGES

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26	Chief Financial Officer's Message

CHAIRMAN’S MESSAGE



DATUK ABU HURAIRA ABU YAZID
Chairman,
Independent Non-Executive Director

Dear Stakeholders,

In 2025, the Group operated in a complex and unpredictable environment, against the backdrop of geopolitical volatility, shifting trade dynamics and changing regulatory expectations. The Board steered the organisation with prudence and clarity through rigorous oversight and agile judgement. The commitment, professionalism and resilience demonstrated by our people enabled MISC to navigate these challenges and deliver sustained progress.

NAVIGATING COMPLEXITY IN A SHIFTING GLOBAL LANDSCAPE

The year was marked by heightened geopolitical tensions and economic uncertainty, affecting global energy and shipping markets. Trade and policy developments shifted global trade flows and shipping patterns, while evolving maritime and climate-related frameworks added complexity to investment decisions.

Against this challenging landscape, the Board maintained close oversight of these developments to ensure key risks were carefully identified and assessed. These considerations were moulded into our strategic choices, including our decisions on capital allocation throughout the year.

A strong focus was maintained on operational safety and risk management. In facing shifting trade routes and heightened operational complexity, the protection of our seafarers and shore-based personnel was treated as fundamental. Safety, regulatory compliance and operational discipline remained non-negotiable priorities.

In this context, management’s execution of the Enterprise Strategy was closely guided to advance the MISC 2030 Ambition. Emphasis was placed on earnings stability, balance sheet strength and prudent risk management. This ensured our commercial strategies were responsive to market conditions while safeguarding the Group against downside risks.

Guided by this approach, progress continued across the three pillars of the MISC 2030 Ambition.

Within the Resilient Core, we delivered seven LNG carriers (LNGCs) to QatarEnergy, secured contracts for two very large ethane carriers (VLECs) and two LNG dual-fuel Suezmax tankers, and extended our offshore footprint in Brunei through MISC’s first Floating Production Unit (FPU) contract with PETRONAS Carigali Brunei Ltd. (PCBL). Success was also achieved by Malaysia Marine and Heavy Engineering Holdings Berhad (MHB) when it secured contracts with Vestigo Petroleum Sdn. Bhd. (VESTIGO) for three wellhead platform Engineering, Procurement, Construction, Installation and Commissioning (EPCIC) projects.

Our advance into the Profitable New Energy Business remained measured and partnership-led, enabling the Group to build technical capabilities while mitigating execution risks. The incorporation of a liquefied carbon dioxide (LCO₂) carrier development joint venture and the achievement of Approvals in Principle (AiPs) for an ammonia-fuelled LR2 tanker and an ammonia FPSO, further strengthened our readiness to participate in emerging low-carbon value chains.

Within Decarbonisation, the Group sustained its emissions reduction trajectory, achieving a 36% reduction in greenhouse gas (GHG) emissions intensity across our shipping operations from the 2008 baseline, driven by continued operational efficiency initiatives.

CHAIRMAN’S MESSAGE

“ Sustainability reporting and performance measurement were further strengthened during the year to align with emerging global standards, including the International Sustainability Standards Board (ISSB) framework, reinforcing our commitment to transparent and decision-useful disclosures. ”

Supported by the capability of our people across the global network and agility of our business, these efforts contributed to the Group’s solid financial performance in FY2025.

BALANCING RETURNS WITH FINANCIAL PRUDENCE

Despite ongoing market volatility, the Group recorded higher net profit before tax of RM1,862.0 million and operating cash flow of RM5,656.1 million. The improvement reflects the durability of our earnings base and the methodical approach embedded in our capital management. The strong cash generation supported the Board’s decision to declare a higher dividend of 38 sen per share, reaffirming the Board’s promise to sustainable shareholder returns while maintaining financial strength.



A **38 sen dividend per share** was declared, an increase from the previous year, reaffirming the Board’s commitment to sustainable shareholder returns.

STRENGTHENING OVERSIGHT THROUGH ROBUST GOVERNANCE

Strong governance and active Board stewardship underpin the Group’s stability, enabling systematic oversight of portfolio decisions, major project approvals and capital allocation. This is guided by principles of independence, professionalism and objectivity, and supported by enhanced related party and conflict of interest governance practices.

Throughout the year, we fostered constructive challenge within the Board and its Committees to ensure that decision-making processes remained rigorous and balanced. This culture of open dialogue strengthens accountability and reinforces the quality of strategic judgement.



CHAIRMAN’S MESSAGE



We enhanced our integrity and accountability frameworks, including the formalisation of Directors’ Conflict of Interest procedures and updated Guidelines on Related Party Transactions and Recurrent Related Party Transactions for MISC Group, to support informed and independent judgement while safeguarding stakeholder trust.

Governance enhancements also focused on strengthening Board effectiveness and oversight quality. This was reflected in our updated Terms of Reference, providing clearer delineation of responsibilities and structured review processes that improved alignment and accountability. An independent Board Effectiveness Evaluation provided further insights to strengthen Board composition, performance and dynamics.

Recognising the evolving regulatory, sustainability and geopolitical landscape, the Board continued investing in capability development through targeted training and focused learning sessions. These efforts ensured that the Board remains well equipped to oversee emerging risks, transition priorities and long-term strategic trade-offs.

 For more information, please refer to Corporate Governance Overview Statement on pages 172 to 195.

REINFORCING TRUST THROUGH GOVERNANCE AND REPORTING RECOGNITION

The Group’s commitment to strong governance and transparent reporting was reflected in the recognitions received during the year, including awards at the National Corporate Governance & Sustainability Awards (NACGSA) 2025 and the National Annual Corporate Report Awards (NACRA) 2025. These recognitions affirm the Board’s sustained focus on integrity, disclosure quality and accountability to stakeholders.



Ranked Top 20 Overall Excellence at NACGSA, affirming our standards in governance and sustainability.

ADVANCING TRANSITION WITH PRUDENCE AND CREDIBILITY

The energy transition has evolved at an uneven pace due to fragmented policy direction, which has led to greater scrutiny over the costs involved in advancing decarbonisation pathways. In this environment, the Board’s responsibility is to ensure meaningful progress while ensuring that decarbonisation initiatives advance in a measured and orderly manner, aligned with regulatory clarity, technological maturity and execution readiness.

CHAIRMAN’S MESSAGE

During the year, sustainability remained firmly embedded within our strategic and governance processes. As the Sustainability Strategy 2021–2025 approached its conclusion, the Board guided the development of the Sustainability Strategy 2026–2030 to ensure smooth continuity and alignment with the Group’s long-term direction. We also formally published our Commitment to Net Zero GHG Emissions by 2050, reaffirming our intention to decarbonise across all aspects of our operations and value chain. This assurance aligns with internationally recognised frameworks, including the Paris Agreement, the United Nations Sustainable Development Goals (SDGs) and the International Maritime Organization (IMO)’s GHG reduction targets, ensuring that our transition pathway remains credible and globally relevant.

Sustainability reporting and performance measurement were further strengthened during the year to align with emerging global standards, including the International Sustainability Standards Board (ISSB) framework, reinforcing our commitment to transparent and decision-useful disclosures.

Beyond environmental priorities, we remain committed to nurturing future maritime professionals. Since 1977, Akademi Laut Malaysia (ALAM) has trained more than 15,000 seafarers to uphold professional standards across the sector. Our Cadet Sponsorship Programme equips local youth for maritime careers, strengthening Malaysia’s talent pipeline and contributing to long-term industry resilience.

We also recognise the importance of sustained collaboration with customers, regulators and industry participants. These long-term partnerships underpin stability across the ecosystem and reinforce the reliability of the global energy supply chain in which MISC operates.

FORGING AHEAD RESPONSIBLY

Looking ahead, we remain confident in the strength of the Group’s portfolio and its ability to adapt to a complex operating environment influenced by new developments in geopolitics, policy and regulations.

Our priority will be to sustain earnings quality, preserve balance sheet resilience and maintain execution excellence across the organisation. Transition initiatives will continue to advance in a measured manner, aligned with commercial viability and supported by organisational capability, ensuring that the Group is well positioned for future opportunities without compromising the integrity of its core operations.

Over the coming year, disciplined capital deployment, capability development and sound, independent judgement will anchor our priorities as we remain attentive to emerging risks and opportunities while safeguarding long-term value in the interests of all stakeholders.

APPRECIATION

On behalf of the Board, I thank our shareholders and stakeholders for their continued trust and support.

I also extend my appreciation to my fellow Board members for their counsel, constructive challenge and dedication to sound governance, and to the Executive Leadership Team for their focus on disciplined execution.

Above all, I wish to acknowledge the people of MISC across our operations, onshore and offshore. Your commitment, expertise and sense of responsibility enable the organisation to perform safely and reliably each day, sustaining our operational excellence and the trust placed in MISC by customers and partners worldwide.

As I mark my fifth and final year as Chairman, I take confidence in the strength of the governance framework, leadership team and organisational capability that will underpin the next phase of MISC’s journey.

PRESIDENT & GROUP CHIEF EXECUTIVE OFFICER’S MESSAGE



ZAHID OSMAN
President & Group Chief Executive Officer

Dear Stakeholders,

2025 was a strong year for MISC. We delivered solid financial results while continuing to make significant progress across the three pillars of our MISC 2030 Ambition.

During the year, we continued strengthening our core businesses while advancing selected new energy initiatives and reducing emissions through fleet renewal and operational improvements. These efforts have further enhanced earnings visibility and cemented the Group’s foundation for sustainable long-term growth.

FOCUSED EXECUTION AMID VOLATILITY AND UNCERTAINTY

In 2025, volatility persisted in our operating environment, shaped by geopolitical tensions and shifting market conditions. In navigating this landscape, our clear priority was to protect and strengthen our business today while preparing MISC for opportunities ahead.

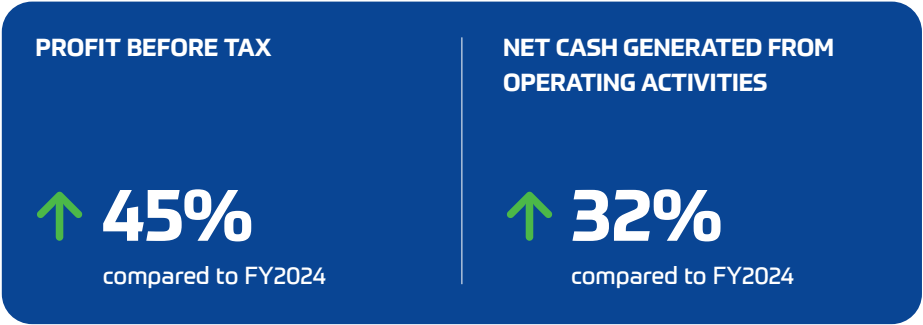
We focused on maintaining earnings resilience, preserving strong cash flow and allocating capital with discipline. At the same time, we continued advancing the initiatives under our MISC 2030 Ambition to ensure the Group remains competitive and well-positioned as the maritime landscape evolves.

FINANCIAL PERFORMANCE

Our consistent execution translated into stronger financial outcomes in 2025. For the financial year ended 31 December 2025, profit before tax rose by 45% to RM1,862.0 million (FY2024: RM1,283.5 million), supported by stronger Offshore segment contributions and lower impairment provisions compared with the prior year.

Net cash generated from operating activities increased to RM5,656.1 million (FY2024: RM4,276.8 million), up 32%, reflecting improved earnings quality and cash generation during the year. The improved performance enabled higher dividends declared to shareholders, underscoring our commitment to delivering sustainable returns while maintaining financial discipline.

This strengthened financial position enhances our flexibility to fund capital commitments, pursue targeted growth opportunities and continue advancing the MISC 2030 Ambition with discipline while preserving balance sheet resilience.



PRESIDENT & GROUP CHIEF EXECUTIVE OFFICER’S MESSAGE

“ We secured new contract awards across all business segments during the year, underscoring the breadth and competitiveness of our portfolio. ”

DELIVERING PROGRESS TOWARDS OUR MISC 2030 AMBITION

Despite ongoing uncertainty, we continued to make steady and significant progress in all three pillars of the MISC 2030 Ambition. We strengthened our Resilient Core, progressed on the Profitable New Energy Business and advanced our Decarbonisation initiatives to ensure the long-term competitiveness and sustainability of our business.

SP1 Resilient Core

Our Resilient Core remains the backbone of the Group. It provides earnings stability through long-term contracts, disciplined fleet renewal and selective asset monetisation.

In 2025, we strengthened the portfolio through the delivery of seven LNGCs to QatarEnergy with consortium partners Nippon Yusen Kabushiki Kaisha (NYK), Kawasaki Kisen Kaisha, Ltd. (K Line) and China LNG Shipping (Holdings) Limited (CLNG), including five vessels delivered ahead of schedule. We commissioned *FSU Puteri Delima Satu* at the PETRONAS LNG Regasification Terminal Pengerang (RGTP) in Johor, contributing to national gas supply security and completing the project with over 500,000 man-hours recorded without a Lost Time Injury.

Importantly, we secured new contract awards across all business segments during the year, underscoring the breadth and competitiveness of our portfolio. Within the Petroleum & Products segment, we secured long-term charters for two LNG dual-fuel Suezmax vessels, completing dual-fuel capability in all our tanker classes. In the Gas Assets & Solutions (GAS) Business segment, long-term charters with PTT Public Company Limited (PTT) for two VLECs expanded our specialised gas transportation capabilities. Our Offshore segment entered the Brunei market through its first FPU project with PCBL, expanding our operating footprint into a new market. MHB also secured wellhead platform EPCIC contracts from VESTIGO, improving the order book for the business.

These actions reinforced the strength and reliability of our core businesses, providing stability and financial capacity to support disciplined investment in new energy and decarbonisation initiatives.



PRESIDENT & GROUP CHIEF
EXECUTIVE OFFICER’S MESSAGE

PRESIDENT & GROUP CHIEF
EXECUTIVE OFFICER’S MESSAGE

SP2 Profitable New Energy Business

Building on this strong foundation, we advanced multiple new energy pathways through strategic partnerships and integrated solutions, focusing on capability building and validating commercial pathways ahead of investment decisions.

During the year, we progressed our participation in the carbon capture and storage (CCS) value chain through a joint venture with PETRONAS CCS Ventures Sdn. Bhd. (PETRONAS CCS Ventures) and Mitsui O.S.K. Lines, Ltd. (MOL), combining complementary strengths to develop an integrated carbon transport solution.

We continued strengthening transition-ready offshore and shipping capabilities. AiPs were secured for an ammonia FPSO concept and an ammonia dual-fuel LR2 tanker, advancing technical readiness for future-fuel applications.

In addition, the Zero-Emission Power Station (ZEUS) demonstration project moved into the front-end engineering design (FEED) phase, bringing oxy-fuel combustion with carbon capture closer to execution readiness and expanding our technological capabilities in low-carbon solutions.

SP3 Decarbonisation

Alongside strengthening our core businesses and advancing new energy initiatives, we continued making progress on our decarbonisation agenda. In 2025, we achieved a 36% reduction in GHG emissions intensity across our shipping operations compared to our 2008 baseline. These improvements strengthen the long-term competitiveness of our fleet and ensure our assets are commercially relevant as the industry transitions to lower-carbon energy solutions, while supporting MISC’s Net-Zero ambition.

 Please refer to pages 96 to 130 in the Business Review section for more information on our business operations.

EMBEDDING SAFETY AND ACCOUNTABILITY

At the heart of MISC’s performance are our people. Their professionalism, expertise and dedication enable us to deliver safe and reliable operations every day.

Through the Care & Comply principles, we promote a caring mindset towards self and others, and reinforce preventive safety practices and empower frontliners to exercise Stop-Work Authority when required. This is supported by the increased use of data-driven tools to improve risk anticipation and decision-making throughout our fleet, offshore and onshore activities.

Talent development remains central to sustaining operational excellence and preparing the organisation for future growth. During the year, we continued investing in capability-building programmes in both our core businesses and emerging areas, including new energy, decarbonisation and next-generation fleet operations, ensuring our workforce is consistently equipped to support evolving business needs.

Alongside these efforts, we continued embedding Accountability, Transparency and Efficiency (ATE) throughout the organisation. This strengthens an enterprise mindset and fosters shared ownership and accountability in how we operate and deliver outcomes.

AWARDS AND RECOGNITION

During the year, MISC continued to receive external recognition that reflects the consistency of our execution, the strength of our governance practices and the reliability of our operations.

At the Group level, in addition to the awards highlighted in the Chairman’s Message, MISC received six awards at the Malaysian Society for Occupational Safety and Health (MSOSH) Awards, underscoring the maturity of our safety culture and the strength of our Health, Safety, Security and Environment (HSSE) systems across the organisation.

In safety and operational excellence, MISC was recognised by the Chamber of Shipping of America with the Jones F. Devlin Safety Award and the Environmental Achievement Award, recognising fleet-wide safety and environmental performance. In addition, *Seri Emperor* and *Seri Daya* received the Maritime and Port Authority of Singapore’s Safety@Sea Awards for Exceptional Maritime Safety.

Our decarbonisation efforts were also recognised, with AET receiving the Maritime Singapore LowCarbon50 Award for Leadership in Decarbonisation. This recognition reflects the practical application of fleet decarbonisation initiatives and transition-ready solutions within our operations.

CARRYING THE ‘DELIVERING PROGRESS’ MOMENTUM INTO 2026

We entered 2026 with encouraging momentum. Early in the year, we secured long-term charters for five newbuild LNGCs with PETRONAS LNG Ltd. (PLL). We were also awarded a contract by ExxonMobil PNG Limited to deliver and operate a Floating Storage and Offloading (FSO) unit in Papua New Guinea, marking our strategic entry into a new producing basin and the country’s first offshore floating facility.

Building on the foundations established in 2025 across our Profitable New Energy Business, we have advanced selected initiatives towards Final Investment Decisions (FIDs), illustrating growing commercial maturity and execution readiness across our new energy pathways.

We secured a long-term charter for a newbuild LCO₂ carrier with Northern Lights JV DA alongside our consortium partner, K Line, marking our first commercial entry into the carbon transport value chain, with a second charter expected in April 2026. AET also secured a long-term charter for a dual-fuel ethanol-ready dynamic positioning shuttle tanker, supporting lower-emission offshore transportation solutions.

In parallel, we will continue executing decarbonisation initiatives across our existing fleet through performance improvements and technology adoption to maintain competitiveness during the transition.

Together, these developments position us to carry this momentum through the year as we continue advancing the MISC 2030 Ambition with discipline, consistency and a clear focus on delivering sustainable long-term value.

ACKNOWLEDGEMENTS

I would like to express our appreciation to the shareholders and stakeholders for their continued trust and support as we continue executing our strategy. Your confidence enables us to act with conviction to drive MISC forward.

I also extend my sincere thanks to the MISC Board of Directors for their guidance, oversight and forward-thinking, which reinforce governance and collaborative decision-making. To the Executive Leadership Team, thank you for your commitment and clarity of implementation in turning strategy into outcomes and moving the organisation forward. Most importantly, to our people, both onshore and offshore, I thank you for your professionalism, resilience and unwavering commitment. Your dedication underpins MISC’s operational excellence and our ability to operate safely and reliably, every day.

CHIEF STRATEGY & SUSTAINABILITY OFFICER’S MESSAGE



RAJA AZLAN SHAH RAJA AZWA
Chief Strategy & Sustainability Officer

Dear Stakeholders,

We remained focused on executing our Enterprise Strategy to deliver the MISC 2030 Ambition, amid heightened uncertainty and policy fragmentation in global energy markets. The Group strengthened portfolio resilience through prudent capital deployment while advancing energy transition initiatives where clear commercial pathways exist. This ensured that investment decisions remain aligned with long-term value creation, enabling the Group to operate effectively despite market volatility.

STRATEGIC EXECUTION THROUGH VOLATILITY

The operating environment remained complex, shaped by geopolitical conflicts and evolving trade measures across major economies. Security-related disruptions diverted trade routes and extended voyage distances, affecting tonne-mile demand and fleet deployment, while protectionist policies resulted in broader trade uncertainty.

Market conditions varied across our business segments and, accordingly, required disciplined and differentiated responses. In the LNG shipping sector, persistent vessel oversupply and timing gaps in new liquefaction capacity weighed on rates, necessitating strategic fleet optimisation. In response to market uncertainty and complexity in the petroleum shipping sector, we prioritised a secured income strategy to insulate earnings from volatility. In the offshore sector, robust FPSO demand across key producing regions supported project opportunities, with Lease and Operate (L&O) projects more common in the Asia Pacific, while Engineering, Procurement and Construction (EPC) and Build–Operate–Transfer (BOT) projects were more prevalent in Africa and South America. We selectively pursued these opportunities in line with our execution capabilities and risk appetite.

In addition, regulatory developments progressed unevenly across jurisdictions. In Europe, the European Union advanced FuelEU Maritime, introducing carbon intensity limits for marine fuels and including shipping under the EU Emissions Trading System (EU ETS), requiring operators to surrender CO₂ emissions allowances. At the global level, while the IMO approved the draft Net-Zero Framework (NZF), the deferral of voting on the adoption of its mid-term measures, including the GHG Fuel Intensity (GFI) standard and market-based measures to October 2026, prolonged uncertainty, affecting the pace and direction of responses across the maritime industry.

EXECUTING THE MISC 2030 AMBITION

In 2025, the priority was on strengthening the Resilient Core to enhance financial resilience, while progressively advancing new energy and decarbonisation initiatives.

Investment decisions prioritised opportunities supported by long-term charter contracts that provide earnings visibility. Participation in emerging value chains was progressed selectively, anchored on regulatory clarity, technological readiness and economic sustainability.

SP1 Resilient Core

During the year, the Group secured projects across all business segments, reinforcing future earnings through a diversified portfolio. We also focused on project delivery and selective capital recycling to rejuvenate our ageing fleet with more modern vessels.

Fleet rejuvenation within the GAS Business segment advanced with the delivery of seven new LNGCs during the year, with a further five deliveries scheduled through 2026. The new, more efficient vessels in the fleet are contracted under long-term employment, replacing expired charters for older steam LNGCs.

Within the Petroleum & Products segment, the Group secured dual-fuel Suezmax vessels under long-term charters as part of its fleet renewal. Dual-fuel capability provides a practical pathway to improve efficiency and fuel flexibility while maintaining commercial competitiveness, in line with the industry’s gradual shift toward alternative fuels.

In the Offshore segment, the market continues to present opportunities across multiple regions. During the year, MISC secured an FPU project in Brunei under a lease, operate and maintain arrangement, marking the Group’s entry into the country’s offshore market.

Meanwhile, the Marine & Heavy Engineering segment’s strategic transformation efforts focused on strengthening its core operating model and enhancing project execution capability, positioning the segment to navigate an increasingly uncertain operating environment, capture new opportunities and unlock the full potential of its yard operations.

SP2 Profitable New Energy Business

In the energy space, MISC focused on strengthening its readiness in emerging low-carbon value chains through targeted technical validation by securing AiPs for an ammonia FPSO concept and an ammonia dual-fuel LR2 tanker. We also progressed the LCO₂ value chain through partnerships. The Group secured a long-term time charter for an LCO₂ carrier with Northern Lights JV DA in January 2026, in partnership with K Line, marking its first commercial entry into the carbon transport value chain.

Within MHB, we have progressed work on the Kasawari CCS and offshore substation platforms under TenneT’s 2GW Programme. In February 2026, through AET, the Group signed a shipbuilding agreement for its first hybrid-electric ethanol-ready dynamic positioning shuttle tanker (DPST), further strengthening transition-ready fleet capabilities.

SP3 Decarbonisation

Decarbonisation remains an integral component of MISC’s strategy, reflecting our commitment to reducing emissions and responding to evolving regulatory requirements. In 2025, we achieved a 7% year-on-year reduction in shipping fleet GHG emissions intensity, demonstrating clear progress in achieving our MISC 2030 Ambition. The improvement was supported by strategic fleet optimisation and deployment of emissions reduction initiatives implemented during the year.

We continued to prioritise practical initiatives that improve emissions performance while maintaining commercial discipline, advancing our decarbonisation pathway in line with customer adoption and policy developments. In parallel, fleet rejuvenation efforts continued, replacing older tonnage with more modern, energy-efficient vessels to improve operational efficiency and further reduce emissions intensity.

 Please refer to pages 56 to 93 for more information in our Strategic Review section.

INTEGRATING SUSTAINABILITY INTO STRATEGIC DECISION-MAKING AND OVERSIGHT

MISC maintains a robust investment risk assessment and capital allocation framework to support investment decisions, with sustainability considerations embedded across ambitions, priorities and risk assessments. In FY2025, further enhancements have been made through the adoption of IFRS Sustainability Disclosure Standards (IFRS S1 and S2), enhancing the systematic consideration of sustainability-related risks and opportunities in strategic, investment and capital deployment decisions.

To support this integration, we strengthened governance by sharpening the Board Sustainability & Risk Committee’s (BSRC) oversight of sustainability risks and opportunities. The Committee also oversees the identification, prioritisation and monitoring of these risks, with regular reporting enabling timely intervention and strengthened accountability.

Concurrently, environmental, social and governance considerations have been formally embedded within the Group’s Enterprise Risk Management (ERM) framework, with material Sustainability Risks and Opportunities (SROs) assessed alongside traditional business risks. This integrated approach enables consistent prioritisation, clearer escalation and improved visibility of sustainability-related exposures and opportunities, reinforcing disciplined risk management and effective oversight at both Board and management levels.

Following the conclusion of the Sustainability Strategy 2021–2025, the Group refreshed its strategic direction to support the next phase of growth. The Sustainability Strategy 2026–2030 builds on progress achieved to date and is anchored on three pillars, namely, Impact, Inclusion and Integrity, guiding how MISC strengthens organisational resilience, creates shared value and upholds robust governance and ethical conduct.

CLEAR PRIORITIES, DISCIPLINED EXECUTION

Geopolitical and regulatory uncertainties are expected to persist into 2026, shaping a more complex and less predictable operating environment, including recent developments in the Middle East influencing trade flows, energy markets and shipping dynamics. In this context, we will remain agile in calibrating our approach, ensuring the continued resilience of our Enterprise Strategy while delivering progress towards the MISC 2030 Ambition.

CHIEF FINANCIAL OFFICER’S MESSAGE



AFENDY MOHAMED ALI
Chief Financial Officer

Dear Stakeholders,

In a challenging environment, MISC operated amid geopolitical volatility, uneven market dynamics and constrained financial visibility. The landscape was characterised by evolving conditions that affected direction and timing, with implications for funding, hedging and capital allocation.

Against this backdrop, we prioritised financial discipline, liquidity readiness and balance sheet strength. This emphasis mattered most in uncertainty, where outcomes depend on decision quality.

GROUP-LEVEL PERFORMANCE

For the financial year under review, Group revenue for FY2025 declined to RM11,146.1 million, compared with RM13,237.5 million in FY2024, representing a 15.8% decrease year-on-year. The moderation in revenue primarily reflected lower contributions from the GAS Business segment, driven by lower earning days, contract expiries and vessel disposals, and from the Marine & Heavy Engineering segment, reflecting project progression towards completion, with newly secured contracts at early fabrication phases. These effects were partially offset by stronger performance in the Petroleum & Products segment due to higher freight rates and increased earning days.

Despite lower revenue, operating profit increased to RM2,776.5 million from RM2,593.7 million in FY2024, representing a 7.0% increase year-on-year, while profit before tax increased to RM1,862.0 million from RM1,283.5 million in FY2024, representing a 45.1% increase year-on-year. The improvements were supported by the commencement of operations of FPSO Marechal Duque de Caxias and by insurance claim recovery in the Offshore segment. Profit before tax was further supported by financing-related gains.

The improved earnings mix enhanced operating margins and strengthened forward earnings visibility. While the GAS Business segment moderated in line with revenue trends, the Group’s diversified and largely contracted income base continued to underpin earnings stability and support sustainable long-term value creation.

At the profit before tax level, performance was further enhanced by lower vessel impairments compared with the prior year. During the year, impairments were recognised on selected assets, strengthening balance sheet quality and reducing legacy exposures.

WHAT GROUP FINANCE ACHIEVED IN 2025

Cash Flow and Liquidity Discipline

Net cash generated from operating activities increased to RM5,656.1 million in FY2025, compared with RM4,276.8 million in FY2024, reflecting the contribution of FPSO Marechal Duque de Caxias following its transition into operations. Operating cash flow was further supported by insurance claim proceeds and disciplined working capital management across business segments, reinforcing liquidity resilience through a year of volatility.

Capital Allocation Under MISC 2030 Ambition

Our financial framework continues to guide capital allocation across the MISC 2030 Ambition. Resilient Core reinvestments are prioritised within sustainable cash flow capacity, with capital directed toward assets that generate stable earnings over the long term. New energy ventures are assessed through a commercial and risk-adjusted return framework, with capital commitments phased to align with return thresholds while preserving balance sheet flexibility. Decarbonisation-related investments are evaluated within the same discipline, balancing compliance requirements with economic viability.

CHIEF FINANCIAL OFFICER’S MESSAGE

CAPEX Execution and Funding Actions

Capital expenditure (CAPEX) for FY2025 amounted to approximately RM1,949.5 million, mainly comprising RM1,295.1 million for the GAS Business segment, RM457.5 million for the Petroleum & Products segment and RM138.0 million for the Marine & Heavy Engineering segment, together with other minor allocations. Funding was sourced through a combination of internal cash flows and bank loans.

Balance Sheet, Gearing, Ratings and Cost of Capital

Net gearing improved to 0.20x, compared with 0.23x in FY2024, reflecting disciplined capital management, including the repayment of USD400 million Global Medium Term Notes that matured in April 2025 using internally generated cash flows. Our credit ratings were reaffirmed at BBB+ (S&P) and Baa2 (Moody’s). We continue to manage leverage in line with rating agency metrics to preserve funding access and maintain cost discipline across market cycles.

As at year-end, the Group’s debt portfolio was structured at approximately 80:20 on a fixed-to-floating basis, with interest rate swaps utilised to manage exposure amid rate volatility. Loan tenures were broadly aligned with underlying charter periods, strengthening asset-level cash flow independence and reinforcing funding discipline as the Group sanctions new long-life assets.

Dividend

The Board has declared a dividend of 38 sen per share for FY2025, reflecting the Group’s strong cash flow generation and disciplined capital management while preserving financial flexibility.

Enterprise Mindset and Finance Transformation

During the year, we strengthened enterprise-level financial governance and decision-making capability through our finance transformation programme. The core platform migration has since been completed, establishing a foundation for standardisation, centralisation and improved data transparency across the finance function and enhancing the quality and timeliness of financial information.

To sustain momentum beyond the migration milestone, we launched Finance for Enterprise Excellence to reinforce continuous improvement, sharpen enterprise-level insights and improve cross-business alignment through faster analysis and clearer performance visibility. This is how the enterprise mindset translates into finance outcomes: higher accountability through clearer ownership, higher transparency through shared data and higher efficiency through streamlined processes.

Please refer to pages 140 to 147 for details of the Group Financial Review.

PRIORITIES FOR 2026

The financial environment entering 2026 is expected to be characterised by continuing interest rate uncertainty, ongoing geopolitical fragmentation and differentiated financing conditions. In this context, we will prioritise disciplined leverage management, proactive liquidity planning and continued optimisation of funding costs, while maintaining alignment with credit rating thresholds.

From an operating perspective, our revenue base continues to be anchored on contracted and recurring income across core business segments, with selective exposure to spot markets. Capital expenditure will be directed toward committed projects, fleet rejuvenation and asset integrity, with funding decisions anchored on cash flow generation and prudent gearing levels.

We will continue to strengthen enterprise-level financial governance, improve transparency of performance drivers and sharpen decision quality across the Group. This discipline positions MISC to navigate near-term uncertainty while enabling the execution of our strategy under the MISC 2030 Ambition and delivery of sustainable long-term value.



SECTION 4

HIGHLIGHTS

- 30 Key Highlights of 2025
- 32 Building Momentum Towards the MISC 2030 Ambition
- 36 A Look Back at 2025

KEY HIGHLIGHTS OF 2025

FINANCIAL
PERFORMANCE

Revenue
RM11.1
billion

Operating Profit
RM2.8
billion

Cash Flows from Operating Activities
RM5.7
billion

Equity Attributable to Equity
Holders of the Corporation
RM34.0
billion

Total Assets
RM53.0
billion

Earnings per Share
38.1
sen

Dividends per Share
38.0
sen

OPERATIONAL
EXCELLENCE

Vessel Availability
Above 99%

Vessel Utilisation
Above 95%

Floating Asset Uptime
Above 97%

PEOPLE
DEVELOPMENT

94
Female
Seafarers in
MISC

16%
Female
Employees

84%
Male
Employees

OPERATING
SAFELY &
SUSTAINABLY

Major Security
Incidents
0

Major Spill
Incidents
0

Major Cybersecurity
Incidents
0

Fatality
1

Reduction in
GHG Emissions
Intensity by
Our Fleet (Gas
and Petroleum)
Compared to 2008
baseline
36%

ESG EXCELLENCE

S&P Global
Ratings

Member of the S&P Global Sustainability
Yearbook since 2023



FTSE4Good

FTSE4Good Bursa Malaysia Index for
12 consecutive years

AWARDS AND RECOGNITIONS



Chamber of Shipping of America (CSA)
MISC awarded the Jones F. Devlin Safety Award for
54 vessels and the Environmental Achievement
Award for 52 vessels



**43rd Malaysian Society for Occupational Safety
and Health (MSOSH) Awards 2025**
MISC Group won One Grand Award, Two Gold Merit
Awards and Three Gold Class 1 Awards



The Star ESG Positive Impact Award 2024
i) MISC won the Gold Award for Biodiversity
Conservation
ii) MISC won the Silver Award for Human Rights
and Labour Standards



MPA Safety@Sea Awards 2025
Seri Emperor and *Seri Daya* recognised for
Exceptional Maritime Safety



**National Annual Corporate Report Awards
(NACRA) 2025**
MISC won the Silver Special Award for Best
Sustainability Reporting



**National Corporate Governance & Sustainability
Awards (NACGSA) 2025**
MISC received the Industry Excellence Award under
Transportation & Logistics and the Malaysia's Top
20 Overall Excellence Award



Asia ESG Positive Impact Awards 2025
MISC won the Bronze Award for Biodiversity
Conservation



Maritime SG LowCarbon50 Awards 2025
AET received this award for Leadership in
Decarbonisation

BUILDING MOMENTUM TOWARDS THE MISC 2030 AMBITION

In 2025, MISC progressed selected priorities across its enterprise strategy pillars through defined commercial actions, project milestones and decarbonisation initiatives.

SP1 RESILIENT CORE



5 MARCH

MISC secured long-term Time Charter Parties (TCPs) with PTT Public Company Limited for two newbuild Very Large Ethane Carriers (VLECs).



24 MARCH

MHB secured an EPCIC contract for three wellhead platforms, Irong Timur, Berantai East and Kurma Manis.



21 JULY

MISC and PETRONAS Gas Berhad inked a Memorandum of Understanding (MoU) to explore future FSU solutions.



18 JULY

Sailaway of FSU Puteri Delima Satu to the PETRONAS LNG Regasification Terminal in Pengerang.

For details, refer to Delivering Our Strategy on pages 84 to 93.



7 NOVEMBER

AET signed newbuild contracts with Samsung Heavy Industries (SHI) for two LNG dual-fuel Suezmax tankers.



3 DECEMBER

Successfully delivered seven LNG carriers (LNGCs) to QatarEnergy under a consortium, in support of its LNG expansion programme.

MISC wins contract to supply floating production unit for Brunei gas project



CORPORATE NEWS

Monday, 08 Dec 2025 1:12 PM MYT



KUALA LUMPUR: MISC Bhd has secured a contract from PETRONAS Carigali Brunei Ltd (PCBL) to lease, operate and maintain a floating production unit (FPU) for a natural gas development project in Brunei.

PCBL is a wholly owned indirect subsidiary of Petrolia Nasional Bhd (PETRONAS).

8 DECEMBER

MISC marked its strategic entry into Brunei with its maiden Floating Production Unit project.

For details, refer to Delivering Our Strategy on pages 84 to 93.

BUILDING MOMENTUM TOWARDS THE MISC 2030 AMBITION

SP2 PROFITABLE NEW ENERGY BUSINESS



7 MARCH

AET and Fleetzero announced an agreement to develop the world's longest-range hybrid-electric vessel.



17 JUNE

MISC, PETRONAS Research Sdn. Bhd. (PRSB), Aker Solutions (AKSO) and Clean Energy Systems Inc. (CES) signed the ZEUS Demo FEED agreement.



17 JUNE

MISC, PETRONAS CCS Ventures Sdn. Bhd. and Mitsui O.S.K. Lines, Ltd. announced the incorporation of Jules Nautica Sdn. Bhd. to lead the development and ownership of LCO₂ carriers.



2 DECEMBER

MISC and China Offshore secured Approval in Principle from American Bureau of Shipping (ABS) for Ammonia FPSO concept.



24 SEPTEMBER

MISC and SHI secured Approval in Principle from Bureau Veritas for an ammonia-fuelled LR2 tanker.

For details, refer to Delivering Our Strategy on pages 84 to 93.

SP3 DECARBONISATION



7% reduction from 2024
36% reduction from our 2008 baseline

31 DECEMBER

Achieved a 36% reduction in shipping fleet GHG emissions intensity in 2025 compared to the 2008 baseline, moving closer to MISC 2030 Ambition.

For details, refer to Delivering Our Strategy on pages 84 to 93 and Decarbonisation Pathway section in Sustainability Report 2025.



A LOOK BACK AT 2025

A LOOK BACK AT 2025

The Moments that Advanced our Journey

24 JANUARY

MHB won the Prime Award Platinum and the Main Award Gold at the Malaysian Industrial Safety and Health Association (MiSHA) National Excellence Awards 2024 for the Kasawari Carbon Capture and Storage (CCS) project.

25 FEBRUARY

AET launched its new headquarters at Labrador Tower, Singapore.

6 MARCH

MHB partnered with FuelCell Energy on a low-carbon fuel feasibility study in Malaysia.

19 MARCH

Joint venture formed between MHB and MISC OBU One (L) Pte. Ltd. to establish Floating Productions Solutions Sdn. Bhd.

26 MARCH

AET received the Maritime SG LowCarbon50 Award for Leadership in Decarbonisation.



MAR



JAN



FEB



28 FEBRUARY

Sailaway of FPSO Bunga Kertas to the Benchamas Field, Thailand.



17 MARCH

Nick Potter appointed as AET's President & Chief Executive Officer.

24 MARCH

Zahid Osman, President & Group CEO, participated in an industry leadership panel on the 2025 shipping market outlook at Singapore Maritime Week 2025.

24 MARCH

MHB successfully delivered the Jengka-D (JKD) Wellhead Platform under the JDA Field Development Project (Phase 6), achieving first gas.



A LOOK BACK AT 2025

A LOOK BACK AT 2025

27 MARCH

MISC joins the United Nations Global Compact, reinforcing our leadership in responsible and sustainable maritime practices.



MAR

11 APRIL

MISC formalised an agreement with HD Hyundai Heavy Industries to build two of the world's largest Very Large Ethane Carriers (VLECs).



APR



8 APRIL

Raja Azlan Shah Raja Azwa, Chief Strategy and Sustainability Officer, shared insights on maritime decarbonisation at the National Climate Governance Summit 2025.

16 APRIL

AET formalised its commitment to the United Nations Global Compact.



17 APRIL

Naming of *Al Tuwar*, the first LNG carrier under the QatarEnergy LNG programme.



MAY

14 MAY

MISC's 56th Annual General Meeting.



21 APRIL

MHB signed an MoU with PETRONAS to drive yard transformation and productivity enhancement.



30 MAY

Launch of MISC's Marine Services office in Kota Kinabalu, Sabah.

A LOOK BACK AT 2025

A LOOK BACK AT 2025

3 JUNE

Official visit by the Chief Minister of Melaka to Akademi Laut Malaysia.



JUN

24 JUNE

MISC introduced a two-piece coverall designed specifically for female seafarers, as part of a new line of PPE tailored to better support women at sea.



15 JULY

MISC Shipmanagement recognised as the best in the world in its category by RISK4SEA - one of the leading platforms that tracks global Port State Control (PSC) performance.



JUL

16 JULY

Arsenio Dominguez, Secretary-General of the International Maritime Organization (IMO), launched LNG FSU reference books developed by ALAM in collaboration with MISC, the Malaysian Marine Department and Lloyd's Register during Malaysia Maritime Week 2025, marking a new benchmark in LNG FSU competency and marine engineering education.



18 JULY

Seri Emperor and Seri Daya recognised at the Maritime and Port Authority of Singapore Safety@Sea Awards 2025.



AUG



26 JUNE

Framework Agreement Signing Ceremony between MHB & Mitsui & Co., Ltd. to strengthen presence in the Japanese market.



15 JULY

MISC was recognised with the Gold and Silver Awards at The Star ESG Positive Impact Awards 2024 in the Biodiversity Conservation and Human Rights and Labour Standards categories.

18 JULY

IMO Secretary-General launched ALAM's Maritime Experiential Learning Centre.



21 AUGUST

88 ALAM graduates marked an important milestone in their maritime journey during the Rating Conferment Ceremony in 2025.



A LOOK BACK AT 2025

A LOOK BACK AT 2025

17 OCTOBER

MISC and its consortium partners named two LNG carriers, *Mihzem* and *Idd Al Shargi*, marking the first vessels to be managed by MISC's Marine Services arm under the QatarEnergy LNG expansion programme.

OCT

6 NOVEMBER

MISC was awarded Bronze for Biodiversity Conservation at the Asia ESG Awards 2025.



27 NOVEMBER

MISC Group received the Silver Special Award for Best Sustainability Reporting at NACRA 2025.

13 NOVEMBER

MISC Group won six awards at the 43rd MSOSH Award 2025.



DEC

SEPT



9 SEPTEMBER

MISC advanced Heart of the Ocean Phase II through MoUs with Reef Check Malaysia and MareCet.



4 OCTOBER

The MISC Education Sponsorship was announced with a commitment of RM40 million to support 153 recipients pursuing maritime studies at Akademi Laut Malaysia over the next 3.5 years.



12 NOVEMBER

52 AET vessels received the Chamber of Shipping of America (CSA) Environmental Achievement Award.

NOV



13 NOVEMBER

AET conferred Company of Good – 1 Heart Recognition by Singapore's National Volunteer & Philanthropy Centre.



16 DECEMBER

MISC's Board of Directors signed the Corruption-Free Pledge, reaffirming the Board's commitment to ethical leadership.

SECTION 5

VALUE WE CREATE

- 46 Our Integrated Approach to Value Creation
- 48 Value Creation Business Model
- 50 Engaging with Stakeholders

OUR INTEGRATED APPROACH TO VALUE CREATION

OUR INTEGRATED APPROACH TO VALUE CREATION

We apply a disciplined, integrated approach to value creation that reflects the nature of our maritime and energy-related businesses, guiding decision-making and execution at all levels of the organisation.

This includes the operating environment, stakeholder expectations, risk management, material matters, ESG considerations, strategic direction and the allocation of key capitals across a diversified portfolio of businesses. The sections below outline these factors and how they interact within our value creation process.

Our performance is influenced by global political and economic developments that shape energy flows, maritime trade and investment decisions across the shipping and offshore sectors. By monitoring macro-environmental factors, we identify emerging trends and developments that inform our strategic decisions and support our ability to respond to changes and create value.

- E1

Geopolitics
- E2

Global Economy
- E3

LNG Sector
- E4

Crude Oil Sector
- E5

Offshore Sector
- E6

Decarbonisation of the Maritime Industry
- E7

Energy Transition
- E8

Advancements in Technology and Digitalisation in the Maritime Industry

Refer to Our Operating Environment on pages 56 to 63 for more details.

1

Evaluate Our Operating Landscape

Strengthen Stakeholder Relationships

We recognise that addressing the evolving needs of our stakeholders is important for supporting MISC's long-term growth as an international maritime and energy solutions provider. Through ongoing engagement with our stakeholder groups, we aim to create value and maintain constructive relationships across the areas in which we operate.

- S1

Government/Regulators
- S2

Shareholders/Investors/Financial Services Providers
- S3

Customers
- S4

Employees
- S5

Business Partners/Suppliers & Vendors
- S6

Communities
- S7

Industry Peers
- S8

Academic Organisations
- S9

Trade Associations/NGOs
- S10

Media

Refer to Engaging with Stakeholders on pages 50 to 53 for more details.

Monitor Risks and Mitigation Strategies

The risks linked to our material matters and core businesses are managed through the Group's risk management framework and strategic priorities. We monitor these risks regularly and apply mitigation measures that help maintain stable and sustainable operations.

- R1

Geopolitical Risk
- R2

Market Risk
- R3

Energy Transition and Decarbonisation Risk
- R4

Financial Risk
- R5

Asset Integrity and Performance Risk
- R6

Project Delivery Risk
- R7

Health, Safety, Security and Environment Risk
- R8

Cybersecurity Risk
- R9

Talent Risk
- R10

Compliance and Regulatory Risk
- R11

Physical Climate Risk

Refer to Our Risks and Mitigation Strategies on pages 74 to 83 for more details.

We identify material matters across financial and non-financial areas, including ESG considerations relevant to our operations, assets and stakeholder relationships. Materiality is assessed from both a financial perspective and an impact perspective, considering how sustainability-related matters may affect the Group's performance, position and future prospects, as well as the Group's impact on the economy, environment and society. These matters guide management focus, inform strategic priorities and support consistent decision-making and responsible value creation.

- M1

Climate Change and GHG Emissions
- M2

Waste Management
- M3

Ecological Impact
- M4

Air Pollution
- M5

Health, Safety and Security
- M6

Talent Management
- M7

Human Rights
- M8

Community Engagement and Development
- M9

Corporate Governance and Business Ethics
- M10

Cybersecurity
- M11

Supply Chain Management
- M12

Digitalisation

Refer to Our Material Matters on pages 64 to 73 for more details.

Identify and Prioritise Our Material Matters

Integrate Our Strategy

Our strategy is designed to meet short- to medium-term and medium- to long-term targets in line with our mission and vision. It seeks to balance the needs of our existing businesses with the development of new energy initiatives while applying a selective and responsible approach to investment decisions.

ENTERPRISE STRATEGY PILLARS

- SP1

RESILIENT CORE
- SP2

PROFITABLE NEW ENERGY BUSINESS
- SP3

DECARBONISATION

Refer to Delivering Our Strategy on pages 84 to 89 for more details.

Our approach reflects the alignment of our business activities with sustainability priorities and climate considerations relevant to the maritime and energy sectors. ESG considerations are incorporated into decision-making processes to support long-term value creation and reinforce transparency and accountability.



Refer to the Sustainability Report 2025 for more details.

4

5

Embed Best ESG Practices

6

7

Allocate Our Key Capitals

The six capitals form the core resources that underpin our operations and support the delivery of long-term, contracted and project-based activities across the Group.

- F

Financial Capital
Funds acquired through financing or generated by our business
- I

Intellectual Capital
Intellectual abilities and intangible assets connected to our business, technical proficiency and accumulated experience
- S

Social & Relationship Capital
Interconnected relationships between our business and our diverse stakeholder base
- P

Physical Capital
Essential physical resources and infrastructure that ensure the seamless operation of our business
- H

Human Capital
The combined expertise and knowledge embedded in our workforce to propel our business operations
- N

Natural Capital
The use of natural resources such as water, fuel and materials to operate our business

VALUE CREATION BUSINESS MODEL

VALUE CREATION BUSINESS MODEL

OUR KEY CAPITALS → DRIVEN BY OUR STRATEGIES AND AMBITIONS → IMPLEMENTED THROUGH OUR BUSINESSES → TO CREATE VALUE FOR OUR STAKEHOLDERS

F

Financial Capital

- RM53.0 billion in total assets
- RM34.0 billion in shareholders' equity
- RM6.1 billion in cash and cash equivalents
- RM12.9 billion in debt

P

Physical Capital

- 41 LNG and ethane vessels
- 67 petroleum and product tankers including lightering support vessels
- 12 floating assets
- Marine and heavy engineering facilities
- Maritime training facility

H

Human Capital

- 8,630 employees across 44 nationalities
- RM40.7 million invested in capability building

S

Social & Relationship Capital

- RM32.2 million invested in ALAM cadet sponsorships
- Strategic partnerships with academic and industry institutions

N

Natural Capital

- 47,077,798 gigajoules (GJ) of energy consumption
- Reliance on natural resources, including fuel, water and land

I

Intellectual Capital

- Established technical expertise and operational know-how across maritime energy value chains
- Collaborative partnerships supporting new energy and decarbonisation initiatives

MISC creates long-term value through safe, reliable operations, disciplined capital allocation and selective participation in energy transition opportunities.

VISION

MISSION

MISC 2030 AMBITION

Short to Medium Term

50% Operating Cash Flow Improvements

25% Operating Cash Flow from New Energy Solutions

50% GHG Emissions Reduction in Shipping Operations

Compared to 2022 baseline

Compared to 2008 baseline

MISC ENTERPRISE STRATEGY FY2025 – FY2030

SP1 Resilient Core

SP2 Profitable New Energy Business

SP3 Decarbonisation

OUR WINNING FORMULA

Partnership | Project Delivery | Operational Excellence | Sustainability

OUR FOUNDATION

HSSE | Simplification | Talent | Culture

Renewable Energy Value Chain

The building block to manage climate change challenges with the maritime industry playing a key role

MISC 2050 VISION

Waste-to-Value Chain

Critical in tackling resource scarcity and emissions as well as repurposing maritime assets

Medium to Long Term

#deliveringProgress across our core business segments

Gas Assets & Solutions

Petroleum & Products

Offshore

Marine & Heavy Engineering

Supported by our strategic enablers

Marine Services

Maritime Education & Training

Please refer to pages 96 to 130 for more information on our business operations.

Our outputs and outcomes are delivered within a dynamic operating environment, guided by our material matters and risk management approach.

See pages 56 to 89 for Our Operating Environment, Our Material Matters, Our Risks and Mitigation Strategies and Delivering Our Strategy.

F

- Profit after tax: RM1.7 billion
- CFO: RM5.7 billion
- Dividends declared: 38 sen per share
- Credit ratings reaffirmed: BBB+ (S&P) and Baa2 (Moody's)

P

- Delivered 3% of global LNG and approximately 147 million tonnes of crude and petroleum products
- Asset performance: >99% vessel availability >95% vessel utilisation >97% floating asset uptime

H

- Average training hours per shore employee: 23
- LTIF: 0.20
- TRCF: 0.28

S

- Cadets sponsored at ALAM: 776
- New scholarships awarded: 23, in collaboration with Texas A&M Foundation, Singapore Maritime Foundation, Dream Learn Work and Newcastle University

N

- 36% emission reduction in shipping fleet GHG emissions intensity (compared to 2008 baseline)
- Hazardous waste recycled, reused or recovered: 99.8%
- Zero major oil spills recorded

I

- AiPs secured: 2
- Accolades received: 17
- Dual-fuel vessels operated: 13

Strengthened earnings visibility by securing long-term contracts

Applied disciplined capital allocation and selective capital recycling while preserving balance sheet flexibility

Strived to adopt the highest standards of governance and transparency, ensuring integrity remains a priority across the Group

Maintained asset reliability through structured maintenance planning and disciplined operations

Rejuvenated older vessels with more modern assets

Advancing technical capabilities through structured learning and targeted upskilling

Strengthened safety leadership and behavioural interventions to sustain HSSE performance

Enhanced talent management and workforce planning to improve retention and role readiness, supported by stronger accountability and enterprise mindset

Upgraded the facilities in ALAM to provide students with a conducive learning environment and to foster academic excellence

Continued to cultivate young talents and develop future leaders by providing scholarships in maritime education

Reduced emissions intensity through operational efficiency measures, fleet rejuvenation and adoption of eco-efficient technologies

Reinforce responsible lifecycle management of our assets

Collaborations with industry partners to develop technical capabilities

Through ALAM, developed course modules aligned with current industry needs and enhanced training content for alternative fuel readiness

Allocating a significant portion of capital to CAPEX, supported by long-term charters, strengthens asset quality and earnings visibility, but places pressure on short-term cash flows.

Investing in modern, eco-efficient vessels and infrastructure enhances efficiency, safety and competitiveness, but is capital intensive and places pressure on short-term returns.

Talent development and workforce planning enhances capability and client responsiveness, but requires sustained investment.

Investment in stakeholder engagement, industry collaborations and community programmes builds social and relationship capital and long-term value, but requires continued investment.

Investing in environmental performance requires capital but strengthens resilience and stakeholder trust by aligning physical and natural capital with decarbonisation priorities.

Investing in workforce capability strengthens intellectual capital and long-term value creation, but requires sustained costs.

STAKEHOLDERS S2SDG

STAKEHOLDERS S3SDG

STAKEHOLDERS S4SDGs

STAKEHOLDERS S1 S3 S6SDGs

STAKEHOLDERS S3 S4SDG

STAKEHOLDERS S1 S6SDGs

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ENGAGING WITH STAKEHOLDERS

Active stakeholder engagement underpins how MISC operates and evolves. Our long-term performance is shaped by the quality of our relationships, the clarity of our dialogue and our ability to respond to stakeholder expectations in a timely and transparent manner. Through structured engagement processes, we seek to understand material concerns, anticipate emerging developments and incorporate relevant insights into our decision-making.

Our engagement approach is guided by established principles and clear accountability across the organisation. We maintain ongoing dialogue through formal reporting channels, structured consultations and targeted interactions. Beyond our core stakeholder groups, we also engage communities, industry peers, non-governmental organisations, academic organisations and media representatives, adapting our engagement methods according to context and stakeholder relevance.

Frequency of Engagement

D Daily W Weekly M Monthly Q Quarterly A Annually BA Bi-Annually AR As required

S1 GOVERNMENT/REGULATORS

Key Capitals S N

Why Are They Important

We maintain regular engagement with government bodies and regulatory authorities to remain aligned with policy developments, regulatory requirements and industry expectations that may affect our operations.

Key Concerns

- Compliance with laws and regulations
- Introduction of future laws and regulations
- Crisis management and business continuity
- Development of talent and job opportunities
- Corruption and bribery

Response

- Engaging with regulators to ensure compliance with laws and regulations
- Engaging with regulators to provide feedback on proposed laws and regulations
- Collaborating with authorities on emergency response and preparedness
- Collaborating on maritime academy syllabus to nurture and develop seafarers in line with the nation's maritime vision
- Providing job opportunities and the development of local talents
- Involvement in the Maritime Anti-Corruption Network (MACN) to combat corruption in the maritime industry or any other anti-corruption agencies/associations
- Implementing the Code of Conduct and Business Ethics (CoBE) for employees and third parties

Value Created for Stakeholders

- Contributed to national objectives in advancing innovation and sustainable maritime development

Value Created for MISC

- Strengthened regulatory alignment
- Managed compliance and operational risk exposure

Engagement Platform

Engagement with relevant government agencies

Frequency

AR

Face-to-face meetings

AR

Forums and conferences

A AR

Visits and briefings with ministry/agencies/regulators

A AR

Strategic partnerships

AR

ENGAGING WITH STAKEHOLDERS

S2 SHAREHOLDERS/INVESTORS/FINANCIAL SERVICES PROVIDERS

Key Capitals F

Why Are They Important

Shareholders, investors and financial institutions provide access to capital and influence our long-term financial stability. Regular engagement ensures transparency, accountability and alignment with strategic priorities.

Key Concerns

- Projects and financial performance
- Values and governance
- Climate change
- Diversity and inclusion
- ESG risks, opportunities and performance
- Operating environment

Response

- Ensuring strong governance in project and financial management
- Establishing strong governance policies and procedures
- Business ethics awareness and whistleblowing processes
- Involvement in the Getting to Zero Coalition - Collaboration with strategic partners along the value chain to develop commercially viable ultra-low emissions vessels by 2030
- Fleet renewal towards lower-carbon emissions vessels and energy-efficient designed vessels
- Implementation of diversity and inclusion strategic priorities
- Establishing strong sustainability practices and regularly disclosing performance
- Participating in third-party ESG performance ratings
- Incorporating ESG risks and opportunities into business decisions
- Fleet renewal with modern, eco-efficient LNGCs under long-term charters

Value Created for Stakeholders

- Enhanced visibility into business performance and sustainability priorities
- Increased shareholders/investors' confidence

Value Created for MISC

- Access to competitive financing solutions
- Maintained credit ratings and share price valuation

Engagement Platform

Investor and analyst meetings

Frequency

Q AR

Meetings and conferences

A AR

Annual Reports and Annual General Meeting

A

Bursa Malaysia announcements

Q AR

Company website

Q A AR

S3 CUSTOMERS

Key Capitals P S I

Why Are They Important

Customer engagement is essential to our success. We focus on building trust, loyalty and confidence in our products, services and solutions. By continuously enhancing the customer experience and delivering value, we strengthen our brand, drive growth and advance our sustainability goals.

Key Concerns

- Crisis management and business continuity
- Values and governance
- Maritime specific experience
- Supply chain management
- Climate change
- Health and Safety

Response

- Engaging closely with customers to brief them on our business continuity plan to ensure minimal interruption to customer operations
- Ensuring strong governance in project management
- Business ethics awareness and whistleblowing processes
- Upskilling and reskilling competencies for our employees to provide niche expertise for maritime services
- Creating awareness and conducting ESG assurance within the supply chain
- Fleet renewal to low-carbon fuelled and energy efficiency designed vessels
- Implementing high health and safety standards

Value Created for Stakeholders

- Confidence in service reliability and sustainability practices

Value Created for MISC

- Strengthened strategic partnerships
- Expanded growth opportunities

Engagement Platform

Conferences, exhibitions and forums with customers

Frequency

A AR

Customer appreciation programmes

A AR

Workshops/seminars

A

Site visits and meetings

W M AR

Satisfaction survey

A

ENGAGING WITH STAKEHOLDERS

S4 EMPLOYEES

Key Capitals I H

Why Are They Important

Our workforce drives operational delivery and execution of strategic priorities. We emphasise workplace safety, professional development and inclusive practices.

Key Concerns

- Diversity and inclusion
- Capability building and talent development
- Employee engagement programmes
- Business ethics and compliance
- HSSE management

Response

- Promoting equal opportunities in career development regardless of age, gender, or nationality, with a strong commitment to improving diversity by increasing female participation across all roles, including seafarers and other programmes
- Providing awareness, capability building and leadership programmes to promote inclusive behaviours and mitigate discrimination risks
- Maintaining accessible grievance and whistleblowing channel to support fair, inclusive and ethical workplace practices
- Delivering ongoing development initiatives to enhance capability and future readiness in line with business needs
- Supporting and encouraging our employees to improve their skills and enhance their competency using our Talent Management System (TMS)
- Strengthening employee engagement through structured, leadership-led communication and engagement platforms promoting transparency and organisational alignment
- Organising key engagement initiatives, including townhalls, family day and religious talk, enhancing connection and well-being
- Mandatory business ethics e-learning modules
- Implementing business ethics awareness and whistleblowing processes.
- Including discussions on ethical business conduct during employee performance reviews
- Implementing high HSSE standards
- Encouraging employees to report Unsafe Conditions and Unsafe Acts (UCUA)

Value Created for Stakeholders

- Career development and growth opportunities

Value Created for MISC

- Talent attraction and retention
- Strong safety and compliance culture

Engagement Platform

Frequency

Physical and virtual townhall	A
Digital communication channels	AR
Employee engagement sessions	M Q AR
HSSE programmes	M

ENGAGING WITH STAKEHOLDERS

S5 BUSINESS PARTNERS/SUPPLIERS & VENDORS

Key Capitals F P S I

Why Are They Important

Our business partners, suppliers and vendors play a crucial role in driving business growth. Collaboratively, we develop products and solutions that elevate industry standards, enhance operational efficiency and uncover new growth opportunities.

Key Concerns

- Project and financial performance
- Crisis management and business continuity
- Values and governance
- Health, safety and environment
- Business knowledge and expertise

Response

- Ensuring strong governance in both project and financial management
- Engaging closely with business partners/suppliers and vendors to ensure minimal business interruption
- Collaborating with PETRONAS LNG Marketing & Trading to conduct table top exercise to validate the effectiveness and robustness of Crisis Management & Business Continuity Management plan
- Business ethics awareness and whistleblowing processes
- Enhancing the Know Your Counterparty (KYC) requirement for all business dealings as part of the Third-Party Compliance Due Diligence Guidelines
- Providing CoBE training for third-party service providers to ensure that they are aware of MISC's CoBE and other requirements and expectations
- Inculcating strong discipline and mindset around health, safety and environment and recognising suppliers/vendors with good practices
- Upskilling and reskilling competencies for our employees to provide niche expertise for maritime services

Value Created for Stakeholders

- Leveraged each other's expertise and collaborated on innovative products and services
- Better understanding of governance and sustainability expectations

Value Created for MISC

- Reliable supply of quality goods and services
- Reduced operational disruption
- Access to improved technologies and practices

Engagement Platform

Frequency

Regular and periodic meetings	W M A AR
Day-to-day interactions	D
Conferences and forums	A
Site visits	AR
Workshops/strategic dialogues	AR
Performance assessments	AR

For more information, please refer to Our Stakeholders' Universe in our Sustainability Report 2025.

SECTION 6

STRATEGIC REVIEW

56	Our Operating Environment
64	Our Material Matters
74	Our Risks and Mitigation Strategies
84	Delivering Our Strategy
90	Sustainability as a Decision Lens Under MISC 2030 Ambition

OUR OPERATING ENVIRONMENT

Throughout 2025, the global energy and maritime landscape was shaped by heightened geopolitical tensions, rising trade policy uncertainty and evolving decarbonisation regulations. Ongoing conflicts, sanctions and shifting trade alignments continued to reshape energy flows and shipping patterns, while renewed tariff measures and protectionist policies introduced additional uncertainty across global trade and investment decisions. At the time of reporting, the situation in the Middle East has intensified further, impacting energy supply chains, trade routes and freight market dynamics. The extent of disruption remains uncertain and will largely depend on the intensity and duration of the conflict. Meanwhile, the advancement of regional decarbonisation measures alongside delays in the voting on the adoption of IMO's Net-Zero Framework (NZF), has added complexity and heightened regulatory uncertainty for the global shipping industry.

SHORT TO MEDIUM TERM

E1 GEOPOLITICS

What Happened in 2025

Geopolitical developments remained a defining feature of the operating environment in 2025, reinforcing volatility across global energy markets and maritime trade.

Ongoing conflicts in the Middle East and the prolonged Russia–Ukraine war continued to reshape crude and gas trade routes while heightening security concerns around key maritime chokepoints, including the Strait of Hormuz and the Red Sea. Alongside these developments, expanded sanctions targeting Russian and Iranian energy exports further altered fleet deployment patterns and increased operational complexity across the shipping industry.

How We Were Impacted and How We Responded

Impact:
Geopolitical tensions elevated operational and security risks across several trading regions. At the same time, shifting trade patterns and longer voyage distances contributed to stronger tonne-mile demand across certain tanker markets.

Response:
The Group prioritised the safety of its seafarers and assets through continuous monitoring of geopolitical developments, structured risk assessments and risk-based vessel routing decisions. Close engagement with customers, insurers and relevant authorities supported timely decision-making to safeguard crew wellbeing, protect asset integrity and maintain operational continuity.

In addition, the Group's secured income strategy, anchored on long term charters with strong counterparties across a diversified portfolio, provided resilience and largely insulated earnings from short term market volatility.

Key Capitals:

F P H

Material Matters:

M5 M11

Risks:

R1 R2 R7

Strategic Pillars:

SP1 SP2

What Is the Outlook?

Geopolitical uncertainty is expected to intensify in 2026, largely driven by a major escalation in the Middle East, resulting in the closure of the Strait of Hormuz, a critical maritime chokepoint for global energy markets and seaborne trade.

While the trajectory of the ongoing conflicts remains uncertain, geopolitical considerations are expected to continue influencing trade patterns, energy security priorities and operational risk conditions across the maritime industry.

OUR OPERATING ENVIRONMENT

SHORT TO MEDIUM TERM

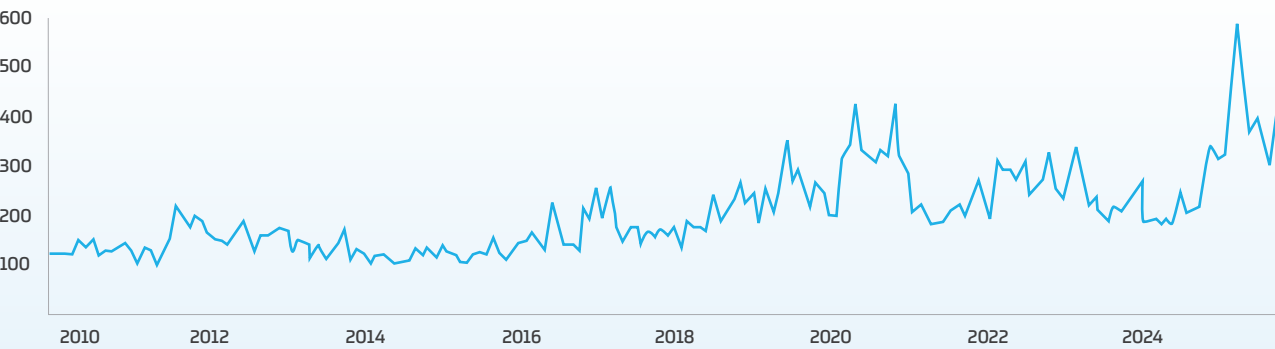
E2 GLOBAL ECONOMY

What Happened in 2025

The global economy operated amid heightened trade policy uncertainty, moderating inflation and evolving monetary policy conditions across major economies. Renewed tariff measures and reciprocal trade actions among major trading nations contributed to increased policy uncertainty, influencing global trade flows and investment sentiment. Despite these headwinds, global economic activity remained resilient, with the International Monetary Fund (IMF) estimating global gross domestic product (GDP) growth at approximately 3.3%, supported by steady consumption and continued expansion across emerging markets.

Inflationary pressures eased gradually, allowing major central banks to adopt a more cautious policy stance. The United States Federal Reserve maintained relatively elevated interest rates through the first half of the period before implementing measured rate cuts later in the year, lowering the target benchmark rate to 3.50% - 3.75% by year-end. While financial conditions improved modestly, policy and economic uncertainty remained elevated, continuing to influence investment decisions across markets.

Monthly Global Economic Policy Uncertainty Index



Source: Economic Policy Uncertainty (EPU)

How We Were Impacted and How We Responded

Impact:
Heightened policy uncertainty has contributed to a more cautious business environment, influencing investment sentiment and capital allocation decisions.

Our Response:
The Group remained selective in capital deployment, prioritising projects supported by long-term contractual visibility and strong counterparties. This resilience is further reinforced by a diversified portfolio, providing protection against market volatility.

At the same time, the Group maintained prudent management of borrowings through a predominantly fixed-rate and long-tenure structure to support cost predictability and cash flow stability.

What Is the Outlook?

The global economy is expected to remain highly volatile in 2026, as escalating geopolitical tensions in the Middle East and the closure of the Strait of Hormuz are likely to keep oil and gas prices elevated.

Sustained high energy prices could fuel inflation, weigh on economic growth, and heighten the risk of a global recession, while potentially keeping monetary policy tighter for longer.

Prolonged instability in the region may also dampen cross-border investment, strain supply chain resilience, and weaken overall global demand, amplifying downside risks to economic growth.

Key Capital:

F

Material Matter:

M11

Risks:

R1 R2 R4

Strategic Pillars:

SP1 SP2

OUR OPERATING ENVIRONMENT

SHORT TO MEDIUM TERM

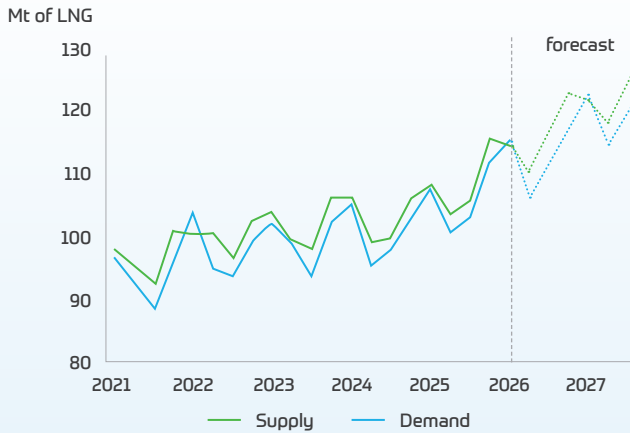
E3 LNG SECTOR

What Happened in 2025

The global LNG supply expanded during the year following the ramp-up of new liquefaction capacity, particularly in the United States. Over 90 bcm per year of additional capacity was sanctioned, representing the second-highest level of liquefaction capacity reaching final investment decision in a single year.

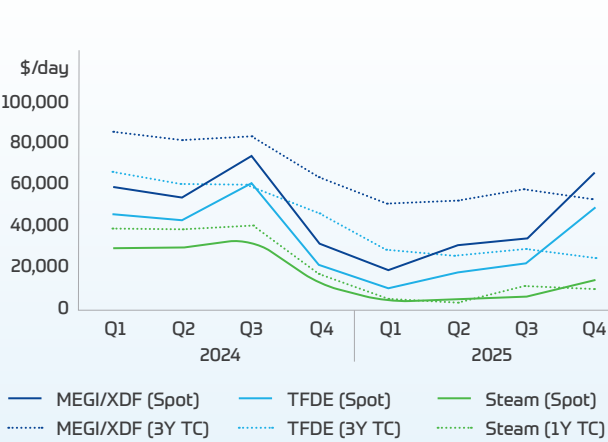
Despite the robust LNG supply expansion, the LNG carrier market remained soft for most of the year, primarily due to vessel oversupply following continued strong newbuild deliveries. While spot rates for modern tonnage saw some recovery in the final quarter, supported by robust winter demand, older steam turbine vessels continued to face pressure. A record 15 steam turbine LNGCs were scrapped globally throughout the year, reflecting the market's growing preference for modern, fuel-efficient vessels.

Global LNG Supply and Demand



Source: Woodmac

LNGC Rates



Source: Clarksons

How We Were Impacted and How We Responded

Impact:

While underlying LNG supply-demand fundamentals remained positive, the LNG shipping market remained subdued largely due to persistent vessel oversupply, with weak charter rates weighing on earnings. However, the imbalance is expected to be temporary, supported by upcoming liquefaction capacity.

Response:

The GAS Business segment remained focused on advancing fleet rejuvenation with modern and efficient vessels. During the year, the segment secured contracts for two Very Large Ethane Carriers (VLECs) and delivered seven consortium owned LNGCs to QatarEnergy.

In parallel, the segment redeployed an existing asset through the conversion of *Puteri Delima Satu* into a Floating Storage Unit (FSU) at the Pengerang Regasification Terminal, as well as identified disposal opportunities for ageing vessels.

What Is the Outlook?

Looking ahead, the continued expansion of global liquefaction capacity is expected to support rates for modern, fuel efficient LNGCs from 2026 onwards.

However, in the near term, the escalation of conflict in the Middle East has introduced uncertainty to global energy markets. The closure of the Strait of Hormuz has disrupted approximately 19% of global LNG flows, prompting Asian buyers to seek alternative supply sources. This is expected to lengthen voyage distances, supporting tonne mile demand and rates for modern LNGCs.

While the situation remains uncertain, the GAS Business segment's secured income strategy, anchored on long term charters with strong counterparties, provides resilience and helps insulate earnings from market volatility.

Key Capitals:

F P

Material Matters:

M1 M2 M3 M4 M5 M6 M7 M11

Risks:

R1 R2 R3 R4 R5 R6 R7 R8 R9 R10 R11

Strategic Pillars:

SP1 SP3

OUR OPERATING ENVIRONMENT

SHORT TO MEDIUM TERM

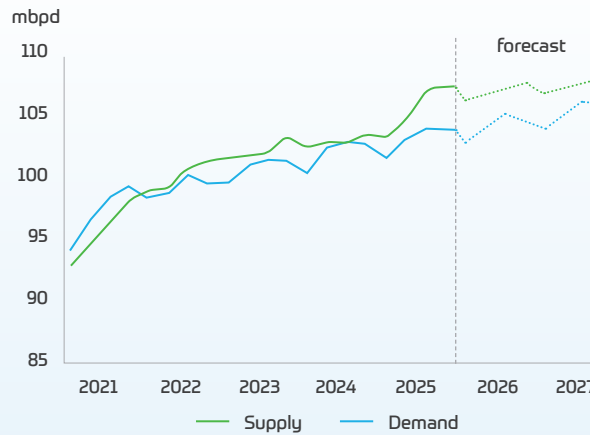
E4 CRUDE OIL SECTOR

What Happened in 2025

In 2025, global oil markets remained supported by resilient oil demand and evolving supply dynamics. Oil demand continued to grow, driven by sustained consumption in Asia, while oil supply expanded steadily as OPEC+ unwound its production cuts alongside rising output from non-OPEC producers. At the same time, expanded sanctions continued to reshape global oil trade flows.

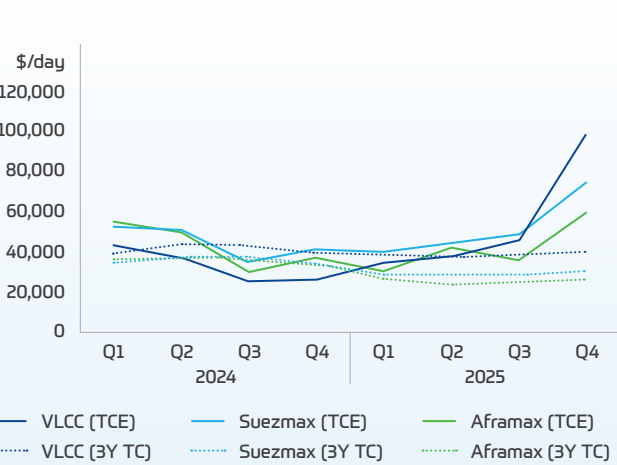
Against this backdrop, the crude tanker market remained firm throughout the year as robust tonne-mile demand from geopolitical trade realignments and tighter vessel availability following expanded sanctions, supported the crude tanker rates.

World Liquid Fuels Supply and Demand



Source: Energy Information Administration (EIA)

Crude Tanker Rates



Source: Clarksons

How We Were Impacted and How We Responded

Impact:

Robust growth in oil supply, coupled with muted oil prices, supported stockpiling activities and increased demand for shipping and floating storage. These developments provided a favourable operating backdrop for the crude tanker market throughout the year.

Response:

The Petroleum & Products segment maintained resilient earnings through its secured income strategy, focusing on niche, customer driven markets such as Dynamic Positioning Shuttle Tankers (DPSTs), dual-fuel petroleum tankers and ship-to-ship (STS) operations in the US Gulf.

To sustain this resilience, it advanced its fleet rejuvenation programme by securing long term charters for two LNG dual-fuel Suezmax vessels during the year.

What Is the Outlook?

Looking ahead, global oil demand is expected to remain steady, supporting underlying tanker demand over the medium term.

In the near term, the closure of the Strait of Hormuz has disrupted a key oil trade route, constraining supply from the Middle East and prompting buyers to source alternative supply. This is expected to increase tonne mile demand and support tanker rates. However, prolonged disruptions and higher oil prices may weigh on demand and limit the upside.

Against this backdrop, the segment's secured income strategy provides earnings stability despite market uncertainty.

Key Capitals:

F P

Material Matters:

M1 M2 M3 M4 M5 M6 M7 M11

Risks:

R1 R2 R3 R4 R5 R6 R7 R8 R9 R10 R11

Strategic Pillars:

SP1 SP3

OUR OPERATING ENVIRONMENT

SHORT TO MEDIUM TERM

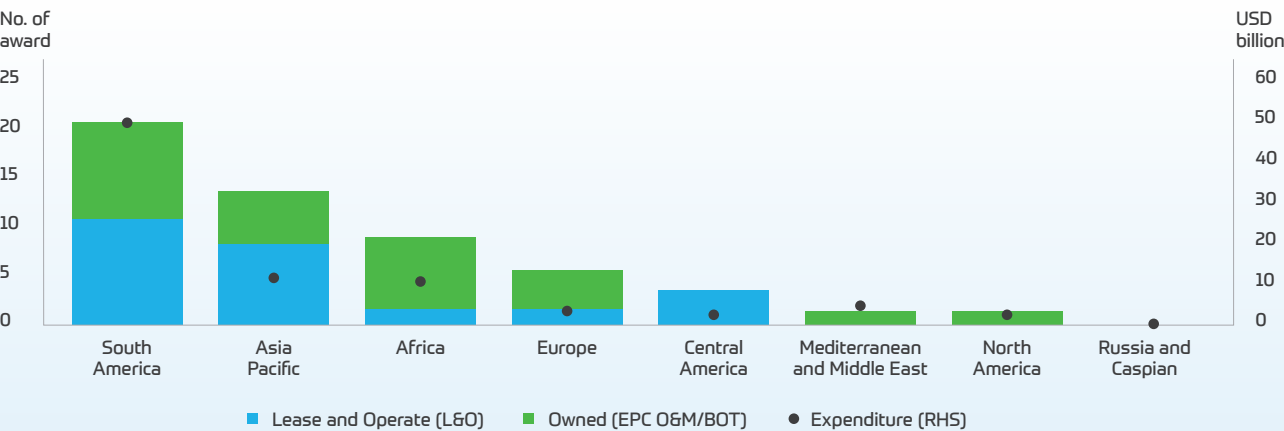
E5 OFFSHORE SECTOR

What Happened in 2025

The offshore sector experienced strong delivery activity during the year, with FPSO start-ups reaching a decade-high level, driven largely by Petrobras-led developments in Brazil. The completion and commissioning of multiple projects reflected the industry's focus on executing previously sanctioned developments as offshore production capacity continued to expand.

However, only five contract awards were recorded during the year amid muted oil prices, elevated costs and extended yard lead times. Simultaneously, operators adapted their contracting strategies, carefully balancing traditional Lease and Operate (L&O) models with Engineering, Procurement and Construction (EPC) plus operations and maintenance, as well as Build–Operate–Transfer (BOT) arrangements.

FPSO Award & FPSO Spending by Region (2026-2030)



Source: S&P Global

How We Were Impacted and How We Responded

Impact:
Expanding global offshore production and evolving contracting strategies supported overall sector growth.

Response:
The Offshore segment remained focus on delivering operational excellence, ensuring high asset uptime and reliability. Alongside this, the segment continued to pursue and secure opportunities for long-term income streams.

During the year, the segment achieved asset uptime of 97%, while FPSO Marechal Duque de Caxias completed its first full year of operations with zero LTI.

At the same time, the segment secured a long-term contract from PETRONAS Carigali Brunei Ltd. (PCBL) for the provision of a Floating Production Unit (FPU) for a key natural gas development project in Brunei.

What Is the Outlook?

Offshore project activity is expected to remain supported over the medium term, with S&P Global estimates indicating more than 50 FPSO awards and over USD 75 billion in associated investments globally through 2030. South America, led by Brazil, is projected to remain the primary growth region, alongside continued development in parts of Africa and Asia-Pacific.

The evolving pipeline points to a more dynamic and competitive FPSO market. Flexible models, including EPC with operations and maintenance as well as BOT arrangements, are likely to play an increasingly important role.

Key Capitals:

F P

Material Matters:

M1 M2 M3 M4 M5 M6 M7 M11

Risks:

R1 R3 R4 R5 R6 R7 R8 R9 R10 R11

Strategic Pillars:

SP1

OUR OPERATING ENVIRONMENT

MEDIUM TO LONG TERM

E6 DECARBONISATION OF THE MARITIME INDUSTRY

What Happened in 2025

Decarbonisation efforts in the maritime industry continued to exhibit inconsistent progress, reflecting the absence of a unified global pathway amid evolving regulatory requirements across jurisdictions.

During the year, the IMO approved the draft Net-Zero Framework (NZF). However, the voting on the adoption of its mid-term measures, including technical requirements such as the GHG Fuel Intensity (GFI) standard and market based measures (carbon tax), was deferred to October 2026.

At the regional level, the European Union advanced implementation of FuelEU Maritime, introducing limits on the carbon intensity of marine fuels, alongside the inclusion of shipping under the EU Emissions Trading System (EU ETS), requiring operators to surrender emissions allowances for CO₂ emissions.

Despite regulatory fragmentation, shipbuilding activity continued to reflect transition momentum. The global orderbook recorded strong growth in alternative-fuel capable vessels, which accounted for approximately 26% of vessels by number and 47% by gross tonnage. LNG remained the dominant alternative fuel, supported by its relative technological maturity and established infrastructure, followed by methanol, ammonia and other emerging fuel pathways.

How We Were Impacted and How We Responded

Impact:
Mixed industry signals, together with delays in the implementation of global carbon pricing mechanisms, which are widely regarded as a primary catalyst for decarbonisation, created headwinds for broader industry transition efforts.

Response:
The Group remained steadfast in advancing its decarbonisation agenda, achieving a 36% reduction in shipping fleet GHG emissions intensity relative to our 2008 baseline. This progress was underpinned by improved operational efficiencies, ongoing fleet optimisation and rejuvenation initiatives, and active collaboration with industry partners to accelerate the adoption of low-carbon solutions.

Key actions during the year included signing shipbuilding agreements with Samsung Heavy Industries for two LNG dual-fuel Suezmax tankers and partnering with Fleetzero to retrofit a plug-in hybrid-electric system into one of AET's lightering support vessels.

The Group also installed efficiency-enhancing technologies across the gas and petroleum fleet and rolled out structured upskilling and reskilling programmes to support seafarers operating alternative fuel vessels.

What Is the Outlook?

Decarbonisation efforts across the maritime industry are expected to progress gradually as regulatory frameworks continue to evolve at both global and regional levels. Further clarity on mid-term measures under the IMO's NZF, alongside the continued implementation of regional carbon pricing and emissions regulatory framework, is expected to shape compliance pathways and investment decisions across the industry.

Key Capitals:

F P H N I

Material Matters:

M1 M3 M4 M5 M6 M11

Risks:

R2 R3 R9 R10

Strategic Pillars:

SP2 SP3

OUR OPERATING ENVIRONMENT

OUR OPERATING ENVIRONMENT

MEDIUM TO LONG TERM

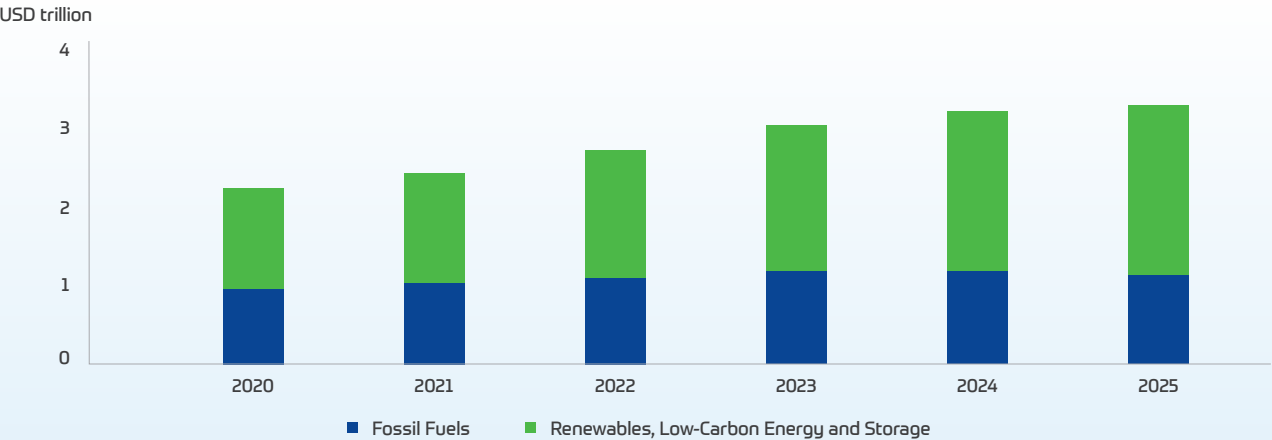
E7 ENERGY TRANSITION

What Happened in 2025

The energy transition in 2025 continued to exhibit mixed progress across sectors and regions. Global investment in renewable, low-carbon energy and storage continued to rise and reached USD2.3 trillion, reflecting sustained momentum in selected low-carbon technologies. However, investment in fossil fuels declined for the first time since 2020, primarily due to reduced global upstream spending amid softer oil prices and persistently elevated project and service costs. At the same time, the oil and gas sector remained in a complex transitional phase, seeking to sustain near-term profitability from conventional hydrocarbon production while navigating capital discipline pressures and long-term decarbonisation commitments.

Against this backdrop, the industry continued navigating an evolving transition landscape, seeking to balance commercial resilience with long-term decarbonisation objectives.

Global Energy Investments



Source: International Energy Agency (IEA)

How We Were Impacted and How We Responded

Impact:

Transition pathways across new energy solutions continued to evolve unevenly across regions and value chains. The developing nature of technologies, regulatory frameworks and commercial viability required a measured and cautious approach.

Response:

The Group strengthened collaboration with industry partners and leveraged its expertise to deliver integrated solutions. During the year, we secured Approvals in Principle (AiPs) for an ammonia FPSO concept and an ammonia dual-fuel LR2 tanker, advancing technical readiness for future fuel applications. In early 2026, we further progressed our future fuel capabilities by securing a long-term charter for a dual-fuel ethanol-ready DPST.

The Group also made progress in the CCS value chain, forming a joint venture with PETRONAS CCS Ventures and Mitsui O.S.K. Lines during the year, and also secured our first long-term charter for a newbuild LCO₂ carrier with Northern Lights JV DA and Kawasaki Kisen Kaisha Ltd. (K Line) in early 2026.

What Is the Outlook?

Energy demand is projected to rise, driven by the growing adoption of energy-intensive technologies such as AI and data centres. Nonetheless, the pathway of the energy transition remains uncertain, surrounded by inconsistencies in overall progress, amid ongoing geopolitical volatility.

Global investment in renewable energy is expected to remain robust, with average annual spending projected to reach USD2.9 trillion over the next five years, according to BloombergNEF. This growth is largely underpinned by the continued expansion of solar and wind energy, as well as carbon capture and storage initiatives, with China accounting for the majority of investments.

Meanwhile, oil and gas are expected to continue playing a meaningful role in the global energy mix through 2050, according to consensus forecasts.

Key Capitals:

F H N I

Material Matters:

M1 M3 M4 M5 M6 M11

Risks:

R3 R4 R9 R10

Strategic Pillars:

SP2 SP3

MEDIUM TO LONG TERM

E8 ADVANCEMENTS IN TECHNOLOGY AND DIGITALISATION IN THE MARITIME INDUSTRY

What Happened in 2025

During the year, the IMO has decided to develop a comprehensive maritime digitalisation strategy to create a fully interconnected, harmonised and automated global shipping sector. Leveraging technologies such as AI and autonomous navigation, the strategy seeks to integrate vessels and ports, optimise logistics, and reduce GHG emissions. Adoption is planned by the IMO Assembly by the end of 2027.

Meanwhile, technology adoption across the maritime industry continued to grow, driven by evolving commercial requirements, regulatory expectations and sustainability objectives. At the same time, research and development in alternative fuels and lower-emissions propulsion systems also progressed, with advancements in alternative-fuelled vessels, wind-assisted propulsion and hybrid energy solutions.

How We Were Impacted and How We Responded

Impact:

Adoption of digital solutions, on-board technologies and new propulsion systems across the maritime and energy sectors enabled operators to enhance operational efficiency, safety, and data-driven decision-making, while meeting evolving commercial, regulatory, and sustainability expectations.

Response:

The Group advanced a clear digital roadmap to enhance efficiency and data transparency, accelerating progress towards mature digital capability.

Wave 2 of the Finance Transformation Programme was completed, enabling more data-driven decision-making through analytics and process automation.

The Group is also embedding digital and AI capabilities into critical business functions, anchored around measurable business value, to enhance operational efficiency and unlock new digital capabilities, accelerating the Group's progress towards increased digital maturity.

What Is the Outlook?

Digitalisation is expected to play a larger role in optimising fleet performance and end-to-end logistics, strengthening data transparency and supply chain connectivity while ensuring data privacy and security.

Investments in digitalisation, automation, and new energy technologies are expected to accelerate. The convergence of AI, advanced analytics, and smart shipping solutions is expected to support improvements in operational efficiency, compliance, and cybersecurity.

Meanwhile, cross-sector collaboration remains important in developing and scaling energy-efficient propulsion systems, and emissions-reduction technologies, given capital intensity, technology risk, and infrastructure constraints.

Key Capitals:

F I H

Material Matters:

M6 M10 M12

Risks:

R3 R4 R8 R9

Strategic Pillars:

SP2 SP3

OUR MATERIAL MATTERS

Our sustainability agenda is shaped by the priorities of both internal and external stakeholders. Through ongoing engagement and systematic feedback, we identify the sustainability matters most relevant to our business and stakeholders. These insights inform our sustainability strategy and management approach, ensuring that initiatives remain aligned with industry practices while strengthening organisational resilience, reinforcing stakeholder trust and supporting long-term value creation.

Our material sustainability matters directly influence how MISC allocates capital, manages risk and makes strategic decisions. Insights from the double materiality assessment inform enterprise planning, investment evaluation and operational priorities, ensuring that sustainability considerations are embedded within core decision-making processes rather than treated as standalone disclosures.

IDENTIFYING MATERIAL TOPICS

During the year under review, we conducted a double materiality assessment to refine our existing material sustainability matters and ensure that our sustainability focus areas remain aligned with evolving stakeholder expectations. In line with the double materiality assessment under the European Sustainability Reporting Standards (ESRS), the assessment considered both financial materiality and impact materiality.

Financial Materiality

The level of impact on the company’s financial position.

Impact Materiality

The level of impact caused by the company’s operations on people and the environment.

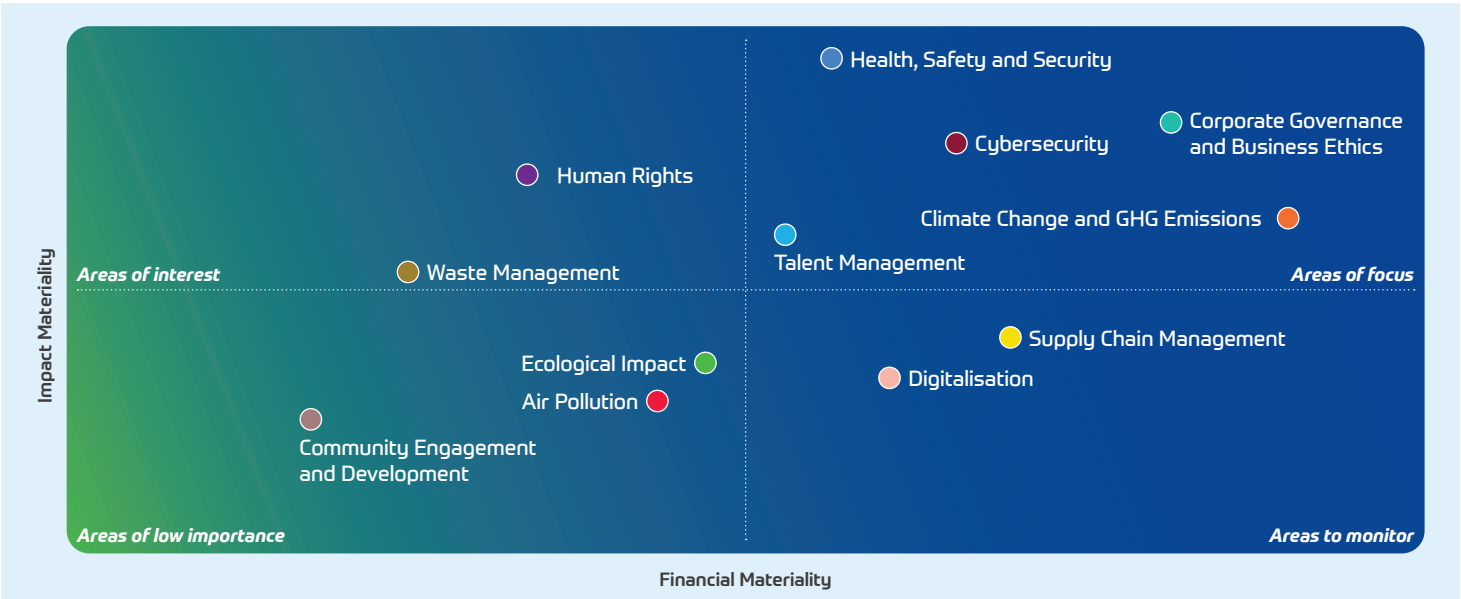
Material sustainability matters are identified through the following process:



OUR MATERIAL MATTERS

Based on the assessment, 12 material sustainability matters were identified and plotted in the materiality matrix presented below. The revised materiality matrix was endorsed by the Health, Safety, Security, Environment and Sustainability (HSSES) Council and the Board Sustainability & Risk Committee and subsequently approved by the Board of Directors for formal adoption.

MISC’S DOUBLE MATERIALITY MATRIX



Materiality as the Foundation of Sustainable Value

The double materiality assessment provides a structured basis for aligning sustainability priorities with identified material matters and relevant SDGs. It informs target setting, clarifies the connection between ESG risks, opportunities and our corporate purpose, and shapes the focus of our annual disclosures. Through this lens, sustainability considerations are integrated into strategy, risk management and reporting, reflecting both our external impacts and the financial implications of sustainability matters on long-term resilience and value creation.

Building Block of the MISC Sustainability Strategy

1

The material matters underpin the development of the MISC Sustainability Strategy, which is at the heart of our business strategy, and define the themes of our sustainability pillars and guide strategic focus areas.

Initiatives are aligned with these material priorities and relevant SDGs, supporting the establishment of clear sustainability-related targets and commitments. This provides a disciplined framework for execution, performance tracking and accountability across the organisation.

Basis of the Identification of Sustainability Risks and Opportunities

2

As part of the double materiality assessment, the material matters are also assessed through a financial materiality lens and therefore support the identification of Sustainability Risks and Opportunities (SROs) that could reasonably be expected to affect MISC’s cash flows, access to finance or cost of capital over the short, medium and long term.

These SROs are integral to MISC’s sustainability and business strategies, guiding resource allocation and risk management, in turn supporting long-term resilience and investor value.

For more details on our approach to SROs, please refer to Materiality Assessment section under the Sustainability-Related Financial Disclosures in our Sustainability Report 2025.

Guiding Sustainability Disclosures in Annual Reporting

3

Results of the materiality assessment inform the sustainability disclosures we present, ensuring they remain relevant, useful and aligned with stakeholder priorities. These disclosures show how key issues shape our strategy, risk profile, performance, and outlook.

By integrating materiality outcomes into our reporting processes, we provide stakeholders with a clear view of how sustainability is embedded within our governance and business model, strengthening the credibility of our reporting and reinforcing our reputation as a transparent and responsible organisation.

OUR MATERIAL MATTERS

OUR CONTRIBUTIONS TO SUSTAINABLE DEVELOPMENT GOALS

Our contributions to the Sustainable Development Goals (SDGs) are strategically aligned with our identified material sustainability matters. The table below provides a structured overview of how each material matter is addressed and highlights our specific contributions to the respective SDGs.

Materiality Quadrant

 Areas of focus  Areas of interest  Areas to monitor  Areas of low importance

ENVIRONMENT PILLAR

MATERIAL MATTER	DESCRIPTION	OUR APPROACH	SUSTAINABILITY STRATEGIC PRIORITIES
M1  Climate Change and GHG Emissions	- GHG emissions from fuel combustion in engines and compressors, venting and fugitive sources such as methane leaks contribute to climate change - This material matter focuses on managing and reducing emissions and improving energy efficiency across MISC’s operations and businesses in response to climate-related physical and transition risks <i>Note: There are 4 Climate-related Risk and Opportunities (CROs) relating to this material matter. For more information on the CROs, please refer to Sustainability-Related Financial Disclosures section in our Sustainability Report 2025.</i>	- Establish strategic plans for shipping and non-shipping operations to support effective responses to international regulations and policy changes - Direct efforts across operations and the value chain to reduce emissions, advance decarbonisation efforts and improve low-carbon solutions	Towards Decarbonisation SDGs:  Key Capitals:  Operating Environment:  Risks:  Strategic Pillars: 
TARGETS 50% reduction of GHG emissions intensity (for shipping operations) by 2030 (Base year: 2008) - Net-zero GHG emissions by 2050  For more details on our climate change and GHG emissions performance, please refer to Decarbonisation Pathway in our Sustainability Report 2025.		2025 PROGRESS GHG emissions intensity in 2025: 4.86 gCO₂e/ton-nm, a 36% reduction from baseline	

OUR MATERIAL MATTERS

MATERIAL MATTER	DESCRIPTION	OUR APPROACH	SUSTAINABILITY STRATEGIC PRIORITIES
M2  Waste Management	- Waste management covers the handling of hazardous and non-hazardous waste generated from operational activities, from generation to final disposal - This material matter focuses on waste reduction at source, recycling and compliant disposal to minimise environmental impacts across MISC’s operations and businesses	Establish and monitor waste reduction and 3R targets to improve waste management practices and reduce waste generation	Promoting Circular Economy SDG:  Key Capitals:  Operating Environment:  Risks:  Strategic Pillars: 
TARGETS 19% reduction in plastic waste generation in 2025 compared to 2021 and 2022 average, for Offshore operations - Maintain an annual 3R rate of above 95% of hazardous waste generated - Achieved 40% reduction in paper consumption and 27% reduction in plastic waste generation per vessel in 2025 compared to 2019 - Increase the annual 3R rate of non-hazardous waste generated to 70% in 2025  For more details on our waste management approach, please refer to Promoting Circular Economy in our Sustainability Report 2025.		2025 PROGRESS - Successfully achieved 78% reduction in plastic waste generation compared to 2021 and 2022 average for Offshore operation - Successfully maintained our annual hazardous waste 3R rate above 95% - Achieved 33% reduction in paper consumption and 15% reduction in plastic waste generation per vessel in 2025 compared to 2019 - Achieved a 10% annual 3R rate for non-hazardous waste	
M3  Ecological Impact	- Ecological impacts may arise from effluent discharge, freshwater withdrawals, the introduction of invasive species and spills - This material matter focuses on managing potential impacts on biodiversity, water quality and sensitive marine and coastal ecosystems linked to MISC’s operations and businesses	Continue improving oversight and efforts related to ocean biodiversity conservation	Biodiversity Conservation SDG:  Key Capitals:  Operating Environment:  Risks:  Strategic Pillars: 
TARGETS - Zero major spills in 2025 - Installation of Ballast Water Treatment System on all vessels  For more details on our ecological impact approach, please refer to Conserving Marine Biodiversity in our Sustainability Report 2025.		2025 PROGRESS - Zero major spills in 2025 - All MISC vessels are equipped with Ballast Water Treatment Systems	

OUR MATERIAL MATTERS

MATERIAL MATTER	DESCRIPTION	OUR APPROACH	SUSTAINABILITY STRATEGIC PRIORITIES
M4  Air Pollution	- Air pollutants such as sulphur oxides (SO_x), nitrogen oxides (NO_x), particulate matter (PM₁₀) and volatile organic compounds (VOCs) can create localised health and environmental risks - This material matter focuses on managing air pollutant emissions arising from fuel combustion and other industrial processes across MISC's operations and businesses	- Ensure newbuild vessels operate on high-efficiency dual-fuel LNG engines - Switch to low sulphur fuel oil - Equip newbuild vessels with low-NO_x emissions engines - Implement fuel and energy performance monitoring	Environment Pillar SDG:  Key Capitals:    Operating Environment:      Risks:     Strategic Pillars:   
TARGET Ensure full compliance with IMO MARPOL Annex VI limits on NO_x and SO_x emissions across all fleet operations  For more details on our air pollution performance, please refer to Other Environmental Matters in our Sustainability Report 2025.		2025 PROGRESS Maintain full compliance with IMO MARPOL Annex VI limits on NO_x and SO_x emissions across all fleet operations	

OUR MATERIAL MATTERS

SOCIAL PILLAR			
MATERIAL MATTER	DESCRIPTION	OUR APPROACH	SUSTAINABILITY STRATEGIC PRIORITIES
M5  Health, Safety, and Security	- Health and safety addresses the management of physical, chemical and psychological hazards arising from shipping, offshore and heavy engineering activities, including work in harsh environments, exposure to volatile substances and the operation of heavy machinery, while security covers the protection of people, assets and operations from threats such as sabotage, espionage and terrorism - This material matter focuses on preventing incidents and protecting personnel and assets through strong safety standards, effective risk controls and integrated security measures across MISC's operations	- Reinforce safety management with stringent HSSE policies, fostering a Generative HSSE culture - Emphasise operational discipline and security to ensure safe work conditions for employees, contractors and assets	Health and Safety SDG:  Key Capitals:     Operating Environment:       Risks:        Strategic Pillars:   
TARGETS - TRCF <0.53 (limit) - LTIF <0.17 (limit) - Zero fatalities  For more details on our health, safety and security approach, please refer to Strengthening Safety Culture in our Sustainability Report 2025.		2025 PROGRESS - TRCF: 0.28 - LTIF: 0.20 1 fatality	

OUR MATERIAL MATTERS

MATERIAL MATTER	DESCRIPTION	OUR APPROACH	SUSTAINABILITY STRATEGIC PRIORITIES
M6 Talent Management	- Talent management involves attracting, developing and retaining employees to meet evolving business needs, supported by fair hiring and promotion practices, non-discrimination and equitable access to training and career progression - This material matter focuses on cultivating a capable and diverse workforce through structured development, inclusive practices and a performance-oriented culture that strengthens organisational resilience	Continue fostering a pipeline of talent through talent management frameworks that support future-ready skills	Talent Excellence SDGs:  Key Capitals:  Operating Environment:  Risks:  Strategic Pillars: 
TARGETS		2025 PROGRESS	
- Successor Ratio (Enterprise Critical Position: Executive Leadership Team) of 2:1 - Successor Ratio (Enterprise Critical Position: Others) of 2:1 - High Performing Talent Retention: 95%		- Successor Ratio (Enterprise Critical Position: Executive Leadership Team) of 3:1 - Successor Ratio (Enterprise Critical Position: Others) of 3:1 - High Performing Talent Retention: 94%	
 For more details on our talent management approach, please refer to Our People, Our Strength in our Sustainability Report 2025.			

OUR MATERIAL MATTERS

SUSTAINABILITY STRATEGIC PRIORITIES				
MATERIAL MATTER	DESCRIPTION	OUR APPROACH		
M7  Human Rights	- Human rights management covers the protection of fundamental and labour rights across operations and the value chain, including employment terms, working conditions and freedom of association, alongside the prevention of violence, harassment, child labour and forced labour, supported by grievance and whistleblowing channels - This material matter focuses on identifying and mitigating potential human rights impacts through due diligence and oversight across MISC's activities and supply chain	- Establish and implement policies and frameworks to strengthen and promote human rights principles and practices across our operations and businesses - Embed human rights due diligence practices within our own operations and across our value chain	Social Pillar	SDG:  Key Capitals:  Operating Environment:  Risks:  Strategic Pillars: 
TARGET		2025 PROGRESS		
Zero human rights breaches		Recorded zero human rights breaches in 2025		
 For more details on our human rights approach, please refer to Respecting Human Rights at Sea and Shore in our Sustainability Report 2025.				
M8  Community Engagement and Development	- Community engagement and development relate to interactions with communities affected by the Group's activities, including coastal communities and those near MISC's heavy engineering yard and maritime academy, as well as initiatives such as community investments and employee volunteerism - This material matter focuses on fostering constructive relationships, understanding local needs and contributing to sustainable socio-economic development in areas where MISC operates	Implement multi-stakeholder community initiatives and programmes focused on youths to cultivate interest in the maritime industry	Community Investment	SDG:  Key Capitals:  Operating Environment: N/A Risks:  Strategic Pillars: 
TARGET		2025 PROGRESS		
Continue Cadet Sponsorship Programme		RM32.2 million invested in 2025 for the sponsorship of 776 cadets		
 For more details on our community engagement and development approach, please refer to Partnering with the Community in our Sustainability Report 2025.				

OUR MATERIAL MATTERS

GOVERNANCE PILLAR			
MATERIAL MATTER	DESCRIPTION	OUR APPROACH	SUSTAINABILITY STRATEGIC PRIORITIES
M9 Corporate Governance and Business Ethics	- Corporate governance and business ethics relate to ethical conduct, transparency and compliance, including interactions with government officials, state-owned enterprises and multinational corporations across jurisdictions - This material matter focuses on managing risks related to bribery and corruption supported by governance and oversight structures	- Strengthen governance through the establishment of relevant frameworks - Improve ESG-related risk practices and strengthen Board oversight - Ensure strict adherence to laws, policies, standards and guidelines through a zero-tolerance approach to unethical practices, discriminatory actions and non-compliance	Values, Assurance and Business Ethics SDGs: Key Capitals: F S H Operating Environment: E1 E2 E7 E8 Risks: R4 R6 R10 Strategic Pillars: SP1 SP2 SP3
TARGET		2025 PROGRESS	
Zero breaches on compliance and business ethics-related matters		Recorded zero breaches on compliance and business ethics-related matters in 2025	
For more details on our corporate governance and business ethics approach, please refer to Operating Responsibly in our Sustainability Report 2025.			
M10 Cybersecurity	- Cybersecurity covers protecting systems, networks, software, hardware and data from cyber attacks, unauthorised access or damage - This material matter focuses on safeguarding the confidentiality, integrity and availability of information as well as protecting MISC employees and assets, customer privacy, while supporting regulatory compliance	Strengthen cybersecurity governance, controls and hygiene, and promote a culture of compliance through training to improve capabilities and awareness, and reduce security risks	Values, Assurance and Business Ethics SDGs: Key Capitals: F P I H Operating Environment: E8 Risks: R8 R10 Strategic Pillars: SP1 SP2 SP3
TARGET		2025 PROGRESS	
Zero major cybersecurity incidents		Recorded zero major cybersecurity incidents	
For more details on our cybersecurity approach, please refer to Strengthening Cybersecurity in our Sustainability Report 2025.			

OUR MATERIAL MATTERS

MATERIAL MATTER			SUSTAINABILITY STRATEGIC PRIORITIES	
MATERIAL MATTER	DESCRIPTION	OUR APPROACH		
M11 Supply Chain Management	- Supply chain management includes integrating ESG criteria into procurement, monitoring supplier compliance and addressing risks such as human rights violations, corruption and environmental impacts, including GHG emissions - This material matter focuses on supplier due diligence, transparency and collaboration to support responsible and reliable supply chain performance	- Promote sustainable practices across the supply chain to improve resilience - Identify collaboration and partnership opportunities on pollution prevention and the decarbonisation of operations - Promote circular economy practices across the value chain	Responsible Supply Chain	SDGs:  Key Capitals:  Operating Environment: E1 E2 E3 E4 E5 E6 E7 Risks:  Strategic Pillars: 
TARGET		2025 PROGRESS		
Continue to roll-out ESG Self-Assessment on critical suppliers		Successfully rolled-out ESG Self-Assessment to 116 critical suppliers		
 For more details on our supply chain management approach, please refer to Advancing a Sustainable Supply Chain in our Sustainability Report 2025.				
M12 Digitalisation	- Digitalisation refers to integrating digital technologies and data into business activities to change how work is performed and how value is delivered - This material matter focuses on improving processes and efficiency, supporting innovation and preparing the workforce to adapt to technology changes while maintaining stakeholder confidence	- Transform internal processes and systems across the organisation to improve productivity and efficiency - Continue leveraging digital technologies and systems to enhance efficiency, productivity, and safety across our operations - Upskill and reskill the workforce to adapt to the future of digitalisation and new technology	Financial Pillar	SDG:  Key Capitals:  Operating Environment: E8 Risks:  Strategic Pillars: 
TARGET		2025 PROGRESS		
Roll-out of Project Lightspeed in 2025		Successfully launched the Project Lightspeed go-live in September 2025		
 For more details on our digitalisation approach, please refer to Indirect Economic Value Creation under Financial Pillar of our Sustainability Report 2025.				

OUR RISKS AND MITIGATION STRATEGIES

OUR RISKS AND MITIGATION STRATEGIES

In a dynamic environment, risk management is a core element of our business operations and decision-making. A comprehensive strategy is embedded across the Group, guiding us in navigating the risk landscape while ensuring a balanced approach between the risks we take and the rewards we gain from our business opportunities and performance.

In MISC, the Enterprise Risk Management Framework enables a consistent and structured approach to identifying, assessing and managing risks across the Group, taking into consideration a holistic view of the risk profiles of our respective businesses, MISC 2030 Ambition and the macro environment in which we operate.

The MISC ERM Framework safeguards shareholders’ investments and ensures the resilience of the Group’s business operations. It establishes a consistent and structured approach to the identification, assessment, management and reporting of risks across the Group, while also providing assurance to the Management and the Board.

In 2025, a comprehensive review was undertaken to identify and assess sustainability-related risks and opportunities, as well as the relevant information required for disclosure. This initiative is in line with the requirements of the National Sustainability Reporting Framework (NSRF), which aims to enhance sustainability disclosures by aligning with international standards, specifically the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB). Through this exercise, the risks and opportunities that could materially affect the long-term growth of MISC Group over the short, medium and long-term have been identified and integrated into the Group’s Enterprise Risk Management Framework. This exercise complements the periodic assessment of emerging and business risks that may impact the Group.

Risk Trend



Upward



Downward



Stable

IMPACT

- Potential disruptions to global supply chains and volatility in freight and shipping rates
- Potential closures of key maritime chokepoints such as the Strait of Hormuz, Suez Canal and the South China Sea
- Global economic uncertainty, including oil price volatility and inflationary pressures

RISK TREND



Regional conflicts, sanctions, and changing trade policies are driving greater uncertainty in global shipping. The upward trend reflects the impact of these factors on raising geopolitical risks in crucial shipping corridors, impacting asset deployment, operating costs, and investment decisions

MITIGATION STRATEGIES

- Continuous monitoring and assessments conducted to evaluate readiness for alternatives and to manage dependencies from high risk supply chains
- Restricting vessel entry into high-risk areas
- Performing security risk assessments, following industry transit advise and equipping vessels with armed guards, if required

OPPORTUNITIES

Heightened geopolitical fragmentation and policy volatility are reshaping trade flows and corridor risk. Active geopolitical surveillance, contracting strategies and routing flexibility enables the Group to maintain resilience as a credible operator and counterparty, even as conditions evolve

R1 GEOPOLITICAL RISK

Escalating geopolitical instability, including shifts in international relations, regional conflicts and policy actions, may disrupt global trade flows and maritime operations, affecting cross-border operations, market access and long-term planning for the Group

Key Capitals:



Operating Environment:



Material Matters:



Strategic Pillars:



R2 MARKET RISK

Uncertainty and volatility in global shipping markets, including shifts in supply demand dynamics, charter market conditions and fleet availability, may affect cash flow predictability, asset utilisation and the fleet competitiveness

Key Capitals:



Operating Environment:



Material Matter:



Strategic Pillars:



- Competitive pressure for long-term charters affecting portfolio return on capital
- Heightened competition from newer and more efficient vessels entering the market, potentially resulting in underutilisation of assets
- Elevated impairment risk for assets that are unable to secure employment in weaker market conditions

RISK TREND



Global shipping markets continue to experience upward trending volatility, driven by uneven demand recovery and increased vessel availability, arising from expiring long term charters and a surge in newbuild deliveries across selected segments. These factors affect freight rates, utilisation levels and cash flow visibility, increasing earnings and growth sensitivity to market cycles

- Active management of contract mix through the pursuit of long-term charters to stabilise cash flows and reduce earnings volatility
- Optimise fleet deployment and utilisation to maximise efficiency, including pursuing long-term charters and alternative asset deployment options such as conversions
- Undertake fleet rationalisation through the selective disposal or scrapping of older or less competitive vessels
- Disciplined capital allocation to align fleet growth and renewal with market conditions and long-term demand trends

Market volatility enables value capture by shaping exposure and asset positioning across market cycles. Through balanced contracted and market positions, optimised fleet deployment, and capital recycling agility, the Group sustains utilisation and financial performance during market disruptions

OUR RISKS AND MITIGATION STRATEGIES

OUR RISKS AND MITIGATION STRATEGIES

R3 ENERGY TRANSITION AND DECARBONISATION RISK

Evolving decarbonisation regulations, market expectations, infrastructure readiness and technology maturity may affect the Group's ability to transition its portfolio and operations in line with energy transition pathways, potentially impacting asset competitiveness and long term value

Key Capitals:

F P I N H

Operating Environment:

E3 E4 E5 E6 E7 E8

Material Matters:

M1 M2 M3 M4 M6 M11 M12

Strategic Pillars:

SP1 SP2 SP3

IMPACT

- Reduced asset competitiveness due to escalating challenges in meeting stakeholders' environmental expectations and regulatory requirements
- Risk of asset obsolescence and increased capital expenditure for fleet renewal and technology upgrades
- Exposure to fines, penalties and legal actions arising from non-compliance with regulatory requirements
- Uncertainty in achieving targeted cash flows from new energy investments as markets and technologies continue to evolve

RISK TREND



Regulatory fragmentation continues to shape the upward trajectory of the risks surrounding the pace and direction of global decarbonisation efforts. Delays and fragmentation in regulatory implementation continues to influence investment and technology decisions across the shipping and energy sectors affecting the Group's long term decarbonisation ambitions

MITIGATION STRATEGIES

- Pursue future low-carbon solutions while reducing the carbon footprint of existing operations through:
- Selective monetisation of assets and investments into dual-fuel conventional vessels and pivot to new energy
 - Strategic collaborations to pursue opportunities across emerging new energy sectors with a focus on hydrogen (H₂) and carbon capture and storage (CCS) value chains
 - Implementation of decarbonisation initiatives across the existing fleet and operations
 - Targeted development programmes to strengthen internal capabilities and skilled workforce to adequately support and execute the Group's MISC 2030 Ambition

OPPORTUNITIES

The energy transition enables portfolio diversification and long-term positioning through targeted investments in low-carbon assets and value chains. By pacing investments and selectively engaging in new energy solutions like alternative fuels and liquefied carbon dioxide (LCO₂) transport, the Group can avoid stranded capital, access new revenue streams, and remain competitive amid global decarbonisation uncertainty

R4 FINANCIAL RISK

Volatile financial market conditions, funding availability and cost of capital dynamics may affect the Group's ability to maintain optimal capital structure, fund strategic investments and sustain financial resilience

Key Capitals:

F P I

Operating Environment:

E2 E3 E4 E5 E7 E8

Material Matter:

M9

Strategic Pillars:

SP1 SP2 SP3

- Inability to maintain optimal gearing levels to meet financial return targets
- Reduced capacity to invest in fleet renewal, new energy initiatives and support growth targets under the MISC 2030 Ambition
- Higher financing costs that affects project returns
- Potential pressure on the Group's credit rating and investor confidence, affecting access to capital and unfavourable funding terms

RISK TREND



Global financial market volatility, interest rate uncertainty and tighter credit conditions continue to influence funding availability and cost of capital. The Group maintains a prudent financial posture around balance sheet management, investment funding and capital allocation decisions to manage financial impact

- Implement phased interest rate hedging strategies to mitigate exposure to interest rate volatility
- Maintain a robust liquidity position through disciplined working capital practices and a structured management of credit facilities
- Undertake selective capital investments aligned with strategic priorities and financial discipline
- Secure long-term charters for capital intensive assets to strengthen earnings visibility and support financing capacity

Strong financial discipline and balance sheet resilience enable the Group to sustain investment capacity and market confidence across financial cycles. By managing liquidity and applying disciplined investment criteria, the Group preserve access to funding and capital deployment capacity even during periods of market dislocation, supporting long term value creation

OUR RISKS AND MITIGATION STRATEGIES

OUR RISKS AND MITIGATION STRATEGIES

R5 ASSET INTEGRITY AND PERFORMANCE RISK

Degradation in asset integrity or performance may impair the safe and reliable operation of vessels and offshore assets, leading to unplanned downtime, HSSE escalation, regulatory intervention and financial or contractual impacts

Key Capitals:

F P I H

Operating Environment:

E3 E4 E5

Material Matters:

M5 M6 M7 M11

Strategic Pillars:

SP1 SP3

IMPACT

- Loss of revenue arising from vessel off-hire and downtime of floating assets
- Reduced tradability of vessels and idle assets due to failure to meet performance standards and contractual requirements
- Increased exposure to penalties, fines, detentions and reputational damage
- Weaker customer confidence resulting from repeated performance issues or prolonged outages

RISK TREND

Asset integrity remains a persistent performance exposure as ageing fleets, tighter regulatory expectations and reliance on specialised OEM and contractor support increase the risk of degradation and asset reliability. For the Group, these dynamics heighten the potential for unplanned downtime and escalation into HSSE or regulatory events

MITIGATION STRATEGIES

- Implementation of structured asset maintenance regimes and dry-docking specifications based on asset condition assessments
- Continuous development of skilled and competent personnel to operate and maintain assets at optimal performance levels
- Strict adherence to Health, Safety, Quality, Environment and Energy and Security Policy to ensure safe, reliable and compliant operations
- Ongoing performance monitoring to support early intervention and minimise unplanned disruptions

OPPORTUNITIES

The Group leverages on reliable service from its vessels and offshore assets through effective integrity management to build customer trust. Disciplined life-cycle management decisions help manage ageing risks, meet regulatory standards, and preserve asset value via contract renewals

R6 PROJECT DELIVERY RISK

Inefficiencies in planning, execution or governance across shipbuilding, construction and asset conversion projects may affect the timely and effective delivery of key projects, impacting profitability, contractual obligations and stakeholder confidence

Key Capitals:

F P I H

Operating Environment:

E3 E4 E5

Material Matters:

M5 M6 M7 M9 M11

Strategic Pillars:

SP1 SP2 SP3

- Delays in project completion, resulting in deferred revenue recognition and disruption to cash flow timing
- Cost overruns that erode project margins and reduce risk-adjusted returns
- Quality deficiencies leading to rework, claims and increased costs
- Potential imposition of liquidated damages by clients, eroding project returns
- Weakened customer confidence, reducing the likelihood of repeat business

RISK TREND

Project delivery risks continue to be elevated but managed despite uncertainties arising from increased project scale, technical complexity and supply chain volatility. These dynamics increase execution fragility and the potential for schedule slippage, cost escalation and quality deficiencies

- Implementation of a comprehensive project risk management framework covering risk assessments and execution of mitigation action plans throughout the project life cycle
- Allocation of appropriate expertise and resources within the project management team to ensure effective and efficient project execution
- Ongoing monitoring of project performance to enable early identification and mitigation of schedule, cost and quality risks

The Group's skilled resources, disciplined execution and strong project governance allow for reliable delivery of complex, capital-intensive projects. By strengthening delivery credibility through structured risk management, the Group reinforces partner confidence and maintains access to a high value pipeline of long-term projects where proven execution matters

OUR RISKS AND MITIGATION STRATEGIES

OUR RISKS AND MITIGATION STRATEGIES

R7 HEALTH, SAFETY, SECURITY AND ENVIRONMENT RISK

Health, safety, security or environmental incidents may impact the Group's ability to conduct operations safely and reliably, maintain stakeholder confidence and meet regulatory requirements across its operating environments

Key Capitals:

F P N H

Operating Environment:

E1 E3 E4 E5

Material Matters:

M1 M2 M3 M4 M5 M11

Strategic Pillars:

SP1 SP2 SP3

IMPACT

- Loss of operating days and disruptions to business activities arising from incidents, investigations or enforced shutdowns
- Financial and commercial losses from penalties, clean-up costs, contractual claims and potential loss of customers
- Increased contract risk and weakened customer confidence due to unsafe operating conditions for personnel/workforce
- Reputational damage affecting the Group's standing with customers, regulators, partners and investors

RISK TREND

Regulatory expectations and stakeholder scrutiny on safety and environmental incidents continue to rise, while operational complexity across offshore, marine and project related activities increases the potential severity of HSSE events. The Group prioritises a strong safety culture to manage the transmission of HSSE risk and its impact on people, environment, assets and reputation

MITIGATION STRATEGIES

- Strengthening HSSE governance through the adoption, integration and enforcement of Group-wide policies and standards
- Implementation of Generative HSSE Culture Awareness Programmes to embed a strong HSSE culture and promote conscious risk awareness across the workforce
- Enhanced contractor management and performance oversight incorporating risk-based principles to manage third-party exposure
- Continuous monitoring and management of HSSE risks across operations to protect people, asset uptime, contractual commitments and brand trust

OPPORTUNITIES

Strong HSSE governance, culture, and contractor oversight help the Group operate safely in complex, regulated environments where safety and environmental performance are increasingly important. Consistent HSSE results allow the Group to stand out as a trusted operator, supporting its licence to operate and long-term partnerships

R8 CYBERSECURITY RISK

Evolving cyber threats, system vulnerabilities and data security breaches may disrupt the Group's operations, compromise sensitive information and undermine stakeholder confidence in the resilience and integrity of its digital and operational systems

Key Capitals:

F P I H

Operating Environment:

E3 E4 E5 E8

Material Matters:

M5 M10 M12

Strategic Pillars:

SP1 SP2 SP3

- Elevated safety risks to personnel and assets if critical operational systems are compromised
- Loss, corruption or unauthorised disclosure of critical data
- Exposure to regulatory actions, litigation and financial losses resulting from data breaches or system failures
- Major reputational damage and loss of trust among stakeholders

RISK TREND

Digital enablement of operations, remote connectivity, increased use of third-party platforms and evolving threat actor capabilities continue to raise cyber hazard intensity across critical infrastructure. The Group actively monitors and mitigates the potential for cyber incidents to disrupt operations, compromise sensitive information and affect business continuity

- Adoption of industry standards, best practices and updated security controls to strengthen governance and safeguard operational and digital systems
- Continuous cybersecurity assessments and monitoring, supported by incident detection and response capabilities, including the use of AI-enabled tools
- Ongoing cybersecurity awareness programmes to protect digital identities and reinforce responsible user behaviour across the workforce
- Enhancement of maritime cybersecurity guidelines and controls to address maritime operational risks
- Maintenance of robust business continuity planning and cyber insurance coverage to minimise financial impact and enable timely restoration of critical services

The Group's strong cyber and information security governance ensures a trusted environment for safe adoption of digital technologies and building data-led capabilities. Effective cyber discipline boosts confidence among customers, regulators, and business partners, enabling and strengthening the Group's resilience in digital collaborations

OUR RISKS AND MITIGATION STRATEGIES

OUR RISKS AND MITIGATION STRATEGIES

R9 TALENT RISK

Challenges in attracting, developing and retaining talent may affect the Group's ability to execute strategy, manage complexity and sustain operational and leadership capability

Key Capitals:

F S I H

Operating Environment:

E3 E4 E5 E6 E7 E8

Material Matters:

M6 M7 M8 M12

Strategic Pillars:

SP1 SP2 SP3

IMPACT

- Insufficient pool of readily available and suitably prepared successors to assume critical roles, leading to operational disruptions
- Higher attrition rates and emerging capability gaps may reduce operational efficiency and impede the Group's ability to achieve MISC 2030 Ambition

RISK TREND

The Group actively invests in its talent and leadership pool to address increasingly elevated people and capability risks arising from the complexity of the Group's operations. External labour market dynamics, including competition for specialised maritime, project and technical skills and evolving workforce expectations, continue to put pressure on talent attraction and retention

MITIGATION STRATEGIES

- The Group undertakes comprehensive succession planning for critical roles, supported by evidence based talent assessments and targeted development plans, to ensure a sustainable talent pipeline and continuity of leadership
- Deployment of a structured capability development framework to establish clear and consistent development pathways, support continuous upskilling and reskilling, and strengthen workforce competencies across all levels

OPPORTUNITIES

Managing talent, capability, and leadership effectively helps the Group execute its strategy, adapt to change, and handle complexity. By adopting a structured approach to talent development, leadership succession, and knowledge management, the Group is able to sustain a culture of continuous improvement and adaptability, strengthening business resilience

R10 COMPLIANCE AND REGULATORY RISK

Changes in laws, regulations and compliance expectations across jurisdictions may affect the Group's ability to operate efficiently, maintain compliance and sustain stakeholder confidence

Key Capitals:

F S H

Operating Environment:

E3 E4 E5 E6 E7

Material Matters:

M4 M5 M6 M7 M9 M10 M11

Strategic Pillars:

SP1 SP2 SP3

- Financial penalties, sanctions and litigation that adversely affect financial performance
- Reputational damage leading to erosion of customer and stakeholder trust
- Reduced ability to pursue strategic projects, particularly in highly regulated or high-risk jurisdictions

RISK TREND

The Group faces an increasingly complex regulatory environment due to evolving environmental, safety, trade, tax, and governance rules in multiple regions. Divergence in regulatory approaches and heightened enforcement expectations contribute to increased complexity and raise the risk of misalignment and compliance failure

- Integration of compliance performance into key performance measures to reinforce accountability and consistent application across the organisation
- Regular assurance activities and targeted training programmes to strengthen awareness of legal, ethical and regulatory requirements
- Incorporation of critical compliance and ethics clauses into third-party agreements to manage external exposure
- Strengthening of compliance frameworks and operating procedures, including anti-bribery measures, third-party due diligence and alignment with human rights standards

Strong regulatory and compliance governance helps the Group stay aligned with changing requirements, supporting its licence to operate and grow in key markets. Using disciplined frameworks and proactive engagement, the Group can better anticipate changes and reduce compliance risks, enhancing the Group's reputation as a responsible partner

R11 PHYSICAL CLIMATE RISK

Exposure to extreme weather conditions may pose operational risk, potentially causing damage to assets and infrastructures across MISC's business segments

Key Capitals:

F P I N H

Operating Environment:

E3 E4 E5

Material Matters:

M1 M3 M4 M5 M8

Strategic Pillars:

SP1 SP2 SP3

- Operational disruptions and delays to vessel movements and project deliveries
- Increase in cost for maintenance, repairs and upgrades to the Group's asset

RISK TREND

Physical climate risk stems from extreme weather and long-term climate impacts that may affect the Group's vessels, assets, and facilities. As an emerging sustainability risk, it is monitored through tracking hazard trends and external developments to guide future resilience and adaptation efforts

- Installation of real-time weather updates for safer navigation
- Exploring alternative shipping routes and diversify logistics strategies in climate vulnerable regions
- Incorporate weather related clauses in contracts to manage operational risk
- Embedment of rigorous safety controls within vessel navigation protocols and MISC's HSSE Management Systems to manage weather- and climate-related risks

Strengthening climate resilience in the Group's asset improves operational reliability and enables the Group to sustain operations and customer trust when climate risks arise. By evaluating physical climate risk and incorporating resilience strategies into design, routing, and HSSE controls, the Group can better handle disruptions and asset impacts while supporting long-term adaptation aligned with sustainability goals

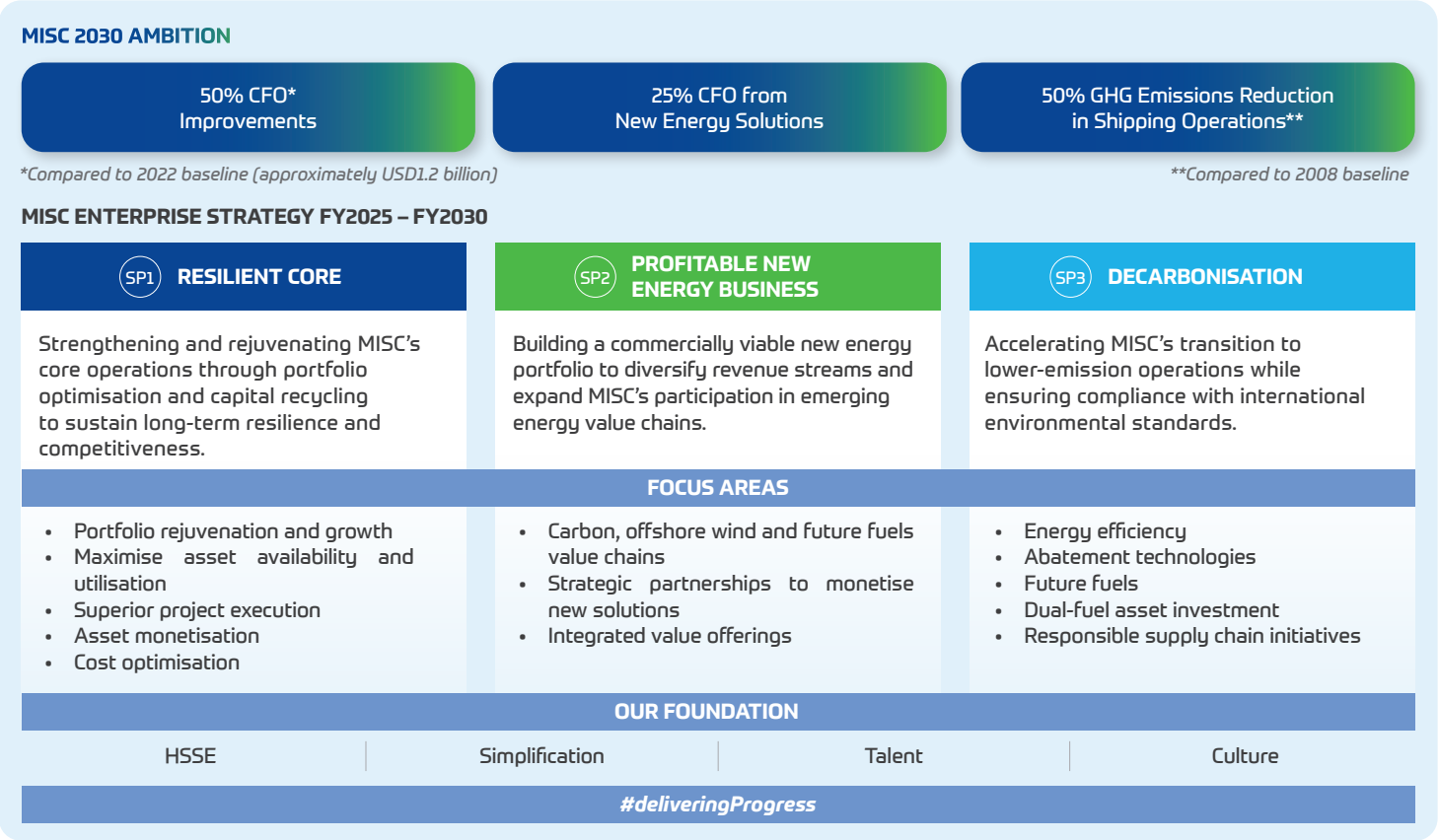
DELIVERING OUR STRATEGY

MISC 2030 AMBITION AND ENTERPRISE STRATEGY

As part of realising our MISC 2030 Ambition, the Group has established the MISC Enterprise Strategy FY2025 - FY2030 anchored on three pillars.

The Resilient Core pillar provides a strong, cash-generating foundation delivering long-term earnings visibility and stable returns that enable us to protect, grow and fund the next phase of transformation. The Profitable New Energy Business pillar reflects a deliberate pivot into new energy value chains to ensure MISC remains competitive. Decarbonisation pillar reflects our responsibility to respond to evolving regulations and reduce our GHG emissions.

Execution of the MISC Enterprise Strategy, is driven across all business units and corporate enablers, reinforced by key performance indicators. Through this approach, we seek to balance performance today with relevance tomorrow, creating sustainable value in an increasingly complex and uncertain world.



STRENGTHENING THE FOUNDATIONS FOR OUR ENTERPRISE STRATEGY

The execution of our Enterprise Strategy is underpinned by four core elements: HSSE, simplification, talent and culture.

HSSE remains fundamental to how we operate. Through our Care & Comply principles, we reinforce a proactive safety culture, supported by preventive practices, Stop-Work Authority and data-driven tools. This enables safe, reliable operations in an increasingly complex and regulated environment, where safety and environmental performance are critical. Simplification improves operational efficiency and productivity. We continue to leverage digital technologies and integrated systems to provide clearer insights and enable faster, more informed decisions, unlocking business value and strengthening organisational focus.

Talent remains central to sustaining operational excellence and supporting future growth. We continue to build capability across our core businesses and emerging areas, ensuring our workforce is equipped to meet evolving needs. Culture is anchored in Accountability, Transparency and Efficiency (ATE), reinforcing an enterprise mindset that promotes ownership and a more agile, performance-driven organisation, strengthening alignment and delivery across the Group.

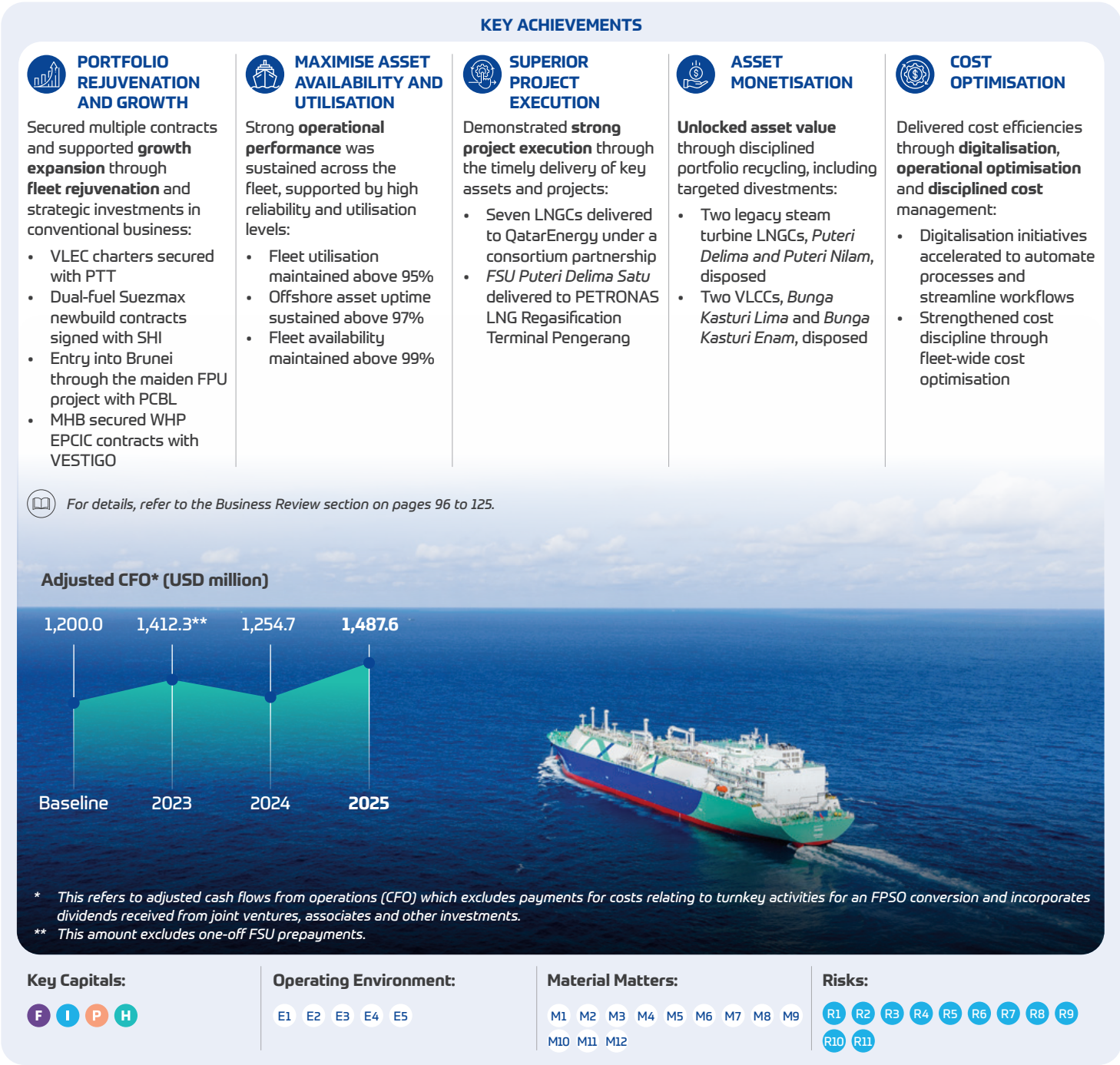
Together, these foundations strengthen MISC’s resilience, adaptability and competitiveness.

DELIVERING OUR STRATEGY

PROGRESS TOWARDS THE MISC 2030 AMBITION

SP1 RESILIENT CORE

At the heart of our strategy is the Resilient Core strategic pillar, which remains fundamental to the Group’s performance and value creation. During the year, we continued to strengthen our core businesses through rejuvenating and expanding our diversified portfolio anchored on secured long-term contracts while maximising value from existing assets, complemented by targeted divestments and cost optimisation.



DELIVERING OUR STRATEGY

SP2 PROFITABLE NEW ENERGY BUSINESS

Under our Profitable New Energy Business strategic pillar, we focused on strengthening technical capabilities, deepening strategic collaborations, and advancing projects toward Final Investment Decisions.

These efforts position the Group to participate more actively across carbon, offshore wind, and future fuels value chains, while delivering integrated solutions through our maritime expertise.

KEY ACHIEVEMENTS

CARBON, OFFSHORE WIND & FUTURE FUELS VALUE CHAINS

Advanced key projects, positioning MISC as a maritime solutions player in CCS and future fuels:

- Approval in Principle (AiP) with SHI from BV for the world's first ammonia-fuelled LR2 tanker
- Secured AiP from the American Bureau of Shipping for Ammonia FPSO concept
- ZEUS Demo FEED agreement signed at Energy Asia 2025
- Progressed EPC for offshore substation platforms under Tennet's 2GW Programme

STRATEGIC PARTNERSHIPS TO MONETISE NEW SOLUTIONS

Strengthened collaborations with industry partners to bring innovative solutions to market:

- AET-Fleetwork Hybrid-Electric Vessel collaboration to retrofit one of AET's lightering support vessels with a plug-in hybrid-electric system

INTEGRATED VALUE OFFERING

Leveraged Group-wide expertise to deliver integrated solutions through strategic LCO₂ value chain collaboration:

- LCO₂ Carrier Joint Venture signing establishing Jules Nautica Sdn. Bhd., a collaboration between MISC, PETRONAS CCS Ventures and MOL
- Progressed EPCIC for the Kasawari CCS Project

For details, refer to Business Review section on pages 96 to 125.



Key Capitals:	Operating Environment:	Material Matters:	Risks:
F I H N	E1 E2 E6 E7 E8	M1 M2 M3 M4 M5 M6 M7 M8 M9 M10 M11 M12	R1 R2 R3 R4 R6 R7 R8 R9 R10 R11

DELIVERING OUR STRATEGY

SP3 DECARBONISATION

Progress under our Decarbonisation strategic pillar continued across key focus areas despite regulatory fragmentation and uneven market readiness across regions. In 2025, shipping fleet GHG emissions intensity was 36% lower than the 2008 baseline and 7% lower than 2024 levels. The improvement was supported by ongoing fleet rejuvenation and energy-efficiency improvements across the existing fleet.

We prioritised initiatives that are technically sound, commercially responsible and aligned with the pace of customer adoption and policy development. We continued to advance our decarbonisation pathway through close collaboration with partners, customers and regulators to shape solutions that can scale over time.

In parallel, MISC is progressively rejuvenating its fleet, replacing older tonnage with more modern and energy-efficient vessels to further improve operational efficiency and reduce emissions intensity.

KEY ACHIEVEMENTS

ENERGY EFFICIENCY

Enhanced fleet energy efficiency through operational optimisation and deployment of fuel-saving technologies:

- **Hydrodynamic Improvements:** Installed Propeller Boss Cap Fins (PBCF) and Mewis Duct to improve propeller efficiency, optimise engine load, and reduce fuel consumption and CO₂ emissions
- **Advanced Coatings:** Applied high performance hull and propeller coatings to reduce drag and improve fuel efficiency

ABATEMENT TECHNOLOGY

Progressed emission reduction solutions, including wind-assisted technology:

- **Wind-Assisted Propulsion System (WAPS):** Progressed from concept to active joint development with the Global Centre for Maritime Decarbonisation (GCMD), marking a key step toward scalable low-carbon propulsion solutions across the fleet

FUTURE FUELS

Advanced adoption and readiness for future fuels, including fuel-flexible vessel designs:

- **Fuel-Flexible Newbuilds:** Advanced vessel designs to enhance readiness for future regulations and future fuels

DUAL-FUEL ASSET INVESTMENT

Advanced fleet decarbonisation through strategic investment in dual-fuel and multi-fuel capable vessels:

- **Deployed LNG dual-fuel tankers:** Suezmax, Aframax, VLCC and DPST vessel classes, embedding dual-fuel capability as a core pillar of fleet renewal and decarbonisation strategy

RESPONSIBLE SUPPLY CHAIN INITIATIVES

- **Ammonia Engine Development:** Signed collaboration agreement with WinGD to advance the development of ammonia dual-fuel engines and enhance related crew training.

Shipping Fleet GHG Emissions Intensity (gCO₂e/ton-nm)



* Data has been restated post-IMO Data Collection System (DCS) verification.

Key Capitals:	Operating Environment:	Material Matters:	Risks:
F I H N	E3 E4 E6 E7 E8	M1 M2 M3 M4 M5 M6 M7 M8 M9 M10 M11 M12	R2 R3 R4 R5 R6 R7 R8 R9 R10 R11

DELIVERING OUR STRATEGY

ADVANCING OUR STRATEGY TOWARDS MISC 2030 AMBITION

Looking ahead, the Group remains guided by a clear and consistent Enterprise Strategy focused on strengthening the Resilient Core, building Profitable New Energy Businesses and advancing Decarbonisation in a disciplined manner. We have carried strong momentum into 2026, securing additional long-term, contract-backed projects across both our Resilient Core and Profitable New Energy Business strategic pillars early in the year. However, the continued delivery of this strategy depends not only on strategic intent, but also on a set of underlying conditions that enable resilient and adaptive execution over time, such as the following:

Operating Environment

The Group’s ability to deliver on its MISC 2030 Ambition is underpinned by the continued relevance and robustness of the maritime and energy sectors. Against this backdrop, global energy demand is expected to grow, with oil and gas remaining part of the energy mix for the foreseeable future as the energy transition progresses. In this context, the maritime sector will continue to play an essential role across the energy value chain, supporting both the transportation of conventional and future fuels, as well as the construction and deployment of offshore energy solutions.

Execution Capability

Delivery of the Enterprise Strategy also depends on the Group’s internal capacity and capability to execute consistently in complex and capital-intensive environments. This is underpinned by our strong track record in securing long-term contracts, consistent project delivery, operational reliability and strong HSSE performance, which position the Group to capture opportunities across both existing and new energy segments. Building on these foundations, we continue to strengthen our execution capability through strategic partnerships and targeted technology adoption, while investing in talent development to support evolving business needs.

Navigating Uncertainty

The operating environment remains complex, shaped by geopolitical developments, market volatility and regulatory fragmentation. The Group continues to navigate these conditions through disciplined capital allocation and robust risk management, supported by a portfolio anchored on long-term contracts with strong counterparties, providing stability and earnings visibility across cycles. While the pace and direction of the energy transition remain uncertain and uneven across regions, our strategy of strengthening our core businesses while selectively investing in profitable new energy businesses and decarbonisation initiatives positions us to pivot in response to evolving conditions, maintaining competitiveness while managing risks.

Taken together, this reinforces the resilience of our Enterprise Strategy and our ability to deliver on the MISC 2030 Ambition. As geopolitical, regulatory, and market conditions continue to evolve, we will remain agile in calibrating our approach, ensuring that we continue to capture opportunities while delivering sustainable, long-term value.

MISC 2050 VISION

In line with our medium-term Enterprise Strategy and Sustainability Strategy, we have developed the MISC 2050 Vision to future-proof our business. This longer-term roadmap addresses the evolving risks arising from an increasingly complex regulatory environment shaped by the global decarbonisation agenda. It also focuses on strengthening organisational resilience and adaptability, ensuring the Group remains relevant while progressing towards its net-zero GHG emissions commitment by 2050.

While LNG continues to play an important role as a lower-emission fuel in the energy transition, we anticipate a gradual shift towards ultra-low emission vessels to meet future regulatory and operating requirements. In this context, we are progressing our roadmap to capture emerging opportunities within a transitioning energy landscape.

MISC 2050 Vision outlines our longer-term strategic direction to reshape the Group’s economic, environmental and societal contributions. It identifies opportunities to expand into new businesses and asset portfolios, aligned with the global transition towards a more circular and sustainable economy.

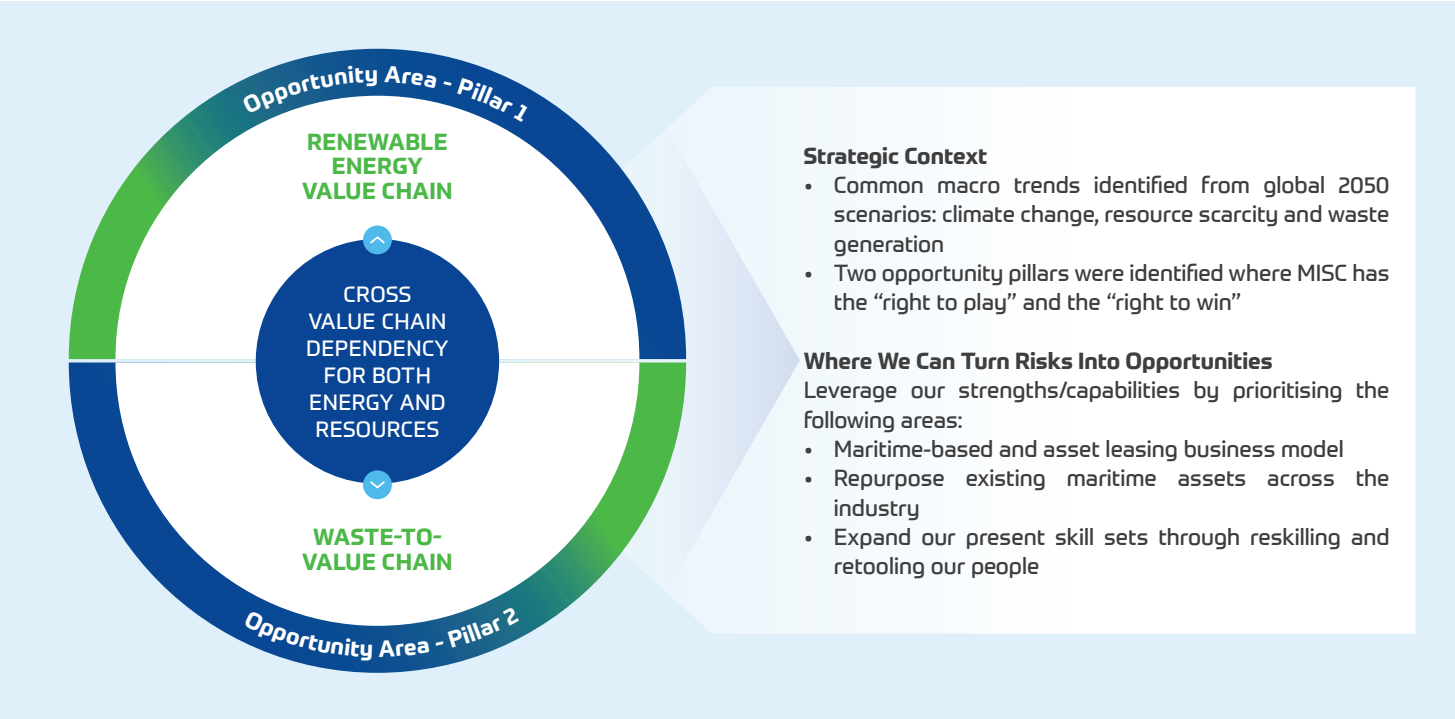
DELIVERING OUR STRATEGY

In response, we have identified two key opportunity pillars:

- Renewable Energy Value Chain, which supports the maritime sector’s role in addressing climate-related challenges
- Waste-to-Value Chain, which focuses on resource efficiency, emissions reduction and the repurposing of maritime assets

PATHWAYS TO 2050

As we move forward, we continue to establish our presence in these two opportunity pillars through maritime-related solutions, leveraging our existing capabilities and strengths, while maintaining a disciplined approach to scaling over time.



Renewable Energy Value Chain

To strengthen our readiness to participate in the evolving renewable energy landscape, we are progressing selected initiatives in offshore wind. In this regard, we are building capabilities in the delivery and installation of renewable energy infrastructure, including ongoing progress by MHB on the EPC for the offshore substation platforms under Tennet’s 2GW Programme. In parallel, we signed a shipbuilding agreement in February 2026 for the first hybrid-electric ethanol-ready DPST, further strengthening transition-ready fleet capabilities.

Waste-to-Value Chain

Concurrently, we are strengthening our role in the Waste-to-Value chain ecosystem through strategic initiatives and collaborations. We have taken definitive steps to advance CCS solutions, including ongoing progress by MHB in the EPCIC for the Kasawari CCS Project, as well as a long-term charter secured in early 2026 with Northern Lights JV DA for the newbuild of an LCO₂ carrier in collaboration with K Line. These achievements position MISC to play a meaningful role in enabling the safe storage and transport of captured carbon, supporting global decarbonisation efforts.

Together, these developments mark the early stages of our journey in addressing climate, resource and regulatory challenges. Through participation across renewable energy and waste-to-value ecosystems, MISC is strengthening its position in the energy transition while building a resilient, commercially disciplined and forward-looking business aligned with our 2050 pathway.

SUSTAINABILITY AS A DECISION LENS UNDER MISC 2030 AMBITION

MISC 2030 Ambition charts a course to strengthen predictable cash flows from core businesses while reshaping the portfolio for a lower carbon future. Sustainability is embedded into decision-making, informing how capital is allocated, how assets are renewed and how risk is managed across the enterprise.

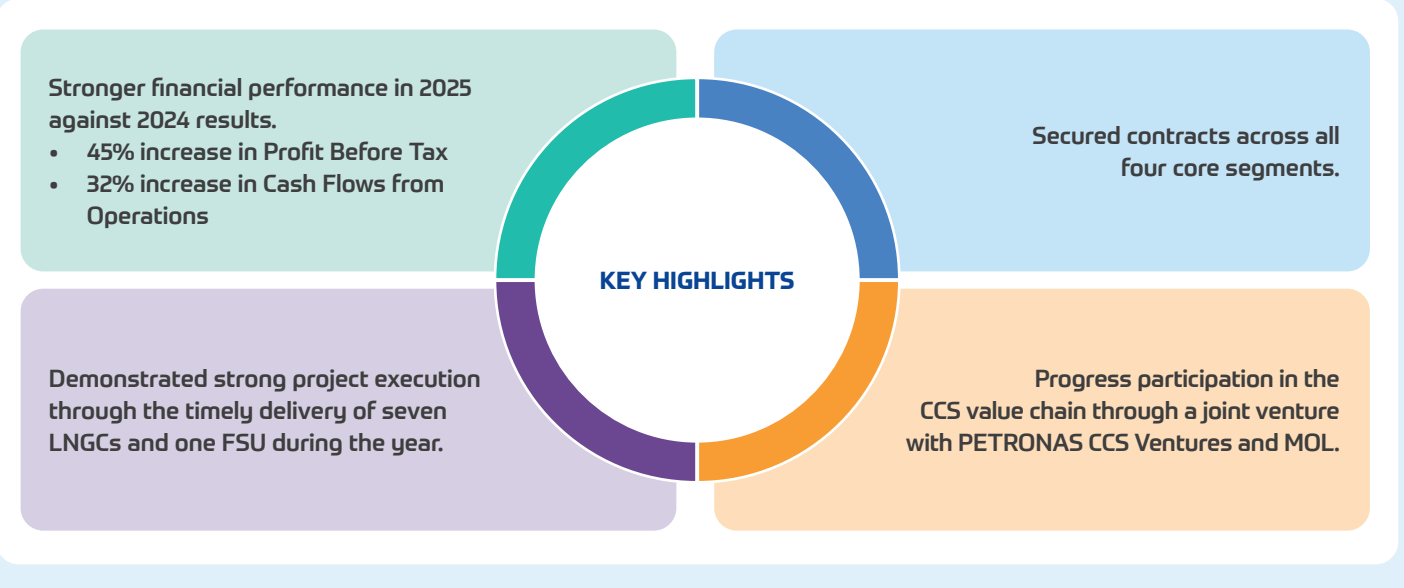
Across four interconnected pillars, sustainability considerations convert long-term ambition into structured financial decisions, portfolio shifts, capability development and disciplined oversight. Together, they define how the Group competes and adapts over the decade ahead.

FINANCIAL PILLAR

Securing Sustainable Returns and Strategic Diversification into New Energy Opportunities

In 2025, MISC continued to advance its MISC 2030 Ambition by strengthening earnings visibility and deploying capital in a disciplined manner to enhance the resilience and competitiveness of its asset base amid evolving environmental, regulatory and market conditions. Long-term contractual arrangements across the GAS Business, Petroleum & Products and Offshore segments provided stable and predictable cash flows, supporting the effective stewardship of financial capital and enabling measured growth, including selective investments in emerging new energy businesses. Capital allocation decisions were informed by lifecycle value considerations, emissions-reduction initiatives such as the adoption of dual-fuel capabilities, and the anticipated regulatory landscape, underpinned by a five-year rolling plan and robust governance and risk-management frameworks. This approach preserved balance sheet strength while supporting sustainable operational performance over the long term.

Alongside the optimisation of its core portfolio, the Group progressed its strategic diversification into new energy opportunities through partnerships and project development, including ammonia and LCO₂ carriers, complemented by continued advancement of carbon capture and storage and offshore wind initiatives. These initiatives support the development of future-ready capabilities and reflect the Group's commitment to aligning its portfolio with the energy transition. Collectively, this balanced approach enhanced near-term business resilience while positioning the Group to create sustainable value over the medium and long term for its stakeholders.



SUSTAINABILITY AS A DECISION LENS UNDER MISC 2030 AMBITION

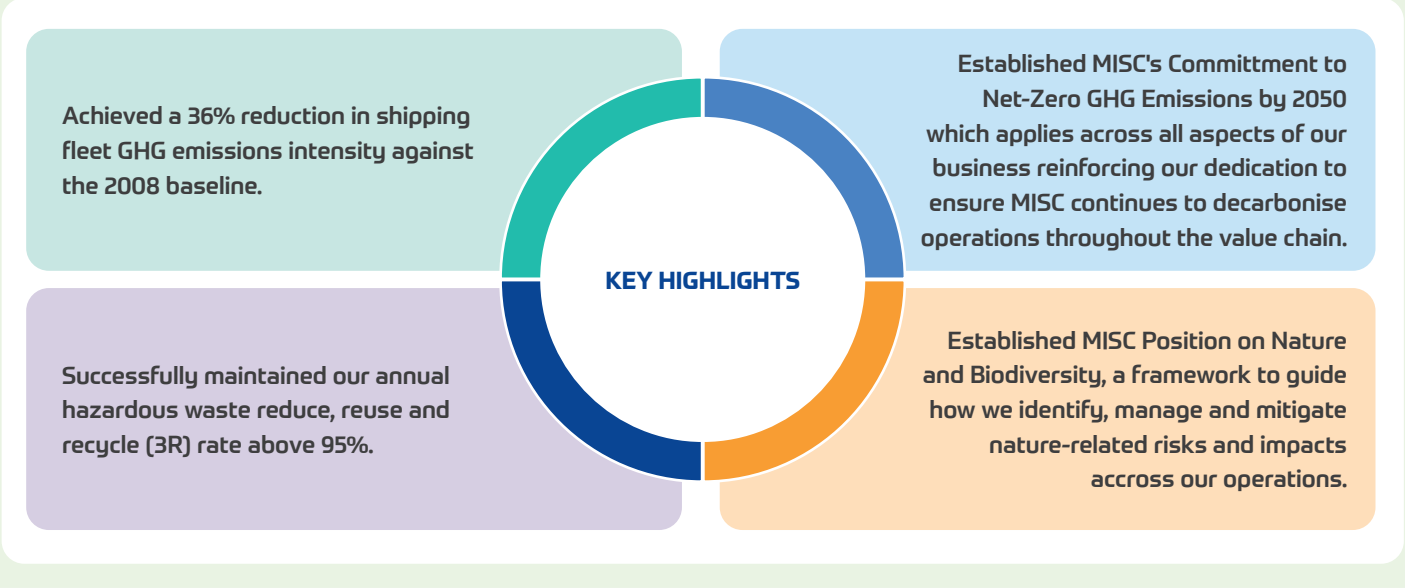
ENVIRONMENTAL PILLAR

Decarbonisation and Environmental Stewardship

Across our operations, 2025 marked continued advancement in translating climate ambition into operational execution. We formalised our net-zero GHG emissions by 2050 commitment and progressed our decarbonisation pathway through fleet rejuvenation and emissions reduction initiatives. These efforts were undertaken alongside strengthened governance mechanisms to address emerging regulatory requirements under the IMO and EU frameworks, ensuring our transition remains disciplined and commercially grounded.

Beyond decarbonisation, we advanced resource stewardship across the Group. Circular economy principles were embedded more deeply within our waste management practices, ship recycling standards and industrial collaborations, reinforcing responsible lifecycle management of our assets. Performance in hazardous waste recovery and material reuse reflects the operationalisation of our refuse, reduce, reuse and recycle (4R) framework across both shipping and shore-based operations.

Recognising that our core business operates at sea, we also strengthened our approach to marine biodiversity management through science-based assessments, precautionary operational controls and targeted conservation programmes. Together, these actions reflect an integrated approach to environmental stewardship, balancing regulatory compliance, operational resilience and long-term ecosystem responsibility.



SUSTAINABILITY AS A DECISION LENS
UNDER MISC 2030 AMBITION

SUSTAINABILITY AS A DECISION LENS
UNDER MISC 2030 AMBITION

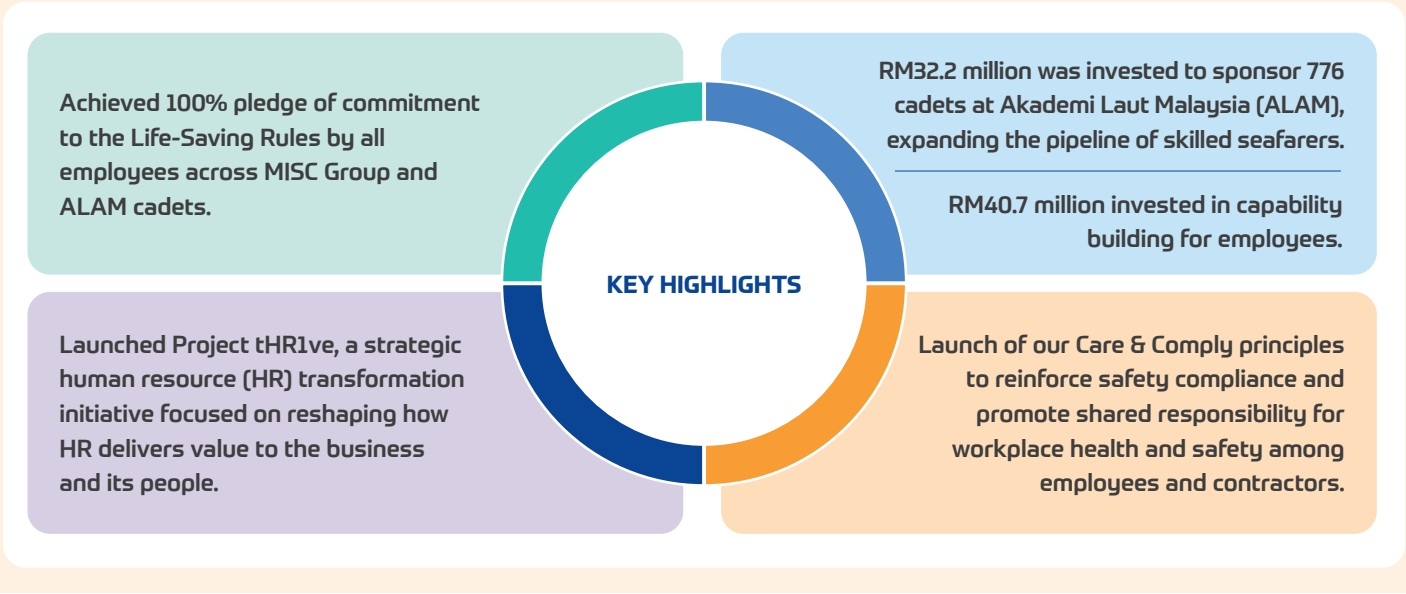
SOCIAL PILLAR

Protecting People, Building Capability and Sustaining Trust

Execution under the MISC 2030 Ambition depends on workforce strength and operational discipline. Safety is treated as a strategic performance measure because it shapes asset reliability, contractor management and delivery consistency, particularly as fleet renewal, technology adoption and portfolio diversification accelerate. The focus in 2025 was on reinforcing critical controls, leadership accountability and stop work expectations, with clear operational standards applied across business units.

Talent planning is aligned to future portfolio needs, with structured pathways that build technical capability, leadership readiness and succession depth across shore and sea-based roles. This is organised through a three key focus area, translating future capability requirements into programmes, interventions and leadership development. These workforce practices are reinforced by the Group’s Human Rights Policy, which embeds internationally recognised labour standards, due diligence processes and grievance mechanisms across operations and value chains.

Community engagement reinforces this agenda by strengthening long-term trust and widening access to education and development programmes, with selected initiatives also contributing to the talent pipeline. Together, the Social Pillar safeguards the human capacity and institutional discipline required to deliver strategic change.



GOVERNANCE PILLAR

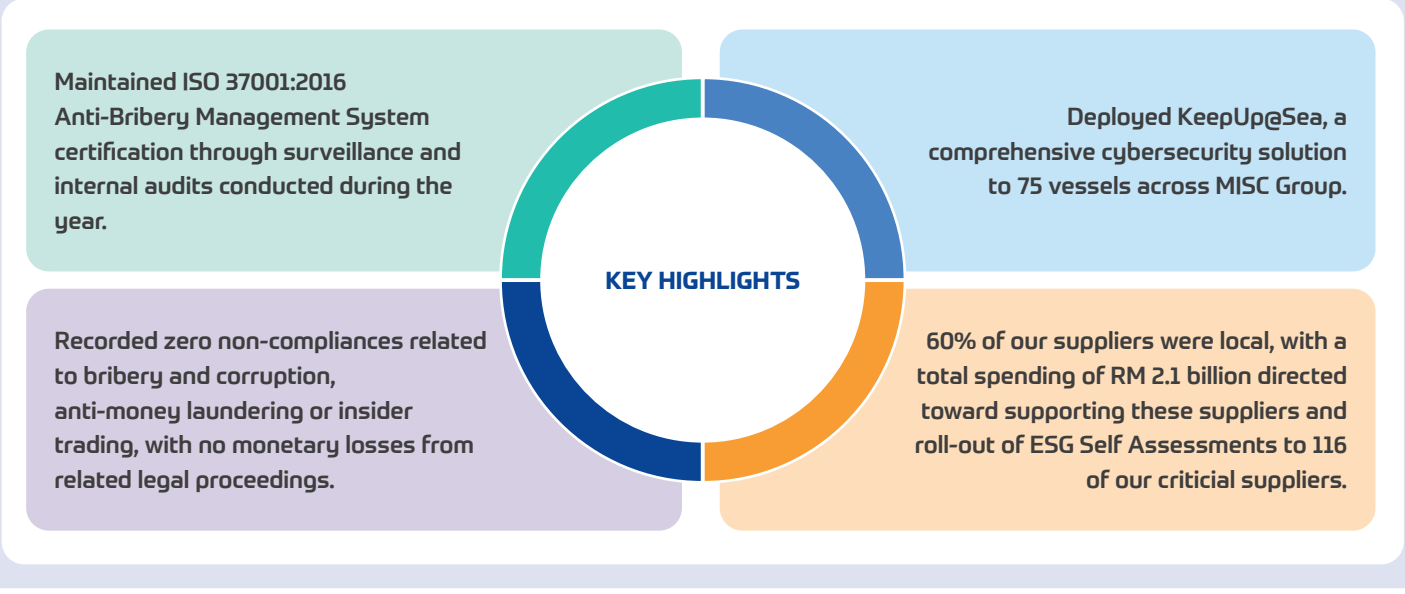
Strengthening Integrity, Risk Discipline and Digital Resilience

Growth and transition priorities under the MISC 2030 Ambition are executed within a structured control framework that integrates risk assessment, capital planning and performance monitoring. Sustainability considerations are embedded within these processes to strengthen visibility over regulatory exposure, operational disruption and transition-related obligations, enabling more informed decision-making while protecting enterprise value.

Integrity and compliance systems reinforce commercial credibility across jurisdictions. Anti-bribery controls, compliance monitoring and defined assurance processes help ensure that business conduct expectations are applied consistently across operations, partners and suppliers.

As digitalisation expands across fleet and corporate systems, cyber resilience frameworks safeguard operational continuity and data integrity. Governance expectations also extend across the supply chain through defined compliance and human rights standards, strengthening oversight of third-party risk and operational accountability.

Together, these mechanisms ensure that strategic expansion and portfolio transformation proceed within clearly defined risk parameters, allowing the Group to pursue growth while maintaining disciplined governance oversight.



INTEGRATING SUSTAINABILITY AT THE HEART OF MISC 2030 AMBITION

Sustainability is at the heart of our MISC 2030 Ambition, shaping our strategy and decision-making as the maritime industry transitions towards a lower-carbon and more responsible future. Sustainability principles are embedded across the organisation, reflected in our efforts to ensure resilient financial performance, advance the decarbonisation of our operations, strengthen workforce capability and enhance governance. By integrating sustainability into our Enterprise Strategy, we drive long-term value creation while remaining well-positioned for the future.

Building on the momentum of the MISC Group Sustainability Strategy 2021–2025, the Group has progressed to a more ambitious phase of its sustainability journey. The Sustainability Strategy 2026–2030 positions sustainability as a core driver of business direction and long-term value creation. It is underpinned by three strategic pillars: Impact, Inclusion and Integrity. Impact prioritises decarbonisation and environmental stewardship; Inclusion advances human rights, workforce wellbeing and inclusive practices across the organisation and value chain; and Integrity strengthens governance, responsible supply chain management and cybersecurity. Together, these pillars reinforce organisational resilience, accountability and trust, supporting sustainable growth in alignment with MISC 2030 Ambition.

Please refer to the MISC Sustainability Report for further details on the Group’s sustainability performance, initiatives and progress, including disclosures aligned with ISSB requirements.

SECTION 7

BUSINESS REVIEW

96	Gas Assets & Solutions
102	Petroleum & Products
108	Offshore
114	Marine & Heavy Engineering
120	Marine Services
126	Maritime Education & Training



HAZRIN HASAN

Vice President, Gas Assets & Solutions

GAS ASSETS & SOLUTIONS



KEY ACHIEVEMENTS

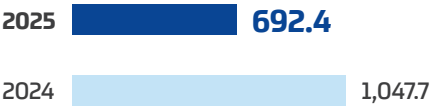
KEY FINANCIAL HIGHLIGHTS

Revenue (RM million)



19%
of 2025 Group Revenue

Operating Profit (RM million)



BUSINESS HIGHLIGHTS

Vessel Utilisation



2025
>94%
2024 >91%

GAS ASSETS & SOLUTIONS

The LNG shipping market remained challenging in 2025, as an influx of new vessel deliveries alongside delays in new liquefaction capacity resulted in a temporary oversupply of tonnage. This placed significant pressure on older steam turbine vessels, widening the competitiveness gap with modern, fuel-efficient ships and weighing on earnings resilience and asset utilisation across parts of the fleet. As such, we took decisive steps to strengthen our asset portfolio and improve earnings quality.

Where vessels approached contract expiry or became commercially less competitive, we redeployed assets where viable, including conversion into Floating Storage Units backed by long-term charters. Where redeployment was not economical, we implemented strategic lay-ups and selectively monetised vessels to reduce costs and recycle capital for reinvestment.

Looking beyond near-term market actions, we repositioned the Gas Assets & Solutions (GAS) segment through active fleet rejuvenation centred on modern, fuel-efficient vessels, strengthening portfolio quality and supporting more sustainable earnings across cycles.

These initiatives delivered tangible results, marked by key milestones during the year. We delivered seven consortium-owned LNG carriers to QatarEnergy, including two fully operated by MISC, with five vessels delivered ahead of schedule. We also completed the delivery of *FSU Puteri Delima Satu* to the Pengerang LNG Regasification Terminal. In addition, we secured long-term Time Charter Parties for two newbuild VLECs with PTT Public Company Limited, expanding our gas portfolio.

Close collaboration with PETRONAS and other strategic partners has enabled the delivery of key LNG shipping and floating storage projects, while opening further opportunities to address evolving gas logistics requirements.

In early 2026, we secured long-term charter contracts for five new LNGCs with PETRONAS LNG Ltd. (PLL). Additionally, together with K Line, we secured a long-term charter with Northern Lights JV DA for a newbuild liquefied carbon dioxide (LCO₂) carrier, marking GAS's entry into carbon transportation.

Safety, environmental responsibility and regulatory compliance remained central to our operations, guided by our Care & Comply principles. Our operations were conducted safely and in full compliance with regulatory and operational standards. I am proud of how our teams upheld these commitments while navigating change, reinforcing trust with our customers, partners and stakeholders.

Looking ahead, we will continue to prioritise long-term charter-backed opportunities, optimise existing assets and selectively expand into adjacent gas logistics where demand visibility and risk-return profiles remain clear.

GAS ASSETS & SOLUTIONS

GAS ASSETS & SOLUTIONS

WHAT WE DO



Gas Assets & Solutions segment brings together decades of experience in gas shipping and asset-based solutions. We manage a global fleet transporting LNG and ethane, complemented by FSUs that support vital gas infrastructure. Our work is anchored on safe, reliable operations and a strong track record of on-time delivery.

As the market evolves, we continue to expand our solutions to support customers’ changing requirements. This includes Floating Storage and Regasification Units (FSRUs) and carbon transportation solutions supporting carbon capture and storage (CCS) value chains. We are committed to efficiency and sustainability, as we uphold the highest HSSE standards while delivering reliable and progressive solutions for the evolving LNG market.

HOW GAS ASSETS & SOLUTIONS CREATES VALUE

The Gas Assets & Solutions segment provides a contracted earnings base for MISC’s energy transportation portfolio through long-term charter arrangements that underpin recurring cash flows across market cycles. As the segment advances fleet rejuvenation and portfolio renewal, our disciplined execution, strategic partnerships and operational excellence position GAS to meet global energy demand.

KEY FOCUS AREAS & RESULTS

SP1 Resilient Core

We strengthened our foundations through disciplined fleet rejuvenation and unlocking value from existing assets, supporting stable, contract-backed earnings.

What We Did in 2025

FLEET REJUVENATION

- Signed long-term charter contracts for newbuild VLECs and LNGCs, enhancing the fleet with modern, energy-efficient vessels

Results

- Successfully secured two new VLECs with PTT Public Company Limited for deliveries in 2028
- As of February 2026, five new LNGCs were successfully secured with PETRONAS LNG Ltd. (PLL) for delivery between 2029 and 2030

Value Impact

- Strengthened earnings visibility through long-term charters supporting the expansion of a modern, fuel-efficient fleet
- Enhanced cash flow resilience and regulatory readiness through next-generation, lower-emissions vessels
- Reinforced portfolio competitiveness across LNG and ethane transportation markets

SUPERIOR PROJECT EXECUTION

- Expanded our asset portfolio with strong project execution

- Successfully delivered seven consortium-owned LNGCs to QatarEnergy, including two fully operated by MISC
 - In January 2026, one additional vessel was delivered as scheduled
- Successfully delivered FSU Puteri Delima Satu to the PETRONAS LNG Regasification Terminal Pengerang

- Strengthened earnings and cash flow resilience through long-term contracted LNG assets
- Expanded the Group’s LNG shipping and floating storage portfolio

ASSET MONETISATION

- Executed asset divestments to unlock capital from ageing vessels

- Disposal of legacy steam turbine LNGCs Puteri Delima and Puteri Nilam

- Enhanced portfolio efficiency through disciplined divestment of ageing vessels
- Recycled capital to support fleet renewal and long-term earnings resilience

SP2 Profitable New Energy Business

We are building the capabilities and partnerships to scale future low-carbon solutions.

What We Did in 2025

EXPANSION INTO NEW ENERGY

- Collaborated with partners to pursue integrated solutions across emerging low-carbon energy value chains
- Progressed entry into LCO₂ transportation solutions supporting the scaling of CCS value chains

Results

- Established the Jules Nautica JV with MOL and PETRONAS as a dedicated platform to develop and own LCO₂ carriers supporting CCS transportation
- In January 2026, secured a long-term TCP for one LCO₂ carrier with Northern Lights JV DA through a partnership with K Line

Value Impact

- Positioned the Group to participate in emerging carbon transportation value chains
- Strengthened the platform for future low-carbon transportation solutions

SP3 Decarbonisation

We are improving emissions performance through operational efficiency and targeted abatement measures, maintaining compliance and long-term fleet competitiveness.

What We Did in 2025

ENERGY EFFICIENCY

- Deployed energy-efficiency technologies and energy-saving devices on selected vessels
- Optimised operational performance to reduce emissions across the fleet
- Strengthened fleet optimisation to enhance operational efficiency and emissions performance

Results

- Installed Mewis Ducts on selected LNGCs, delivering measurable fuel savings and emissions reductions
- Improved the GAS Business segment’s fleet GHG emissions performance

Value Impact

- Enhanced compliance readiness amid tightening emissions regulations
- Strengthened long-term competitiveness through improved fleet efficiency and emissions performance

GAS ASSETS & SOLUTIONS

GAS ASSETS & SOLUTIONS

AWARDS AND RECOGNITIONS

CSA's Jones F. Devlin Safety Award

- 6 vessels were honoured for commitment to safety

MILESTONES

1 Operational Excellence

- Delivered 13.06 MTPA worth of cargo, representing approximately 3% of the global LNG transportation volume

2 Project Delivery Excellence

- Safely commissioned *FSU Puteri Delima Satu*, recording over 500,000 man hours without a Lost Time Injury (LTI)
- Achieved early deliveries for five of seven LNGCs delivered to QatarEnergy

NAVIGATING THE CHALLENGES IN 2025

1

CHALLENGING
LNGC MARKET
LANDSCAPE

MITIGATION

Fleet Redeployment

- Redeployed vessels where commercially viable, including conversion into FSUs supported by long-term charters to sustain utilisation

Strategic Fleet Optimisation

- Implemented selective lay-ups for vessels that were not economically deployable, preserving cost discipline amid softer market conditions

RESULTS

- Fleet utilisation remained optimised through redeployment into viable employment opportunities

- Cost discipline was maintained through selective lay-ups amid softer LNGC market conditions

2

ADVANCING
PROFITABLE
NEW ENERGY
BUSINESSES

MITIGATION

Strategic Partnerships

- Formed strategic partnerships to jointly develop emerging low-carbon transportation solutions while sharing risks in early-stage markets

Capability Development

- Developed internal capabilities to support emerging low-carbon logistics requirements

RESULTS

- The GAS Business segment's readiness to support emerging low-carbon logistics requirements was strengthened

3

MANAGING
EMISSIONS
PERFORMANCE
AMID
TIGHTENING
REGULATIONS

MITIGATION

Energy-Efficiency Upgrades

- Deployed energy-efficiency technologies and energy-saving devices on selected LNGCs to optimise fuel consumption and emissions performance

Targeted Retrofit Enhancements

- Installed Mewis Ducts on selected LNGCs to improve propulsive efficiency

RESULTS

- Fleet GHG emissions intensity and compliance readiness was improved through fleet renewal and targeted efficiency upgrades

- Delivered measurable fuel savings through targeted retrofits

MOVING
FORWARD

Resilient Core

- Progress fleet rejuvenation selectively, anchored by long-term contracts
- Expand selectively into FSUs and FSRUs to support long-term growth
- Maximise asset availability and utilisation through operational discipline, reliability initiatives and strong HSSE performance
- Unlock value from ageing assets to reallocate capital to newer, modernised and efficient vessels

Profitable New Energy Business

- Advance LCO₂ asset solutions through strategic partnerships and disciplined execution
- Strengthen the new energy platform through delivery readiness, technical capability and partner alignment to convert opportunities into earnings

Decarbonisation

- Strengthen emissions reduction efforts through fleet renewal and adoption of abatement technologies
- Enhance operational efficiency to improve fuel performance and GHG emissions intensity
- Proactively adapt the GAS Business segment's portfolio to comply with the evolving regulatory and sustainability requirements





NICK POTTER
Vice President, Petroleum & Products, MISC Group
President & Chief Executive Officer, AET

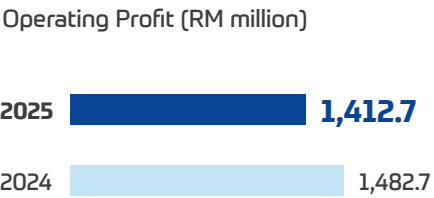
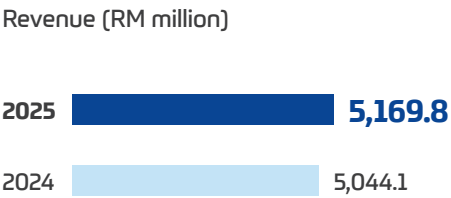
PETROLEUM & PRODUCTS



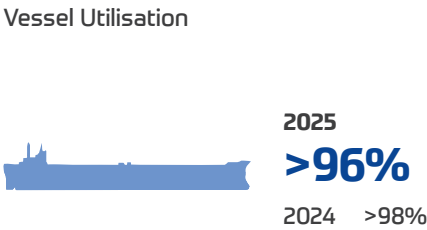
PETROLEUM & PRODUCTS

KEY ACHIEVEMENTS

KEY FINANCIAL HIGHLIGHTS



BUSINESS HIGHLIGHTS



Health, safety and security sit at the core of AET’s operations. Our customers expect partners who are safe, innovative, resilient and forward-looking, and these expectations guide how we operate every day. To embed a truly generative HSSE culture across AET, we place strong emphasis on safe and reliable operations, both onshore and at sea. Our people are encouraged to maintain a high level of safety awareness and to proactively raise potential issues, supported by regular safety education and briefings that reinforce alignment with the highest HSSE standards.

Geopolitical tensions, trade restrictions and broader economic uncertainty continued to influence trade flows and oil tanker markets during the year. While market conditions moderated from recent peaks, underlying tanker fundamentals remained resilient. AET’s secured income strategy, together with its customer-focused niche segments insulated earnings from volatility and enabled the delivery of another year of strong financial performance.

Decarbonisation remains a clear priority, even as the pace of the energy transition evolves amid uncertainty. Although the vote on the proposed IMO Net-Zero Framework was delayed, we continued to take tangible steps to modernise its fleet. In 2025, two newbuild LNG dual-fuel Suezmax tankers were ordered, extending dual-fuel capability across all tanker classes operated by AET. Progress was also made in collaboration with Fleetzero, with work commencing to retrofit one of AET’s Lightering Support Vessels (LSVs) into the world’s longest-range hybrid-electric vessel.

These efforts were recognised during Singapore Maritime Week in March 2025, when we received the Maritime SG LowCarbon50 Award. The award acknowledges companies advancing maritime decarbonisation through emissions tracking and the implementation of effective carbon management strategies.

Beyond operations, we received the Company of Good – 1 Heart award from Singapore’s National Volunteer and Philanthropy Centre, recognising our environmental, community and talent development efforts. Our global impact was strengthened through partnerships, including the AET Tanker Simulation Lab at Texas A&M University at Galveston, and initiatives in Rio de Janeiro with Dream Learn Work and Instituto Rogério Steinberg. In 2025, 23 students received scholarships, with the same number completing internships at our global offices. We also supported disaster relief efforts in the Philippines, Myanmar and Texas.

The year under review reflected meaningful growth, disciplined execution and resilience in a volatile operating environment. We are well-positioned to navigate the path ahead, continuing to play a leading role in energy shipping while driving tangible progress for the future.

PETROLEUM & PRODUCTS

PETROLEUM & PRODUCTS

WHAT WE DO



AET owns and operates a diverse and global fleet of petroleum and product tankers that enable the safe and efficient transport of crude oil and refined products across key energy corridors.

We hold leading positions in specialised tanker services, including ship-to-ship lightering with over 16,800 completed transfers to date, primarily in the US Gulf and the ownership and operation of Dynamic Positioning Shuttle Tankers (DPSTs) that support offshore-to-onshore oil transportation. We also operate the world’s only two Modular Capture Vessels (MCVs), purpose-built to respond rapidly to oil well incidents in the US Gulf.

Committed to maritime decarbonisation, we pioneered LNG dual-fuel tankers, with 13 in our fleet, which deliver lower emissions compared to conventional vessels and we were the first to order an ammonia dual-fuel Aframax.

HOW PETROLEUM & PRODUCTS CREATES VALUE

The Petroleum & Products segment creates value by converting scale, market access and operational expertise into reliable, market-responsive earnings for the Group. Through active fleet deployment, disciplined cost management and fleet rejuvenation, the segment captures opportunities across market cycles while maintaining operational reliability. In parallel, the progressive transition to lower-emissions vessels strengthens regulatory readiness and fleet competitiveness, supporting MISC 2030 Ambition while sustaining the segment’s role as a core earnings contributor.

KEY FOCUS AREAS & RESULTS			
SP1 Resilient Core			
We strengthened earnings resilience through secured income, disciplined fleet management and unlocking value from existing assets, alongside enhanced dual-fuel capability, supporting stable cash flows across market cycles.			
What We Did in 2025 FLEET REJUVENATION Signed shipbuilding agreements with Samsung Heavy Industries (SHI) for the construction of two LNG dual-fuel Suezmax tankers	Results - Expanded dual-fuel capability across all tanker classes operated by AET - Sustained earnings through secured long-term contracts	Value Impact - Enhanced earnings stability and operational resilience through a younger, fuel-efficient fleet amid market volatility - Reduced regulatory exposure while strengthening cash flow stability across market cycles - Enhanced customer optionality in fuel selection	
ASSET MONETISATION Executed asset divestments to recycle capital in ageing vessels	Disposal of selected VLCCs: <i>Bunga Kasturi Lima</i> and <i>Bunga Kasturi Enam</i>	Unlocked asset value and reinvested capital into new assets	
STRATEGIC PARTNERSHIP Explored and collaborated on new business opportunities in maritime and shipping, freight and bunker derivatives development, supporting our shared decarbonisation goals	Entered into a Business Collaboration Agreement with PETCO Trading Labuan Company Limited and ARBITRA Energy Asia Private Ltd. the trading arm of PETRONAS	Realised synergies between PETCO and MISC Group to increase operational resilience and enable business model transformation	
SP2 Profitable New Energy Business			
We are building the capabilities and partnerships to position the segment for future contract-backed earnings as markets mature.			
What We Did in 2025 STRATEGIC PARTNERSHIPS - Piloted hybrid-electric technology to evaluate feasibility and operational performance, paving the way for potential deployment across our fleet - Explored future-fuel DPST concepts to strengthen AET’s DPST capabilities	Results - Signed an agreement with Fleetzero to develop the world’s longest-range hybrid electric vessel on one of AET’s LSVs - In February 2026, AET signed a shipbuilding agreement to build the first hybrid-electric ethanol-ready DPST	Value Impact - Protected margins by prioritising fuel efficiency, proven technologies and commercially viable pilots over speculative decarbonisation pathways - Advanced our new energy businesses with future-fuel ready vessel	
SP3 Decarbonisation			
We are strengthening emissions performance through vessel-specific optimisation and targeted technology deployments, safeguarding long-term charter competitiveness and compliance readiness.			
What We Did in 2025 STRATEGIC COLLABORATIONS TO DECARBONISE Partnered with DNV to implement ship-specific decarbonisation plans across the fleet	Results Applied ship-specific plans and computational fluid dynamics (CFD) analysis to prioritise efficiency optimisation measures	Value Impact - Enabled targeted emissions reduction actions across the fleet - Improved fuel efficiency and reduced GHG emissions intensity per tonne-mile while maintaining operational reliability, advancing our commitment towards decarbonisation	
ENERGY EFFICIENCY Installed emissions reduction technologies, such as antifouling systems and propeller coatings on our vessels	Improved AET’s fleet GHG emissions performance	Reduced regulatory and transition risks through early compliance readiness	

PETROLEUM & PRODUCTS

AWARDS AND RECOGNITIONS

CSA's Jones F. Devlin Safety Award

- 48 vessels were honoured for commitment to safety

2025 Maritime SG LowCarbon50 Awards

- Awarded at Singapore Maritime Week 2025 for Leadership in Decarbonisation, recognising AET's fleet decarbonisation efforts

Company of Good – 1 Heart by Singapore's National Volunteer and Philanthropy Centre

- Received for AET's community contributions

CSA's Environmental Achievement Awards

- 52 vessels were recognised for excellent environmental performance

Spinnaker Maritime People and Culture Awards 2025

- Awarded Runner-Up for Employee Engagement at the 2025 Spinnaker HR Initiative Awards

Certificate for sustained impact and contributions to VOX@ Singapore Children's Society

- Awarded a certificate and token of appreciation from Singapore's Senior Minister of State for Digital Development and Information

MILESTONES

1 Expanding Dual-Fuel Capability Across the Petroleum Fleet Portfolio

- Signed shipbuilding agreements with SHI for the construction of two LNG dual-fuel Suezmax tankers
- AET will have dual-fuel capability in all the tanker sectors it operates in - Very Large Crude Carriers (VLCCs), Aframaxes, Suezmaxes and Shuttle Tankers

2 New Headquarters in Singapore

- Officially inaugurated AET's new headquarters at Labrador Tower, a Green Mark Platinum super low energy (SLE)-certified building

3 United Nations Global Compact (UNGC) Member

- AET joined the UNGC, expanding its commitment to responsible and transparent business practices across its global operations

NAVIGATING THE CHALLENGES IN 2025

1

FREIGHT RATES AND MARKET VOLATILITY

MITIGATION

Derisking and Enhancing Financial Resilience

- Maintained an optimal portfolio mix of long-term charters, strengthening secured income and reducing exposure to rate volatility

RESULTS

- Fleet performance remained resilient, supported by a significant proportion of vessels on secured long-term charters

PETROLEUM & PRODUCTS

NAVIGATING THE CHALLENGES IN 2025

2

HEIGHTENED SECURITY RISK AND SANCTIONS COMPLIANCE ARISING FROM GEOPOLITICAL CONFLICTS

MITIGATION

Ensuring Safety of Crew and Assets

- Avoided high-risk conflict zones
- Worked closely with ship managers and charterers to safeguard crew and vessel safety

Close Monitoring for Compliance

- Conducted close monitoring of sanctions compliance

RESULTS

- Safety of our crew and assets was prioritised, with no disruptions to vessel deployment
- No AET vessels were attacked or affected

- All vessels remained fully compliant with applicable sanctions regimes

3

DECARBONISING OUR OPERATIONS

MITIGATION

Executed Fleet Rejuvenation and Decarbonisation Initiatives

- Signed newbuilding contracts for two LNG dual-fuel Suezmax tankers
- Operated 13 LNG dual-fuel vessels in 2025, including owned and operated vessels
- Partnered with DNV to implement ship-specific decarbonisation plans and CFD-based efficiency optimisation
- Piloted and installed emissions-saving devices and technologies across the fleet

RESULTS

- Contributed to a reduction in the Group's overall GHG emissions intensity through fleet efficiency improvements
- Strengthened emissions compliance alignment across all tankers classes operated by AET

MOVING FORWARD

Resilient Core

- Progressively rejuvenate the fleet with more efficient tankers to capture opportunities in the tanker market
- Expand lightering operations to support market demand and operational flexibility

Profitable New Energy Business

- Explore strategic partnerships and selectively progress commercially viable new energy business opportunities, including ammonia carriers, low-carbon future fuels and offshore wind solutions

Decarbonisation

- Enhance operational efficiency to reduce emissions across the fleet
- Continue expanding dual-fuel capability to lower fuel and regulatory risk while preserving fuel optionality
- Prioritise proven efficiency technologies and data-driven optimisation and selectively pilot emerging solutions with demonstrable commercial pathways

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ZAHID OSMAN
President & Group CEO, MISC

OFFSHORE



OFFSHORE

KEY ACHIEVEMENTS

KEY FINANCIAL HIGHLIGHTS

Revenue (RM million)



17%
of 2025 Group Revenue

Operating Profit (RM million)



BUSINESS HIGHLIGHTS

Asset Uptime



2025
>97%
2024 >97%

In 2025, the Offshore segment delivered a year of strong financial and operational performance, anchored by high asset uptime, disciplined project delivery and secured long-term income streams. Our priority remained clear, to maximise asset value, uphold operational reliability, pursue growth selectively with the aim to reinforce earnings durability through long-duration lease structures.

In Brazil, after our momentous delivery and first oil in 2024, *FPSO Marechal Duque de Caxias* completed its first full year of operations with an LTI-free safety record. We continued to maintain the highest standard of safety and operational excellence. During the year, the asset transitioned into steady-state performance, reflecting operational maturity and sustained stability. The asset contributes significant, steady and long-term cash flow to the Group.

With our consistent focus on pursuing growth and discipline in capital deployment, we have successfully established our beach head in Brunei offshore market by securing a long-term Floating Production Unit (FPU) contract under a lease, operate and maintain model. The 12-year firm charter, with extension options, strengthens long-term earnings visibility with robust cash flow contribution to the Group, while expanding our geographic footprint and client base.

In addition, based on the same growth strategy in delivering progress, we further expanded our regional presence by securing a long-term Floating Storage and Offloading (FSO) contract in Papua New Guinea under a bareboat charter, and operations and maintenance arrangement with ExxonMobil PNG Limited in early 2026. This milestone marks our successful inaugural entry into the Papua New Guinea offshore market.

Beyond that, we have secured an extension for the *FPSO Ruby II* charter with PetroVietnam Technical Services Corporation (PTSC), as part of our strategy to continue sweating our existing asset to maximise cash flow generation from recurring income.

For our Profitable New Energy Business pillar, we continue to advance transition-ready solutions in a structured and prudent manner. We have laid the necessary foundation to pursue growth in this area by securing the Approval in Principle (AiP) from the American Bureau of Shipping (ABS) for our Ammonia FPSO concept with technical feasibility validated at the design stage. Furthermore, progress on the ZEUS demonstration project through FEED has proven our readiness in zero-emissions power solutions.

Looking ahead, we will continue to ride on the FPSO super cycle by pursuing selective growth opportunities that are aligned with our risk appetite and capital deployment priorities, with the aim of expanding our long-term contracted asset portfolio. This will reinforce our position as an established owner-operator of floating production assets across both conventional and energy transition-linked developments.

On behalf of the Group, I would like to express our appreciation to Alexander James Brigden for his contributions to the Offshore segment in 2025. The leadership transition following his departure was smooth, reinforcing leadership continuity and supporting long-term stability.

OFFSHORE

OFFSHORE

WHAT WE DO



We deliver integrated floating production solutions across the full asset life cycle, from design engineering, project execution, repair and life extension and asset redeployment to operations and maintenance. Our capabilities span from EPCIC, operation and decommissioning, enabling the safe and reliable delivery of complex offshore developments across greenfield, brownfield and ultra-deepwater settings.

We own a fleet of 12 offshore assets across Malaysia, Thailand, Vietnam and Brazil, with operating responsibilities across selected assets within the portfolio. Our international presence reinforces our position among established operators in the offshore sector. We maintain a consistent focus on asset integrity, reliability and HSSE performance, supported by disciplined asset management and operational excellence to ensure stable uptime and dependable operations for our customers.

We remain committed to supporting the evolving energy landscape through responsible operations, continuous improvement and the application of technical expertise to enhance efficiency, reliability and long-term competitiveness.

HOW OFFSHORE CREATES VALUE

The Offshore segment creates value through disciplined project execution and reliable operations generating stable contracted cash flows. As a capital intensive and technically complex business, the segment offers the potential for higher returns while diversifying MISC’s portfolio beyond shipping. In parallel, we continue to build transition-ready capabilities through strategic partnerships and technical development, enabling the segment to participate in emerging offshore energy opportunities.

KEY FOCUS AREAS & RESULTS

SP1 Resilient Core

We reinforced our core through securing new projects and disciplined project execution, sustaining resilient contracted cash flows and long-term earnings visibility.

What We Did in 2025

PORTFOLIO GROWTH

- Signed long-term contracts for floating production and storage assets under a lease and charter structure

Results

- Secured an FPU project with PETRONAS Carigali Brunei Ltd. (PCBL) under a lease, operate and maintain model, marking MISC’s entry into the Brunei offshore market
- In February 2026, secured an FSO project under a bareboat charter and operations and maintenance arrangement with ExxonMobil PNG Limited, marking MISC’s entry into the Papua New Guinea offshore market
- In February 2026, secured an extension for FPSO Ruby II with PTSC, sustaining contracted income from an existing asset and extending its service life through 2027

Value Impact

- Diversified geographic footprint and client base
- Enhanced long-term earnings visibility through secured contracted cash flows
- Extended value from an existing offshore asset through continued charter employment

OPERATIONAL EXCELLENCE

- Sustained disciplined operations at FPSO Marechal Duque de Caxias following first oil

- Completed the first full year with an LTI-free safety record
- Achieved nameplate production capacity in the first year of operations

- Supported stable operating cash flows through reliable asset performance
- Reduced earnings volatility by minimising unplanned downtime

SP2 Profitable New Energy Business

We are advancing next-generation floating production solutions through strategic partnerships, while building the technical readiness and delivery capability to scale future low-carbon offshore developments with discipline.

What We Did in 2025

FUTURE FUELS VALUE CHAIN

- Completed Pre-FEED for the Ammonia FPSO concept with engineering partner China Offshore Engineering & Technology Company Limited (COET)

Results

- Secured an AiP from ABS for the Ammonia FPSO concept design
- Established technical feasibility for a 1.0 mtpa Ammonia FPSO producing high-purity liquid ammonia

Value Impact

- Strengthened the Group’s readiness to participate in emerging lower-emission offshore energy solutions

STRATEGIC PARTNERSHIPS

- Progressed the ZEUS Project together with PETRONAS Research Sdn. Bhd., Aker Solutions and Clean Energy Systems Inc. on the feasibility studies and early engineering

- Established technical feasibility for zero-emission offshore power with full carbon dioxide (CO₂) capture

- Strengthened readiness for offshore decarbonisation pathways
- Positioned the segment for future low-emissions solutions

OFFSHORE

AWARDS AND RECOGNITIONS

Malaysian Society for Occupational Safety and Health (MSOSH)

- *FSO Orkid* attained the Gold Merit Award, recognising its excellent Occupational Safety and Health (OSH) performance

Client and Operational Safety Recognition

- *FSO Orkid* received the Zero Monsoon-related Incident Award from Hibiscus Petroleum during the 2024/2025 Monsoon Campaign recognition ceremony
- *FSO Orkid* received Focused Recognition awards from Malaysia Petroleum Management (MPM) for safety leadership and quality assurance performance

MILESTONES

- 1** *FPSO Marechal Duque de Caxias*

 - Completed the first full year of operations following first oil, with stable performance achieved after start-up
- 2** Portfolio Expansion – Brunei

 - Received a Letter of Award from PCBL for the lease, operate and maintenance of an FPU
- 3** New Energy

 - Obtained an AiP from ABS for the Ammonia FPSO concept
 - Signed the FEED agreement for the ZEUS demonstration project

NAVIGATING THE CHALLENGES IN 2025

1

TECHNICAL COMPLEXITY IN TRANSITION-LINKED FPSO DEVELOPMENT

MITIGATION

Integrated Engineering and Delivery Planning

- Strengthened integrated delivery planning across engineering, operations and HSSE to manage complex development interfaces
- Expanded technical collaboration with key engineering and strategic partners to support transition-linked offshore solutions

RESULTS

- Advanced key transition-linked FPSO initiatives within defined execution parameters
- Completed the Pre-FEED for the Ammonia FPSO concept with COET and secured an AiP, validating technical feasibility
- Formalised a collaboration framework with Aker Solutions through a Head of Agreement to strengthen topside engineering capability
- Finalised the ZEUS Demonstration FEED Basis of Design, establishing the engineering framework for the Kerteh demonstration plant

2

ASSET REDEPLOYMENT AND FIELD INTEGRATION

MITIGATION

Disciplined Asset Redeployment

- Executed the redeployment of *FPSO Bunga Kertas* to the Benchamas Field, replacing *FSO Benchamas 2*
- Coordinated engineering, commissioning and stakeholder integration to ensure operational readiness

RESULTS

- Successfully redeployed *FPSO Bunga Kertas*, extending asset life and securing continued contracted employment
- Maintained production continuity at the Benchamas Field

OFFSHORE

NAVIGATING THE CHALLENGES IN 2025

3

MAINTAINING CONSISTENT SAFETY AND OPERATIONAL DISCIPLINE

MITIGATION

HSSE Improvement Initiatives

- Implemented targeted HSSE improvement initiatives across offshore assets to reinforce safety performance
- Introduced a structured Loss of Primary Containment (LOPC) reduction framework at *FPSO Marechal Duque de Caxias*
- Strengthened cross-asset incident learning and knowledge transfer to improve prevention controls

RESULTS

- Achieved Zero LTI and Zero accidents at *FPSO Marechal Duque de Caxias* across 520,000 man-hours of operations
- Strengthened safety performance through improved cross-asset learning and incident prevention

MOVING FORWARD

Resilient Core

- Optimise the offshore asset portfolio through disciplined asset management, selective expansion and asset redeployment aligned with long-term contracted opportunities
- Deepen strategic partnerships to strengthen execution capability and sustain resilient contracted cash flows
- Reinforce safe, reliable operations across the fleet through strengthened cross-asset performance benchmarking and HSSE integration

Profitable New Energy Business

- Pursue selective offshore energy opportunities aligned with clear demand visibility and disciplined capital deployment
- Progress the ZEUS demonstration project through FEED to strengthen readiness for offshore zero-emissions power solutions
- Advance the Ammonia FPSO concept towards the next phase of technical and commercial readiness, subject to market demand

Decarbonisation

- Improve operational efficiency and emissions intensity across offshore assets through targeted initiatives
- Advance enabling technologies to support long-term offshore energy transition pathways



MOHD NAZIR MOHD NOR
Vice President, Marine & Heavy Engineering

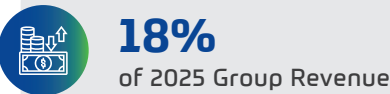
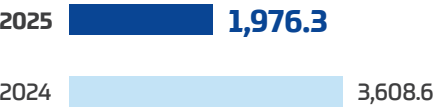
MARINE & HEAVY ENGINEERING



KEY ACHIEVEMENTS

KEY FINANCIAL HIGHLIGHTS

Revenue (RM million)

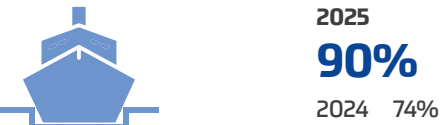


Operating Profit (RM million)



BUSINESS HIGHLIGHTS

Drydock Utilisation



Yard Utilisation



MARINE & HEAVY ENGINEERING

2025 has been a year of change and steady progress for Malaysia Marine and Heavy Engineering Holdings Berhad (MHB). We have transformed the way we work, becoming a more agile, better-connected organisation, capable of delivering for our customers in a constantly evolving industry.

This strategic transformation has sharpened our focus, streamlined operations and improved cost management. These efforts allowed us to maintain a healthy balance sheet while navigating the challenges of an unstable economic environment. Our people's resilience and adaptability were central to this success.

Key collaborations with PETRONAS and other strategic partners opened new opportunities and allowed us to deliver integrated solutions. This spirit of enterprise synergy has helped unlock the full potential of our yard operations.

The Heavy Engineering sub-segment continues to maintain stable performance, underpinned by disciplined execution, sharper risk management and a renewed focus on delivery certainty. During the year, we successfully delivered all three CPOC Phase 6 platforms and secured new awards from Vestigo Petroleum Sdn. Bhd. (VESTIGO), reflecting continued client confidence in our ability to execute safely and on schedule. Several complex projects such as *Jerun* and *Rosmari Marjoram* were successfully closed-out, demonstrating our proactive planning and commercial discipline. Execution momentum was sustained across ongoing developments, including *Kasawari CCS* and offshore substation platforms under TenneT's 2GW Programme, where we continues to manage project risk to preserve execution continuity. Together, these achievements reinforce Heavy Engineering as a core contributor to our resilience, reputation and long-term value creation.

The Marine sub-segment recorded another year of strong performance, reflecting disciplined execution, careful planning and a consistent focus on quality. During the year, our teams rose to the challenge, delivering 87 vessels in total, including 26 LNGC repairs, with 20 completed ahead of schedule. This was achieved without compromising quality standards. Our average Customer Service Index rating for the year stands at 8.9, with 18 vessels attaining a perfect score of 10. These results demonstrate the professionalism of our workforce and reinforce client confidence in our ability to deliver reliably. This performance also strengthened our standing in the global marine services market. According to Clarksons Research, we improved our global ranking from position 5 in 2024 to position 2 in 2025 for LNG carrier services. These rankings are not an end in themselves. They reflect consistency, capacity and the trust that shape client decisions, contract pipelines and long-term enterprise value.

Looking ahead, we are well-positioned to capitalise on opportunities in energy transition and sustainable marine solutions. With a strong foundation in place, we are ready to support the Group's ambitions and continue earning the trust of our partners and customers.

MARINE & HEAVY ENGINEERING

MARINE & HEAVY ENGINEERING

WHAT WE DO



We provide oil and gas, renewable energy and marine solutions, supported by more than 50 years of experience and the operation of Malaysia’s largest fabrication yard. We serve a diverse client base across Malaysia and global markets, spanning offshore construction, deepwater facilities and marine repair, conversion and refurbishment, with recognised expertise in LNG carrier works and EPCIC delivery.

Alongside our core activities, we are selectively expanding into renewable and new energy solutions in support of Malaysia’s sustainability agenda, while maintaining a balanced portfolio across conventional and emerging sectors. Guided by our aspiration to modernise and enhance our yard, we continue to pursue automation, digitalisation and partnerships to position MHB for future opportunities.

HOW MHB CREATES VALUE

We add value by serving as the execution engine for complex and schedule-critical offshore and marine works for the PETRONAS-MISC Enterprise and international energy clients. We provide integrated solutions for a wide range of offshore and onshore facilities and vessels. We also support our clients’ aspirations for sustainable energy solutions through the construction of carbon capture facilities and advanced offshore substation platforms, as well as providing fabrication services for green hydrogen facilities. Through our services, we support earnings resilience, enhance project certainty and strengthen the Group’s ability to deliver integrated energy and marine solutions.

KEY FOCUS AREAS & RESULTS

SP1 Resilient Core

We strengthened earnings resilience through disciplined project selection, structured cost control and reliable project execution, reinforcing the Group’s earnings visibility.

What We Did in 2025

ESTABLISHED TARGETED PARTNERSHIPS AND FRAME AGREEMENTS

- Strengthened domestic positioning while selectively pursuing international opportunities with disciplined risk management
- Established targeted partnerships and frame agreements across Marine and Heavy Engineering value chains to enhance earnings visibility

Results

- Secured contracts for three VESTIGO wellhead platforms
- Established a joint venture with the Offshore segment to form Floating Production Solutions Sdn. Bhd. (FPSSB) to undertake floater conversions
- Secured frame agreements with Mitsui & Co., Ltd. to strengthen presence in the Japanese marine market
- Entered into a frame agreement for offshore mooring systems with a leading mooring system specialist
- Signed an MoU with Blueocean Wind for strategic collaboration in new energy projects

Value Impact

- Improved earnings visibility
- Sustained revenue streams through long-term partnerships and frame agreements
- Improved access to specialised knowledge and execution capacity

PROJECT DELIVERY EXCELLENCE

- Implemented Central Production System (CPS) to standardise execution and improve productivity
- Strengthened project execution discipline, HSSE performance and operational excellence across the Marine and Heavy Engineering segment

- VESTIGO projects tracking ahead of schedule
- Kasawari CCS project tracking ahead of schedule
- 20 marine vessels delivered ahead of schedule, with 18 achieving a perfect score of 10
- Record delivery of 26 LNGCs repairs in 2025
- Zero fatalities and LTIF below 0.10
- Productivity improved by 24% and yard utilisation reached 86%

- Improved cost control, risk mitigation and execution predictability
- Sustained profitability through disciplined delivery
- Enhanced reputation for safe, timely and reliable execution

SP2 Profitable New Energy Business

We are advancing selective new energy initiatives through strategic partnerships to enable disciplined participation in emerging low-carbon value chains.

What We Did in 2025

STRATEGIC PARTNERSHIP

- Advanced partnerships and feasibility work in green hydrogen and decarbonisation projects

Results

- Signed a Joint Development Agreement (JDA) with FuelCell Energy for green hydrogen
- Completed the feasibility study for D-Carnation hydrogen project

Value Impact

- Strengthened the pipeline for future projects diversification
- Positioned MHB as a regional energy transition partner
- Expanded long-term growth prospects

SP3 Decarbonisation

We are embedding energy efficiency and emissions reduction into our operating model to strengthen long-term competitiveness and value creation.

What We Did in 2025

ENERGY EFFICIENCY

- Implemented yard-wide energy efficiency initiatives, including LED lighting, R32 refrigerant, electrical air compressors and LNG-powered abrasive plant

Results

- Achieved 11.3% reduction in GHG emissions intensity compared to 2016 baseline, exceeding the 2025 reduction target and on track to meet 2030 decarbonisation targets

Value Impact

- Strengthened ESG performance
- Enhanced stakeholder confidence
- Supported the delivery of the Group’s decarbonisation roadmap

MARINE & HEAVY ENGINEERING

AWARDS AND RECOGNITIONS

FTSE4Good Bursa Malaysia Index

- Maintained 4-Star Rating in 2025

Malaysian Industrial Safety and Health Association (MiSHA)

- MiSHA Prime Award Platinum (MPA1)
- MiSHA Main Award Gold (MMA1)

MSOSH Gold Class 1 Award

- Petroleum, Gas, Petrochemical & Allied Sectors Category 2025

International Ship and Port Facility Security (ISPS) Code Standards

- Best Table-Top Exercise Simulation Award for 2025

11th Shell Malaysia Safety Awards 2025

- Finalist for Upstream Category

MILESTONES

1 Operational Excellence

Delivered major offshore and fabrication milestones on schedule, reflecting disciplined execution and quality assurance

- Kasawari* Gas Development Project: Achieved Qualified NPA certification
- Kasawari CCS*: Achieved Mechanical Completion Delivery (MCD) for jacket structure

- CPOC Phase 6: Jengka-D (JKD) achieved First Gas; Jengka-C (JKC), Andalas-D (ADD) and Andalas-E (ADE) platforms sailed away on schedule with zero punch list and zero carry-over work (COW)
- VESTIGO *Irong Timur*, *Berantai East* and *Kurma Manis*: Ahead of schedule



MARINE & HEAVY ENGINEERING

NAVIGATING THE CHALLENGES IN 2025

1

MAINTAINING FINANCIAL
RESILIENCE AMID COST
PRESSURES AND MARKET
UNCERTAINTIES

MITIGATION

Commercial Discipline and Cost
Governance

- Strengthening bidding discipline across engineering, procurement and subcontracting
- Embedding cost governance and value control across operations

RESULTS

- Delivered a second consecutive year of profitability
- Recorded a 39% year-on-year increase in cash flow from operations

2

ENSURING CONSISTENT
ENGINEERING QUALITY,
PRODUCTIVITY AND
RELIABLE PROJECT DELIVERY

Enhanced Planning and Governance

- Established a structured five-year Yard Modernisation Plan
- Centralising planning and execution through structured production and delivery controls
- Reinforcing governance, quality assurance and asset maintenance

- Avoided schedule delays through enhanced microplanning and engineering processes

3

EMBEDDING STRONGER
COMPLIANCE AND QUALITY
CULTURE WHILE IMPROVING
TALENT RETENTION

Performance-Driven Culture

- Established a dedicated talent development platform to build functional and leadership capabilities aligned with future needs
- Advancing structured cultural transformation and change management initiatives to embed performance accountability

- Reinforced new ways of working across the organisation

MOVING
FORWARD

Resilient Core

- Sustain operational excellence through disciplined execution across bidding, engineering, procurement, quality and asset management
- Advance yard modernisation through phased adoption of automation, advanced technologies and digital connectivity to enhance efficiency and competitiveness through 2030

Profitable New Energy Business

- Deepen collaboration with hydrogen electrolyser, e-methanol and ammonia technology providers
- Pursue selective EPC roles in LNG onshore modular and hydrogen plant developments
- Continue pursuing offshore wind opportunities in Europe and Asia
- Advance partnerships for marine energy efficiency solutions
- Leverage synergies within the PETRONAS–MISC Enterprise to deliver integrated, competitively positioned solutions

Decarbonisation

- Expand solar installations across MMHE West and East yards to reduce emissions and support 2030 targets
- Continue with Responsible Supply Chain (RSC) programme to assess ESG risks of critical vendors to drive Scope 3 decarbonisation efforts across the value chain
- Strengthen circular economy efforts by enhancing waste management initiatives



MOHD DENNY MOHD ISA
Vice President, Marine Services

MARINE SERVICES



KEY ACHIEVEMENTS

Port Management & Maritime Services

Number of Vessel Screenings Performed



Number of Vessel Inspections Performed



Number of Vessels Handled at Ports & Terminals



Ship Management Services

Vessel Availability (Gas and Petroleum Fleet)



Number of Vessels Managed



Project Management of Newbuilds



MARINE SERVICES

2025 was a year of focused execution and capability building for Marine Services. We concentrated on delivering safe, reliable and cost-efficient maritime operations across our ship management, and port management and maritime services. These priorities continue to define Marine Services' role as a key strategic enabler within MISC's integrated energy value chain.

Operational reliability was a clear priority throughout the year. Through standardised operating practices and a structured vessel maintenance strategy, vessel availability was consistently maintained above 99% across the gas and petroleum fleets. At ports and terminals, predictive maintenance capabilities, combined with optimised manpower deployment and equipment scheduling, ensured facility availability remained above 99%, with no interruption to clients' operations.

Complementing these operational measures, digital initiatives such as the deployment of high-speed broadband connectivity across 72 vessels further enhanced real time decision-making, ship to shore collaboration and overall operational agility.

This focus on operational excellence was delivered with no compromise on safety, as reflected in key safety performance metrics that performed better than the industry average.

In parallel, we also strengthened cost discipline and execution control. Procurement optimisation through long-term vendor partnerships enabled ship operating costs to remain within targeted levels.

In support of the Group's decarbonisation goals, Marine Services deployed energy-efficiency technologies across selected vessels, contributing to reduced fuel consumption and emissions intensity.

These initiatives were complemented by efforts to strengthen future readiness of our workforce. Structured upskilling programmes, including basic ammonia capability training, enhancing the operational readiness of our seafarers. Through collaboration with maritime institutes, training modules were refined to align seafarer competencies with evolving fleet requirements.

Looking ahead, we will continue to embed sustainability into our operations and adopt innovations that enhance safety, reliability and efficiency. We are positioning Marine Services to support long-term value creation for the Group as the maritime industry continues to evolve.

MARINE SERVICES

WHAT WE DO

Marine Services delivers integrated marine solutions across ship management, port and terminal operations, port engineering and maintenance, and marine assurance services.

With more than five decades of proven ship management experience, we manage a diverse fleet spanning crude tankers, LNG and ethane carriers, shuttle tankers, floating storage units, modular capture vessels and dual-fuel vessels. Our expertise covers asset management, dry docking and project management for newbuilds and vessel conversion projects.

In port and terminal operations, Marine Services draws on over three decades of established operating experience across Melaka, Terengganu, Sabah and Sarawak. We provide pilotage, loading master services, marine control and straits pilotage, alongside specialist jetty and single point mooring maintenance and refurbishment. We also provide Oil Companies International Marine Forum (OCIMF) accredited marine assurance and inspection services for PETRONAS.

HOW MARINE SERVICES CREATES VALUE

Marine Services plays a strategic role in advancing MISC 2030 Ambition by ensuring operational excellence, developing maritime talent and embedding decarbonisation across our marine operations. We support the operating continuity of MISC’s vessels and transition readiness as maritime standards and regulations evolve. Our accredited inspectors provide world-class marine consultancy and assurance services, ensuring the highest standards for our clients.



MARINE SERVICES

KEY FOCUS AREAS & RESULTS

SP1 Resilient Core

What We Did in 2025

OPERATIONAL EXCELLENCE

- Aligned maintenance regimes to ensure efficient operations
- Implemented digitalisation initiatives across operations

Results

- Sustained more than 99% vessel availability
- Zero operational interruptions to clients’ activities
- Improved operational efficiency and communication, supporting the digital transformation of vessel operations

Value Impact

- Strengthened stakeholder confidence through uninterrupted, reliable and safe operations

SP2 Profitable New Energy Business

What We Did in 2025

CAPABILITY BUILDING

- Strengthened future-fuel readiness through structured upskilling and reskilling programmes for future-fuel vessels
- Collaborated with maritime institutes to develop advanced training modules that equip seafarers with future-ready competencies

Results

- 74 seafarers completed basic ammonia capability training
- Strengthened operational capability through targeted upskilling and reskilling of officers and engineers to operate modern vessels and dual-fuel vessels
- Enhanced multi-skilling of marine professionals to support broader deployment across evolving maritime requirements

Value Impact

- Sustained pipeline of future-ready maritime talent to support fleet growth and the Group’s energy transition agenda

SP3 Decarbonisation

What We Did in 2025

ENERGY EFFICIENCY

- Deployed energy-efficiency technologies and operational measures for GHG reduction across selected vessels

Results

- Installed Mewis Duct on selected GAS and Petroleum vessels
- Installed Propeller Boss Cap Fins and ultrasonic antifouling systems on selected Petroleum vessels
- Reduced fuel consumption and emissions intensity

Value Impact

- Supported delivery of the Group’s decarbonisation roadmap

MARINE SERVICES

MARINE SERVICES

AWARDS AND RECOGNITIONS

Port Management & Maritime Services

Malaysian Society for Occupational Safety and Health (MSOSH)

- Grand Award for excellent occupational safety and health performance at Sungai Udang Port

Ship Management Services

MPA Singapore Safety at Sea Awards

- Recognition for *Seri Daya's* and *Seri Emperor's* contribution to successful search and rescue operations

CSA's Jones F. Devlin Safety Award

- MISC Shipmanagement (S) Pte. Ltd. for 45 petroleum vessels operating for a total of 328 years with zero LTI
- MISC Shipmanagement Gas (S) Pte. Ltd. for six gas vessels operating for a total of 19 years with zero LTI

Prime Minister's Hibiscus Award 2024/2025

- Exceptional Achievement in Environmental Performance

United States Coast Guard (USCG) Qualship 2025

- United States Coast Guard Qualship 21 Certificate of Enrolment awarded to the vessel *Eagle Barcelona*

MILESTONES

Port Management & Maritime Services

1 Operational Excellence

- Zero interruptions to clients' operations
- Availability of inspectors: >99%
- Availability of marine crafts: >99%
- Availability of marine facilities: >99%
- Zero Lost Time Injury (LTI) since 1999

Ship Management Services

1 Operational Excellence

- Lower than industry average LTIF at 0.29
- Lower than industry average TRCF at 0.39
- Achieved zero spill incidents

NAVIGATING THE CHALLENGES IN 2025

Port Management & Maritime Services

1 OPERATIONAL EFFICIENCY

- Maintaining high port and terminal facilities availability

MITIGATION

Streamlining Processes

- Streamlined operational processes supported by predictive maintenance, optimised manpower deployment and equipment scheduling

RESULTS

- Port and terminal facilities availability sustained at >99%
- Zero operational interruptions
- Zero LTIs

2 EVOLVING REGULATIONS

- Increasing safety and regulatory requirements

Improving Compliance

- Conducted compliance audits and maintained proactive engagement with port authorities
- Implemented operational improvements to enhance ship handling and maneuvering efficiency

- Compliance maintained across port operations

Ship Management Services

1 COST PRESSURES

- Managing costs amid rising maintenance expenditure

MITIGATION

Streamlining Processes

- Optimised procurement through long-term vendor partnerships and streamlined maintenance strategies

RESULTS

- Ship operating costs maintained within targeted levels

2 MANPOWER CAPABILITIES

- Ensuring crew availability and competency in operating lower-emissions vessels

Upskilling and Reskilling

- Implemented targeted upskilling and reskilling programmes for LNG modern vessels and ammonia dual-fuel operations

- Improved crew readiness and retention

3 EVOLVING REGULATIONS

- Navigating environmental regulations

Regulatory Compliance & Decarbonisation

- Conducted proactive compliance monitoring
- Collaborated with ALAM and classification societies for technical training

- Achieved full compliance with IMO requirements, with lower fleet carbon emissions intensity against target

MOVING FORWARD

Resilient Core

- Prioritise operational excellence through cost optimisation in vessel operations, supported by maintenance plan optimisation and data-driven performance management to sustain asset reliability and cost competitiveness
- Support the delivery of MISC 2030 Ambition through safe, efficient and sustainable maritime operations

Profitable New Energy Business

- Advance future-ready competencies with a focus on adaptability to new technologies and evolving vessel operations
- Strengthen workforce readiness through structured upskilling and reskilling programmes for seafarers and marine professionals

Decarbonisation

- Implement the Group's decarbonisation initiatives across marine operations, including the application of innovative technologies, alternative fuel solutions and operational measures to reduce GHG emissions



ISMAIDA ZAMRI ISMAIL
Acting MD/CEO,
Malaysian Maritime Academy Sdn. Bhd.

MARITIME EDUCATION & TRAINING



KEY ACHIEVEMENTS

BUSINESS HIGHLIGHTS

Number of Courses Conducted
(including customised courses)



Cadetship Enrolment

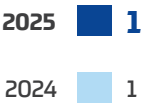


NEW COURSES

Approved by the Malaysian Marine
Department (MMD)



Approved by the Ministry of Higher
Education (MOHE)



ALAM Customised Courses



MARITIME EDUCATION & TRAINING

Over recent years, ALAM has focused on building a strong and resilient foundation by enhancing the quality of training, strengthening governance and aligning programmes with emerging maritime requirements. This intentional effort has enabled ALAM to better respond to the industry's transition towards decarbonisation, digitalised operations and alternative fuel readiness.

In 2025, we executed a focused strategy anchored on the 4P Transformation Pillars: People, Process, Product and Performance. Our priorities centred on University College readiness, the relevance of programmes to future competencies, operational discipline and long-term financial sustainability. Together, these efforts were designed to sustain institutional excellence, strengthen alignment with evolving industry standards and reinforce ALAM's role as a reliable institution for the maritime and energy sectors.

To operationalise these priorities, we delivered targeted upgrades to facilities, digital infrastructure and core training processes. These enhancements improved consistency, strengthened governance and supported a more disciplined operation. In parallel, we advanced our sustainability agenda through the deployment of solar energy solutions on campus, which are expected to reduce electricity consumption and operating expenditure over the asset lifecycle while lowering carbon emissions.

Institutional credibility and stakeholder confidence continued to build during the year. This was underscored by the Minister of Transport's distinguished presence at ALAM's graduation ceremony, demonstrating national recognition of ALAM's progress and its role in developing Malaysia's maritime capabilities. Further reinforcing the recognition of ALAM's position in the maritime ecosystem was the courtesy visit from the International Maritime Organization (IMO) Secretary-General to launch ALAM's Maritime Experiential Learning Centre.

Curriculum enhancement continue to remain as a key focus area. Working closely with academic institutions and industry partners, we strengthened programmes in decarbonisation, future-fuel operations and leadership development, supporting workforce readiness for LNG, ammonia and other low-emissions vessel operations in line with MISC 2030 Ambition.

As the maritime landscape continues to evolve, we remain committed to developing competent, future-ready maritime professionals and delivering long-term value to the maritime and energy ecosystem. I am proud of the progress ALAM has made and of the dedication shown by our teams and partners. We will continue to build on this momentum with discipline and purpose, supporting industry transformation and sustainable growth through education and capability development.

MARITIME EDUCATION & TRAINING

MARITIME EDUCATION & TRAINING

WHAT WE DO



Malaysian Maritime Academy Sdn. Bhd. (MMASB), a wholly-owned subsidiary of MISC Berhad, holds the concession for ALAM.

ALAM delivers accredited maritime education and training for cadets, seafarers and maritime professionals through a wide range of programmes. These include nautical and marine engineering programmes, maritime and offshore safety courses, simulator-based courses and maritime management programmes, as well as research and consultancy services.

Our skilled and experienced academicians, supported by advanced simulator-based facilities and digital learning tools provide an immersive and interactive learning experience.

HOW ALAM CREATES VALUE

ALAM supports MISC’s long-term operational continuity by developing specialised maritime talent and strengthening maritime leadership capabilities. We equip maritime professionals with the competencies required to navigate evolving regulations, particularly in areas such as decarbonisation and future-fuel adoption, positioning both individuals and the organisation for continued success in a rapidly changing industry.

KEY FOCUS AREAS & RESULTS

SP1

Resilient Core

What We Did in 2025

INFRASTRUCTURE UPGRADE

- Upgraded the full-mission simulator infrastructure, including a new lifeboat simulator
- Standardised simulator exercises to improve delivery consistency

DIGITALISATION

- Deployed digital assessment tools and learning analytics across simulator-based training

Results

- Achieved full alignment with IMO and Standards of Training, Certification and Watchkeeping (STCW) requirements, reinforcing regulatory compliance
- Delivered simulations that accurately reflected real-world maritime scenarios, enhancing training realism

- Improved training efficiency through a structured programme delivery and enhanced learning insights

Value Impact

- Reinforced ALAM’s reputation as a technically competent and trusted maritime training provider
- Sustained confidence among regulators, industry partners and certification bodies with higher training standards

- Improved training effectiveness and advanced data-driven decision-making capabilities

SP2

Profitable New Energy Business

What We Did in 2025

ENHANCED CURRICULUM

- Enhanced ammonia and LNG fuel training modules through collaboration with industry partners and technology providers
- Expanded new energy course offerings, including specialised modules for ammonia-fuel readiness and LNG operations

Results

- Successfully delivered new energy training programmes tailored to emerging vessel technologies
- Increased the number of IGF-certified (International Code of Safety for Ships Using Gases or Other Low-Flashpoint Fuels) modules offered

Value Impact

- Equipped seafarers with the technical knowledge and operational competencies required for alternative-fuelled vessels
- Advanced MISC’s energy transition agenda and enhanced future fleet readiness

SP3

Decarbonisation

What We Did in 2025

LOW-CARBON FOCUS

- Embedded sustainability and emissions awareness into simulator scenarios and course content
- Integrated low-carbon operations and sustainable ship-handling practices across training modules, including carbon accounting concepts

Results

- Built cadets’ foundational understanding of decarbonisation principles and practical low-carbon applications
- Reinforced sustainable decision-making through scenario-based learning

Value Impact

- Developed environmentally responsible maritime workforce
- Aligned training with global environmental standards

MARITIME EDUCATION & TRAINING

AWARDS AND RECOGNITIONS		
Empowering Education Summit 2025 Sole recipient of the Outstanding Maritime Education Excellence Award	International Business and Management Virtual Innovation & Invention of Ideas Competition (VIIC 2025) Awarded the Innovation Silver Award for ST002 – Beyond Excellence: Innovation Through Continuous Quality Improvement (ITCQI)	Malaysian Society for Occupational Safety and Health (MSOSH) Received the Gold Merit Award

NAVIGATING THE CHALLENGES IN 2025

1 TECHNOLOGICAL DISRUPTION IN MARITIME LEARNING	MITIGATION Collaborated with Wärtsilä to upgrade simulator facilities with the latest technology	RESULTS - Provided cadets with realistic and modern training environments, reflecting modern vessel operations - Improved course delivery efficiency through advanced simulator facilities
2 ALIGNING CURRICULUM WITH FUTURE-FUEL REQUIREMENTS	MITIGATION - Collaborated with Falcon Safety Services Sdn. Bhd. to co-develop course modules aligned with current industry needs - Enhanced training content to reflect LNG operations, ammonia fuel readiness and emerging industry standards	RESULTS - Strengthened and aligned curriculum with evolving industry expectations - Developed trainees’ competencies relevant to low-emissions vessel operations
MOVING FORWARD	- Continue progressing towards University College readiness by advancing initiatives, including improvements to academic governance, student experience and institutional systems - Strengthen maritime talent development by enhancing instructor capability, expanding relevant programmes and aligning training with global maritime standards, digitalisation requirements and alternative fuel readiness competencies - Scale digital and operational capabilities through continued adoption of digital learning platforms, simulator technologies and data-enabled assessment tools to improve training effectiveness and efficiency - Expand strategic collaborations with academic institutions, industry partners and maritime stakeholders to broaden programme offerings and support commercial sustainability	



SECTION 8

CORPORATE ENABLERS

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HUMAN CAPITAL INVESTMENT



RUZILA IDIN
Chief Human Resource Officer

KEY HIGHLIGHTS

A diverse and inclusive workforce of **8,630** employees from **44** nationalities

RM40.7 million invested in capability building for employees

RM40 million committed to the **Cadet Sponsorship Programme**, shaping future maritime leaders

Recorded **Zero** non-compliance with labour standards

94% high performing talent retention

MISC maintained its commitment to cultivating an empowered, agile and future-ready organisation, underpinned by our global workforce. Guided by our 5-year Talent Strategy, we continued to strengthen talent fulfilment, workforce capability and leadership & culture, building robust talent pipelines and leadership readiness necessary to drive the MISC 2030 Ambition.

To future-proof our people, we continued to prioritise capability development to support evolving business and operational requirements. Key programmes such as the groupwide Techno-Commercial Excellence in Maritime (TEXIM), Port and Terminal Multiskilling, seafarer-targeted initiatives including the Steam-to-Motor Upskilling Programme and preparatory initiatives for ammonia vessel readiness, and the specialised technical certifications for heavy engineering were delivered to enhance expertise in new energy, decarbonisation, and maritime operations, while strengthening execution capability and operational standards across the value chain.

A key milestone during the year was the advancement of HR Transformation, to improve the overall employee experience and reposition HR as a strategic partner to the business. Culture remained a priority through the institutionalisation of Accountability, Transparency and Efficiency (ATE) as the accelerator to foster Enterprise Mindset and embed new ways of working, reinforced through enterprise-wide engagement platforms and leadership dialogues promoting collaboration, clarity, and a high culture.

Diversity and Inclusion (D&I) also remained integral to MISC’s value proposition as we strengthen internal policies and wellbeing initiatives. Efforts in 2025 focused on advancing women’s leadership within the maritime industry, culminating in the launch of the PETRONAS Leading Women Network – Maritime Chapter within the MISC Group.

We continued to uphold its commitment to nation-building through the development of Malaysia’s future maritime talent. During the year, 153 new cadets were sponsored under the MISC Cadet Sponsorship Programme. In parallel, ALAM continued its transformation journey, strengthening academic governance, operational excellence and the student experience, enhancing its readiness for University College status and supporting its aspiration to become a centre of excellence in maritime education.

Looking ahead, we will continue to invest strategically in human capital through reskilling and retooling initiatives to prepare the workforce for future challenges. AI-driven digitalisation will be leveraged to enhance productivity, support decision-making and improve the employee experience. At the same time, the Group remains focused on harnessing multigenerational strengths, advancing inclusive talent development and supporting holistic wellbeing to build organisational resilience aligned with MISC 2030 Ambition.

OPERATING SAFELY & SUSTAINABLY



SHAIRIZAL BADZRI
Head, Group Health, Safety, Security & Environment (HSSE)

KEY HIGHLIGHTS

Recorded **0.20** Lost-Time Injury Frequency (LTIF) and **0.28** Total Recordable Cases Frequency (TRCF)

Zero major cybersecurity, security and oil spill incidents

Achieved a **7%** reduction in GHG emissions intensity compared to 2024

Hosted the **4th** MISC Care & Comply Partners Summit and the 8th HSSE Recognition Day

Delivered Generative Culture modules to new joiners, business partners and contractors

Conducted Human Performance Improvement training sessions to strengthen understanding of Human Performance principles and enhance leadership capabilities

Successfully executed the five-day interactive engagement programme, Ocean Carnival Campaign, onboard vessels to address HSSE pain points

We remain steadfast in our commitment to creating tangible value for MISC and its stakeholders by placing people at the heart of safe, secure, and sustainable operations across the Group. Guided by our Care & Comply principles, we continue to protect our people, assets, and environment, enabling the organisation to navigate an increasingly complex operating landscape with agility and foresight.

This year, we advanced our HSSE Transformation agenda by shaping a Generative HSSE culture where safety, health, security, and environmental stewardship are not just policies, but deeply ingrained behaviours. Our approach is holistic, integrating Human Performance Improvement principles and elevating leadership capability. We empower our workforce to take collective ownership, build a psychologically safe environment, and encourage everyone to “do the right things, even when no one is watching”.

Our progress is evident in our ongoing commitment to workforce engagement, contractor collaboration, and the continuous strengthening of our safety culture in this industry. Additionally, by leveraging advanced technologies and predictive tools, we are shifting to prescriptive analysis, harnessing data-driven insights to anticipate and prevent incidents before they arise.

The environment remains integral to our strategy. We have made significant strides in reducing our carbon footprint, advancing decarbonisation initiatives, and supporting responsible resource management. Our commitment extends to preserving marine biodiversity and aligning with MISC’s broader ambition for net-zero emissions and a sustainable maritime future.

Looking ahead, Group HSSE will continue to drive transformative change by focusing on four strategic pillars: internalising HSSE culture and wellbeing, driving effective risk management, leveraging digitalisation, and accelerating environmental excellence. We aim to reinforce leadership and accountability by intensifying compliance and risk-based assurance, using digital tools to boost performance while advancing our decarbonisation agenda. By embedding these pillars into every aspect of our operations, we safeguard lives, empower our workforce, and ensure MISC’s long-term growth in the evolving global energy and maritime landscape.

We move with safety. We move towards tomorrow.



OPERATING RESPONSIBLY



NORIDAH KHAMIS
General Counsel

KEY HIGHLIGHTS

Full score for FTSE4Good Governance for the **seventh consecutive year**. DJSI ratings on Business Ethics has increased by **13%** to a score of **87** from 77 in 2020, demonstrating MISC’s track record as a leader in anti-corruption

Renewed commitment - Corruption Free Pledge (Directors & Employees)

MISC Group Integrity Day on 16 April 2025 – with over **800** participations through a strategic and collaborative partnership with the Malaysian Anti-Corruption Commission (MACC)

MISC Berhad and all its main subsidiaries are **ISO 37001:2016 Anti-Bribery Management System (ABMS) Certified**

Whistleblowing Channel to foster integrity, encouraging a culture of transparency and accountability

Continued active participation in the Maritime Anti-Corruption Network [MACN]

In 2025, MISC continued to see its governance posture mature, as we embody Corporate Governance and Business Ethics not merely as a compliance requirement but as a fundamental driver of enterprise resilience. By embedding a culture of accountability and transparency, we have ensured that integrity remains a persistent priority across all global operations.

Our commitment is underscored by tangible progress in our Compliance Management Framework and the execution of Annual Corruption Risk Assessments, which allow us to preemptively address emerging ethical risks. The Group’s adherence to global best practices was reaffirmed through the successful re-certification of our ISO 37001:2016 Anti-Bribery Management System. These efforts, bolstered by a renewed Corruption Free Pledge from our leadership and workforce, have further strengthened integrity across the Group.

Looking ahead, we are operationalising the Integrity Pillar of our upcoming Sustainability Strategy 2026-2030. Under the strategic mandate of Leading with Ethics and Integrity, we are executing a roadmap that prioritises compliance controls, leveraging technology and regulatory intelligence, as well as enhancing stakeholder engagement. This purposeful approach ensures MISC remains a trusted partner, safeguarding our licence to operate while creating long-term value through uncompromising ethical stewardship.

By fostering a forward-looking compliance culture, continuous training and open communication, we are well-positioned to ensure resilience and drive sustainable growth. The leadership remains steadfast in championing transparency, ethical stewardship and innovation, ensuring that MISC’s legacy of governance excellence endures for years to come.



SECTION 9

FINANCIAL REVIEW

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GROUP FINANCIAL REVIEW

GROUP FINANCIAL REVIEW

REVENUE

Group revenue for the financial year ended 31 December 2025 (FY2025) of RM11,146.1 million was 15.8% lower than the financial year ended 31 December 2024 (FY2024) revenue of RM13,237.5 million. This was mainly attributable to the Gas Assets & Solutions segment due to lower construction revenue, lower earning days from vessel disposals, contract expiries, vessel lay-ups, and lower charter rates during the period. The Marine & Heavy Engineering segment similarly reported lower revenue as ongoing projects approached completion and newly secured projects remained in early execution stages. However, the overall decrease was partially offset by higher revenue from the Petroleum & Products segment, driven by higher freight rates and earning days, as well as the Offshore segment, which benefited from revenue recognition associated with the commencement of operations of Floating Production, Storage and Offloading unit *FPSO Marechal Duque de Caxias* and the acquisition of an FPSO.

OPERATING PROFIT AND PROFIT BEFORE TAXATION

Group operating profit of RM2,776.5 million was 7.0% higher than FY2024 operating profit of RM2,593.7 million, mainly driven by the Offshore segment due to revenue recognised in relation to the commencement of operations of *FPSO Marechal Duque de Caxias* as well as recovery from an FSO insurance settlement. However, the increase in the Group's operating profit was offset by the lower revenue in Gas Assets & Solutions segment and lower level of project activities in the Marine & Heavy Engineering segment.

The Group profit before taxation of RM1,862.0 million in FY2025 was RM578.5 million or 45.1% higher than the RM1,283.5 million recorded in FY2024 aligned with increase in operating profit, improved by lower finance costs, lower impairment provisions recognised, higher gain on vessel disposals, and gain on acquisition of subsidiaries recognised during the year.

EARNINGS PER SHARE (SEN)

Profit attributable to the equity holders of the Corporation amounting to RM1,700.2 million translates to earnings per share of 38.1 sen (RM) in FY2025, compared to 26.7 sen (RM) in FY2024.

DIVIDENDS

The Board had approved and declared on quarterly basis a total tax-exempt dividend of 38.0 sen (RM) per share or RM1,696.2 million. The amount reflects the Board's approval and declaration of an additional dividend of 2.0 sen (RM) as compared to 36.0 sen (RM) for FY2024.

TOTAL ASSETS

Group total assets as at 31 December 2025 of RM53,014.4 million was 12.3% lower than the Group total assets as at 31 December 2024 of RM60,435.1 million, mainly due to translation impact from Malaysian Ringgit (MYR) against the United States Dollar (USD) for total assets, depreciation and impairment charges on ships and amortisation of finance lease receivables during the year.

TOTAL LIABILITIES

Group total liabilities as at 31 December 2025 of RM18,309.9 million was 17.2% lower than the Group total liabilities as at 31 December 2024 of RM22,121.7 million, mainly due to the weakening of the USD and repayment of USD400 million Global Medium Term Notes that matured in April 2025.

EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE CORPORATION

Group equity attributable to equity holders of the Corporation as at 31 December 2025 of RM34,007.4 million was 9.6% lower than the Group equity attributable to equity holders of the Corporation as at 31 December 2024 of RM37,604.0 million, mainly due to unfavourable movement of currency translation reserve following strengthening of MYR against the USD.

CASH FLOWS FROM OPERATING ACTIVITIES

The Group recorded cash flows generated from operating activities of RM5,656.1 million which was 32.2% higher as compared to cash flows generated from operating activities of RM4,276.8 million in the corresponding year. This was contributed by higher collection from customers and lower payments made to creditors. However, the Group's cash balance remains healthy at RM6,096.4 million.

GEARING RATIO

The Group's gross debt-to-equity ratio as at 31 December 2025 of 0.37 was lower compared to the Group's gross debt-to-equity ratio as at 31 December 2024 of 0.40 following the decrease in total interest-bearing loans and borrowings following higher repayments made during the year.

The Group's net debt-to-equity ratio of 0.20 as at 31 December 2025 was also lower compared to net debt-to-equity ratio of 0.23 as at 31 December 2024.

CAPEX REQUIREMENTS

The Group's approved and contracted committed CAPEX as at the end of FY2025 stood at RM7,858.9 million. Based on our cash position as at the end of FY2025 and existing funding facilities, the Group is well positioned to finance these committed capital expenditure and pursue targeted strategic investments.

SEGMENTAL PERFORMANCE



GAS ASSETS & SOLUTIONS

Gas Assets & Solutions segment's revenue of RM2,095.0 million was RM892.4 million or 29.9% lower than the previous year's revenue of RM2,987.4 million, mainly due to lower construction revenue and lower earning days from contract expiries, vessel disposals, vessel lay-ups and lower charter rates during the year.

The segment's operating profit of RM692.4 million was RM355.3 million or 33.9% lower than the previous year's profit of RM1,047.7 million, due to lower revenue as explained above offset against lower vessel operating costs.

Revenue (RM million)		Operating Profit (RM million)	
2025	2,095.0	2025	692.4
2024	2,987.4	2024	1,047.7



PETROLEUM & PRODUCTS

The Petroleum & Products segment's revenue of RM5,169.8 million was RM125.7 million or 2.5% higher than the previous year's revenue of RM5,044.1 million driven primarily by higher freight rates and earning days achieved.

Conversely, the segment's operating profit of RM1,412.7 million was RM70.0 million or 4.7% lower than the previous year's operating profit of RM1,482.7 million, due to higher vessel operating cost driven by higher utilisation of spot vessels and higher charter hire costs from increased in-charter days albeit higher revenue explained above.

Revenue (RM million)		Operating Profit (RM million)	
2025	5,169.8	2025	1,412.7
2024	5,044.1	2024	1,482.7

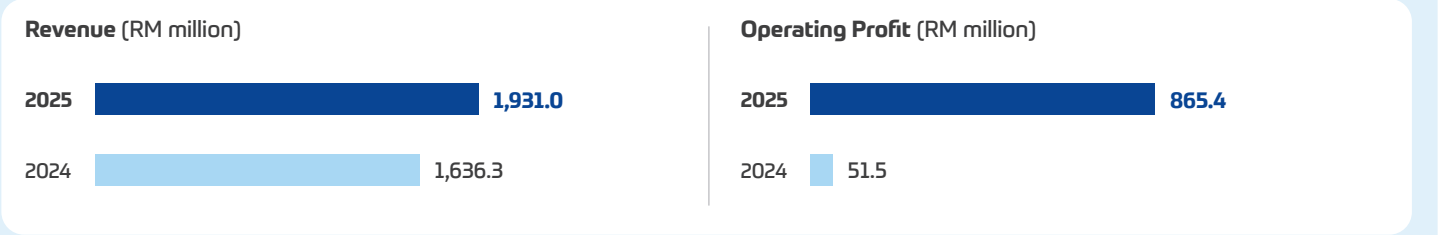
GROUP FINANCIAL REVIEW

SEGMENTAL PERFORMANCE

 OFFSHORE

The Offshore segment’s revenue of RM1,931.0 million was RM294.7 million or 18.0% higher than the previous year’s revenue of RM1,636.3 million, mainly attributed from recognition of revenue associated with the commencement of operations of *FPSO Marechal Duque de Caxias* and the acquisition of an FPSO.

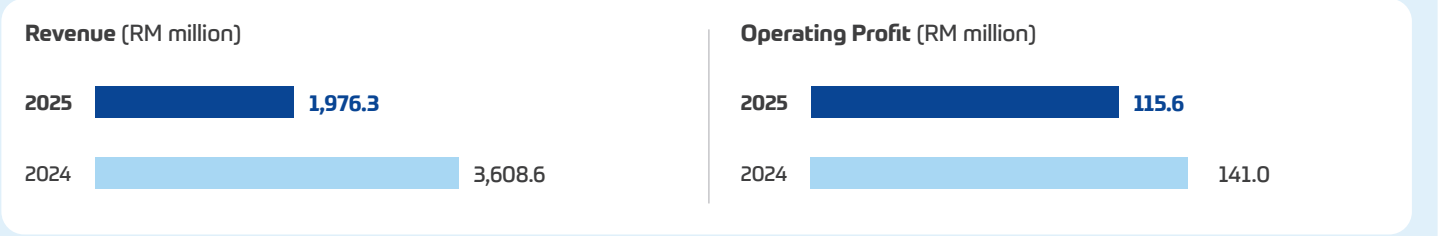
The segment’s operating profit of RM865.4 million was RM813.9 million higher than the previous year’s operating profit of RM51.5 million primarily contributed by the commencement of operations of *FPSO Marechal Duque de Caxias* as well as recovery from an FSO insurance settlement.



 MARINE & HEAVY ENGINEERING

The Marine & Heavy Engineering segment’s revenue of RM1,976.3 million was RM1,632.3 million or 45.2% lower than the previous year’s revenue of RM3,608.6 million, primarily due to lower revenue from Heavy Engineering projects, attributable to projects nearing completion, as well as newly secured projects were still in the early stages of execution.

The segment’s operating profit of RM115.6 million was RM25.4 million or 18.0% lower compared to previous year’s operating profit of RM141.0 million, mainly due to lower level of project activities.



FINANCIAL CALENDAR



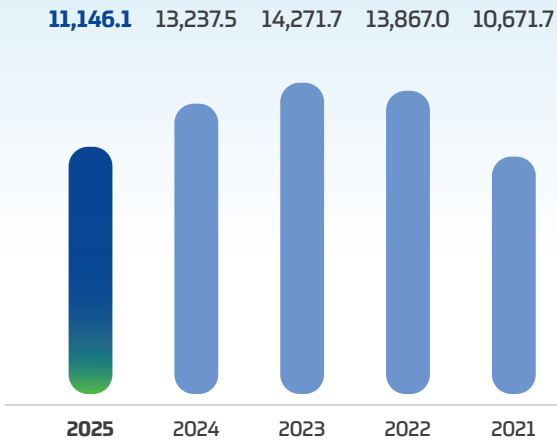
FIVE-YEAR GROUP FINANCIAL PERFORMANCE

	Audited 1.1.2025 to 31.12.2025 RM million	Audited 1.1.2024 to 31.12.2024 RM million	Audited 1.1.2023 to 31.12.2023 RM million	Audited 1.1.2022 to 31.12.2022 RM million	Audited 1.1.2021 to 31.12.2021 RM million
Revenue	11,146.1	13,237.5	14,271.7	13,867.0	10,671.7
Operating profit	2,776.5	2,593.7	2,881.4	3,102.0	1,948.3
Profit before taxation	1,862.0	1,283.5	2,093.7	1,874.3	1,774.6
Profit after taxation	1,738.1	1,233.2	1,958.9	1,835.0	1,733.5
Profit for the year attributable to equity holders of the Corporation	1,700.2	1,193.5	2,123.5	1,822.9	1,831.3
Dividends paid during the year	1,606.9	1,606.9	1,606.9	1,473.0	1,473.0
Earnings per share (sen) ⁽¹⁾	38.1	26.7	47.6	40.8	41.0
Total assets	53,014.4	60,435.1	65,060.1	62,664.2	57,521.5
Total liabilities	18,309.9	22,121.7	25,094.3	24,360.2	22,596.5
Equity attributable to equity holders of the Corporation	34,007.4	37,604.0	39,285.8	37,458.7	34,162.7
Interest-bearing loans and borrowings	12,880.4	15,494.3	17,545.0	17,861.5	17,029.0
Net tangible assets per share (sen)	758.6	837.7	874.1	835.7	758.6
Gross debt/equity ratio (times)	0.37	0.40	0.44	0.47	0.49
Net debt/equity ratio (times)	0.20	0.23	0.25	0.28	0.26
Interest cover ratio (times) ⁽²⁾	3.92	2.27	3.50	4.01	5.42
Cash flows from operating activities	5,656.1	4,276.8	5,696.3	3,042.1	2,908.6

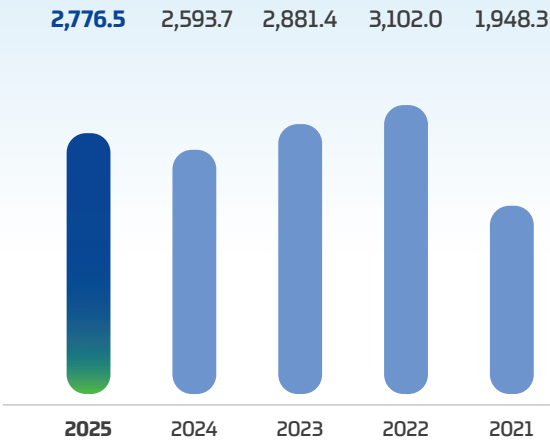
Notes:
⁽¹⁾ Earnings per share has been calculated using the weighted average number of ordinary shares in issue during the financial year.
⁽²⁾ Interest cover ratio is computed as Earnings Before Interest and Taxes (EBIT) divided by total interest expense.

FIVE-YEAR GROUP FINANCIAL PERFORMANCE

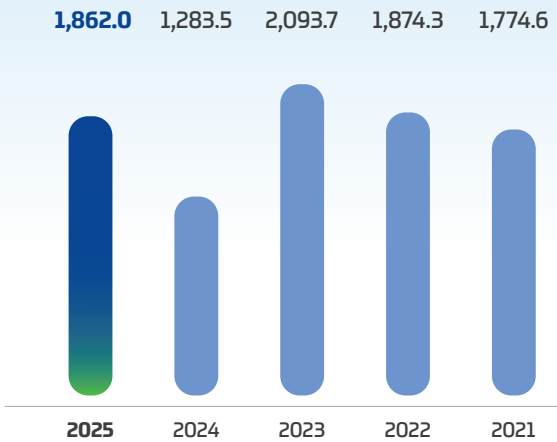
REVENUE (RM million)



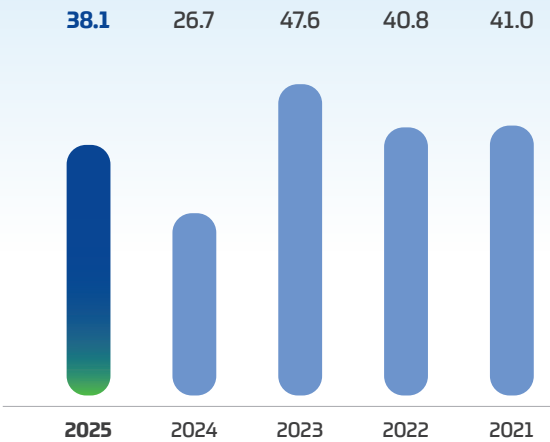
OPERATING PROFIT (RM million)



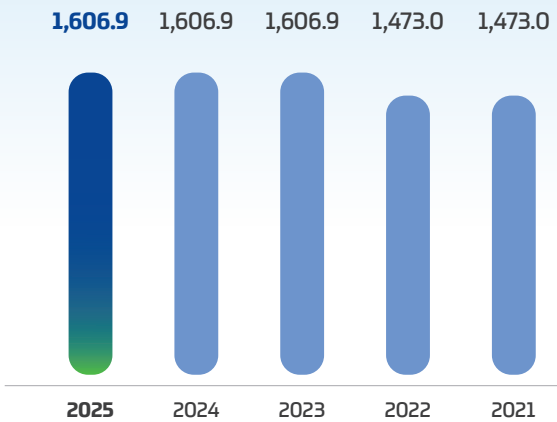
PROFIT BEFORE TAXATION (RM million)



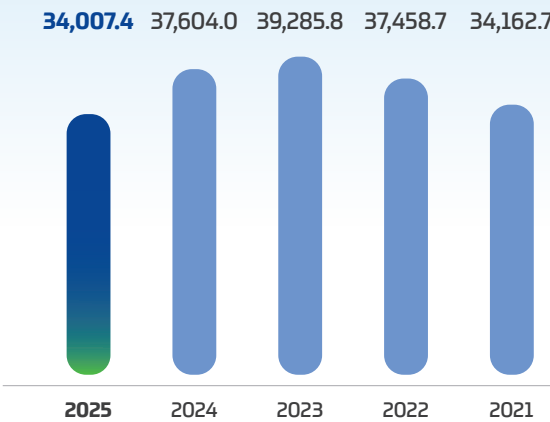
EARNINGS PER SHARE (sen)



DIVIDENDS PAID (RM million)



EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE CORPORATION (RM million)

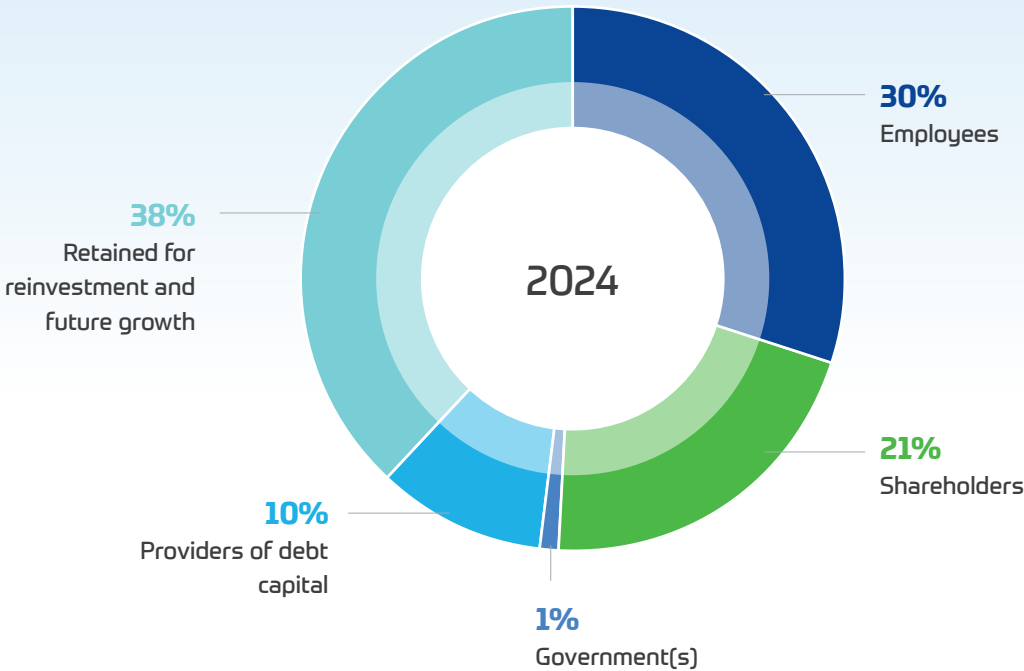
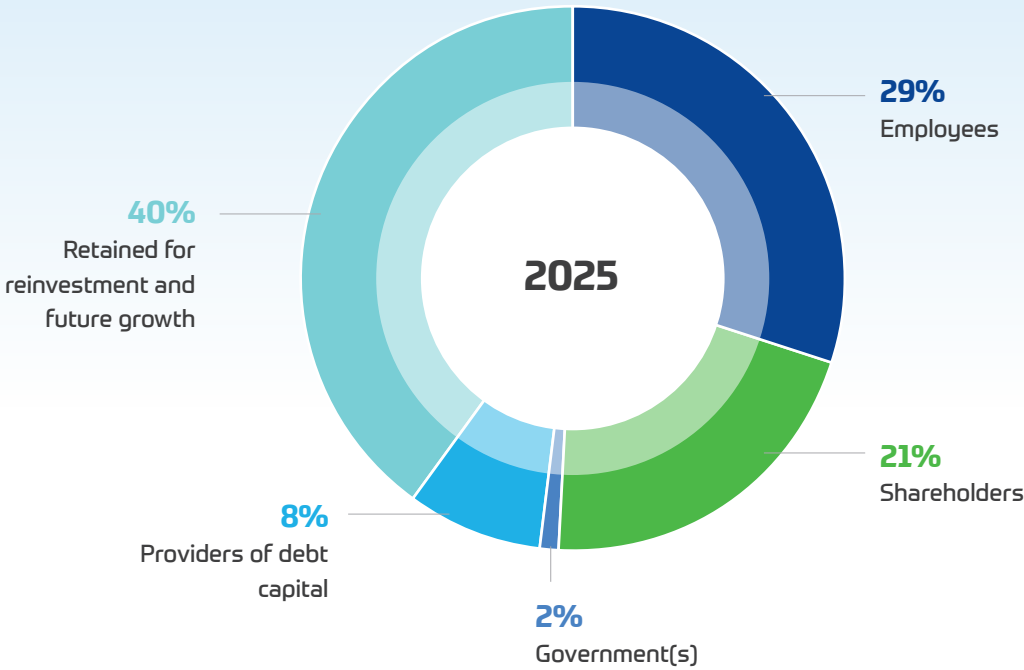


STATEMENT OF VALUE ADDED & VALUE DISTRIBUTED

	FY2025 RM'000	FY2024 RM'000
STATEMENT OF VALUE ADDED		
Revenue	11,146,137	13,237,477
Purchase of goods and services	(4,680,377)	(6,609,311)
Value added from operations	6,465,760	6,628,166
Other income	910,645	259,380
Finance income	249,311	411,556
Gain on disposal of ships	132,654	101,038
Share of profit of joint venture	34,944	94,787
Share of (loss)/profit of associates	(5,900)	2,315
Net gain on acquisition of subsidiaries	55,830	-
Total value added	7,843,244	7,497,242
DISTRIBUTION OF VALUE ADDED		
Employee:		
Employment costs	2,307,079	2,256,252
Shareholders:		
Dividends paid to shareholders of the Corporation	1,606,949	1,606,949
Dividends paid to non-controlling interests	17,833	-
Government(s):		
Taxation	122,550	49,810
Providers of debt capital:		
Finance costs	654,048	725,808
Retained for reinvestment and future growth:		
Depreciation, amortisation and impairment	2,881,395	3,238,673
Deferred tax	1,361	460
Retained profit/(loss)	252,029	(380,710)
Total value distributed	7,843,244	7,497,242

STATEMENT OF VALUE ADDED & VALUE DISTRIBUTED

DISTRIBUTION OF VALUE ADDED



SECTION 10

LEADERSHIP

150	Our Board at a Glance
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163	Profiles of the Executive Leadership Team

OUR BOARD AT A GLANCE

OUR BOARD AT A GLANCE



BOARD COMPOSITION

■ Non-Independent Executive Director
(President & Group CEO, MISC Berhad)

■ Senior Independent Non-Executive Director

■ Non-Independent Non-Executive Directors
(PETRONAS Nominees)

■ Independent Non-Executive Directors

AGE

■ 50 – 59 years

■ 60 – 69 years

■ ≥70 years

TENURE

■ Up to 3 years

■ Above 3 years and up to 7 years

■ Above 7 years and up to 9 years

GENDER

5 Male Directors

4 Female Directors

SKILLS MATRIX

SM1	Finance & Audit	6
SM2	Economics	3
SM3	Risk Management	9
SM4	Corporate Planning	9
SM5	Marketing	5
SM6	Operations	7
SM7	Corporate Governance	9
SM8	Human Resource	5
SM9	Information Technology	2
SM10	Legal & Regulatory	1
SM11	ESG	4
SM12	Strategic Communication	1

INDUSTRY EXPERIENCE MATRIX

EM1	Oil & Gas	5
EM2	Finance & Audit	3
EM3	Banking/Investment Banking	2
EM4	Shipping	2
EM5	LNG Marketing & Trading	2
EM6	Consulting/Strategy Consulting	2
EM7	Telecommunication	1
EM8	Postal	1
EM9	FMCG	1
EM10	Social Security	1
EM11	IT Services	1
EM12	Highway Infrastructure	1

PROFILES OF THE BOARD OF DIRECTORS



DATUK ABU HURAIRA
ABU YAZID

Chairman
Independent Non-Executive Director

Nationality



Age

72

Gender

M

Number of Board Meetings Attended in 2025



Skills & Industry Experience:



DATE OF APPOINTMENT

- 9 October 2020 as Independent Non-Executive Director
- 1 January 2021 redesignated as Chairman, Independent Non-Executive Director

LENGTH OF SERVICE (AS AT 4 MARCH 2026)

5 years 4 months

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Bachelor of Economics (Business Administration), University of Malaya, Malaysia

PRESENT DIRECTORSHIPS

Listed issuer:

- MISC Berhad

Other public company:

- Pembangunan Sumber Manusia Berhad
- FGV Holdings Berhad

PRESENT APPOINTMENTS

- Chairman, MISC Berhad
- Chairman, AET Pte. Ltd.
- Chairman, Malaysian Maritime Academy Sdn. Bhd.
- Chairman, Pembangunan Sumber Manusia Berhad
- Chairman, Perbadanan Insurans Deposit Malaysia
- Chairman, FGV Holdings Berhad

PAST EXPERIENCE

- Chairman, Pusat Rehab PERKESO Sdn. Bhd.
- Independent Non-Executive Director, United Overseas Bank (M) Bhd. (UOB Bank)
- Chairman, Board Risk Management Committee, UOB Bank
- Chairman, Board Remuneration Committee, UOB Bank
- Member, Board Audit Committee, UOB Bank
- Member, Board Nomination Committee, UOB Bank
- Chairman, Social Security Organisation (SOCSO)
- Chairman, Investment Panel, SOCSO
- Chairman, Board Committees, SOCSO
- Executive Director, Pos Malaysia Berhad
- CEO, National Savings Bank
- General Manager, Public Bank Berhad
- Vice-President, Citibank Berhad
- Vice-President, Chase Manhattan (now known as JP Morgan Chase)
- Head of Maybank card business, Maybank



ZAHID OSMAN

President & Group CEO
Non-Independent Executive Director

Nationality



Age

53

Gender

M

Number of Board Meetings Attended in 2025



Skills & Industry Experience:



DATE OF APPOINTMENT

16 August 2024

LENGTH OF SERVICE (AS AT 4 MARCH 2026)

1 year 6 months

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Master of Business Administration, University of Chicago Booth School of Business, USA
- Bachelor of Science (Industrial Economics), University of Nottingham, UK
- Management Program on Strategy Creation, Columbia Business School

PRESENT DIRECTORSHIPS

Listed issuer:

- MISC Berhad
- Malaysia Marine and Heavy Engineering Holdings Berhad

Other public company:

- NIL

PRESENT APPOINTMENTS

- President & Group CEO, MISC Berhad
- Vice President, Maritime, Gas and Maritime Business, PETRONAS
- Board Member, various subsidiaries and associate company within the MISC Group
- Chairman of Advisory Panel, Malaysia Women in Energy (MyWIE)
- Trustee, General Committee, Malaysian Petroleum Club
- Advisory Council Member, Global Maritime Forum
- Director, Gard P. & I. (Bermuda) Ltd

PROFILES OF THE BOARD OF DIRECTORS

PROFILES OF THE BOARD OF DIRECTORS



CHEW LIONG KIM

Senior Independent Non-Executive Director

Nationality



Age

70

Gender

M

Number of Board Meetings Attended in 2025



Skills & Industry Experience:



DATE OF APPOINTMENT

- 1 September 2021 as Independent Non-Executive Director
- 15 January 2024 redesignated as Senior Independent Non-Executive Director

LENGTH OF SERVICE (AS AT 4 MARCH 2026)

4 years 6 months

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Member, Malaysian Institute of Accountants (MIA)
- Fellow Chartered Accountant (FCA), Chartered Accountants Australia and New Zealand
- Member, Malaysian Institute of Chartered Secretaries and Administrators (MAICSA)
- Bachelor of Commerce (Accountancy), University of Auckland, New Zealand

PRESENT DIRECTORSHIPS

Listed issuer:

- MISC Berhad

Other public company:

- Amanat Lebuhraya Rakyat Berhad

PRESENT APPOINTMENTS

- Chairman, Board Audit Committee, MISC Berhad
- Member, Board Sustainability & Risk Committee, MISC Berhad
- Chairman, Board Audit & Risk Committee, Amanat Lebuhraya Rakyat Berhad
- Member, Board Investment Committee, Amanat Lebuhraya Rakyat Berhad
- Chairman, Shakeup Online Sdn. Bhd.
- Executive Chairman, CLK Advisors, Malaysia
- Senior Advisor, Roland Berger Strategy Consultants South-East Asia

PAST EXPERIENCE

- Chairman, Asean Advisory Pte. Ltd.
- Non-Independent Non-Executive Director, ZICO Holdings Inc., Catalyst Market, Singapore Exchange
- Commission Member, Malaysian Communications and Multimedia Commission (MCMC)
- Chairman, Audit and Risk Committee, MCMC
- Chairman, Whistleblowing Committee, MCMC
- Member, Remuneration Committee, MCMC
- Managing Director, Maybank Investment Bank Bhd's Strategic Advisory Division
- Managing Director, Bina Fikir Sdn. Bhd.
- Executive Director/CEO, Dataprep Holdings Berhad
- Co-founder/Executive Chairman, HRM Business Consulting Sdn. Bhd.
- Worldwide Partner, Arthur Andersen
- Area Managing Partner Business Consulting, Asia Pacific, Arthur Andersen
- Country Managing Partner Business Consulting, Malaysia, Arthur Andersen
- Principal, Hanafiah Raslan Mohamad

PROFILES OF THE BOARD OF DIRECTORS



DATIN NORAZAH MOHAMED RAZALI

Independent Non-Executive Director

Nationality



Age

55

Gender

F

Number of Board Meetings Attended in 2025



Skills & Industry Experience:



DATE OF APPOINTMENT

9 October 2020

LENGTH OF SERVICE (AS AT 4 MARCH 2026)

5 years 4 months

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Master of Business Administration, Imperial College Business School, University of London, UK
- Diploma in Management, Imperial College, University of London, UK
- Bachelor of Laws (Honours) (Syariah and Common Law), International Islamic University Malaysia, Malaysia

PRESENT DIRECTORSHIPS

Listed issuer:

- MISC Berhad
- Sime Darby Property Berhad

Other public company:

- Permodalan Nasional Berhad

PRESENT APPOINTMENTS

- Chairperson, Board Sustainability & Risk Committee, MISC Berhad
- Member, Board Nomination & Remuneration Committee, MISC Berhad
- Independent Non-Executive Director, Sime Darby Property Berhad
- Chairperson, Board Nomination and Remuneration Committee, Sime Darby Property Berhad

- Member, Audit Committee, Sime Darby Property Berhad
- Member, Board Sustainability Committee, Sime Darby Property Berhad
- Independent Non-Executive Director, Permodalan Nasional Berhad (PNB)
- Chairperson, Board Technology Committee, PNB
- Member, Board Nomination and Remuneration Committee, PNB
- Member, Board Risk Committee, PNB
- Member, Board Audit Committee, PNB
- Member, Board Investment Committee, PNB
- Independent Non-Executive Director, Cradle Fund Sdn. Bhd.
- Chairperson, Nomination and Remuneration Committee, Cradle Fund Sdn. Bhd.
- Member, Board Grant and Investment Committee, Cradle Fund Sdn. Bhd.
- Chairperson, Kwasa Land Sdn. Bhd.
- Chairperson, Kwasa Utama Sdn. Bhd.

PAST EXPERIENCE

- Member, Investment Panel, Penjana Kapital Sdn. Bhd.
- Senior Advisor (Public Sector Practice), The Boston Consulting Group (BCG)
- Partner and Managing Director, Member of BCG SE Asia Executive Leadership, BCG
- Head of BCG Malaysia, BCG
- Principal, BCG
- Project Manager & Consultant, BCG
- Consultant, Booz, Allen & Hamilton, Singapore
- Solicitor, M/s Sidek, Teoh, Wong & Dennis, Advocates & Solicitors, Malaysia

PROFILES OF THE BOARD OF DIRECTORS



**DATO' TENGKU MARINA
TUNKU ANNUAR**

Independent Non-Executive Director

Nationality



Age

63

Gender

F

Number of Board Meetings Attended in 2025



Skills & Industry Experience:

- SM3 SM4 SM5 SM6 SM7 SM8 SM10 SM11 SM12
EM9

DATE OF APPOINTMENT

1 January 2022

LENGTH OF SERVICE (AS AT 4 MARCH 2026)

4 years 2 months

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Global Health Diplomacy Executive Course, The Graduate Institute, Geneva
- Executive Certificate, Advocacy in International Affairs, The Graduate Institute, Geneva
- Nestle Leadership Programme, London Business School
- Rewiring Leadership for High Impact, Cambridge Institute for Sustainability Leadership
- Sustainability Leadership Lab, Cambridge Institute for Sustainability Leadership
- Business Sustainability Management Course, Cambridge Institute for Sustainability Leadership
- Bachelor of Arts in International Relations, London University, UK

PRESENT DIRECTORSHIPS

Listed issuer:

- MISC Berhad
- S P Setia Berhad
- Westports Holdings Berhad

Other public company:

- NIL

PRESENT APPOINTMENTS

- Chairperson, Board Nomination & Remuneration Committee, MISC Berhad
- Member, Board Sustainability & Risk Committee, MISC Berhad
- Chairperson, S P Setia Foundation
- Chairperson, Sustainability Committee, S P Setia Berhad
- Member, Nomination and Remuneration Committee, S P Setia Berhad
- Member, Risk Management Committee, S P Setia Berhad
- Member, Sustainability Committee, Westports Holdings Berhad
- Member, Nomination and Remuneration Committee, Westports Holdings Berhad
- Council Member, Climate Governance Malaysia
- Founding Member, Circular Economy Club, Kuala Lumpur

PAST EXPERIENCE

- Asia-Pacific Region Head, Corporate Regulatory & Scientific Affairs, Nestle S.A.
- Global Public Affairs Lead, Nestle S.A.
- Group Director, Corporate Affairs, Communications and Wellness, Nestle (Malaysia) Berhad
- Corporate Communications Manager, Nestle (Malaysia) Berhad
- Public Relations & Communications Manager in Hospitality Industry
- Public Relations Officer in Malaysia Airlines, UK Office

PROFILES OF THE BOARD OF DIRECTORS



**MOHAMMAD SUHAIMI
MOHD YASIN**

Independent Non-Executive Director

Nationality



Age

65

Gender

M

Number of Board Meetings Attended in 2025



Skills & Industry Experience:

- SM1 SM3 SM4 SM5 SM7
EM1 EM5

DATE OF APPOINTMENT

9 October 2020

LENGTH OF SERVICE (AS AT 4 MARCH 2026)

5 years 4 months

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Master of Business Administration, Saint Louis University, USA
- Bachelor of Science (Accounting), Indiana State University, USA
- Diploma in Accountancy, MARA Institute of Technology, Malaysia

PRESENT DIRECTORSHIPS

Listed issuer:

- MISC Berhad
- Malaysia Marine and Heavy Engineering Holdings Berhad

Other public company:

- NIL

PRESENT APPOINTMENTS

- Member, Board Sustainability & Risk Committee, MISC Berhad
- Member, Board Audit Committee, MISC Berhad
- Chairman, Independent Non-Executive Director, Malaysia Marine and Heavy Engineering Holdings Berhad
- Advisor, SC Tubular Solutions Malaysia Sdn. Bhd.

PAST EXPERIENCE

- Independent Non-Executive Director, Alam Maritim Resources Berhad
- Chairman, Risk Management Committee, Alam Maritim Resources Berhad
- Member, Audit Committee, Alam Maritim Resources Berhad
- Member, Nomination and Remuneration Committee, Alam Maritim Resources Berhad
- Senior General Manager, Project Procurement Management Department, Technology & Engineering Division, PETRONAS
- Senior General Manager, Corporate Services, PETRONAS Carigali Sdn. Bhd.
- Senior General Manager, Group Supply Chain Management Department, PETRONAS
- Senior General Manager, Group Tenders & Contracts Division, PETRONAS
- General Manager, Commercial Division, Malaysia LNG Sdn. Bhd.
- Managing Director/CEO, MITCO Japan Sdn. Bhd. & PETRONAS Country Manager, Yokohama, Japan
- Executive Assistant to President, PETRONAS
- Deputy General Manager, Commercial, Malaysia LNG Tiga Sdn. Bhd.
- Manager, Finance & Services, Malaysia LNG Dua Sdn. Bhd.
- Section Head, Gas Accounting Section, Gas Processing Plant, PETRONAS Gas Sdn. Bhd.

PROFILES OF THE BOARD OF DIRECTORS



WAN SHAMILAH WAN MUHAMMAD SAIDI

Non-Independent Non-Executive Director

Nationality



Age

55

Gender

F

Number of Board Meetings Attended in 2025



Skills & Industry Experience:



DATE OF APPOINTMENT

1 June 2022

LENGTH OF SERVICE (AS AT 4 MARCH 2026)

3 years 9 months

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Fellow, Institute of Chartered Accountants in England & Wales (ICAEW)
- Member, Malaysian Institute of Accountants (MIA)
- Bachelor of Science in Economics and Accounting, University of Bristol, UK
- Advanced Management Programme, Harvard Business School
- Sustainable Finance, Cambridge Institute for Sustainability Leadership

PRESENT DIRECTORSHIPS

Listed issuer:

- MISC Berhad

Other public company:

- NIL

PRESENT APPOINTMENTS

- Member, Board Nomination & Remuneration Committee, MISC Berhad
- Member, Board Audit Committee, MISC Berhad
- Board Member of various companies in PETRONAS Group
- Director, Fiberail Sdn. Bhd.
- Head KLCC Development, KLCC (Holdings) Sdn. Bhd.

PAST EXPERIENCE

- Senior General Manager, Group Corporate Finance, PETRONAS
- Chief Digital Officer, Group Digital, PETRONAS
- Senior General Manager, Corporate Strategic Planning, PETRONAS
- Chief Financial Officer, PETRONAS Chemicals Group Berhad
- Senior General Manager, Crude Oil Group, PETRONAS
- General Manager Finance, Malaysia LNG Sdn. Bhd.
- General Manager Finance, PETRONAS Gas Berhad
- Manager, Mergers & Acquisitions, Corporate Planning & Development Division, PETRONAS
- Senior Executive, Corporate Finance, PETRONAS
- Audit Supervisor, Morison Stoneham Chartered Accountants

PROFILES OF THE BOARD OF DIRECTORS

DECLARATION BY ALL DIRECTORS

Due to the nature of business of MISC Berhad Group, there are potential business transactions with other entities within the PETRONAS Group and MHB Group, of which situations of conflict of interest could arise for the following Directors in their various capacities:

- (i) Zahid Osman is the Vice President, Maritime, Gas & Maritime Business, PETRONAS and Non-Independent Non-Executive Director, MHB.
- (ii) Datuk Adif Zulkifli is the Executive Vice President & CEO of Gas & Maritime Business, PETRONAS. He is also Chairman and/or Board Member of various companies in PETRONAS Group, including PETRONAS Gas Berhad.
- (iii) Liza Mustapha is the Executive Director and Executive Vice President & Group Chief Financial Officer, PETRONAS. She is also a Board Member of various companies in PETRONAS Group.
- (iv) Wan Shamilah Wan Muhammad Saidi is the Head KLCC Development in KLCC (Holdings) Sdn. Bhd., a member of the PETRONAS Group. She is also a Board Member of various companies in PETRONAS Group.
- (v) Mohammad Suhaimi Mohd Yasin is the Chairman, Independent Non-Executive Director, MHB.

Save as disclosed above, none of the Directors have:

- (a) Any family relationship with any Directors and/or Major Shareholders of MISC Berhad;
- (b) Any conflict of interest or potential conflict of interest, including interest in any competing business, with MISC Berhad or its subsidiaries; and
- (c) Any conviction for offences other than traffic offences within the past five (5) years, received any public sanction or any penalty imposed by the relevant regulatory bodies during the financial year.

OUR EXECUTIVE LEADERSHIP TEAM



Start from left

NICK POTTER | HAZRIN HASAN | RAJA AZLAN SHAH RAJA AZWA | NORIDAH KHAMIS | ZAHID OSMAN |
RUZILA IDIN | AFENDY MOHAMED ALI | MOHD NAZIR MOHD NOR | MOHD DENNY MOHD ISA

PROFILES OF THE EXECUTIVE LEADERSHIP TEAM



ZAHID OSMAN

President & Group CEO

Nationality



Age

53

Gender

M

DATE OF APPOINTMENT

- 16 August 2024 as President & Group CEO, MISC Berhad
- 1 June 2024 as Chief Operating Officer, MISC Berhad
- 1 June 2023 as President & CEO, AET/Vice President, Petroleum & Products, MISC Berhad
- 1 January 2022 as Vice President, Corporate Planning, MISC Berhad
- 1 August 2017 as Vice President, LNG Business (now known as Gas Assets & Solutions), MISC Berhad

RESPONSIBILITIES

- Implementation of policies, strategies and decisions as formulated by the Board and overseeing the day-to-day management and operations of the MISC Group
- Ensuring that a sound management structure is in place

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Master of Business Administration, University of Chicago Booth School of Business, USA
- Bachelor of Science (Industrial Economics), University of Nottingham, UK
- Management Program on Strategy Creation, Columbia Business School

PRESENT APPOINTMENTS

- Board Member, MISC Berhad
- Board Member, Malaysia Marine and Heavy Engineering Holdings Berhad
- Vice President, Maritime, Gas and Maritime Business, PETRONAS
- Board Member, various subsidiaries and associate company within the MISC Group
- Chairman of Advisory Panel, Malaysia Women in Energy (MyWiE)
- Trustee, General Committee, Malaysian Petroleum Club
- Advisory Council Member, Global Maritime Forum
- Director, Gard P. & I. (Bermuda) Ltd

PAST EXPERIENCE

- President & CEO, AET/Vice President, Petroleum & Products, MISC Berhad
- Chief Operating Officer, MISC Berhad
- Committee Member, The London P&I Club
- Council Member and Chairman, Government & Regulatory Affairs Working Committee, Malaysian Gas Association (MGA)
- Vice President, Corporate Planning, MISC Berhad
- Vice President, LNG Business (now known as Gas Assets & Solutions), MISC Berhad
- Vice President of Venture Development, Shell Integrated Gas & New Energies
- Management positions in finance, LNG marketing and trading, business development, commercial, Upstream production sharing contract, stakeholder management, joint venture governance, gas advocacy and project management in Upstream, Downstream, Integrated Gas and Trading businesses, Shell Group of Companies

PROFILES OF THE EXECUTIVE LEADERSHIP TEAM



HAZRIN HASAN

Vice President, Gas Assets & Solutions

Nationality



Age

59

Gender

M

DATE OF APPOINTMENT

- 1 January 2022 as Vice President, Gas Assets & Solutions, MISC Berhad
- 1 April 2018 as Managing Director & CEO, MISC Maritime Services Sdn. Bhd.

RESPONSIBILITIES

- Overall management and operations of the conventional LNG shipping and non-conventional gas asset solutions
- Development of the sustainability and profitability of LNG shipping and non-conventional gas asset solutions through efficient and strategic business development and stakeholder management

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Certified Chief Engineer, Maritime and Coastguard Agency (MCA), UK
- Marine Engineering, South Tyneside College, UK
- Senior Management Development Program, INSEAD

PRESENT APPOINTMENTS

- Chairman and Board Member, various subsidiaries and joint venture companies within the MISC Group
- Board Member, Society of International Gas Tanker and Terminal Operators (SIGTTO)
- Council Member, Malaysian Gas Association (MGA)

PAST EXPERIENCE

- Managing Director & CEO, MISC Maritime Services Sdn. Bhd.
- Head, Ship Operations and Contract Management, LNG Business, MISC Berhad
- General Manager, Project Management Ship, Group Technical Services, MISC Berhad
- Managerial roles in Fleet Management Services (FMS) and the Human Resource function in FMS, MISC Berhad
- Joined MISC as an Engine Cadet and had sailed on MISC LNG vessels, finishing his sea career as Chief Engineer



NICK POTTER

Vice President,
Petroleum & Products/
President & CEO, AET

Nationality



Age

56

Gender

M

DATE OF APPOINTMENT

- 17 March 2025 as Vice President, Petroleum & Products, MISC Berhad/President & CEO, AET

RESPONSIBILITIES

- Overall leadership and management of AET, the petroleum and product shipping arm of MISC
- Development of AET's sustainability and profitability through efficient and strategic business development and stakeholder management

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Bachelor of Mechanical & Marine Engineering, Liverpool John Moores University, UK
- Master of Mechanical & Manufacturing Engineering, Liverpool John Moores University, UK
- Fellow, Institute of Chartered Shipbrokers
- Fellow, Institute of Marine Engineering, Science & Technology
- Chartered Engineer

PRESENT APPOINTMENTS

- Board Member, AET Pte. Ltd.
- Board Member, AET Tanker Holdings Sdn. Bhd.
- Chairman, Global Ambassador, Mission to Seafarers
- Ambassador, Women's International Shipping & Trading Association (WISTA) Singapore
- Board Member, Singapore Maritime Foundation
- Member, Institute of Directors (IoD)
- Director, Members' Committee, The United Kingdom Mutual Steam Ship Assurance Association Limited
- Chairman, Advisory Committee, Clean Energy Ministerial (CEM) Marine Energy Hubs

PAST EXPERIENCE

- Head, Shipping & Maritime, Asia Pacific & Middle East, Shell
- Global Head of Maritime, BG Group
- Chairman, Oil Companies International Marine Forum (OCIMF)
- Chairman, Lloyds Register Asia Shipowners Committee
- Co-chair, Singapore Tripartite Advisory Panel for the Future-Ready Maritime Workforce
- Director, Society for Gas as a Marine Fuel

PROFILES OF THE EXECUTIVE LEADERSHIP TEAM



MOHD NAZIR MOHD NOR

Vice President, Marine & Heavy
Engineering/
Managing Director & CEO, MHB

Nationality



Age

48

Gender

M

DATE OF APPOINTMENT

- 1 January 2025 as Vice President, Marine & Heavy Engineering, MISC Berhad
- 1 December 2023 as Managing Director & CEO, Malaysia Marine and Heavy Engineering Holdings Berhad (MHB)

RESPONSIBILITIES

- Overall leadership, management and operations of MHB
- Development of sustainability and profitability of MHB through efficient and strategic business development and stakeholder management

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Bachelor of Civil Engineering, Universiti Teknologi MARA, Malaysia
- Management Program, Duke Corporate Education
- Advanced Management Program, Harvard Business School

PRESENT APPOINTMENTS

- Board Member, MHB
- Board member of several private companies within the MHB Group
- Board Member, Trans Thai-Malaysia (Thailand) Limited & Trans Thai-Malaysia (Malaysia) Sdn. Bhd.

PAST EXPERIENCE

- Board Member, PETRONAS Energy and Gas Trading Sdn Bhd
- Head, Gas Processing & Utilities, PETRONAS Gas Berhad
- Country Head & Chief Executive Officer, PETRONAS E&P Argentina, PETRONAS (PCSB Argentina)
- Director, Gas Infrastructure, PETRONAS Canada Energy Ltd, Upstream
- Director, Pipeline & Integration, PETRONAS (Pacific North-West LNG Canada)
- Head, Transformation Project Management Office – (People and Culture), PETRONAS Gas Berhad
- Head, Transmission East Malaysia Operation, PETRONAS Gas Berhad
- Pipeline Operations Advisor and Engineering Manager, PETRONAS (PAPL Gladstone LNG Australia)



MOHD DENNY MOHD ISA

Vice President, Marine Services

Nationality



Age

51

Gender

M

DATE OF APPOINTMENT

- 1 November 2024 as Vice President, Marine Services, MISC Berhad*
- 1 January 2022 as Managing Director & CEO, MISC Maritime Services Sdn. Bhd.

RESPONSIBILITIES

- Overall management and operations of integrated ship management, ports & terminal services and marine assurance & consultancy
- Development of the sustainability and profitability of Marine Services through efficient and strategic business development and stakeholder management

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Master of Business Administration, University of Technology Malaysia, Malaysia
- Graduate Certificate of International Management, University of Melbourne
- Marine Engineer, First Class Certificate of Competency (Steam), Ministry of Transport, Malaysia
- Professional Maritime Training at Akademi Laut Malaysia, Malaysia

PRESENT APPOINTMENTS

- Chairman and Board Member, various subsidiaries within the MISC Group
- Chairman, Asia Regional Panel at the International Association of Independent Tanker Owners (INTERTANKO)

PAST EXPERIENCE

- Managing Director & CEO, MISC Maritime Services Sdn. Bhd.
- Chief Operating Officer, Eaglestar Marine Holdings (L) Pte. Ltd. (now known as MISC Marine Holdings (L) Pte. Ltd.)
- General Manager, President & Group CEO's Office, MISC Berhad
- General Manager, Human Resource Management (Sea), MISC Berhad
- Head of Fleet Operations, Fleet Management Services (LNG), MISC Berhad
- Engineer Superintendent, Fleet Management Services (LNG), MISC Berhad
- Marine Engineer, MISC Berhad

* With effect from 1 January 2025, Vice President, MISC Marine is known as Vice President, Marine Services

PROFILES OF THE EXECUTIVE LEADERSHIP TEAM



Nationality	Age	Gender
	55	M

- DATE OF APPOINTMENT**
- 1 March 2024 as Chief Strategy & Sustainability Officer, MISC Berhad*
 - 8 April 2019 as Vice President, Group Finance, MISC Berhad

- RESPONSIBILITIES**
- Overall management and implementation of MISC corporate strategies and plans
 - Manage and monitor risk management and internal controls of MISC
 - Responsible for the management of sustainability matters of MISC

- ACADEMIC/PROFESSIONAL QUALIFICATIONS**
- Degree in Accounting and Financial Management, University of Sheffield, UK
 - Certified Public Accountant (CPA), Malaysian Institute of Certified Public Accountants

- PRESENT APPOINTMENTS**
- Board Member, various subsidiaries within the MISC Group
 - Board Member, Malaysia Marine and Heavy Engineering Holdings Berhad (MHB)
 - Member, Board Nomination & Remuneration Committee, MHB
 - Member, Board Sustainability & Risk Committee, MHB
 - Board Member, Labuan Reinsurance (L) Ltd.
 - Chairman, Audit Committee, Labuan Reinsurance (L) Ltd.

- PAST EXPERIENCE**
- Vice President, Group Finance, MISC Berhad
 - Independent Non-Executive Director, IJN Holdings Sdn. Bhd.
 - Chairman, Audit and Risk Management Committee, IJN Holdings Sdn. Bhd.
 - Independent Non-Executive Director, D.B.E. Gurney Resources Berhad
 - Chairman, Audit and Risk Management Committee, D.B.E. Gurney Resources Berhad
 - Group CEO, Percon Corporation Sdn. Bhd.
 - Executive Director, River of Life Hospital Sdn. Bhd.
 - Head, Strategy and Innovation, Sime Darby Property
 - Group CEO, Ramsay Sime Darby Health Care Group
 - Managing Director, Sime Darby Healthcare Group
 - Chief of Staff, Sime Darby Berhad
 - Group Head, Strategy, Sime Darby Berhad
 - Group Head, Corporate Finance and Corporate Planning, Sime Darby Berhad
 - Group Head, Corporate Finance, Sime Darby Berhad
 - Senior Manager, Corporate Finance, CIMB Investment Bank
 - Auditor, Arthur Andersen and Co.

* With effect from 1 January 2025, Vice President, Corporate Planning is known as Chief Strategy & Sustainability Officer



Nationality	Age	Gender
	52	M

- DATE OF APPOINTMENT**
- 1 March 2024 as Chief Financial Officer, MISC Berhad*

- RESPONSIBILITIES**
- Overall management and coordination of financial reporting, financial planning, debt financing, treasury and budget management functions of MISC
 - Ensuring that the accounting procedures and reporting of MISC complies with the relevant accounting principles, standards and regulations
 - Ensuring procurement activities of MISC complies with the procurement policies, procedures and governance requirements
 - Provides tax advisory for the Group and tax planning for new ventures
 - Ensuring ICT services and infrastructure systems support the business needs and demands through secured platforms

- ACADEMIC/PROFESSIONAL QUALIFICATIONS**
- Degree in Accounting & Finance (Hons), Lancaster University, UK
 - Institute of Chartered Accountants in England & Wales (ICAEW)

- PRESENT APPOINTMENTS**
- Chairman and Board Member, various subsidiaries within the MISC Group

- PAST EXPERIENCE**
- Senior General Manager, Finance & Risk, PETRONAS Gas Business
 - Senior General Manager, EDP Finance, PETRONAS Upstream Business
 - Chief Financial Officer, Pacific Northwest LNG
 - General Manager, Finance & Accounts, PETRONAS Carigali Iraq (Holding) BV
 - General Manager, Accounting & Financial Services, PETRONAS Upstream Business
 - Senior Manager, Group Budget, Accounting & Tax, International, PETRONAS Carigali Sdn. Bhd.
 - Senior Finance Manager, PETRONAS Egypt
 - Auditor, DSG Chartered Accountants, UK

* With effect from 1 January 2025, Vice President, Group Finance is known as Chief Financial Officer



Nationality	Age	Gender
	56	F

- DATE OF APPOINTMENT**
- 1 September 2024 as General Counsel, MISC Berhad*

- RESPONSIBILITIES**
- Responsible for the management of all legal affairs, company secretarial services, compliance and insurance matters

- ACADEMIC/PROFESSIONAL QUALIFICATIONS**
- Bachelor of Laws, University of Newcastle Upon Tyne, England
 - Barrister-at-Law, Inner Temple Inn
 - Licensed Company Secretary

- PRESENT APPOINTMENTS**
- Company Secretary, MISC Berhad and several subsidiaries
 - Board Member, various subsidiaries within the MISC Group
 - Member, Members' Representative Committee (MRC), The Britannia Steam Ship Insurance Association Holdings Limited

- PAST EXPERIENCE**
- Executive Committee Member, Malaysia Shipowners' Association (MASA)
 - General Counsel & Chief Integrity Officer, AET
 - Director Legal, Offshore Business Unit, MISC Berhad
 - General Manager Legal, Offshore Business Unit, MISC Berhad
 - General Manager Legal, Energy Offshore, MISC Berhad
 - Senior Manager Legal, MISC Berhad
 - Manager Legal, MISC Berhad
 - Senior Attorney, ExxonMobil
 - Legal Executive, Wawasan Shipping Sdn. Bhd.

* With effect from 1 January 2025, Vice President, Legal, Corporate Secretarial and Compliance is known as General Counsel



Nationality	Age	Gender
	54	F

- DATE OF APPOINTMENT**
- 1 June 2024 as Chief Human Resource Officer, MISC Berhad*

- RESPONSIBILITIES**
- Shape and drive the overall strategic direction and provide business leadership for the formulation and implementation of MISC Human Resource (HR) strategies and initiatives, ensuring integration and alignment with MISC business agenda to support the growth, competitiveness and sustainability
 - Drive and formulate people strategies and HR agenda of MISC to identify and develop capable leaders through succession planning, competency profiling and learning & development
 - Ensure the availability and constant supply of competent and able resources to support the Group's goals and aspirations for the present and future
 - Foster a diverse, inclusive and high-performing workplace by shaping policies and a culture that promote equity, belonging and continuous capability building

- ACADEMIC/PROFESSIONAL QUALIFICATIONS**
- Bachelor of Business Administration, Universiti Kebangsaan Malaysia, Malaysia
 - Professional Certificate in International Management, The University of Melbourne
 - Certified Solution Focused Coach, The Canadian Council of Professional Certification
 - Newfield Ontology Coach, Newfield Certification Programme
 - Chief Human Resources Officer Program, The Wharton School, University of Pennsylvania

- PRESENT APPOINTMENTS**
- Board Member, Malaysian Maritime Academy Sdn. Bhd.

- PAST EXPERIENCE**
- Senior General Manager (Global HR Business Partners), Downstream Business, PETRONAS
 - General Manager HRM, Group Digital, PD&T Division, PETRONAS
 - General Manager HRM, PETRONAS ICT Sdn. Bhd.
 - General Manager HRM, LNG Assets, Upstream Business, PETRONAS
 - General Manager HRM, Malaysia LNG Sdn. Bhd., Upstream Business, PETRONAS
 - Senior Manager (HR Business Partner), PETRONAS Dagangan Berhad, Downstream Business, PETRONAS
 - Manager (HRM & Admin), PETRONAS Australia Pty Limited, Gas Business, PETRONAS
 - HR Planner, Gas Business Unit, Gas Business, PETRONAS
 - HR Planner, Finance Division, PETRONAS
 - HR Executive, Oil Business Unit, Oil Business, PETRONAS
 - HR Executive, HRM Division, PETRONAS

* With effect from 1 January 2025, Vice President, Human Resource is known as Chief Human Resource Officer

PROFILES OF THE EXECUTIVE LEADERSHIP TEAM

DECLARATION BY THE EXECUTIVE LEADERSHIP TEAM

Due to the nature of business of MISC Berhad Group, there are potential business transactions with other entities within the PETRONAS Group and MHB Group, of which situations of conflict of interest could arise for the following ELT Members in their various capacities:

- (i) Zahid Osman is the Vice President, Maritime, Gas & Maritime Business, PETRONAS and Non-Independent Non-Executive Director, MHB.
- (ii) Raja Azlan Shah Raja Azwa is the Non-Independent Non-Executive Director, MHB.
- (iii) Mohd Nazir Mohd Nor is the Managing Director & CEO, MHB.

Save as disclosed above, none of the ELT Members have:

- (a) Any family relationship with any Directors and/or Major Shareholders of MISC Berhad;
- (b) Any conflict of interest or potential conflict of interest, including interest in any competing business, with MISC Berhad or its subsidiaries; and
- (c) Any conviction for offences other than traffic offences within the past five (5) years, received any public sanction or any penalty imposed by the relevant regulatory bodies during the financial year.



SECTION 11

GOVERNANCE

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238	Statement of Directors' Responsibility
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CORPORATE GOVERNANCE OVERVIEW STATEMENT

As governance forms one of the key pillars that uphold MISC’s Sustainability Strategy, the Board advocates the alignment of MISC’s Corporate Governance (CG) practices with the Companies Act 2016, the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Securities), and the best practice recommendations of the Malaysian Code on Corporate Governance (MCCG).

This CG Overview Statement provides insights into MISC’s governance approach and practices during the financial year ended 31 December 2025. It should be read together with the CG Report 2025, available on the Company’s corporate website at www.miscgroup.com. The Statement outlines how MISC applies the three (3) key principles of the MCCG.

- PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS
- PRINCIPLE B EFFECTIVE AUDIT AND RISK MANAGEMENT
- PRINCIPLE C INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

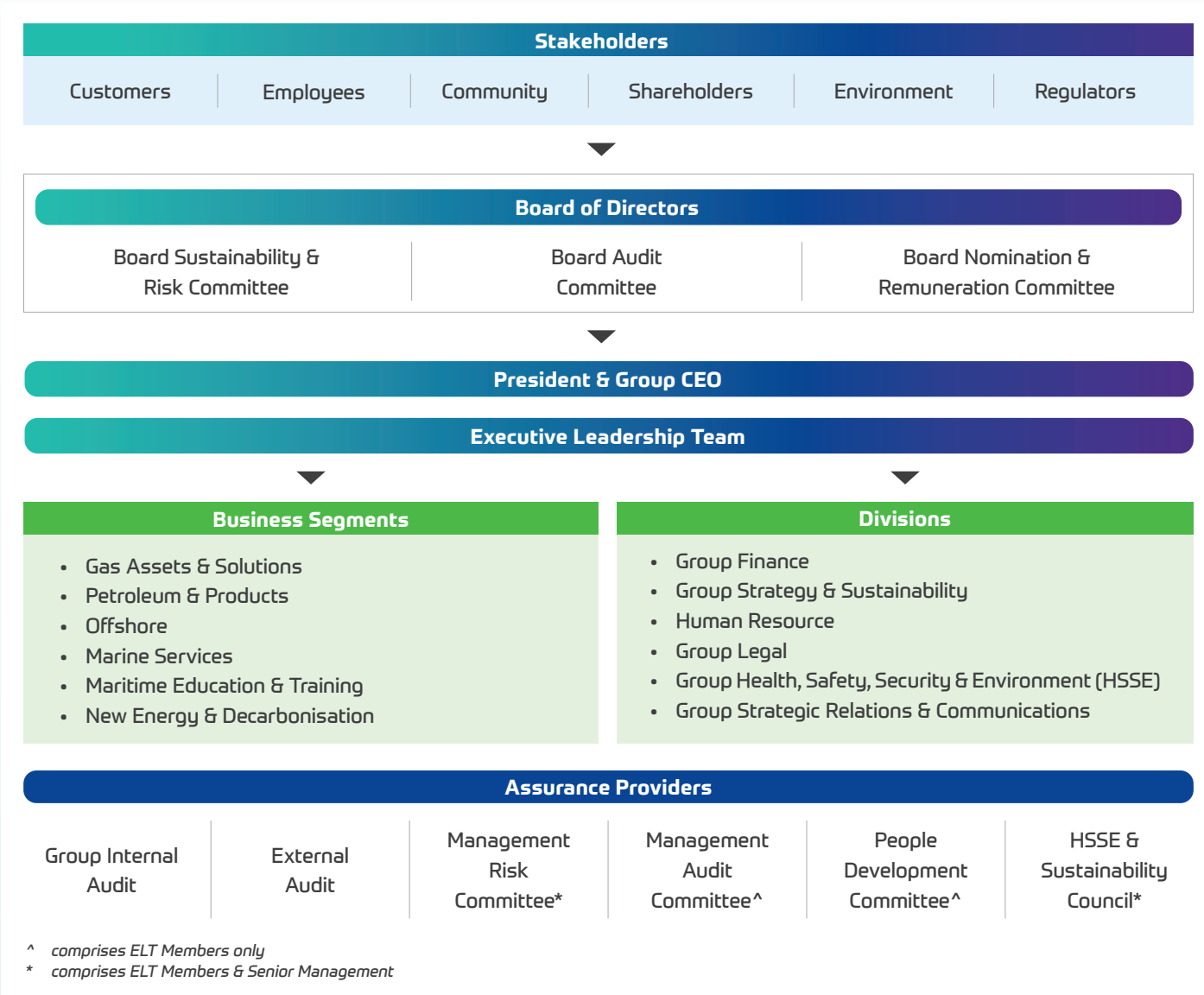
MISC has adopted all intended outcomes of the MCCG, with four (4) deviations - Practices 8.2 and 13.3, and Step-Up Practices 8.3 and 9.4 - which are explained in detail in the CG Report 2025.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

OUR CORPORATE GOVERNANCE FRAMEWORK

MISC’s CG framework provides clear structures for accountability, oversight, and decision-making across the Group. Supported by the Board Charter, the Terms of Reference for each Board Committee, and the MISC Limits of Authority (LOA), it serves as the foundation for effective governance and operational integrity.



The Board established the Executive Leadership Team (ELT) to replace the Management Committee, effective 1 January 2025, with the objective of achieving greater strategic alignment and embedding an enterprise mindset within the Group to help MISC execute its goals with focus and precision towards the MISC 2030 Ambition. The alignment of management structure with the Group’s strategic vision enables MISC to better navigate complexities, sharpen its competitive edge and strengthen the Group’s delivery capacity.

MISC’s Marine & Heavy Engineering business, a separately listed entity within the Group, has adopted its own CG framework modelled after MISC’s to uphold consistency and high governance standards.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS

BOARD PURPOSE

The Board is responsible for providing direction, oversight, and stewardship to drive MISC’s sustainable growth. Guided by the principles of the MCCG, the Board promotes ethical leadership, effective governance, and prudent management in safeguarding the interests of shareholders and stakeholders.

BOARD CHARTER

The MISC Board Charter serves as a key governance document that guides the Board in carrying out its duties with clarity and transparency. It defines the roles and responsibilities of the Board, its Committees, and individual Directors, as well as processes related to performance evaluation, development, and succession planning.

The MISC Board Charter is reviewed periodically to ensure it remains aligned with evolving governance expectations and regulatory requirements.

 For more information on the MISC’s Board Charter, please refer to MISC’s corporate website at www.miscgroup.com.

BOARD ROLES AND RESPONSIBILITIES

In discharging its fiduciary duties and leadership functions, the main roles and responsibilities of the Board are as follows:

- Establishing a strategic plan and setting of targets for the Company in line with the Company’s vision, mission and business objectives which supports long-term value creation and includes a sustainability agenda.
- Overseeing the conduct and performance of the Company and of the President & Group CEO against set goals and objectives.
- Upholding, together with Senior Management, good CG culture and business conduct within the Company and its employees, which reinforces ethical, prudent and professional behaviour.
- Identifying and understanding the principal risks of the Company and setting the Company’s risk appetite and ensuring the implementation of appropriate systems to evaluate, monitor and manage these risks.
- Establishing an effective risk management and internal control framework, including regular review of the adequacy and the effectiveness of the framework.
- Reviewing the Company’s strategic, capital or funding transactions and monitoring execution of these transactions.
- Ensuring the integrity and adequacy of the Company’s financial and non-financial reporting and disclosure.
- Ensuring sound succession planning and continuous development of human capital, in particular of the Senior Management, including the establishment of measures in place for the orderly succession of the Board and Senior Management.
- Developing and implementing an investor relations programme and putting in place procedures to enable effective communications with the stakeholders of the Company.

Matters reserved for the Board are clearly defined in the MISC LOA, which provides a clear demarcation between the responsibilities of the Board and Management. Board-reserved matters are generally divided into three (3) categories:

1

Statutory decisions for MISC based on regulatory and statutory requirements

2

Strategic decisions for MISC Group

3

Operational decisions for MISC Group that are of high importance and value

CORPORATE GOVERNANCE OVERVIEW STATEMENT

BOARD COMMITTEES

To facilitate the effective and efficient discharge of the Board’s duties and responsibilities, the Board is complemented by three (3) Board Committees:

Board Audit Committee (BAC)	Board Nomination & Remuneration Committee (BNRC)	Board Sustainability & Risk Committee (BSRC)
The BAC provides oversight on the financial reporting process and internal control framework and policies as well as MISC’s Whistleblowing Policy, whistleblowing management process and actions thereon.	The BNRC provides oversight on Board performance and effectiveness, Board composition and diversity, Directors’ skills and experience, Directors’ induction and continuous professional development, remuneration of Directors, Senior Management and employees, and succession planning for the Board and Senior Management.	The BSRC provides oversight on the risk management framework, policies and processes as well as the sustainability strategy, whilst also monitoring governance practices and ensuring effectiveness of the compliance and ethics strategy.

All Board Committees operate under their respective Terms of Reference. Nevertheless, the Board is ultimately accountable and collectively responsible for the affairs and business of MISC.

 For more information on the Board Committees, please refer to their respective reports on pages 196 to 204 (for the BNRC), pages 205 to 212 (for the BAC) and pages 213 to 217 (for the BSRC) of this Integrated Annual Report.

BOARD COMPOSITION AND DIVERSITY

The Board of MISC comprises a majority of Independent Directors, as required under the MMLR and the MCCG. This structure encourages balanced discussion, diverse viewpoints, and objective decision-making, enabling the Board to provide effective guidance and oversight across all areas of the business.

MISC’s Directors’ Fit and Proper Policy also requires all members of the Board to have the necessary qualities, competencies and experience that allows them to perform their duties and carry out the responsibilities required of the position in the most effective manner.

Recognising that the Board must evolve alongside the Company’s strategic direction, regular reviews are also conducted to assess its composition. These reviews ensure an appropriate mix of independence, expertise, and diversity, while also supporting a structured approach to succession planning.

The Board views diversity as a cornerstone of effective governance. Guided by the MISC Board Diversity Policy, which forms part of the MISC Board Charter, Director appointments are based on merit and take into account a range of attributes - including age, gender, ethnicity, professional experience, and background. The blend of varied perspectives and skills strengthens the Board’s collective judgement and enhances its ability to steer the Company strategically.

MISC has maintained at least 30% women representation on the Board since 1 January 2022, in line with the MCCG’s recommendation. As at the latest practicable date of this Integrated Annual Report, women make up 44.44% of the Board, reflecting MISC’s ongoing commitment in promoting inclusivity and balanced representation at the leadership level.

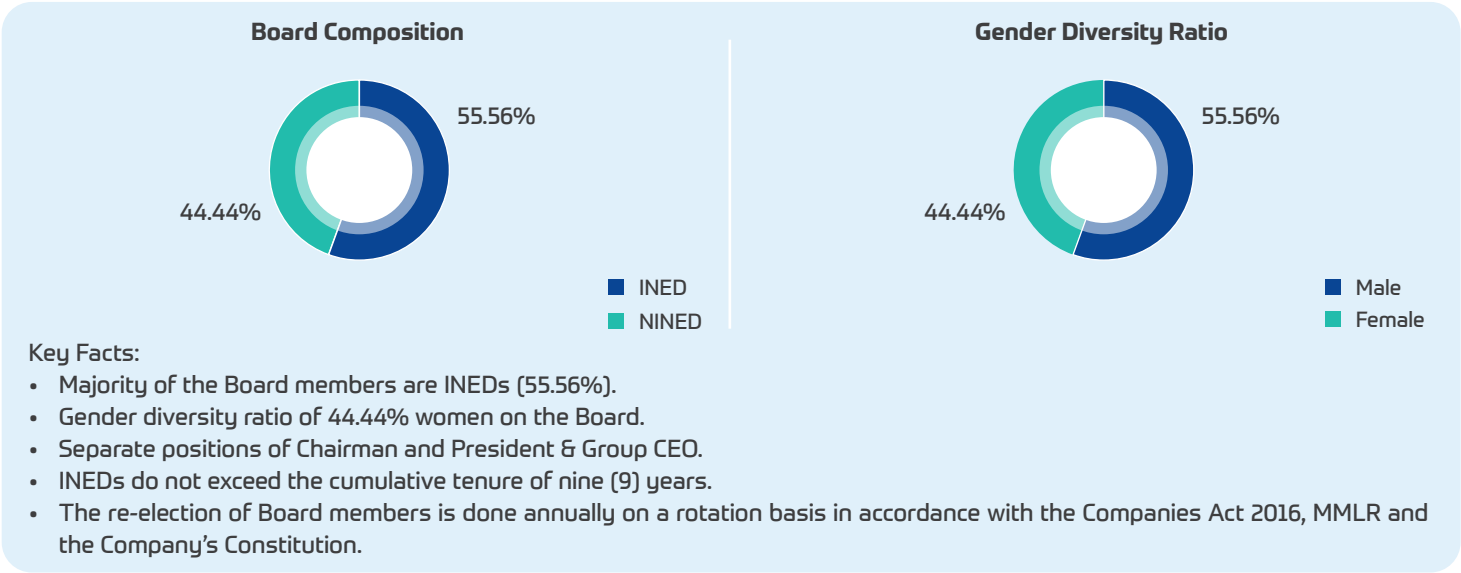
 For more information on MISC’s Board Diversity Policy, please refer to MISC’s corporate website at www.miscgroup.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board composition is as follows:

Name of Director	Age	Gender	Nationality/Ethnicity	Date of Appointment	Tenure* (Years, “Y”) (Months, “M”)
Independent Non-Executive Directors (INED) (representing minority shareholders)					
Datuk Abu Huraira Abu Yazid <i>Chairman</i>	72	Male	Malaysian/Malay	9 October 2020	5Y 4M
Chew Liong Kim	70	Male	Malaysian/Chinese	1 September 2021	4Y 6M
Datin Norazah Mohamed Razali	55	Female	Malaysian/Malay	9 October 2020	5Y 4M
Dato’ Tengku Marina Tunku Annuar	63	Female	Malaysian/Malay	1 January 2022	4Y 2M
Mohammad Suhaimi Mohd Yasin	65	Male	Malaysian/Malay	9 October 2020	5Y 4M
Non-Independent Non-Executive Directors (NINED) (representing the major shareholder)					
Liza Mustapha	55	Female	Malaysian/Malay	1 July 2017	8Y 8M
Wan Shamilah Wan Muhammad Saidi	55	Female	Malaysian/Malay	1 June 2022	3Y 9M
Datuk Adif Zulkifli	55	Male	Malaysian/Malay	1 September 2024	1Y 6M
Executive Director (representing Management)					
Zahid Osman <i>President & Group CEO</i>	53	Male	Malaysian/Malay	16 August 2024	1Y 6M

* As at 4 March 2026, being the latest practicable date of this Integrated Annual Report.



All Directors are expected to devote sufficient time and attention to the Company’s affairs. Any new external directorships must be communicated to the Chairman in advance, together with the expected time commitment for the role. In accordance with the MMLR, no Director holds more than five (5) directorships in public listed companies.

An annual independence assessment was also conducted to confirm that all INEDs continue to meet the independence criteria set out in Paragraph 1.01 of the MMLR.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

		Skills Matrix								
		Datuk Abu Huraira Abu Yazid	Chew Liong Kim	Datin Norazah Mohamed Razali	Dato' Tengku Marina Tunku Annuar	Mohammad Suhaimi Mohd Yasin	Liza Mustapha	Wan Shamilah Wan Muhammad Saidi	Datuk Adif Zulkifli	Zahid Osman
SM1	Finance & Audit		✓	✓		✓	✓	✓		✓
SM2	Economics	✓							✓	✓
SM3	Risk Management	✓	✓	✓	✓	✓	✓	✓	✓	✓
SM4	Corporate Planning	✓	✓	✓	✓	✓	✓	✓	✓	✓
SM5	Marketing				✓	✓		✓	✓	✓
SM6	Operations	✓	✓		✓		✓	✓	✓	✓
SM7	Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓
SM8	Human Resource	✓		✓	✓				✓	✓
SM9	Information Technology		✓					✓		
SM10	Legal & Regulatory				✓					
SM11	ESG			✓	✓				✓	✓
SM12	Strategic Communication				✓					

		Industry Experience Matrix								
		Datuk Abu Huraira Abu Yazid	Chew Liong Kim	Datin Norazah Mohamed Razali	Dato’ Tengku Marina Tunku Annuar	Mohammad Suhaimi Mohd Yasin	Liza Mustapha	Wan Shamilah Wan Muhammad Saidi	Datuk Adif Zulkifli	Zahid Osman
EM1	Oil & Gas					✓	✓	✓	✓	✓
EM2	Finance & Audit		✓				✓			✓
EM3	Banking/Investment Banking	✓	✓							
EM4	Shipping								✓	✓
EM5	LNG Marketing & Trading					✓				✓
EM6	Consulting/Strategy Consulting		✓	✓						
EM7	Telecommunication		✓							
EM8	Postal	✓								
EM9	FMCG				✓					
EM10	Social Security	✓								
EM11	IT Services		✓							
EM12	Highway Infrastructure		✓							

For more information on the Board members, please refer to their respective profiles on pages 150 to 161 of this Integrated Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

DEMARCATIION OF RESPONSIBILITIES AT THE BOARD LEVEL

CHAIRMAN

- Leads the Board and ensures the Board fulfils its obligations to the Company effectively.
- Sets the agenda, style and tone of Board discussions to promote constructive debate and effective decision-making.
- Instils and monitors good CG practices and chairs all Board and shareholders’ meetings.
- Has the discretion to determine whether additional Board Committees are required to support the Board’s roles and responsibilities.
- The MISC Board Charter provides that the Chairman of the Board shall not be a member of any MISC Board Committees.

SENIOR INDEPENDENT DIRECTOR

- Sounding board for the Chairman of the Board.
- Intermediary for other Directors and/or Chairman when necessary.
- Point of contact for shareholders and other stakeholders on areas that cannot be resolved through normal channels of contact with the Chairman or President & Group CEO.
- Executes such other roles as designated by the Board from time to time.

Any issues relating to the Group that requires the attention of the Senior Independent Director can be directed to his email address at chew.liongkim@miscbhd.com or the following address:

Mr. Chew Liong Kim
Senior Independent Director
MISC Berhad
Level 25, Menara Dayabumi
Jalan Sultan Hishamuddin
50050 Kuala Lumpur
Malaysia

PRESIDENT & GROUP CEO

- Leads the overall operations of the business and organisational effectiveness, with the support of the ELT.
- Coordinates the development and implementation of policies and business strategies, as guided and approved by the Board.
- Develops and translates policies and business strategies into a set of manageable goals and priorities based on effective risk management controls for business operations, investments and other activities.
- Ensures that financial management practices are performed with the highest level of integrity and transparency in the interest of the Company’s stakeholders.
- Ensures that the business and affairs of the Company are carried out in an ethical manner and in compliance with the relevant laws and regulations.

INDEPENDENT NON-EXECUTIVE DIRECTORS

- Provides independent and objective views to ensure that strategies and initiatives proposed by Management are subject to constructive challenge, thereby safeguarding the long-term interests of the Group, and protecting the interests of all stakeholders, including the minority shareholders.
- Based on the criteria on INEDs pursuant to the MMLR, all INEDs, including the Chairman, are independent of Management and free from any business or other relationships that could materially interfere with the exercise of their independent judgement.
- Pursuant to the MISC Board Charter, the INEDs are subject to a 9-year cumulative limit on their tenure in MISC without further extension. To-date, none of MISC’s INEDs have exceeded the 9-year limit on their tenure.

NON-INDEPENDENT NON-EXECUTIVE DIRECTORS

- Provides input from the major shareholder’s perspective so that the strategies and initiatives proposed by Management are aligned with the major shareholder’s positioning for the Group whilst balancing the interests of other stakeholders.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MISC BOARD’S FOCUS AREAS IN 2025

Strategic Direction

- Reviewed the medium to long-term business strategies, identify opportunities arising from the energy transition, and adopt a business plan and budget which facilitates Management’s pursuit of MISC’s targets.
- Discussed the MISC 2030 Ambition, which aims to unlock value by reinforcing core businesses, progressing selected new energy initiatives, and driving emissions reduction through fleet renewal and operational improvements.
- Deliberated and reviewed a strategic initiative involving the evaluation of a potential merger of the Group’s Offshore Business, focusing on due diligence outcomes, strategic alignment, value creation opportunities, risk exposure and capital structure implications, while providing guidance to Management to ensure disciplined governance, independent assessment and alignment with the Group’s long-term portfolio strategy, including timely market disclosures.

Project Execution and Delivery

- Extensively deliberated and approved several projects during the year under review.
- Monitored the progress of projects currently under construction and focused on delivering them into operations and converting them into cash-generating assets. This involves ensuring that all projects adhere to the established timelines, budgets, and quality standards. The Board emphasised the importance of risk management and mitigation strategies to address potential challenges during the execution phase.
- Additionally, oversaw the integration of sustainability practices into project execution, aligning with MISC’s commitment to environmental stewardship and corporate responsibility. By maintaining a strong focus on project execution and delivery, the Board aims to enhance operational efficiency, drive value creation, and support the long-term growth objectives of MISC.

Sustainability

- Reviewed and endorsed key sustainability commitments, strategies and disclosures, including the Group’s commitment to achieve net-zero greenhouse gas (GHG) emissions by 2050, the identification and prioritisation of sustainability risks and opportunities which includes the climate risks and opportunities, the five-year Sustainability Strategy for 2026–2030, the Modern Slavery Statement 2025, the reassessment and revision of the Group’s material sustainability matters and climate-related disclosures report.
- Monitored the implementation and progress of initiatives under the MISC Group Sustainability Strategy, including commitment towards decarbonisation, promoting the circular economy, health and safety, diversity and inclusion, human rights, cybersecurity as well as values and business ethics.

Internal Transformations

- Monitored the Group’s various internal transformations to strengthen processes in finance, procurement and document management, which will underpin the digitalisation of processes. By streamlining operations and leveraging digital tools, MISC aims to improve overall productivity, reduce cost, and enhance the quality of services provided to stakeholders.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Risk Management

- Approved and monitored the MISC Group Risk Appetite for FY2025, delineating the key acceptable risk boundaries. These boundaries reflect the extent of risk MISC is prepared to assume while pursuing its strategic and business objectives.
- Reviewed sustainability-related risks and opportunities for integration into the Group’s Enterprise Risk Management (ERM) Framework, in alignment with MISC’s adoption of IFRS Sustainability Disclosure Standards.
- Reviewed and monitored the impact of key risk areas including geopolitical conflict, energy transition and decarbonisation risk, and project delivery risk to the MISC Group, together with mitigation planning.
- Conducted detailed project risk assessments for strategic decision areas and various project opportunities.

Succession Planning

- Oversaw the transition from Management Committee to the ELT, including changes to the ELT composition, namely the appointment of Nick Potter as Vice President, Petroleum & Products, and the transition of Zahid Osman out of the interim role, to ensure a smooth and seamless transition.
- Conducted a focused and thorough review of each Board Committee as well as the discharge of their functions to ensure the right composition taking into consideration the appropriate knowledge, competence, independence and expertise to complement the existing skills of the respective Board Committees.
- Reviewed the Board composition and assessed the need to expand the collective Board skills and experience, including endorsing the engagement of an external consultant for the Board search exercise and interviewing shortlisted Board candidates.

Corporate Governance

- Ensured the integrity of MISC’s financial and non-financial reporting, internal controls and whistleblowing systems.
- Incorporated the enhanced provisions of the MMLR and other best practices in the Terms of Reference of the BAC, BNRC and BSRC, Remuneration Framework for Non-Executive Directors of MISC and the Guidelines on Related Party Transactions and Recurrent Related Party Transactions for the MISC Group.
- Reviewed and enhanced governance practices in line with the MCCG.

BOARD MEETINGS AND ACCESS TO MANAGEMENT, COMPANY SECRETARIES, INFORMATION AND EXTERNAL EXPERTS

Board meetings are scheduled in advance of each financial year to allow Directors to plan ahead and accommodate the dates in their calendars. The Board meets quarterly, with additional meetings convened as necessary to deliberate on urgent or significant matters.

Each meeting follows a structured agenda that covers both strategic and operational priorities. The tentative agendas include matters reserved for the Board such as the review and approval of the annual budget and business plan, assessment of financial performance, consideration of major investments and financial decisions, and endorsement of key policies and procedures. The Board also reviews changes to governance frameworks to ensure alignment with MISC’s strategic direction and risk appetite.

Directors are provided with comprehensive and timely information ahead of each meeting to facilitate effective deliberation and decision-making. Management and the Company Secretaries work closely to ensure that all materials are clear, complete, and distributed within a reasonable timeframe prior to meetings.

To avoid any conflict of interest (COI), all Board members declare their interests, where applicable, at all Board and Board Committee meetings. The Board has adopted a Directors’ Conflict of Interest Review Procedures for MISC Group (COI Procedures) which sets out the disclosure obligations of each Director of MISC Group with respect to actual, potential and perceived COI. The COI Procedures also provide guidance in governing COI situations as they arise or may potentially arise to ensure timely and systematic identification, disclosure and management of COI.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

All Board members complied with the minimum attendance requirement of at least 50% of the Board meetings held during the financial year pursuant to Paragraph 15.05(3)(c) of the MMLR. The following summarises the attendance at the Annual General Meeting (AGM) as well as all other Board and/or Board Committee meetings held in 2025:

Name of Director	Meeting Attendance in 2025				
	AGM	Board	BAC	BNRC	BSRC
Datuk Abu Huraira Abu Yazid <i>Chairman</i>	1/1	13/13	-	-	-
Chew Liong Kim <i>BAC Chairman</i>	1/1	13/13	5/5	-	9/9
Datin Norazah Mohamed Razali <i>BSRC Chairperson</i>	1/1	13/13	-	5/5	9/9
Dato’ Tengku Marina Tunku Annuar <i>BNRC Chairperson</i>	1/1	13/13	-	5/5	9/9
Mohammad Suhaimi Mohd Yasin	1/1	13/13	5/5	-	9/9
Liza Mustapha	1/1	11/13	-	-	-
Wan Shamilah Wan Muhammad Saidi	1/1	13/13	5/5	5/5	-
Datuk Adif Zulkifli	1/1	12/13	-	-	-
Zahid Osman <i>President & Group CEO</i>	1/1	13/13	Permanent Invitee		

In discharging their duties and responsibilities, Directors have full and unrestricted access to Management, the Company Secretaries and all information relevant to the Company and the Group. Where necessary, the Directors may seek independent professional advice at the Company’s expense. Management also provides timely and comprehensive information, including detailed briefings and presentations, before or during Board meetings to give clarity on matters tabled for discussion or approval. This open channel of communication ensures that the Board is well informed on key developments and can obtain clarification or further information to support sound judgment.

Board papers and other supporting information are distributed electronically to promote efficiency and facilitate timely review. This digital approach allows Directors to access materials conveniently while reinforcing MISC’s commitment to sustainable and paperless practices.

The Board is supported by qualified and experienced Company Secretaries who provide sound advice on governance matters, regulatory compliance, and procedural requirements. They are responsible in ensuring the Company’s compliance with statutory obligations, and supporting the Board and its Committees in the discharge of their duties.

During the financial year, Noridah Khamis, General Counsel, served as the Company Secretary of MISC, while Lee Ming Leong, Head of Group Secretarial Services served as the Joint Company Secretary.

All deliberations and resolutions from Board and Board Committee meetings are properly documented and communicated to Management for follow-up action. The Company Secretaries maintain accurate minutes of meetings, ensuring that key decisions and discussions are formally recorded and accessible for reference.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

DIRECTORS’ TRAINING AND DEVELOPMENT

MISC places strong emphasis on continuous learning and professional development to equip its Directors with the knowledge and insight needed to perform their duties effectively. All Board members are encouraged to participate in relevant education and training programmes to stay abreast of evolving business, regulatory, and economic developments, as well as emerging trends that may impact the Group.

Since 2010, MISC has been organising the MISC Group Directors’ Training Programme on an annual basis as part of its structured approach to Board development. These sessions are tailored to address the specific training needs of the Board, taking into account feedback from Directors and developments within the industry. The programme covers a broad range of topics designed to enhance strategic understanding, governance awareness, and leadership capabilities.

During the financial year, the MISC Group Directors’ Training covered the following areas, including the newly introduced bite-sized training sessions. These bite-sized sessions offer concise and focused learning on key topics relevant to the Board’s roles and responsibilities, as well as other current areas of interest. The topics covered under the MISC Group Directors’ Training Programme during the year under review were as follows:

MISC Group Directors’ Training 2025

(Session 1)

- Revolutionizing Marine Technology through Artificial Intelligence (AI)
- Global Economy, Geopolitical Conflicts and the Oil & Gas Market Environment

(Session 2)

- AI Leadership Playbook
- Latest Sanctions and Export Control Outlook and Its Impact on the Maritime Industry

MISC Bite-Sized Directors’ Training 2025

(Session 1)

- Implementing Generative Health, Safety and Environment (HSE) Culture: A Top-Down Approach
- Sharing on Preparation for e-Invoicing of Directors’ Fees and Allowance
- Carbon Markets: An Introduction to Carbon Credits, Trends, and its Relevance to MISC

(Session 2)

- Directors’ Duties & Responsibilities: Malaysia, Labuan & Singapore Jurisdictions

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board also conducts site visits to MISC’s operating locations as part of their experiential learning and development initiatives. These visits provide valuable opportunities for the Board to engage with Management across the Group’s diverse operational footprint and gain deeper insights into the Group’s operations. In 2025, the Board’s site visits were as follows:

AET business site visit in
Singapore on 20 February 2025

Site visit covering both the onshore office premises and the
FPSO Marechal Duque de Caxias offshore operational facilities in
Rio de Janeiro, Brazil from 27 October 2025 to 2 November 2025

As of 2025, all Board members of the Company have attended the Mandatory Accreditation Programme (MAP) as required by the MMLR.

In compliance with the MMLR, the training programmes attended by the Board members in 2025 are as follows:

No.	Training Attended	Presenter/Organiser	Date
Datuk Abu Huraira Abu Yazid			
1	Forum Ekonomi Malaysia 2025	Government of Malaysia	9 January 2025
2	MISC Bite-Sized Directors’ Training (Session 1)	MISC Berhad	20 January 2025
3	Maritime Energy Transition Summit 2025	DNV Malaysia	6 February 2025
4	Webinar: Safe Onboard Carbon Capture and Storage	Maritime Technologies Forum	11 February 2025
5	ICDM PowerTalk - Board Leadership in Industry Disruption: Steering Companies Through Market Shifts	Institute of Corporate Directors Malaysia (ICDM)	12 March 2025
6	CGM’s Conversations Series 2025 - Nature, Risk, and Responsibility: A TNFD Deep Dive for Decision-Makers	Climate Governance Malaysia (CGM)	9 May 2025
7	CGM Exclusive Climate Update Briefings for Boards • Impact of Climate Change on the Supply of Key Economic Resources: How resource supply chains in various sectors are exposed and vulnerable to climate and knock-on effects	CGM	21 May 2025
8	ASEAN Human Capital Development Investment Symposium 2025	Ministry of Human Resources Malaysia (KESUMA)	27-28 May 2025
9	AI Malaysia Launch & Inaugural AI Conversations 2025	Asean Business Advisory Council Malaysia	30 May 2025
10	Into the Unknown: IMO Marine Environment Protection Committee (MEPC) 83 Outcomes and Commercial Implications for Shipowners	AET/Lloyd’s Register	13 June 2025
11	Energy Asia 2025	International Conference and Exhibition Professionals (iCEP)	16-18 June 2025
12	MISC Group Directors’ Training 2025 (Session 1)	MISC Berhad	19 June 2025
13	Onboard Cybersecurity: Key Insights and Best Practices	DNV Malaysia	2 July 2025
14	Tropical Basic Offshore Safety Induction & Emergency Training (BOSIET) • Compressed Air Emergency Breathing System • Travel Safely by Boat Initial Training (OPITO Approved)	Falcon Safety Services Sdn. Bhd.	29-30 July 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

No.	Training Attended	Presenter/Organiser	Date
Datuk Abu Huraira Abu Yazid (cont'd)			
15	Dialogue Session with Securities Commission Malaysia - Capital Market Journey: Strengthen Governance for Sustainable Growth - Equities Market Performance: Key Observations and Trends	Securities Commission Malaysia	8 August 2025
16	MISC Strategy Day 2025: Forging Ahead with #deliveringProgress Towards MISC 2030	MISC Berhad	14-15 August 2025
17	Care & Comply Partners' Summit 2025	MISC Berhad	9 September 2025
18	MISC Group Directors' Training 2025 (Session 2)	MISC Berhad	29 September 2025
19	CGM Exclusive Climate Update Briefings for Boards Loss, Damage and Adaptation in ASEAN: How ASEAN member states are managing loss and damage, and mobilising institutions to enhance adaptive capacity	CGM	8 October 2025
20	PNB Knowledge Forum 2025	Permodalan Nasional Berhad (PNB)	21 October 2025
21	The People Lab – A Taste of High-Performance Teams Unlock the Hidden Science of Teamwork (and Dutch Flavors) in Just One Afternoon	ICDM	5 November 2025
22	MISC Bite-Sized Directors' Training (Session 2)	MISC Berhad/AET	14 November 2025
Chew Liong Kim			
1	MISC Bite-Sized Directors' Training (Session 1)	MISC Berhad	20 January 2025
2	Webinar on ESG and Climate: IFRS S1 and IFRS S2 Explained	Malaysian Institute of Corporate Governance (MICG)	20-21 March 2025
3	Energy Asia 2025	iCEP	16-18 June 2025
4	MISC Group Directors' Training 2025 (Session 1)	MISC Berhad	19 June 2025
5	BOSIET - Compressed Air Emergency Breathing System - Travel Safely by Boat Initial Training (OPITO Approved)	Falcon Safety Services Sdn. Bhd.	30-31 July 2025
6	MISC Strategy Day 2025: Forging Ahead with #deliveringProgress Towards MISC 2030	MISC Berhad	14-15 August 2025
7	MISC Group Directors' Training 2025 (Session 2)	MISC Berhad	29 September 2025
8	MISC Bite-Sized Directors' Training (Session 2)	MISC Berhad/AET	14 November 2025
Datin Norazah Mohamed Razali			
1	MISC Bite-Sized Directors' Training (Session 1)	MISC Berhad	20 January 2025
2	US Tariff: Implication to the World Economy and Markets	PNB	29 April 2025
3	Deloitte Global Boardroom Programme: Governance of AI	Deloitte Malaysia	30 April 2025
4	Morgan Stanley China BEST Conference Spring Series	Morgan Stanley	7-9 May 2025
5	Briefing on Occupational Safety and Health Act (OSHA)	Sime Darby Property Bhd	12 June 2025
6	Energy Asia 2025	iCEP	16-18 June 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

No.	Training Attended	Presenter/Organiser	Date
Datin Norazah Mohamed Razali (cont'd)			
7	MISC Group Directors' Training 2025 (Session 1)	MISC Berhad	19 June 2025
8	Invest ASEAN-Malaysia Conference 2025: Driving ASEAN Integration through Malaysia's Economic Resilience	Bursa Malaysia/Maybank	1 July 2025
9	Cyber and Compliance Awareness - Cyber Security Act 2024 - From Hype to Impact: Turning AI and Digitalisation into Business Value & Organisational Resilience	PNB	16 July 2025
10	MISC Strategy Day 2025: Forging Ahead with #deliveringProgress Towards MISC 2030	MISC Berhad	14-15 August 2025
11	Pre-Board Engagement - Macro Economic Outlook by Maybank Investment Bank - Digital Transformation & AI : Unlocking Productivity and Innovation by Google - Impact Investing : A Path to Multiply Value for People by LeapEd Services - Geographic Expansion – ASEAN Real Estate Opportunities by Lo-Goi Group - Institutional Capital in Real Estate – Dana Pemacu by TrustCapital Advisors Investment Management and KWAP - Fireside Chat: Transformation to a Real Estate Company by CapitaLand Investment and Sime Darby Property	Sime Darby Property Bhd	4 September 2025
12	BOSIET - Compressed Air Emergency Breathing System - Travel Safely by Boat Initial Training (OPITO Approved)	Falcon Safety Services Sdn. Bhd.	8-9 September 2025
13	The Human & Machine Future of Real Estate – Strategic Foresight for a Transforming Industry	ICDM/ Sime Darby Property Bhd	17 September 2025
14	Trends & Challenges in the Property Market	Kwasa Land Sdn. Bhd.	22 September 2025
15	MISC Group Directors' Training 2025 (Session 2)	MISC Berhad	29 September 2025
16	Future Frontiers - Technology Disruptions & Emerging Trends Shaping Real Estate	ICDM/Sime Darby Property Bhd	29 September 2025
17	Security Awareness: How to Become a Human Firewall	Kapital DX Sdn. Bhd.	24 October 2025
18	AI Strategies for Asset Managers	PNB	27 October 2025
19	MISC Bite-Sized Directors' Training (Session 2)	MISC Berhad/AET	14 November 2025
20	US Distribution Business Sharing Navigating Environmental, Social and Governance: Key Global Developments and Reporting Updates	McKinsey & Co/PNB	27 November 2025
Dato' Tengku Marina Tunku Annuar			
1	MISC Bite-Sized Directors' Training (Session 1)	MISC Berhad	20 January 2025
2	National Climate Governance Summit 2025 Transition Finance: The Foundation of the Transition Economy	MICG	7-11 April 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

No.	Training Attended	Presenter/Organiser	Date
Dato’ Tengku Marina Tunku Annuar (cont’d)			
3	Feedback That Fuels: Nurturing High-Performing Teams Through Effective Feedback Ecosystem (Speaker)	Malaysian Institute of Development for Professionals (MIDP)	6 May 2025
4	BOSIET - Compressed Air Emergency Breathing System - Travel Safely by Boat Initial Training (OPITO Approved)	Falcon Safety Services Sdn. Bhd.	29-30 July 2025
5	People & Culture Conference 2025	MIDP	6-7 August 2025
6	MISC Strategy Day 2025: Forging Ahead with #deliveringProgress Towards MISC 2030	MISC Berhad	14-15 August 2025
7	Care & Comply Partners’ Summit 2025	MISC Berhad	9 September 2025
8	Strategic Approach to Cyber Resilience and Compliance for Board of Directors	Asia School of Business	12 September 2025
9	MISC Group Directors’ Training 2025 (Session 2)	MISC Berhad	29 September 2025
10	MISC Bite-Sized Directors’ Training (Session 2)	MISC Berhad/AET	14 November 2025
Mohammad Suhaimi Mohd Yasin			
1	MISC Bite-Sized Directors’ Training (Session 1)	MISC Berhad	20 January 2025
2	Energy Asia 2025	iCEP	16-18 June 2025
3	MISC Group Directors’ Training 2025 (Session 1)	MISC Berhad	19 June 2025
4	East Coast Energy 2025: Powering A New Era of Inclusive Transformation	Informa Markets Malaysia Sdn. Bhd.	23-24 June 2025
5	BOSIET - Compressed Air Emergency Breathing System - Travel Safely by Boat Initial Training (OPITO Approved)	Falcon Safety Services Sdn. Bhd.	4-5 August 2025
6	MISC Strategy Day 2025: Forging Ahead with #deliveringProgress Towards MISC 2030	MISC Berhad	14-15 August 2025
7	Care & Comply Partners’ Summit 2025	MISC Berhad	9 September 2025
8	MISC Group Directors’ Training 2025 (Session 2)	MISC Berhad	29 September 2025
9	MISC Bite-Sized Directors’ Training (Session 2)	MISC Berhad/AET	14 November 2025
Liza Mustapha			
1	ASEAN Investors Roundtable: Unlocking Opportunities to Advance ASEAN (Speaker)	Bank Negara Malaysia (BNM)	7 April 2025
2	ASEAN – Panel Discussion Forum on Financial Well-Being	BNM	8 April 2025
3	Conscious Inclusion Training	PETRONAS Leadership Centre	20 May 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

No.	Training Attended	Presenter/Organiser	Date
Liza Mustapha (cont’d)			
4	CGM Exclusive Climate Update Briefings for Boards Impact of Climate Change on the Supply of Key Economic Resources: How resource supply chains in various sectors are exposed and vulnerable to climate and knock-on effects	CGM	21 May 2025
5	Energy Asia Group Leadership Executive (EAGLE) Forum (Speaker)	PETRONAS	15 June 2025
6	Luncheon Talk “Great Capital Bottleneck: Aligning Value, Risk and Growth” (Speaker)	PETRONAS	16 June 2025
7	Sungai Besi Land - Study Visit to Singapore	KLCCH/National University of Singapore (NUS)	6–8 July 2025
8	MISC Strategy Day 2025: Forging Ahead with #deliveringProgress Towards MISC 2030	MISC Berhad	14-15 August 2025
9	The Cities Programme 2025	NUS	21-27 September 2025
10	MISC Bite-Sized Directors Training (Session 2)	MISC Berhad/AET	14 November 2025
Wan Shamilah Wan Muhammad Saidi			
1	CGM Exclusive Climate Update Briefings for Boards Impact of Climate Change on the Supply of Key Economic Resources: How resource supply chains in various sectors are exposed and vulnerable to climate and knock-on effects	CGM	21 May 2025
2	MISC Group Directors’ Training 2025 (Session 1)	MISC Berhad	19 June 2025
3	BOSIET - Compressed Air Emergency Breathing System - Travel Safely by Boat Initial Training (OPITO Approved)	Falcon Safety Services Sdn. Bhd.	4-5 August 2025
4	MISC Strategy Day 2025: Forging Ahead with #deliveringProgress Towards MISC 2030	MISC Berhad	14-15 August 2025
5	MISC Group Directors’ Training 2025 (Session 2)	MISC Berhad	29 September 2025
6	CGM Exclusive Climate Update Briefings for Boards Loss, Damage and Adaptation in ASEAN: How ASEAN member states are managing loss and damage, and mobilising institutions to enhance adaptive capacity	CGM	8 October 2025
7	MISC Bite-Sized Directors’ Training (Session 2)	MISC Berhad/AET	14 November 2025

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No. Training Attended		Presenter/Organiser	Date
Datuk Adif Zulkifli			
1	Baker Hughes Annual Meeting 2025	Baker Hughes	2-4 February 2025
2	International Petroleum Technology Conference 2025 (Speaker)	International Petroleum Technology Conference	18-20 February 2025
3	CERAWeek 2025	CERAWeek	10-14 March 2025
4	MAP Part II: Leading for Impact (LIP)	Bursa Malaysia/ICDM	19-20 March 2025
5	World Gas Conference 2025	World Gas Conference	21-23 May 2025
6	Energy Asia 2025 - Gas & LNG: Investing for the Long Term (Speaker)	iCEP	17-18 June 2025
7	MISC Group Directors’ Training 2025 (Session 1)	MISC Berhad	19 June 2025
8	PETRONAS Board Excellence – Sustainability Programme 2025	PETRONAS	22 July 2025
9	BOSIET - Compressed Air Emergency Breathing System - Travel Safely by Boat Initial Training (OPITO Approved)	Falcon Safety Services Sdn. Bhd.	30-31 July 2025
10	MISC Strategy Day 2025: Forging Ahead with #deliveringProgress Towards MISC 2030	MISC Berhad	14-15 August 2025
11	Gastech Conference 2025	dmg events	8-12 September 2025
12	46 th Energy Intelligence Forum 2025 (Speaker)	Energy Intelligence	13-15 October 2025
13	MISC Bite-Sized Directors’ Training (Session 2)	MISC Berhad/AET	14 November 2025
14	GC Training for G&M HSSE+S Council	PETRONAS GC Taskforce	3 December 2025
Zahid Osman			
1	MISC Bite-Sized Directors’ Training (Session 1)	MISC Berhad	20 January 2025
2	MISC Group Directors’ Training 2025 (Session 1)	MISC Berhad	19 June 2025
3	MAP Part II: LIP	Bursa Malaysia	7-8 July 2025
4	MISC Strategy Day 2025: Forging Ahead with #deliveringProgress Towards MISC 2030	MISC Berhad	14-15 August 2025
5	Care & Comply Partners’ Summit 2025	MISC Berhad	9 September 2025
6	MISC Group Directors’ Training 2025 (Session 2)	MISC Berhad	29 September 2025
7	2 nd Senior Officers’ Management Conference	MISC Berhad	29 September-1 October 2025
8	CGM Exclusive Climate Update Briefings for Boards Loss, Damage and Adaptation in ASEAN: How ASEAN member states are managing loss and damage, and mobilising institutions to enhance adaptive capacity	CGM	8 October 2025
9	MISC Bite-Sized Directors’ Training (Session 2)	MISC Berhad/AET	14 November 2025

At the initiation of the MISC Board Chairman, a sharing session pertaining to an organisation’s experience in recovering from a cyberattack was conducted to provide the Board with practical insights drawn from a real cyber incident. The session focused on governance oversight, key control measures, incident response protocols and critical lessons learnt, with the objective of enhancing the Board’s situational awareness and oversight of cybersecurity risks.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

SUSTAINABILITY

Sustainability governance is integral to MISC’s long-term strategy and business conduct. The Group’s governance framework ensures that sustainability principles are embedded within strategy formulation, decision-making, and operational execution.

The Board sits at the apex of this governance structure, maintaining oversight of the Group’s sustainability direction and performance. The BSRC supports the Board by providing focused oversight on the implementation and monitoring of MISC’s sustainability strategy, ensuring alignment with the Group’s vision and objectives. In carrying out its mandate, the BSRC oversees the frameworks and processes for managing sustainability risks and opportunities (SRO), including climate-related risks and opportunities (CRO). This includes oversight of the identification, prioritisation, and target-setting of these areas, as well as periodic reviews of MISC’s performance and progress to ensure alignment with strategic objectives.

Supporting the Board and the BSRC are the ELT and the Sustainability & Decarbonisation Department under the Group Strategy & Sustainability Division, which are responsible for executing sustainability initiatives, tracking progress, and driving continuous improvement across the organisation.

 Further information on MISC’s sustainability initiatives, performance and achievements for 2025 can be found in the MISC Sustainability Report 2025.

ETHICS AND COMPLIANCE

MISC upholds the highest standards of ethical conduct through its Code of Conduct and Business Ethics (CoBE), which is applicable to Directors, employees, and third parties performing work or services for and on behalf of the Company. The CoBE defines the expected standards of integrity and professionalism and serves as a guide for responsible behaviour in all business dealings.

The CoBE is supported by key policies, including the Whistleblowing Policy, No Gift Policy, and the Anti-Bribery and Corruption Manual, which collectively reinforce the Group’s zero-tolerance approach towards unethical practices. To further strengthen compliance, MISC has established a suite of policies governing Critical Legal Areas (CLA), namely:



A Whistleblowing structure to review and manage any whistleblowing reports is in place, which includes a whistleblowing policy and management process. The Board, through the BAC, reviews the adequacy and effectiveness of the established whistleblowing management policy and procedure on a quarterly basis.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Appended below are MISC’s ethics and compliance initiatives in 2025:

Governance/Policies/Procedures

- Three (3) CLA-related Governance documents revised:
 - CoBE for Third Parties
 - Third Party Compliance Due Diligence Operational Guidelines
 - Corruption Risk Management Procedure
- MISC’s Regulatory & Legislation Register 2025 updated to reflect applicable laws and regulations (Malaysia, Brazil, Thailand and Vietnam categories)
- MISC appointed a Designated Compliance Officer to oversee Anti-Money Laundering and Counter Financing of Terrorism compliance
- MISC appointed Data Protection Officer as required by the Malaysian PDPA Amendment Act 2024
- Nomination of Designated Executives under the MISC Raid Protocol
- Advisories and reviews of compliance clauses related to CLAs

Communication/Awareness/Training

- Four (4) See.Speak.Support Awareness Sessions:
 - Strengthening Anti-Money Laundering Controls for Non-Financial Institutions
 - MISC Group Integrity Day
 - Human Rights at Work: Embedding Principles, Enabling Change
 - From Addiction to Advocacy: A Workplace Perspective
- Fourteen (14) bite-sized communications
- One (1) CLA e-learning module to employees and the Board of Directors
- CLA training module for employees:
 - Annual CoBE Training for Third Parties
 - CoBE Refresher Training for MISC Board members and employees
 - CoBE Trainings for new employees during HR onboarding programme
 - Trainings on CLA (including e-learning modules)
 - Anti-Bribery & Corruption Manual
 - Third Party Compliance Due Diligence in MISC
 - Sanctions
 - Personal Data Protection
 - Export Control
 - Competition Law
 - Human Rights Management
- Corruption Free Pledge Refresher by Employees and Signing Ceremony by ELT Members
- Corruption Free Pledge Signing Ceremony by Board of Directors

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Monitoring & Assurance

- MISC Group (MISC Berhad, MISC Marine, AET, MHB, and ALAM) achieved 100% compliance in the CLA Functional Checklist as part of its first line assurance activities through the PETRONAS’ myAssurance
- MISC Group maintained its ISO 37001:2016 Anti-Bribery Management System (ABMS) where MISC Berhad has completed its annual surveillance audit 1 in December 2025
- MISC Group has completed its annual review of the Bribery and Corruption Risk Assessment (BCRA), including a thorough analysis and update of the Bribery and Corruption risk exposures and mitigations
- COI Management where the annual COI declaration for employees has been rolled out and for any potential COI identified risks to be properly mitigated
- Management of MISC’s Whistleblowing Channels and cases
- Monitoring status of compliance and quarterly reporting of breaches to the relevant laws and regulations embedded into the MISC’s Enterprise Risk Management (ERM) under Group Legal Risk Register - Risk Event: Compliance to Rules, Regulations, and Governance
- Third Party Risk Management (TPRM) - Compliance due diligence on third parties has been implemented
- Quarterly reporting to BSRC on the implementation status, and the adequacy and effectiveness of MISC’s compliance and ethics programme, and BAC on the adequacy and effectiveness of the established whistleblowing management policy and procedure
- Automation and digitalisation of the Compliance Monitoring and Assurance Activities and TPRM end-to-end process

For more information on MISC’s ethics and compliance initiatives in 2025, please refer to the MISC Sustainability Report 2025, the BAC Report and the BSRC Report on pages 205 to 217 of this Integrated Annual Report.

For more information on MISC’s CoBE and other CLA-related governance documents, please refer to MISC’s corporate website at www.miscgroup.com.

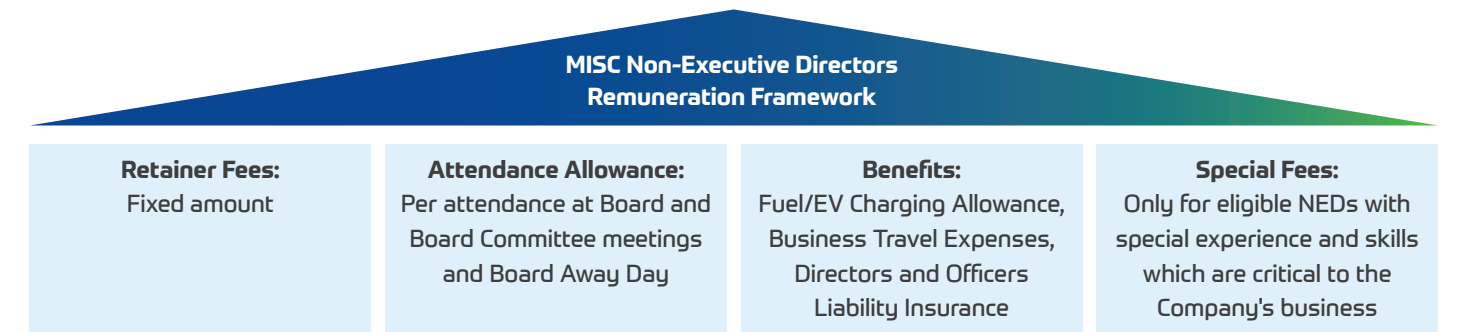
DIRECTORS’ REMUNERATION

MISC’s approach to Directors’ remuneration is designed to attract and retain individuals of high calibre who can provide the strategic guidance and leadership required to drive the Group’s success. The remuneration structure takes into account the responsibilities, experience, and time commitment expected of each Director, as well as the complexity of the Group’s operations.

The remuneration of Non-Executive Directors (NEDs) reflects the scope of their oversight role and the value of their contributions to the Board and its Committees. MISC has adopted a Remuneration Framework for NEDs, which is based on the updated PETRONAS’ Guidelines on Remuneration for PETRONAS Public Listed Companies Non-Executive Directors, to ensure consistency, fairness, and competitiveness within the industry.

In 2025, the Board, through the BNRC, reviewed the Remuneration Framework for NEDs. Details of the revised fee structure are set out in the BNRC Report within the MISC Integrated Annual Report 2025.

The framework is outlined below:



CORPORATE GOVERNANCE OVERVIEW STATEMENT

For the ensuing year, the Board recommended maintaining the existing NED fee structure. Accordingly, the proposed Director fees from the 57th AGM to the 58th AGM will be tabled for shareholders’ approval at the 57thAGM.

Fees in respect of the NINED are paid directly to PETRONAS instead of the individual Directors.

 For more information on the Remuneration Framework for NEDs of MISC Berhad, please refer to MISC’s corporate website at www.miscgroup.com.

For the financial year ended 31 December 2025, details of the Directors’ remuneration (excluding the President & Group CEO) are as follows:

Name of Director	Directors’ Fees (Inclusive of Retainer Fees and Attendance Allowance per Meeting)		Benefits-in-kind (RM)	Total (RM)
	By MISC (RM)	By Subsidiaries (RM)		
Datuk Abu Huraira Abu Yazid	319,193.55	416,156.00	37,150.00	772,499.55
Chew Liong Kim	233,096.78	-	6,000.00	239,096.78
Datin Norazah Mohamed Razali	233,096.78	-	6,000.00	239,096.78
Dato’ Tengku Marina Tunku Annuar	233,096.78	-	6,000.00	239,096.78
Mohammad Suhaimi Mohd Yasin	233,096.78	325,500.00	6,000.00	564,596.78
Liza Mustapha*	177,096.78	-	-	177,096.78
Wan Shamilah Wan Muhammad Saidi*	219,096.78	-	-	219,096.78
Datuk Adif Zulkifli*	180,596.78	-	-	180,596.78
Total	1,828,371.01	741,656.00	61,150.00	2,631,177.01

* Fees paid to PETRONAS

During the year under review, the President & Group CEO, Zahid Osman, received a total remuneration of RM2,475,613.09, comprising salary, other emoluments and benefits-in-kind. As an Executive Director, the President & Group CEO is not entitled to Directors’ fees or any meeting attendance allowance.

 For more information on the remuneration structure for MISC’s Directors, please refer to the BNRC Report on page 202 of this Integrated Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B EFFECTIVE AUDIT AND RISK MANAGEMENT

BOARD AUDIT COMMITTEE (BAC)

The BAC assists the Board in fulfilling its oversight responsibilities relating to the Group’s financial management, accounting, and internal control systems. The BAC also monitors the whistleblowing management process and evaluates the effectiveness, independence, and performance of both the external and internal audit functions.

In carrying out its duties, the BAC assesses the independence, suitability and objectivity of the auditors, and reviews the performance and remuneration of the Head of Group Internal Audit (GIA) in consultation with the President & Group CEO. All BAC members are financially literate, possess the necessary skills and experience, and are competent in scrutinising the Group’s financial reporting process, transactions, and related information.

 Additional information on the BAC’s role, activities, and deliberations in 2025 is available in the BAC Report on pages 205 to 212 of this Integrated Annual Report.

BOARD SUSTAINABILITY & RISK COMMITTEE (BSRC)

The BSRC provides focused oversight of risk-related matters through in-depth engagements with Management, and exercises effective oversight and constructive challenge to ensure the robust identification, assessment and mitigation of the Group’s key risks.

Beyond risk management, the BSRC’s scope extends to sustainability, governance, compliance, ethics, and HSSE, reflecting MISC’s integrated approach to responsible business management. The BSRC’s oversight helps strengthen accountability and embed sustainability and risk considerations across all levels of decision-making.

 Additional information on the BSRC’s role, activities, and deliberations in 2025 is available in the BSRC Report on pages 213 to 217 of this Integrated Annual Report.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board acknowledges its overall responsibility for maintaining a robust risk management framework and effective internal control systems to safeguard shareholder value and the Group’s assets.

In addition to the BSRC’s quarterly reviews of enterprise-level risks, the Board regularly assesses key risk events, mitigation measures, and updates to the Risk Register. These reviews ensure that risk considerations remain embedded in all major strategic, operational, and investment decisions. Project-level risk assessments are undertaken for significant ventures, covering areas such as project execution, contract management, counterparty exposure, operations, country-specific factors, and financial risks.

When evaluating the adequacy and integrity of internal controls, the Board - through the BAC - reviews reports on Related Party Transactions, COI oversight, and Whistleblowing cases, as well as updates from the GIA on enhancements to internal control processes. These measures collectively reinforce transparency, accountability, and continuous improvement in governance practices.

 Further information on MISC’s risk management and internal control frameworks can be found in the BAC Report on pages 205 to 212, the BSRC Report on pages 213 to 217, and the Statement on Risk Management and Internal Control on pages 218 to 237 of this Integrated Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

INVESTOR RELATIONS AND ENGAGEMENT WITH STAKEHOLDERS

The Board places great importance on maintaining open, transparent, and constructive engagement with the investing community, including institutional shareholders, private investors, and analysts. Regular communication enables a clearer understanding of the Group’s strategy, performance, and long-term value creation approach.

MISC’s Group Investor Relations (IR) programme serves as the primary platform for continuous engagement with shareholders, potential investors, and other capital market participants. Through this programme, MISC is committed to upholding high standards of CG and ensuring the timely, accurate, and equitable dissemination of material information in accordance with regulatory requirements.

Engagement channels include briefings, and investor conferences, which provide opportunities for direct dialogue between Management and relevant stakeholders, including investors and analysts. These sessions also allow feedback and insights from investors to be communicated to the Board and Management, contributing to informed decision-making and continuous improvement in disclosure practices.

MISC’s corporate website, *www.miscgroup.com*, functions as an important communication tool, offering stakeholders convenient access to the latest financial results, announcements, corporate presentations, and governance documents. This ensures that all stakeholders receive consistent and timely updates on the Group’s performance, strategy, and initiatives.

In 2025, MISC used the following channels/forums to communicate and engage with its stakeholders:

- MISC AGM
 - Quarterly financial reports
 - MISC Integrated Annual Report
 - Announcements on major developments to Bursa Securities
 - Analyst briefings following the announcement of quarterly financial reports
- Site visits
 - Industry forums/conferences
 - Investing community engagement programmes and initiatives
 - MISC’s corporate website at *www.miscgroup.com*

 For more information on MISC’s engagement with stakeholders in 2025, please refer to the MISC Sustainability Report 2025.

INTEGRATED REPORTING

MISC has embraced integrated reporting as part of its ongoing effort to enhance transparency, accountability, and value-based communication with stakeholders. Guided by a globally recognised framework, integrated reporting enables stakeholders to better understand how MISC creates, delivers, and sustains value over time.

The transition to integrated reporting was implemented progressively beginning in 2017, culminating in the publication of the MISC Integrated Annual Report 2020, the Company’s first integrated report. The MISC Integrated Annual Report 2025 continues to build on this foundation and is prepared in accordance with the International Integrated Reporting <IR> Framework.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

CONDUCT OF AGM

The AGM serves as the primary platform for shareholders to engage directly with the Board, with Senior Management in attendance to provide clarifications where appropriate. It provides an opportunity for open dialogue, constructive discussion, and accountability in the presentation of the Company’s performance and strategic direction.

The Chairman plays a pivotal role in facilitating meaningful interaction between shareholders and the Board, encouraging questions and feedback on the Group’s operations, financial performance, and governance practices. Shareholders are strongly encouraged to attend, participate, and exercise their voting rights during the AGM.

All queries submitted prior to and during the meeting are addressed comprehensively by the Board and Management, ensuring that shareholders are well informed and that their views are duly considered.

MISC convened its AGM 2025 in a fully physical format, allowing shareholders to engage directly with the Board and Management. This setting supported open discussions on the Company’s performance and strategic priorities, while ensuring that shareholders were able to participate, ask questions in person, and exercise their voting rights in a well-managed and transparent environment.

To facilitate smooth proceedings and safeguard the integrity of the meeting, several measures were put in place. Shareholders received clear administrative guidance ahead of the AGM, and an electronic proxy submission option remained available for those unable to attend physically. Structured channels were also provided for shareholders to submit questions prior to the meeting, either via email or through the share registrar’s platform.

All questions submitted prior to and during the AGM, including those raised by Permodalan Nasional Berhad (PNB) and the Minority Shareholders Watch Group (MSWG), were addressed by the Chairman and/or President & Group CEO during the meeting. Responses to questions received prior to the AGM were displayed for shareholder’s viewing during the AGM. These arrangements collectively supported orderly conduct, strengthened shareholder participation, and upheld the Company’s commitment to strong governance and information security.

Ahead of the formal proceedings, the President & Group CEO provided shareholders with an overview of the Group’s operational and financial performance. For ease of reference and to support transparency, a summary of the questions received together with the corresponding responses has been made available on the Company’s corporate website at *www.miscgroup.com*.

The AGM is scheduled ahead of each new financial year to allow Board members to plan and incorporate it into their annual commitments. In 2025, all nine (9) Board members attended the AGM, together with members of the ELT and the Group’s External Auditors, who were present to address any queries raised by shareholders.

The Notice of AGM was issued 28 days before the AGM, in compliance with the recommended 28 days’ notice period of the MCCG and the 21 days’ requirement of the Companies Act 2016.

Electronic polling was conducted during the AGM in compliance with the MMLR. To ensure a smooth and informed voting process, the polling procedure was clearly explained to shareholders at the commencement of the meeting. All poll results were verified by the appointed independent scrutineers and subsequently announced by the Chairman during the AGM.

The minutes of the AGM were published on the MISC’s corporate website at *www.miscgroup.com*, within 30 business days of the meeting.

AWARDS AND ACCOLADES

In 2025, MISC was honoured with the Industry Excellence Award (Transportation & Logistics) at the MSWG’s National CG & Sustainability Awards (NACGSA) 2025. At the National Annual Corporate Report Awards (NACRA) 2025, MISC also received the Silver Award under the Best Sustainability Reporting. These accolades are a testament of MISC’s continuous commitment to enhancing sustainable shareholder value and protecting stakeholders’ interests through sound CG and sustainable practices.

This CG Overview Statement is made in accordance with the resolution of the Board of Directors passed on 23 February 2026.

BOARD NOMINATION & REMUNERATION COMMITTEE REPORT



Dato' Tengku Marina Tunku Annuar
Chairperson
Board Nomination & Remuneration Committee

Dear Valued Shareholders,

The Committee plays a critical role in upholding strong governance through its rigorous oversight of Board and Senior Management succession planning, performance evaluation and remuneration matters. Structured review processes are applied to support objectivity, transparency and sound judgement in decisions relating to the Board and/or Senior Management.

In discharging its responsibilities, the Committee remained guided by regulatory requirements, governance best practices, and the Company's strategic priorities, thereby supporting sound leadership and continuity across the Group.

On 1 January 2013, the Nomination Committee and Remuneration Committee were combined to form the Nomination and Remuneration Committee. Subsequently, the Committee was renamed as Board Nomination & Remuneration Committee (BNRC) effective 1 May 2023.

This report provides shareholders with insights into the BNRC's activities throughout the year under review. It further explains the manner in which the BNRC discharged its functions for the Group.

COMPOSITION AND MEETING ATTENDANCE

The BNRC comprises three (3) members, all of whom are non-executive with the majority being Independent Directors, which complies with the requirements of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Securities). The BNRC is chaired by an Independent Director.

As of the date of this report, the composition of the BNRC is as follows:

Members	Date of Appointment as BNRC Member
Dato' Tengku Marina Tunku Annuar Chairperson Independent Non-Executive Director	1 September 2023
Datin Norazah Mohamed Razali Member Independent Non-Executive Director	1 January 2022
Wan Shamilah Wan Muhammad Saidi Member Non-Independent Non-Executive Director	1 May 2023

The BNRC met five (5) times in 2025, with the BNRC Chairperson and all members in attendance for all meetings.

The President & Group CEO attends the BNRC meetings to facilitate discussions, as well as to provide the appropriate information and advice on relevant matters for the BNRC.

BNRC meetings, together with the tentative agendas, are scheduled in advance of any new financial year to allow the BNRC members to plan ahead and incorporate the year's meetings into their respective schedules. The agenda and meeting papers are distributed to the BNRC members via a secured collaborative software, which eases the process of distribution of meeting papers and minimises leakage of sensitive information, as well as enabling the Directors to have full access to the papers electronically at any given time. This practice is also consistent with the Board's and Company's commitment to sustainable practices.

All proceedings of the BNRC meetings are duly recorded in the minutes and are properly kept by the Company Secretary.

BOARD NOMINATION & REMUNERATION COMMITTEE REPORT

TERMS OF REFERENCE

The BNRC is governed by its own Terms of Reference (TOR), which is consistent with the requirements of the MMLR and best practices of the Malaysian Code on Corporate Governance (MCCG).

As part of the overall governance review, the BNRC assessed the adequacy and relevance of its TOR and recommended updates to reflect evolving regulatory requirements and best practices. The revised TOR was subsequently approved by the Board.

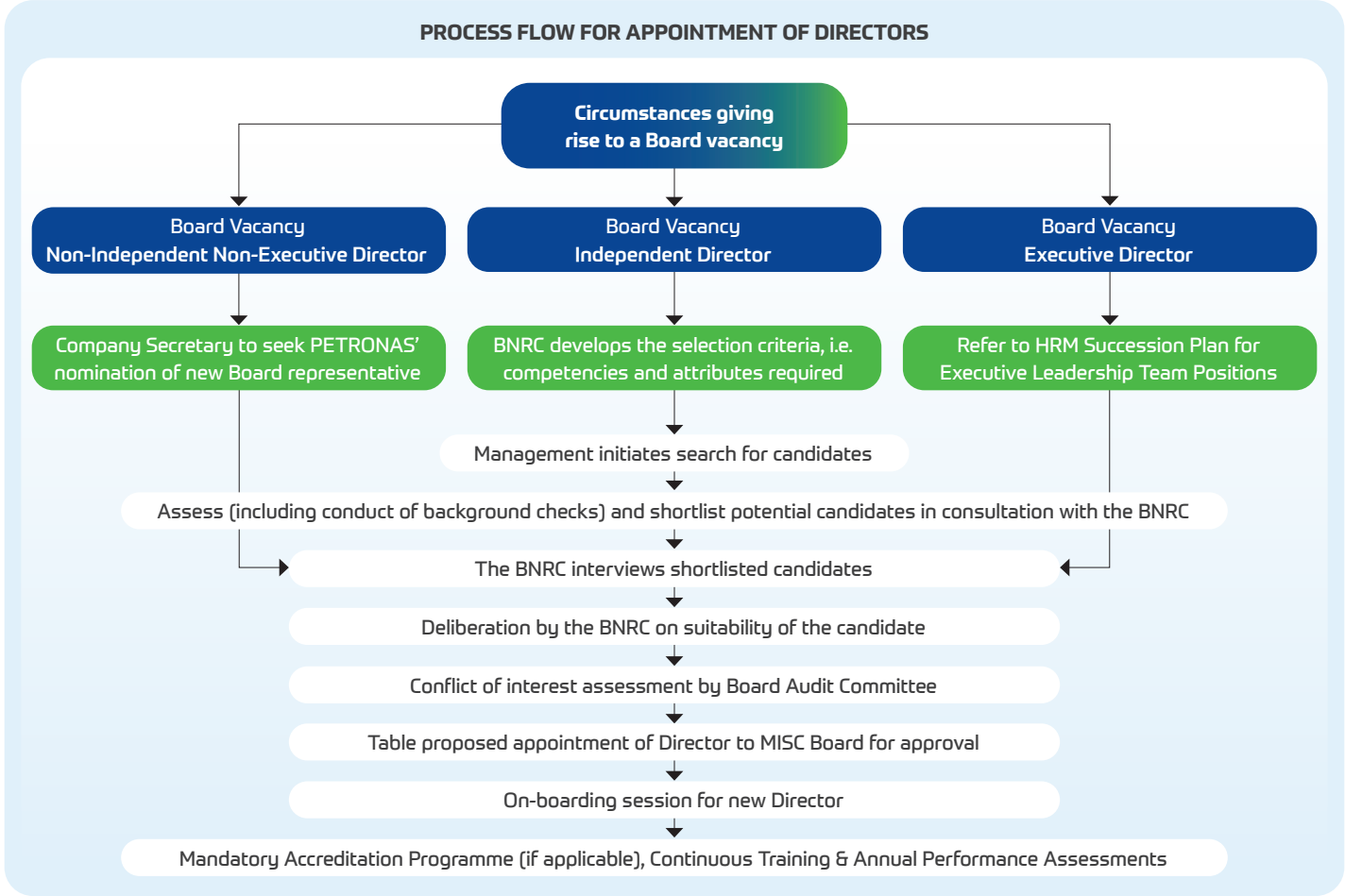
For more information on the BNRC's TOR, please refer to MISC's corporate website at www.miscgroup.com.

FUNCTIONS OF THE BNRC AND RELATED ACTIVITIES IN 2025

i. Board Membership - Appointment/Re-election of Directors and Succession Planning

The BNRC has the responsibility of ensuring appropriate succession planning of Directors and reviewing the Board's required mix of skills and experience, which includes reviewing the tenure of Independent Directors on the Board and proposals for re-appointment or re-election. In undertaking this responsibility, the BNRC conducts a structured annual review process that assesses each Director's skills, diversity of experience, competencies, time commitment and continued independence. This enables the BNRC to determine whether the composition of the Board remains robust and aligned with the Group's evolving strategic priorities, and whether any changes to the composition of the Board and/or Board Committees are warranted to support effective Board functioning.

The nomination of new Directors adheres to the following appointment process:



BOARD NOMINATION & REMUNERATION
COMMITTEE REPORT

In sourcing for suitable candidates, the Company utilises a variety of approaches and sources, including referrals from existing Directors, independent search firms and/or other sources. The nomination of Non-Independent Non-Executive Directors (NINEDs) to the Board is made by PETRONAS, being the major shareholder of the Company.

The potential candidates to assume the role of Independent Non-Executive Directors (INEDs) are first tabled to the BNRC for consideration and evaluated based on merit as well as suitability with the Company’s strategy, objectives and required attributes. Pursuant to the MISC Directors’ Fit and Proper Policy, all Directors are required to have the necessary qualities, competencies and experience that allows them to perform their duties and carry out the responsibilities required of the position in the most effective manner.

Prior to the initial appointment or proposed re-election/re-appointment of a Director, the individual concerned is required to complete a Directors’ Fit and Proper Declaration Form, which sets out the following overarching criteria: (a) Character and Integrity; (b) Experience and Competence; and (c) Time and Commitment. Diversity in terms of age, gender and ethnicity is also considered during the selection process.

In addition to the BNRC’s responsibilities in overseeing the nomination, evaluation and recommendation process for the appointment of Directors, the assessment of any actual or potential conflict of interest (COI) forms an integral component of the assessment process and is undertaken by the Board Audit Committee (BAC) in accordance with its oversight mandate. In deliberating any proposed appointment, the Board considers the assessments, observations and recommendations of both the BNRC and the BAC, ensuring that the appointment is consistent with the principles of independence, integrity and proper governance.

 For more information on the MISC Directors’ Fit and Proper Policy, please refer to MISC’s corporate website at www.miscgroup.com.

The BNRC undertook its annual and comprehensive review of Board composition, including an assessment of the balance of skills, experience, diversity and independence represented on the Board. As part of this process, the BNRC evaluated the continuing suitability, effectiveness and contribution of each Director, and reaffirmed that the existing Board composition remained appropriate to support the Group’s strategic priorities and governance requirements. The BNRC also reviewed succession considerations and confirmed that no immediate changes to the Board structure were necessary for the period under review.

The BNRC is also responsible for recommending to the Board, Directors who are standing for re-election at the Annual General Meeting (AGM) pursuant to MISC’s Constitution. In assessing the Director’s eligibility for re-election and/or re-appointment, the BNRC assesses the retiring Directors from the aspects of competencies, commitment, contribution and performance, based on the Board Effectiveness Evaluation (BEE) as well as their fitness and propriety in accordance with the Company’s Fit and Proper Policy.

At the forthcoming 57th AGM of the Company, the following Directors will be retiring pursuant to Rule 21.8 of the Company’s Constitution:

Datuk Abu Huraira Abu Yazid	Liza Mustapha	Wan Shamilah Wan Muhammad Saidi
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Liza Mustapha and Wan Shamilah Wan Muhammad Saidi who are retiring as Directors and being eligible, have offered themselves for re-election. Datuk Abu Huraira Abu Yazid who is also retiring by rotation has expressed his intention of not seeking re-election. He will retain office until the conclusion of the 57th AGM.

Based on the latest BEE as well as the BNRC’s review and assessment of the respective Directors’ Fit and Proper Declaration Forms, the BNRC is satisfied with the performance and continued suitability of the abovementioned Directors, and endorsed their proposed re-elections for the Board’s further endorsement and subsequent recommendation to the shareholders for approval at the forthcoming AGM.

BOARD NOMINATION & REMUNERATION
COMMITTEE REPORT

At their respective meetings held on 11 February 2026 and 23 February 2026, the BNRC and the Board endorsed and approved the re-election of the aforesaid Directors. The retiring Directors abstained from deliberation and voting in respect of their re-election.

In line with the MCCG, the Board Charter includes a policy which limits the tenure of INEDs to nine (9) years (without further extension), as well as the Board Diversity Policy. There are currently four (4) female Directors in the Company which equates to 44.44% of the overall Board composition.

In cognisance that a majority of the Directors would be approaching mid-term of their 9-year tenure with the Company, the BNRC had recommended the sourcing of an additional INED together with the critical requirements of the candidate, which was approved by the Board in December 2024. An external consultant was engaged in 2025 to support the BNRC in the Board search exercise, including the review, assessment and interview of prospective candidates. The Board, having regard to the overall outcomes of the exercise, its prevailing priorities and its current strategic focus, resolved that no additional appointment was required at this juncture. The BNRC will continue to monitor Board composition and succession requirements and will reactivate the process when circumstances warrant.

 For more information on the MISC Board Charter and Board Diversity Policy, please refer to MISC’s corporate website at www.miscgroup.com.

ii. Board Effectiveness Evaluation – Board, Board Committees and Individual Directors’ Assessment

The BEE is carried out on an annual basis, and as recommended by the MCCG, an external independent expert is engaged once in every three (3) years to conduct the BEE.

During the year under review, MISC had engaged an independent consultant to facilitate an independent assessment of the Board, Board Committees and individual Directors’ performance. The independent BEE comprised of a comprehensive, multi-dimensional assessment, covering the following areas:

Framework and Areas of Insight	
Decision process and culture - Overall Board culture - Interpersonal dynamics - Decision-making style - Decision-making process	Collective functioning - Role of the Board - Board structure - Board composition - Director interactions - Working dynamics - Committee performance - Succession oversight - Stakeholder and shareholder management
Individual assessment - Individual engagement - Individual contribution and competencies - Director development plans	External benchmarking - Comparative benchmarking with peers - Gap analysis against best practices
Methodology	
- Customised questionnaire covering various quantitative and qualitative aspects of Board effectiveness, and Individual Style Profile (ISP) culture survey completed by all Directors - One-on-one discussions with all Directors and selected members of the Executive Leadership Team (ELT) and Senior Management who regularly interfaces with the Board - Benchmarking with peer companies, industry standards and global best practices - Tabling of the independent BEE Report to the BNRC and the Board to review and discuss the findings and recommendations	

BOARD NOMINATION & REMUNERATION
COMMITTEE REPORT

Overall, the independent BEE for the financial year (FY) 2025 yielded positive feedback, with several key strengths of the MISC Board identified. These include the Board’s professionalism and effectiveness, the Chairman’s strong leadership, the Board’s diversity of perspectives and continued commitment to training and development.

The recommended areas of opportunity to further strengthen the Board’s effectiveness in guiding MISC toward the achievement of its long-term strategic objectives include ongoing attention to the Board’s overall stability and continuity, supported by robust succession planning, enhancements of Board materials, and greater emphasis on long-term strategic direction.

As part of the BEE, and in accordance with the Directors’ COI Review Procedures for the MISC Group, the BNRC considered the consolidated outcomes of the assessments set out in the relevant sections of this Report, together with the individual annual declarations of interest and the confirmations by the respective INEDs on their continuing independence.

Based on the outcome of the BEE, the BNRC was satisfied that all INEDs continued to meet the independence criteria prescribed under Paragraph 1.01 of the MMLR.

The BEE also included an evaluation of the performance of the Board Audit Committee (BAC), and the BNRC was satisfied that the BAC had discharged its duties and responsibilities in accordance with its TOR, with no adverse findings arising from the BEE or the annual assessments conducted.

iii. Senior Management - Appointment and Succession Planning

Effective 1 January 2025, the ELT has been established to replace the Management Committee. The refreshed management structure enhances accountability, transparency, and agility across the Group.

The BNRC is responsible for making appropriate recommendations to the Board regarding the appointment or renewal of contracts of employment of the President & Group CEO and ELT members of the Company, taking into account the strategy and long-term succession planning of the ELT composition.

During the year under review, having conducted all relevant reviews and assessments, the BNRC deliberated and recommended the following changes to the ELT composition:

Zahid Osman	Nick Potter	Alexander James Brigden
Transitioned out of the interim role following the appointment of Vice President, Petroleum & Products	Appointed as Vice President, Petroleum & Products	Expiry of term as Vice President, Offshore in January 2026

BOARD NOMINATION & REMUNERATION
COMMITTEE REPORT

The BNRC also has the responsibility for ensuring appropriate succession planning for ELT members. The following is a brief illustration of the succession planning approach and process adopted by MISC Group:

Identify Critical Positions	Critical positions across the Group are identified based on the following criteria: - Impact on business results - Business continuity/sustaining the business - Uniqueness of role requirements/scarcity of talent
Identify Potential Successors	Potential successors are drawn primarily from the General Manager and Senior Manager talent pool. Candidates are nominated and assessed by the Leadership Team using four (4) criteria: - Achievement - Sustainability and consistency of performance - Ability - Competence to deliver successfully in-role - Agility - Adaptability, traits and values to navigate change - Aspiration - Passion, tenacity and commitment to self and the organisation
ELT Deliberation, Selection and Readiness Mapping	Shortlisted candidates are deliberated and endorsed by the ELT based on: - Capabilities - Leadership and functional competencies - Contribution - Performance outcomes, key achievements and results orientation - Cultural Fit - Demonstration of cultural beliefs, career motivations and personal aspirations Selected successors are then mapped to a maximum of three (3) critical positions and assigned readiness levels: - R1 - Ready now - R2 - Ready within 12 months - R3 - Ready between 12 and 24 months - R4 - Ready within 36 months
Individual Development Planning and Readiness Acceleration	For each identified successor, an Individual Development Plan (IDP) is developed to systematically close capability gaps and accelerate readiness for targeted ELT roles. Development interventions are structured based on the 70–20–10 framework: 70% On-the-job/experiential learning Stretch assignments, role rotations, project leadership, cross-functional exposure and shadowing to build real-time leadership maturity 20% Coaching & exposure Mentoring by ELT members, executive coaching, structured feedback and exposure through leadership forums 10% Formal learning Targeted leadership programmes, certifications and development workshops To ensure effectiveness and consistency, the IDPs are also aligned to the People Development Committee (PDC) governance and development agenda, including: - matching successors to approved PETRONAS Leadership Centre (PLC) programmes and interventions; and - ensuring appropriate investments and pathways to accelerate development needs and readiness timelines, particularly for R2/R3 successors.

BOARD NOMINATION & REMUNERATION
COMMITTEE REPORT

iv. Directors’ and Senior Management Remuneration

The BNRC assists the Board in overseeing the Company’s remuneration framework. In May 2025, the BNRC reviewed and recommended the revision of MISC’s Remuneration Framework for Non-Executive Directors, which was subsequently approved by the MISC Board. The revised Directors’ Remuneration Framework is based on the updated PETRONAS’ Guidelines on Remuneration for PETRONAS Public Listed Companies Non-Executive Directors (NEDs).

In benchmarking against comparable public listed companies and prevailing best practices, the BNRC noted the current fee structure for NEDs of MISC remains reasonably competitive. Accordingly, and following the BNRC’s recommendation, the Board has resolved to maintain the existing fee structure. The Directors’ fees proposed for shareholders’ approval at the forthcoming 57th AGM are therefore based on the current fee structure as set out below.

	Monthly retainer fee	Attendance allowance per meeting			
		Board	Board Audit Committee	Board Nomination & Remuneration Committee	Board Sustainability & Risk Committee
Chairman	RM24,000	RM3,500	RM3,500	RM3,500	RM3,500
Member	RM12,000				

INEDs are entitled to fuel/electric vehicle charging allowance of RM6,000 per annum and Directors’ and Officers’ Insurance coverage of up to RM1.29 billion per occurrence and in the aggregate. The Chairman is also entitled to a company car and driver allowance of RM31,150 per annum.

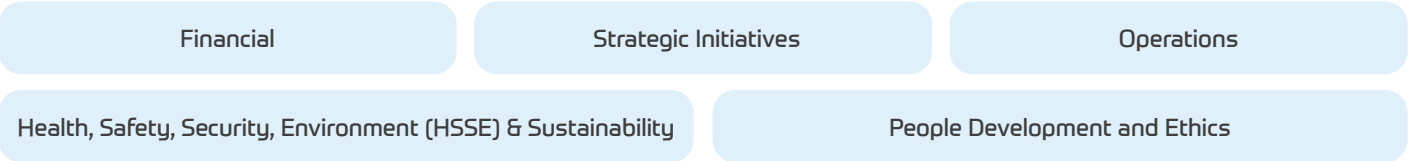
For more information on the MISC Remuneration Framework for Non-Executive Directors, please refer to MISC’s corporate website at www.miscgroup.com.

The Directors’ fees and meeting allowances for NINEDs, who are employees of PETRONAS, are paid directly to PETRONAS. The presence and participation of the NINEDs, who are employees of PETRONAS, give the Board a deeper insight into PETRONAS’ operations and direction.

The remuneration package for the Executive Director of MISC is balanced between fixed and performance-linked elements. A portion of the Executive Director’s remuneration package is variable in nature and is KPI-based, which includes the Group’s performance. An Executive Director is not entitled to receive Directors’ fees or meeting allowance.

v. Company and President & Group CEO Performance Appraisal

The Company’s performance against the FY2025 Balanced Scorecard was deliberated by the BNRC. The performance appraisal covered the following scorecard dimensions, whereby specific ratings were given to each dimension based on “Minimum”, “Base” or “Stretch” achievements:



Based on the Company’s performance against the FY2025 Balanced Scorecard, the BNRC also deliberated on the individual performance of the President & Group CEO of the Company for FY2025 and made the appropriate recommendations to the Board for approval.

BOARD NOMINATION & REMUNERATION
COMMITTEE REPORT

vi. Directors’ Training

The BNRC recognises the critical importance of continuing training and development of the Directors to ensure that they are well-equipped with the necessary skills and knowledge. Throughout the year under review, the BNRC played a pivotal role in assisting the Board by evaluating and reviewing a range of training topics. These topics were specifically curated to ensure that Directors remain up to date with current issues and are equipped with the relevant knowledge to effectively discharge their roles.

In support of the ongoing development and effectiveness of the Board, bite-sized learning sessions were introduced during the year under review. These sessions were designed to provide concise, focused and targeted learning on topics relevant to the Board’s roles and responsibilities as well as other areas of current interest.

This commitment to continuous learning ensures that the Board can navigate the complexities of the business environment and make informed decisions that contribute to the long-term success of the Company.

For more information on the training programmes attended by the Directors, please refer to pages 183 to 188 of the Corporate Governance Overview Statement of this Integrated Annual Report.

SUMMARY OF THE BNRC’S WORK IN 2025

During the year under review, the BNRC discharged its functions and duties through the following activities:

Board Membership

- Reviewed and recommended the eligible Directors who are standing for re-election at the AGM.

Succession Planning

- Reviewed and endorsed the MISC Board and Board Committees composition.
- Reviewed and endorsed the engagement of external consultant for Board search exercise.
- Interviewed the shortlisted Board candidates during the Board search exercise.
- Reviewed and endorsed the ELT succession planning.

Performance Management and Remuneration

- Reviewed and endorsed the Group’s FY2024 Balanced Scorecard (BSC) results and FY2026 BSC (KPI setting), and monitored progress updates of the FY2025 BSC.
- Reviewed and endorsed the reward programme for Appraisal Year 2024, including that of the President & Group CEO.
- Reviewed and endorsed the Long Term Incentive Plan (LTIP) performance achievements for FY2024 and monitored updates on the Realignment Plan for the MISC LTIP.
- Reviewed and endorsed the ELT performance for Appraisal Year 2024.
- Reviewed and endorsed the proposed Human Capital Management System.
- Received updates on the Minimum Wage and Living Wage for MISC.
- Reviewed and endorsed the revised Remuneration Framework for NEDs of MISC and deliberated the Special Fee for International NEDs.
- Reviewed HR/People related cases.

BOARD NOMINATION & REMUNERATION
COMMITTEE REPORT

SUMMARY OF THE BNRC’S WORK IN 2025 (Cont’d)

Board Effectiveness Evaluation

- Reviewed and endorsed the results of the BEE FY2024 and Proposed Action Plans, and monitored the progress of the Action Plans.
- Reviewed and endorsed the proposed engagement of an Independent Consultant to facilitate the BEE for FY2025.
- Reviewed and endorsed the Board KPIs for FY2026.

Training and Development

- Reviewed and endorsed topics for the MISC Group Directors’ Training and MISC Bite-Sized Directors’ Trainings in FY2025.
- Received updates on MISC’s Human Resource Development Corporation (HRDC) fund utilisation and implementation of 1:3 Internship Policy introduced by TalentCorp Malaysia.

Strategy and Governance

- Reviewed and endorsed the revised Terms of Reference (TOR) for the BNRC.
- Deliberated the proposed establishment of a foundation as a strategic vehicle to advance MISC’s broader nation-building aspirations.

Annual Reporting

- Reviewed and endorsed the disclosures in the BNRC Report, AGM Notice and Agenda for the 2024 Integrated Annual Report.

FOCUS AREAS FOR 2026

The BNRC will continue to provide oversight of the matters within its mandate. In 2026, key areas of focus will include, among others, the HR Division’s transformation initiative which is designed to elevate HR maturity and strengthen alignment with the enterprise’s strategic goals and objectives. This initiative seeks to enable the HR Division to deliver value-driven outcomes that support the Company’s execution of the MISC 2030 Ambition, while fostering a positive and consistent employee experience across the Group.

The BNRC remains fully committed to adopting best practices, upholding corporate governance standards and ensuring smooth, strategic, and purpose-aligned leadership transitions to achieve the Company’s overall vision. In 2026, the appointment of a new Chairman and the ongoing review of Board and Board Committee composition underscores the BNRC’s role in succession planning and placing effective guardrails for smooth leadership continuity. These efforts shall be complemented by a comprehensive talent development plan to preserve the vitality, strength and dynamism of the Company’s leadership as it navigates evolving organisational needs and a sustainable future.

DATO’ TENGKU MARINA TUNKU ANNUAR

Chairperson
Board Nomination & Remuneration Committee

BOARD AUDIT COMMITTEE REPORT



Chew Liong Kim

Chairman
Board Audit Committee

Dear Valued Shareholders,

The Committee remains steadfast in its commitment to safeguarding the integrity, transparency and long-term sustainability of the Group. In this context, the Committee will continue to exercise diligent oversight over the Group’s financial reporting, internal controls, risk management and assurance activities. Further, the Committee acknowledges that, in an increasingly complex global environment marked by regulatory evolution, technological disruptions and heightened shareholder expectations, its responsibilities have expanded beyond traditional financial oversight. This expansion necessitates refinement to its oversight emphasis on related aspects including governance, digital assurance and enterprise-wide risk stewardship.

Accordingly, the Committee maintains a zero tolerance stance on financial misstatement, control lapses or ethical breaches.

The Board Audit Committee (BAC) was established on 28 June 1993 with the objective of assisting the Board in its oversight role to help ensure effective financial management and financial accounting, internal control systems, as well as the whistleblowing policy and management processes of the Group.

This report provides shareholders with insights into the BAC’s activities throughout the year under review. It further explains the manner in which the BAC discharged its functions for the Group.

COMPOSITION AND MEETING ATTENDANCE

The BAC comprises three (3) members, the majority of whom are Independent Non-Executive Directors (INEDs) of the Company. The current composition of the BAC and qualifications of its members comply with Paragraph 15.09(1) of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Securities) which requires at least one (1) member of the BAC to be a qualified accountant.

As at the date of this report, the composition of the BAC is as follows:

Members	Date of Appointment as BAC Member
Chew Liong Kim <i>Chairman</i> <i>Senior Independent Non-Executive Director</i>	1 January 2022 (Re-designated as Chairman on 15 January 2024)
Mohammad Suhaimi Mohd Yasin <i>Member</i> <i>Independent Non-Executive Director</i>	15 January 2024
Wan Shamilah Wan Muhammad Saidi <i>Member</i> <i>Non-Independent Non-Executive Director</i>	15 January 2024

The BAC Chairman, Chew Liong Kim, and Wan Shamilah Wan Muhammad Saidi are qualified accountants. Chew Liong Kim is a member of the Malaysian Institute of Accountants (MIA) and a Fellow Chartered Accountant (FCA) of the Chartered Accountants Australia and New Zealand. Wan Shamilah Wan Muhammad Saidi is a Fellow of Institute of Chartered Accountants in England & Wales (ICAEW) and a member of MIA.

The BAC also considers continuous learning of relevant accounting, auditing and regulatory developments to be essential in supporting effective audit oversight. Accordingly, during the year, the BAC members attended a range of training programmes addressing reporting standards, regulatory initiatives and compliance matters affecting the Group’s financial reporting and assurance environment. While individual members may attend different programmes based on relevance and availability, the BAC is satisfied that it has, as a whole, maintained an adequate level of awareness of advancements in accounting standards, auditing practices and related regulatory requirements, enabling it to effectively oversee the Group’s financial reporting process, internal controls and audit functions.

BOARD AUDIT COMMITTEE REPORT

The BAC met five (5) times in 2025, with the BAC Chairman and all members in attendance for all meetings.

The President & Group CEO is invited to attend the BAC meetings to facilitate discussions, as well as to provide explanation on audit issues, financials, internal controls as well as other matters within the BAC’s Terms of Reference (TOR). The Head of Group Internal Audit (GIA) of MISC Group and the Group Chief Audit Executive, GIA of PETRONAS or her representative, are also invited to the BAC meetings, together with the relevant management personnel, to observe the proceedings and provide clarification on any relevant internal audit reports tabled to the BAC. The external auditors are invited to present their audit plan, audit results and other relevant matters.

BAC meetings, together with the tentative agendas, are scheduled in advance of any new financial year to allow the BAC members to plan ahead and incorporate the year’s meetings into their respective schedules. The agenda and meeting papers are distributed to the BAC members via a secured collaborative software, which eases the process of distributing meeting papers and minimises leakage of sensitive information, and enables the BAC members to have access to the papers electronically at any given time. This practice is also consistent with the Board’s and Company’s commitment to sustainable practices.

All proceedings of the BAC meetings are duly recorded in the minutes and are properly kept by the Company Secretary.

TERMS OF REFERENCE

The BAC is governed by its own TOR, which is consistent with the requirements of the MMLR of Bursa Securities and best practices of the Malaysian Code on Corporate Governance (MCCG).

As part of the overall governance review, the BAC assessed the adequacy and relevance of its TOR and recommended updates to reflect evolving regulatory requirements and best practices. The revised TOR was subsequently approved by the Board.

 For more information on the BAC’s TOR, please refer to MISC’s corporate website at www.miscgroup.com.

SUMMARY OF THE BAC’S WORK IN 2025

During the year under review, the BAC discharged its functions and duties through the following activities:

Financial Reporting

- Reviewed and endorsed the quarterly financial results for announcements to Bursa Securities before recommending the same for the Board’s approval upon being satisfied that it has complied with the Malaysian Financial Reporting Standards (MFRS), International Financial Reporting Standards (IFRS), MMLR and other relevant regulatory requirements.
- Reviewed the audited financial statements of the Company and the Group prior to submission to the Board for the Board’s consideration and approval, upon being satisfied that the audited financial statements were drawn up in accordance with the MFRS, IFRS, MMLR and Companies Act 2016.

These reviews were conducted with the President & Group CEO and Chief Financial Officer.

BOARD AUDIT COMMITTEE REPORT

Internal Audit

- Reviewed and approved the revision to the Internal Audit Charter which has been aligned with the expectations prescribed in the Institute of Internal Auditors’ (IIA) Global Internal Audit Standards (GIAS).
- Reviewed and approved internal audit reports issued by GIA based on the approved Annual Internal Audit Plan (AIAP).
- Reviewed and approved the adequacy and effectiveness of action plans provided by Management on the deliberated audit reports.
- Reviewed the status of conformity on implementation of MISC Berhad Anti-Bribery Management System (ABMS) against the requirement of the ISO 37001:2016 ABMS standards.
- Reviewed and approved GIA’s AIAP for FY2026 as guided by the approved Enhanced Risk Based Internal Audit Framework of MISC, to ensure adequacy of coverage on auditable entities.
- Reviewed the adequacy of resources and competencies of GIA’s staff to execute the audit plan.
- Reviewed GIA’s half-yearly and yearly performance status of the approved audit plan, strategic initiatives and other GIA’s activities.
- Conducted yearly assessments of GIA’s performance.
- Reviewed outcome and updates of special review and/or investigation, as and when required.

Prior to BAC meetings, the Chairman of the BAC held private meetings and discussions with the Head and Principal Auditors of GIA on internal audit reports and any related matters.

External Audit

- Reviewed and endorsed the external auditors’ terms of engagement, audit plan, scope and proposed fees for FY2025.
- Reviewed the results and issues arising from the external auditors’ audit, including the key audit matters and the resolution of issues highlighted in the external auditors’ report to the BAC and Management’s responses thereto.
- The BAC had two (2) private meetings with the external auditors without the presence of Management during the year under review (i.e. on 13 February 2025 and 18 November 2025) to discuss any matters the external auditors may wish to present and to ensure that there were no restrictions in the scope and discharge of their audit activities.
- Reviewed and recommended the reappointment of the external auditors to the Board for proposal to the shareholders at the Annual General Meeting for approval.

To ensure that the external auditors’ independence is not impaired, the Audit Engagement Partner in charge of the Company is changed every seven (7) years and is required to observe a cooling-off period of five (5) years before being reappointed, which is in line with the recommendation by the MIA. The current Audit Engagement Partner has been in the role for three (3) years during the financial year under review. Internally, the external auditors conduct an Independent Partner Review in order to preserve their independence. The external auditors had also provided written assurance to the BAC that in accordance with the terms of all relevant professional and regulatory requirements, they had been independent throughout the audit engagement.

In line with the Company’s adoption of the Policy on External Auditors, the BAC had carried out an assessment on the performance, suitability and independence of the external auditors based on the following criteria, and will continue to do so on an annual basis.



BOARD AUDIT COMMITTEE REPORT

Corporate Governance and Regulatory Compliance

- Reviewed and deliberated the reports on RPTs and RRPTs on a quarterly basis and material RPTs and/or RRPTs as they arise.
- Reviewed and recommended to the Board the Statement on Directors’ Responsibility, Statement on Risk Management and Internal Control (SORMIC) (with particular focus on internal control related matters), BAC Report and Additional Compliance Information for inclusion in the Integrated Annual Report 2024.
- Reviewed the minutes of meetings of the Board Audit Committee of Malaysia Marine and Heavy Engineering Holdings Berhad (MHB) and the Audit, Risk and Sustainability Committee (ARSC) of AET Pte. Ltd. to obtain oversight of the state of internal control systems and key audit matters within these subsidiaries.
- Reviewed the Whistleblowing quarterly reports of the Company, including the status of cases reported and actions taken, to assess the adequacy and effectiveness of the Group’s Whistleblowing Framework.
- Reviewed the Group Health, Safety, Security & Environment Audit and Assurance Bi-Annual Reports, with particular focus on the efficiency and effectiveness of the maintenance of the Group’s vessels and floating assets.
- Reviewed the revision to the Guidelines on RPTs and RRPTs for MISC Group to ensure continued alignment with regulatory expectations and best practices.
- Reviewed the TOR to ensure continued relevance and alignment with regulatory requirements taking into account the BAC’s overall function.
- Reviewed updates on sanctions breach incidents within the Group, including remedial and preventive measures implemented to strengthen compliance controls.

STATEMENT ON INTERNAL AUDIT FUNCTION

The internal audit function of the Company is carried out in-house by the GIA. GIA undertakes a systematic and disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes within the Group.

The Head of GIA reports functionally to the BAC and administratively to the President & Group CEO of MISC. Izran Kassim is the Head of GIA. He is an Associate Member of the Chartered Institute of Management Accountants (CIMA), a member of MIA and holds a Bachelor of Arts in Economics and Social Studies from the University of Manchester, UK.

In carrying out its audit activities, GIA adopts the standards and principles outlined in the IIA’s GIAS and the Committee of Sponsoring Organisations of the Treadway Commission (COSO) framework; a comprehensive, structured and globally recognised auditing approach, in conducting the audit activities. The conduct of internal audit work is also governed by the MISC Internal Audit Charter and GIA’s established procedures and guidelines.

The annual audit plan and strategy, including the scope of works and resources, are approved by the BAC. The audit plan is established primarily based on a risk-based approach, supplemented by input from various sources, including feedback from Management and the BAC, as well as trends, track records and findings from past audit engagements.

GIA conducts scheduled audits independently to provide the level of assurance required by the Board on the adequacy and effectiveness of risk monitoring, internal controls, governance processes and compliance procedures. In addition, GIA supports and undertakes special reviews, including investigations, upon request by Management, the BAC and the ARSC of AET Pte. Ltd.

GIA has incorporated digital technologies into the audit processes. This includes the deployment of the Continuous Auditing (CA) dashboard and the development of the risk sensing (RS) framework.

GIA submits its audit reports to the Management Audit Committee (MAC) for executive review. Subsequently, the reports together with deliberations by the MAC are tabled at the BAC meetings for approval. At the Board meetings, the BAC Chairman highlights the key audit issues and overall decisions and resolutions arising from BAC meetings to the Board.

BOARD AUDIT COMMITTEE REPORT

The audit reports prepared by GIA provide details of audit findings and corresponding Agreed Corrective Actions (ACAs). The status of implementation of these ACAs are captured through the Quarterly Audit Status Reports (QASR), from which, the ACAs are monitored and analysed. The consolidated reports are submitted and presented to the MAC and the BAC for deliberation and approval on a quarterly basis. Such regular monitoring is essential to ensure the integrity and effectiveness of the Group’s internal controls.

During the financial year, GIA reported the following engagements as per the approved internal audit plan:

- | | |
|---|--|
| • Audit on MISC Marine Cybersecurity and Related IT Controls | • Audit on Gas Assets & Solutions (GAS) Business Development Activities |
| • Audit on AET Legal and Corporate Secretarial Activities | • Audit on MISC Marine Services Fleet Operations and Maintenance for Gas and Non-Gas Vessels |
| • Audit on ALAM Campus Management Application (CMA) System | • Audit on Tax Compliance for AET Entities |
| • Audit on AET Cybersecurity and Related IT Controls (Revisit) | • Audit on AET Capital Investment Project |
| • Audit of Offshore Business Unit (OBU) Asset Management Activities | • Audit on Project Management Activities for Maritime Services |
| • Audit on Post-Implementation of Icertis Contract Intelligence (ICI) | • Audit on MISC Berhad Anti-Bribery Management System (ABMS) for FY2025 |
| • Audit on Group Corporate Communications Activities | |

MISC as a Group has consistently achieved a high closure rate for the audit findings through close and continuous monitoring. The status of the ACAs is reported to the BAC on a quarterly basis. In FY2025, a 92% closure rate was achieved, with the remaining 8% being granted extension with defined timelines based on valid justifications.

To support the BAC’s oversight, GIA conducted quarterly reviews on the internal control process and reporting of RPTs and RRPTs to provide assurance to the BAC that its implementation conforms to the requirements of Bursa Securities. In addition, material RPTs and RRPTs were reviewed as and when they arose. This included the proposal relating to the provision of long-term LNG shipping services to PETRONAS LNG Sdn. Bhd., a wholly owned subsidiary of PETRONAS, which was tabled at the Special BAC meeting held on 12 December 2025.

As at 31 December 2025, all internal audit activities for the financial year under review were performed by 21 internal auditors from diverse backgrounds, disciplines and operational experiences such as accounting and finance, business administration, human resource, engineering, information technology, as well as shipping and logistics. This multidisciplinary composition supports comprehensive audit coverage across the Group’s operations.

In maintaining independence and objectivity, the Head of GIA provides annual confirmation to the BAC on the organisational independence of the internal audit function, including any impairments and related safeguards. GIA also ensures that the internal auditors are free from any relationship or conflict of interest (COI) when performing their duties. All auditors have declared their independence through the annual COI declaration.

GIA also continues its commitment to strengthening audit effectiveness by equipping the internal auditors with requisite knowledge, proficiencies and competencies to discharge their duties and responsibilities by providing sufficient and relevant functional trainings.

The total cost incurred in discharging the internal audit functions during FY2025 was RM9.4 million.

BOARD AUDIT COMMITTEE REPORT

RELATED PARTY TRANSACTIONS (RPTS) AND RECURRENT RELATED PARTY TRANSACTIONS (RRPTS)

MISC has put in place internal controls, guidelines and procedures to ensure that RPTs and RRPTs are entered into on normal commercial terms which are not more favourable than those generally available to third parties dealing at arm's length basis and are not detrimental to the minority shareholders of the Company.

During the year under review, the BAC reviewed the Group's internal guidelines governing RPTs and RRPTs, including the revised Guidelines on RPTs and RRPTs which took effect on 1 December 2025, and is of the view that they are adequate to ensure such transactions are conducted on fair and reasonable terms and in the best interests of the Group. The BAC was also satisfied that the Group has put in place adequate procedures and processes to monitor, track and identify RPTs and RRPTs in a timely and orderly manner to ensure that the RPTs and RRPTs were always carried out on normal commercial terms and consistent with the Group's practices and were not to the detriment of the minority shareholders. The procedures and processes will be reviewed from time to time, taking into consideration the recommendations from the internal audit team of the Company.

In ensuring adequate procedures and processes are in place, the BAC is responsible to ensure the following:

- A That a framework and appropriate procedures are in place for the purposes of identifying, monitoring, evaluating, reporting and approving RPTs and RRPTs.
- B That a review of any RPTs or RRPTs and COI that may arise within the Group is conducted.
- C That the established procedures are adequate to ensure that the RPTs and RRPTs are entered into in the best interest of the Company, on fair and reasonable commercial terms and not detrimental to the interest of minority shareholders.

Due to the integrated nature of MISC's business operations with the PETRONAS Group, the Company has been granted exemption from complying with the requirement of Paragraphs 10.08 and 10.09 of the MMLR including having to seek shareholders' approval in relation to the supply, sale, purchase, provision and usage of certain goods, services and facilities which form part of the PETRONAS Group integrated operations. The exemption is of particular significance to ensure MISC does not experience any disruption to its operations.

BOARD AUDIT COMMITTEE REPORT

The RRPTs entered into by the Group during the financial year ended 31 December 2025 are summarised below:

Nature of transaction	Transacting party	Related party
1. Charters of LNG vessels from MISC by PETRONAS Group	MISC Berhad and/or its subsidiaries	PETRONAS* and/or its subsidiaries
2. Charters of petroleum and chemical tankers and liquefied petroleum gas carriers from MISC by PETRONAS Group	MISC Berhad and/or its subsidiaries	PETRONAS* and/or its subsidiaries
3. Operating, maintaining and lease/charter of Floating Production, Storage and Off-Loading (FPSO), Floating Storage and Off-Loading (FSO) and other floating solutions by PETRONAS Group	MISC Berhad and/or its subsidiaries	PETRONAS* and/or its subsidiaries
4. Fabrication and construction of oil and gas offshore/onshore structures for PETRONAS Group	MISC Berhad and/or its subsidiaries	PETRONAS* and/or its subsidiaries
5. Marine and consultancy services to PETRONAS Group	MISC Berhad and/or its subsidiaries	PETRONAS* and/or its subsidiaries
6. Sungai Udang Port management	MISC Berhad and/or its subsidiaries	PETRONAS* and/or its subsidiaries
7. Purchase of industrial gases, lubricants and other petroleum products including bunker oil from PETRONAS Group	MISC Berhad and/or its subsidiaries	PETRONAS* and/or its subsidiaries
8. Port management services to PETRONAS Group	MISC Berhad and/or its subsidiaries	PETRONAS* and/or its subsidiaries
9. Supply of information technology services provided by PETRONAS Group	MISC Berhad and/or its subsidiaries	PETRONAS* and/or its subsidiaries
10. Rental of premises with PETRONAS Group	MISC Berhad and/or its subsidiaries	PETRONAS* and/or its subsidiaries
11. Supply of bunkers, manpower and other services by PETRONAS Group	MISC Berhad and/or its subsidiaries	PETRONAS* and/or its subsidiaries

* PETRONAS is a major shareholder of the Company

The BAC also confirmed that the methods or procedures for determining the prices and terms of the RRPTs have not changed since the issuance of the Independent Adviser's opinion by PricewaterhouseCoopers Capital Sdn. Bhd. dated 26 March 2012. The same was published in the Company's Annual Report for the year ended 31 December 2011.

CONFLICT OF INTEREST (COI)

The BAC also reviews and monitors actual, potential or perceived COI situations within MISC Group, including any situations/transactions, procedures or courses of action and conduct that raise concerns on management integrity, together with the measures taken to resolve, eliminate or mitigate such conflicts. This review also covers COIs involving MISC's Directors and Senior Management for FY2025.

BOARD AUDIT COMMITTEE REPORT

FOCUS AREAS FOR 2026

The BAC remains committed to strengthening climate-related disclosures to enhance transparency and accountability in managing the environmental impact. As regulatory requirements evolve, the BAC will oversee the Group’s continued alignment with the International Sustainability Standards Board (ISSB) standards issued under the IFRS Foundation to ensure consistent, robust and compliant sustainability reporting.

As sustainability and accounting standards continue to converge, the BAC will oversee the integration of climate-related considerations into the Group’s financial reporting and disclosure processes. This includes monitoring the implementation of relevant reporting requirements and ensuring that climate-related risks and opportunities, as overseen by the Board Sustainability & Risk Committee, are appropriately reflected, measured and disclosed in accordance with applicable sustainability and accounting standards.

The BAC will continue to place emphasis on system governance, particularly in relation to changes to internal controls arising from the implementation of new systems, including the finance transformation system, the human resource system, and the digitalisation of the third-party risk management system. This oversight aims to ensure compliance with applicable regulatory requirements, the effectiveness of internal controls, and the continued integrity and reliability of the Group’s financial reporting.

CHEW LIONG KIM
Chairman
Board Audit Committee

BOARD SUSTAINABILITY & RISK COMMITTEE REPORT



Datin Norazah Mohamed Razali
Chairperson
Board Sustainability & Risk Committee

Dear Valued Shareholders,

The Committee plays an active role in supporting the Board’s oversight of sustainability and risk matters, with a focus on how ESG considerations shape the Group’s strategy and long-term direction. During the year, the Committee reviewed key sustainability-related risks and opportunities, including climate-related factors that may affect the Group’s operations, performance and future positioning.

These deliberations underpin the Group’s assessment of its readiness to manage transition and physical climate risks, while supporting the identification of opportunities arising from decarbonisation, regulatory developments and evolving market expectations, thereby enabling a disciplined and forward-looking decision-making.

The Board Sustainability & Risk Committee (BSRC), formerly known as Board Governance & Risk Committee, was established on 1 January 2021 to enhance oversight on risk management matters and enable more effective anticipation and reaction in managing events and trends that could lead to disruptive changes to MISC’s business model. The scope of the BSRC encompasses governance, compliance and ethics, sustainability as well as health, safety, security and environment (HSSE).

This report provides shareholders with insights into the BSRC’s activities throughout the year under review. It further explains the manner in which the BSRC discharged its functions for the Group.

COMPOSITION AND MEETING ATTENDANCE

The BSRC comprises four (4) members, all of whom are Independent Non-Executive Directors. In line with the Malaysian Code on Corporate Governance (MCCG), the BSRC’s Terms of Reference (TOR) requires a majority of the BSRC members to be Independent Directors. Additionally, the BSRC’s TOR specifies that at least one (1) member of the BSRC must also be a member of the Board Audit Committee (BAC) to foster a common understanding of the risk management and internal control systems and ensure co-ordination between the two (2) standing Board Committees of MISC in its risk, internal controls and governance oversight roles.

As of the date of this report, the composition of the BSRC is as follows:

Members	Date of Appointment as BSRC Member
Datin Norazah Mohamed Razali <i>Chairperson</i> <i>Independent Non-Executive Director</i>	1 January 2021
Chew Liong Kim <i>Member</i> <i>Senior Independent Non-Executive Director</i>	15 January 2024
Mohammad Suhaimi Mohd Yasin <i>Member</i> <i>Independent Non-Executive Director</i>	1 January 2021
Dato’ Tengku Marina Tunku Annuar <i>Member</i> <i>Independent Non-Executive Director</i>	1 April 2022

The BSRC met nine (9) times in 2025, with the BSRC Chairperson and all members in attendance for all meetings.

The President & Group CEO attends the BSRC meetings to facilitate discussions, as well as to provide the appropriate information and advice on relevant matters for the BSRC.

BOARD SUSTAINABILITY & RISK COMMITTEE REPORT

BSRC meetings together with the tentative agendas, are scheduled in advance of any new financial year to allow the BSRC members to plan ahead and incorporate the year’s meetings into their respective schedules. The agenda and meeting papers are distributed to the BSRC members via a secured collaborative software, which eases the process of distribution of meeting papers and minimises leakage of sensitive information, as well as enabling the Directors to have full and timely access to the papers electronically at any given time. This practice is also consistent with the Board’s and Company’s commitment to sustainable practices.

All proceedings of the BSRC meetings are duly recorded in the minutes and properly kept by the Company Secretary.

TERMS OF REFERENCE

The BSRC is governed by its own TOR, which is consistent with the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and best practices of the MCCG.

As part of the overall governance review, the BSRC assessed the adequacy and relevance of its TOR and recommended updates to reflect evolving regulatory requirements and best practices. The revised TOR was subsequently approved by the Board.

 For more information on the BSRC’s TOR, please refer to MISC’s corporate website at www.miscgroup.com.

FUNCTIONS OF THE BSRC

To review, evaluate, report and make appropriate recommendations to the MISC Board on the following matters:

Risk Management	Sustainability
Provide oversight on the risk management policies, framework and process.	Provide oversight on the sustainability strategy, frameworks and processes for managing sustainability risks and opportunities (SROs), including climate-related risks and opportunities (CROs).
Compliance and Ethics	Governance
Ensure effectiveness of the compliance and ethics programmes.	Determine the governance structure and monitor good governance practices.

i. Risk Management

Matters pertaining to risk management fall within the scope of the BSRC, which will act as a sounding board to Management and perform a deep dive and challenge on risk matters. The BSRC shall review, evaluate, report and make the appropriate recommendations to the Board on the following matters:

- (a) Adequacy and effectiveness of MISC’s Enterprise Risk Management (ERM) Framework and the ongoing activities to ensure that appropriate systems and processes are in place to effectively manage and monitor the identified risks, focusing on the Group’s primary risks;
- (b) Status of the ERM Risk Register, to identify, evaluate, mitigate and monitor risks, focusing on key strategic and business risks including sustainability-related risks;

BOARD SUSTAINABILITY & RISK COMMITTEE REPORT

- (c) Risk assessments conducted by the Project Risk Assessment Sub-Committee, on business proposals and new initiatives, ensuring relevant risks are identified, considered and addressed to support informed decision-making, as well as enabling implementation of appropriate controls to mitigate the associated risks;

- (d) Determination of MISC’s Risk Appetite, its statements, thresholds, and level of risk tolerance; and

- (e) Any other matters as determined by the Board.

ii. Sustainability

As sustainability is a key feature of MISC’s strategy, the Board considers sustainability to be of paramount importance when determining the Board agenda. Hence, the BSRC has been identified as the custodian for MISC’s sustainability initiatives.

The BSRC has oversight on SROs, including CROs and ensures that the Group’s sustainability strategy, targets, governance processes and material sustainability matters are properly identified, assessed, managed and disclosed in accordance with applicable reporting requirements. The BSRC reviews, evaluates, reports and makes appropriate recommendations to the Board on the determination of MISC’s sustainability strategy and alignment with MISC’s business strategy.

iii. Compliance and Ethics

The BSRC reviews and makes the appropriate recommendations to the Board on the adequacy and effectiveness of MISC’s Compliance and Ethics strategy and objectives to continuously embed a compliance culture of strong corporate governance, business ethics and conduct within the organisation, through a management framework for business and operations to develop, manage and maintain the governance required, including continuous enhancement and monitoring to meet and sustain the compliance strategy and objectives across the MISC Group.

iv. Governance

The BSRC reviews, evaluates, reports and makes appropriate recommendations to the Board on the determination of MISC’s governance structure to ensure alignment with MISC’s business strategy. Additionally, the BSRC also monitors good governance practices across the Group to ensure consistency with the Board’s risk appetite, guided by applicable laws and regulations.

BOARD SUSTAINABILITY & RISK COMMITTEE REPORT

SUMMARY OF THE BSRC’S WORK IN 2025

During the year under review, the BSRC discharged its functions and duties through the following activities:

Risk Management	
- Reviewed and endorsed Risk Appetite, including the Financial Risk Appetite Setting (FRAS) FY2025 Indicator for the Group. - Assessed the status of the Group’s Risk Appetite, against the approved risk appetite thresholds, covering five (5) key areas: strategic; financial; operational; legal and regulatory and reputation through the ERM quarterly reports. - Received quarterly updates on the FRAS indicators for the Group. - Assessed the Group’s risk status across the seven (7) risk categories: financial; operational; governance and compliance; health, safety and security; environment; human resource; and cybersecurity, through the ERM quarterly reports. - Evaluated key risk areas which has the potential to materialise in the near to medium term, strengthening forward-looking risk visibility. - Reviewed the MISC Risk Register and assessed the primary risk events to ensure all material and strategic risks, including sustainability risks faced by the Group are managed and addressed.	- Assessed the SROs arising from the adoption exercise of IFRS S1 and S2 and the integration to the ERM process. - Assessed the Group’s HSSE performance through quarterly reports. - Received updates on MISC Cybersecurity maturity. - Reviewed the revision to MISC Investment Hurdle Rate. - Reviewed the proposals, strategies and project risk assessments related to proposed participation in new projects/tenders and/or other corporate exercises and provided appropriate recommendations to mitigate any identified risks. - Reviewed Post Implementation Economic Review (PIER) reports for major projects to assess the achievement of project economics when the asset is already in operation. This includes assessing actual economic returns against mandated economic returns during the project approval stage. - Received updates on the status of ongoing tenders, projects and/or transactions. - Reviewed updates on progress of MISC’s investments and provided the necessary steer on the way forward.
Sustainability	
- Reviewed and endorsed MISC Group’s Sustainability Strategy 2026-2030. - Reviewed and endorsed MISC Group’s Commitment to Net Zero GHG Emissions by 2050. - Reviewed and endorsed MISC’s Climate-related Financial Disclosures for FY2024. - Reviewed and endorsed MISC Group’s SROs, CROs and methodology of financial impact quantification. - Received yearly updates on MISC’s sustainability performance, including ESG ratings and Sustainability Dashboard.	- Reviewed and endorsed the MISC Human Rights Policy. - Reviewed and endorsed MISC’s Material Sustainability Matters. - Reviewed and endorsed extension of Heart of the Ocean (HOTO) programme for 2026-2030. - Reviewed and endorsed MISC’s Modern Slavery Statement 2025.

BOARD SUSTAINABILITY & RISK COMMITTEE REPORT

Governance
- Reviewed the BSRC Report, Statement of Directors’ Responsibility, Statement on Risk Management and Internal Control and Corporate Governance Overview Statement for inclusion in the MISC Integrated Annual Report 2024. - Reviewed the Corporate Governance Report 2024. - Reviewed and endorsed the revision of the TOR of the BSRC.
Compliance and Ethics
Received quarterly updates on compliance and ethics initiatives which cover policy-related matters, communication and training, as well as monitoring and assurance including updates on compliance with MISC’s Regulatory & Legislation Register, employees’ conflict of interest disclosures, as well as other compliance dashboard.
FOCUS AREAS FOR 2026
The BSRC recognises its role in providing effective checks and balances through strategic oversight and guidance for matters under its purview. In 2026, the BSRC will continue to enhance the Group’s ERM practices by maintaining timely reviews of MISC Group’s Risk Appetite, Corporate Risk Profile and Risk Registers to monitor key strategic and emerging risks. Alongside this, the BSRC will continue to strengthen the Group’s sustainability governance in response to an evolving regulatory environment, including the introduction of Malaysia’s National Sustainability Reporting Framework (NSRF). Key priorities include oversight of SROs, implementation of the Group’s five-year Sustainability Strategy aligned with the enterprise strategy, and further integration of SROs within the ERM Framework to reinforce risk foresight, resilience and long-term value creation. The BSRC will also oversee the Group’s community investment agenda through the extension of the Heart of the Ocean (HOTO) 2026–2030 programme, while continuing to monitor developments across key regulatory and disclosure areas, including HSSE, business ethics, cybersecurity, human rights and climate-related reporting, to ensure the Group remains well-positioned to meet stakeholder expectations and deliver on its long-term sustainability commitments. The BSRC shall also continue to play a pivotal role in reviewing proposals, strategies and project risk assessments during proposed participation in new projects/tenders and/or any new business ventures or opportunities, including any potential corporate exercises within the MISC Group.

DATIN NORAZAH MOHAMED RAZALI
Chairperson
Board Sustainability & Risk Committee

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

The Board of Directors is pleased to provide this Statement on Risk Management and Internal Control (the Statement) pursuant to Paragraph 15.26(b) and Practice Note 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies 2025 and addresses the Intended Outcomes and Practices under Principle B (Effective Audit and Risk Management) of the MCCG.

The following statement outlines the nature and scope of risk management and internal controls within MISC Berhad (MISC or the Company) and its subsidiaries (MISC Group or the Group) during the financial year ended 31 December 2025.

ACCOUNTABILITY OF THE BOARD

The Board is responsible for establishing and maintaining a sound risk management and internal control framework with the objective of safeguarding the shareholders’ interests and the Group’s assets.

The Board affirms its principal responsibility to regularly review the adequacy and effectiveness of the risk management and internal control framework. By implementing sound risk management and internal control systems, the Group is better positioned to achieve its performance and profitability targets whilst managing risks.

In discharging its responsibilities, the Board is supported by MISC’s Board Sustainability & Risk Committee (BSRC) and Board Audit Committee (BAC), both of which comprise a majority of independent directors, to oversee the risk management and internal control systems during the financial year ended 31 December 2025.

The BSRC reviews, evaluates, reports and makes appropriate recommendations to the Board on the development, adequacy and effectiveness of the Group’s risk management framework, policies, and processes whilst the adequacy and effectiveness of the Group’s internal control systems fall under the purview of the BAC.

During the year under review, the BSRC was further supported by the MISC Management Risk Committee (MRC) which comprises of members of the Executive Leadership Team (ELT) and Head of Group Health, Safety, Security and Environment (HSSE), to reflect the prominence and focus by Management on the oversight of risk management for the Group. In ensuring that the Group’s internal control systems are in place and effective in dealing with risks during the year under review, the BAC was supported by Group Internal Audit (GIA) and facilitated by the MISC Management Audit Committee (MAC), comprising members of the ELT.

The Board, through the BSRC and the BAC, reviews the efficiency and effectiveness of the Group’s risk management and internal control systems at appropriate intervals throughout the year. For the financial year under review, the Board has undertaken its assessment of the adequacy and effectiveness of the framework, informed by the assurance activities and oversight processes described in the succeeding sections. These inputs collectively support the Board’s conclusion on the continued viability and robustness of the Group’s risk management and internal control systems.

In view of the inherent limitations in any process and risks which cannot be eliminated completely, the Group has in place, a system of internal control and risk management designed to mitigate rather than eliminate the risks that may impede the Group from achieving its objectives. Therefore, it can only provide a reasonable, but not an absolute assurance against material misstatements or losses or the occurrence of unforeseeable circumstances. The Board also adopts a cost-benefit approach to ensure that the expected returns outweigh the cost of risk mitigation.

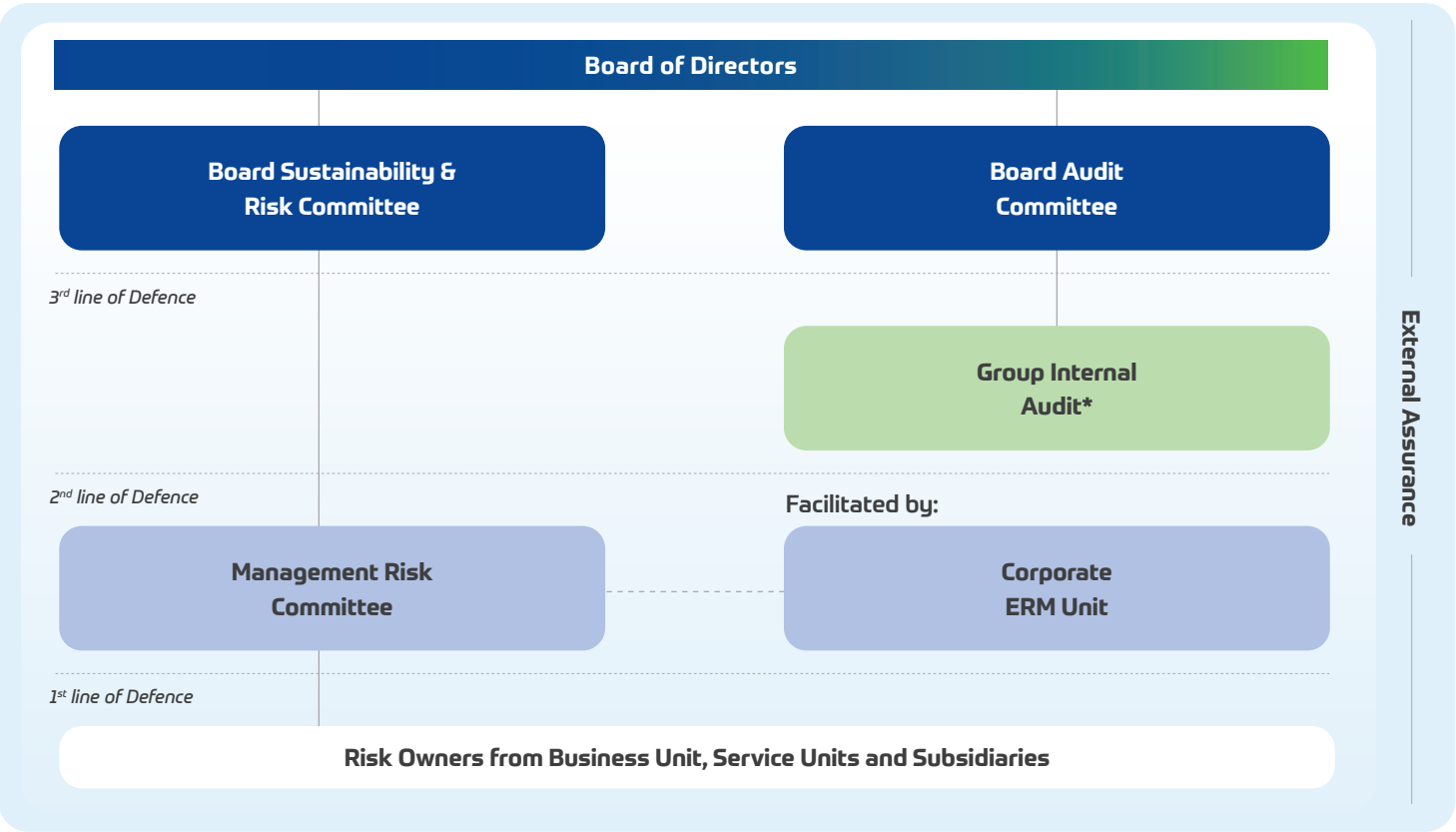
For more information on the BAC’s and BSRC’s responsibilities, please refer to their respective reports on pages 205 to 212 (for the BAC) and pages 213 to 217 (for the BSRC) of this Integrated Annual Report.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

RISK GOVERNANCE STRUCTURE

The Group’s risk governance structure defines the organisation of key Enterprise Risk Management (ERM) functions, ensuring risk practices are embedded and a strong risk-aware culture is cultivated across the Group. A robust risk reporting mechanism is established to ensure comprehensive and timely flow of information, enabling the appropriate authorities to effectively manage risks across all levels.

MISC adopts the Three Lines of Defense concept which propagates clear demarcation of risk reporting and responsibilities. The implementation of risk management serves as the second line of defence, and this is achieved through the established ERM unit at the corporate level and respective risk function with clear lines of reporting within the Group. Risk focals play a pivotal role in supporting the comprehensive management of risks in the respective business units, service units and subsidiaries, whereby the risk management requirements are embedded and aligned with their respective processes and practices.



* GIA submits its audit reports to the MAC for executive review.

Risk management activities span across the corporate, business/service units and subsidiaries based on the established risk management frameworks. Each appointed and dedicated risk focal person has the responsibility for coordinating risk management activities in their units and subsidiaries to ensure consistent implementation of risk management processes across the Group. Material and key risks are assessed and evaluated prior to reporting and escalation to the MRC and BSRC for deliberation, and subsequent approval by the Board.

STATEMENT ON RISK MANAGEMENT &
INTERNAL CONTROL

Board	- Responsible to review and approve the Group’s strategic plans, targets and policies proposed by the Management. - Responsible to review the setting and approve the Group’s Risk Appetite and principal risks. - Responsible for establishing effective risk management and internal control framework, systems and activities.
BSRC	- Reviews the adequacy and effectiveness of Group’s risk management framework and its activities. - Oversees the risk appetite and its tolerance levels. - Oversees the ERM reporting focusing on strategic and business risks, including sustainability related risks. - Reviews and recommends to facilitate risk-based decision-making for strategic and high impact transactions.
MRC	- Provides guidance and direction in the implementation of ERM Framework and its activities across the Group. - Reviews and monitors principal risks, including material sustainability related risks. - Reviews, deliberates and recommends to the BSRC for endorsement and Board’s approval of policies and strategies on risk management.

The MRC holds quarterly meetings to review key risks and to ensure that mitigation plans are in place to manage such risks. The adequacy and effectiveness of the controls, as well as the robustness of the mitigation actions, are also assessed. These are then further deliberated at the BSRC and finally reported to the Board on a quarterly basis.

During the year, the Terms of Reference for both the BSRC and MRC were reviewed and updated to ensure alignment with evolving governance standards and to integrate reporting requirements related to sustainability risks. These updates aim to strengthen the Board and Management’s oversight and embed sustainability considerations in the overall risk management framework.

Risk Management and Resiliency

The Group adopts the PETRONAS Resiliency Model which provides an integrated view of managing risks effectively with a primary focus on three (3) areas of business resiliency as shown below:

MISC Resiliency Model		
Enterprise Risk Management	Crisis Management	Business Continuity Management
To reduce the likelihood and impact of the identified risks that may affect the achievement of business objectives.	To prepare the Group to respond and manage crisis in the risk areas, to protect people, environment, assets and reputation.	To build the capability of the Group to recover and continue the operations of critical business functions in the event of disruptions.

The Group’s Risk Management practices are continuously assessed for enhancements, and these are supported by the relevant risk management frameworks and guidelines to govern and guide the risk management practices across the Group.

STATEMENT ON RISK MANAGEMENT &
INTERNAL CONTROL

ENTERPRISE RISK MANAGEMENT

Risk Policy

MISC’s Risk Policy guides the overall best practice of identifying, evaluating, managing, reporting, and monitoring the ever-changing risks faced by the Group as well as the specific measures to mitigate these risks. The emphasis is to effectively reduce the impact of risks, respond to immediate risk events and recover from prolonged business disruption to ensure continuity and sustainability of key business activities as well as the delivery of strategic and business objectives. It also outlines the general principles for making risk-based decisions, thus strengthening the MISC Group’s position as a risk-resilient organisation.

Risk Appetite

The Group’s Risk Appetite defines the acceptable level of risk and boundaries that the Group is willing to assume in pursuit of its strategic and business objectives.

The Group’s Risk Appetite is demonstrated by way of Risk Appetite Statements which express the organisation’s context for managing and taking risks. This is further supported by Risk Tolerances and Thresholds, which reflect the maximum risk that can be undertaken with a metric that can be measured and managed. The Group’s Risk Appetite is integrated into the MISC Business Plan, Strategic Priorities and Group’s decision-making process to enable the Group to navigate the risk landscape and build resilience as we pursue our business objectives.

For the year under review, the Group’s Risk Appetite was approved and monitored, covering five key areas in line with the business strategies and performance expectations. The Risk Appetite statements, tolerances and thresholds were systematically reviewed and refreshed to ensure their continued relevance in a changing operating environment. The review involved assessing the adequacy and relevance of existing thresholds considering emerging and strategic shifts as well as incorporating feedback from Management and the Board. The updated Risk Appetite, endorsed by MRC and the BSRC and subsequently approved by the Board, was actively monitored and reported throughout the year.

Risk Appetite Area	Statements	Tolerance
Strategic		
Investment Returns	Maximise capital efficiency while maintaining balance between risk and reward, consistent with the business strategy and shareholders’ expectations	Limited Tolerance
Emissions	Committed to reducing GHG emissions in line with MISC’s Net-zero trajectory	Limited Tolerance
Financial		
Cash Flow	Maintain a solid cash flow from operations to meet and support business objectives	Limited Tolerance
Cost of Debt	Manage the cost of debt of the Group at a level that protects the Return on Equity	Limited Tolerance
Liquidity	Maintain a robust liquidity position in pursuing business objectives	Limited Tolerance
Leverage/Gearing Ratio	Maintain a gearing ratio commensurate with investment grade	Limited Tolerance

MISC is committed to become a risk-resilient organisation.

MISC shall continuously strive to implement:

- Risk management best practices to protect and create value within the set boundaries; and
- Risk based decision-making by providing a balanced and holistic view of exposure to achieve business objectives.

Managing risk is everyone’s responsibility.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Risk Appetite Area	Statements	Tolerance
Operational		
Project Schedule & Cost	Manage projects to ensure timely delivery and effective management of project costs	Limited Tolerance
Fatality	Takes practicable measures to prevent and mitigate the risks of injuries, and damage to properties, manage safety and security risks to our people, asset, reputation and protect the environment wherever we operate	Zero Tolerance
Major HSSE Incidents		
Cybersecurity	Maintain the confidentiality, integrity, and availability of MISC’s systems, data and services	Zero Tolerance
Legal & Regulatory		
Critical Laws & Regulations	Uphold and practice good corporate governance and comply with the relevant laws and regulations	Zero Tolerance
Bribery and Corruption	Against all forms of bribery and corruptions as embedded in the MISC Code of Conduct and Business Ethics (CoBE) and Anti-Bribery and Corruption (ABC) Manual	Zero Tolerance
Reputational		
Reputation	Ensuring our actions and communications are consistently aligned with the Group’s vision, mission and shared values	Limited Tolerance

Note:

- Zero Tolerance – Explicit position that no level of exposure, occurrence or deviation is acceptable, requiring strict avoidance, immediate escalation and timely corrective action if any breach occurs.
- Limited Tolerance – A limited range of acceptable variation in risk exposure within which the Group permits a controlled level of deviation without undermining strategic and operational objectives and its core values.

ENTERPRISE RISK MANAGEMENT FRAMEWORK

The Group’s ERM Framework is generally aligned with the Principles and Guidelines of ISO 31000:2018 and provides a standard approach for implementing the elements and processes to identify, assess, treat, and monitor the risks impacting the Group. The established processes enable the identification and management of the principal risks of the Group as described in the Risks and Mitigation Strategies on pages 72 to 81 of this Integrated Annual Report. Appropriate internal control systems are also implemented to manage these risks, the details of which are set out in the below.

Alignment to the Strategic Objectives

The Group has implemented risk management best practices in the form of an ERM Framework which ensures a consistent approach in assessing and identifying risks faced by the Group against the backdrop of the MISC 2030 Ambition and the external environment.

In sustaining the achievement of business objectives, it is important to manage risks across the Group on an integrated basis with a balanced view of the risks taken against the rewards of business performance. The business/service units and subsidiaries are required to perform an annual review of their risk profiles with an emphasis on linking these risks to the MISC Group’s business objectives. The identified risks are recorded in the respective units’ risk profiles, and these risks are assessed, treated, monitored, and reviewed quarterly.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Risk Register and Prioritisation

The Group maintains a risk register, which comprises a list of Primary Risks critical to the Group, inclusive of their corresponding risk mitigation measures and assigned Key Risk Indicators (KRIs), derived from the businesses. These risks are reviewed and assessed in terms of likelihood and magnitude of potential impact, and mapped to the MISC Risk Matrix, a standard 5-by-5 matrix. This process enables the prioritisation of risks, as well as the ability to identify and evaluate the adequacy of mechanisms in place to manage and respond to the critical risks that may impact the Group. All Primary Risks are assigned to a risk owner, accountable for the management of the risk, which includes the implementation of action plans to mitigate the risk.

Forward Looking Approach

The Group adopted a proactive approach in assessing and reporting the likelihood of risks materialising in the foreseeable future, in addition to monitoring risk performance and KRIs. This process includes the horizon scanning and assessments of any emerging and external developments such as changes in regulatory requirements, market conditions, geopolitical trends and technological disruptions among others that has the potential to influence the achievement of the Group’s business objectives or its operations. These are evaluated and reported as part of the quarterly review of risk performance and KRIs, which enables timely management intervention to prevent escalation and strengthen the overall risk resilience of the Group. Risks identified through this process are deliberated by the MRC and escalated to the BSRC and the Board for consideration.

During the year, Management and the Board deliberated extensively on several key risk events, particularly on the heightened global trade tensions arising from United States trade and tariff policy actions and its potential impact on commercial contracts, the Middle East conflicts, the imposition of United States Trade Representatives port fees, and the International Maritime Organization’s Net-Zero Framework.

Reporting and Continuous Improvement

For the purpose of risk reporting, the status of the mitigation action plans identified to manage these risks and breaches of the KRI thresholds are monitored, updated, and reported to the MRC, BSRC and subsequently to the Board on a quarterly basis.

The implementation and effectiveness of risk management and internal control within the Group are continuously reviewed and documented for an effective and sustainable ERM culture, including enhancing the individuals’ capability in risk management.

ESG and Sustainability Related Risks and Opportunities

The Group acknowledges the evolving requirements for reporting on sustainability related risks and opportunities (SROs), in line with the National Sustainability Reporting Framework (NSRF) issued by the Securities Commission Malaysia and the standards of the International Sustainability Standards Board (ISSB). During the year, a comprehensive review was undertaken to identify underlying sustainability risks that can materially impact the Group’s short, medium and long-term objectives. This process involved conducting surveys, workshops, and focus group discussions with key stakeholders and subject matter experts.

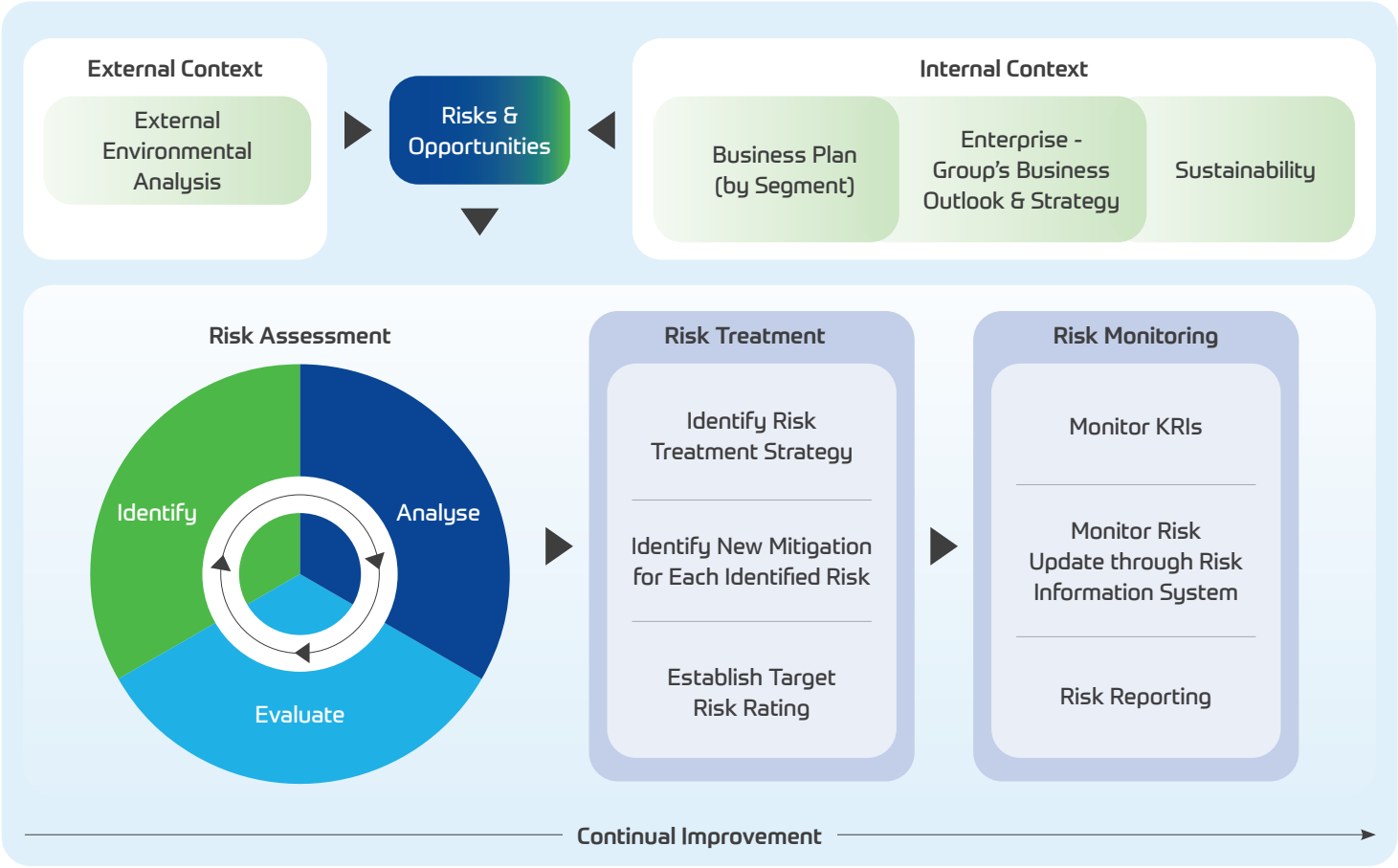
Key enhancements include the adoption of IFRS S1 and S2 requirements, covering the identification of SROs, conducting scenario analyses to assess resilience against climate-related risks, and quantifying potential financial impacts arising from identified climate-related risks.

Most of these SROs have been historically embedded within MISC’s ERM Framework. The enhancements arising from the adoption of IFRS S1 and S2 have been included in the Corporate Risk Profile and Risk Registers reflecting an integrated approach to risk governance. These risks are monitored using established KRIs and signposts, which are periodically reviewed by MRC and BSRC.

Looking ahead, the Group remains committed to continuously strengthening the sustainability risk management practices by aligning with best practices. This forward-looking approach ensures that sustainability considerations remain central to strategic decision-making, supporting long-term resilience and value creation for stakeholders.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

In essence, the risk management processes are as follows:



Based on these established processes, the key risk events identified were closely monitored and reported, with details of risk mitigations provided on pages 72 to 81 of this Integrated Annual Report.

Risk Assessment in Decision-Making

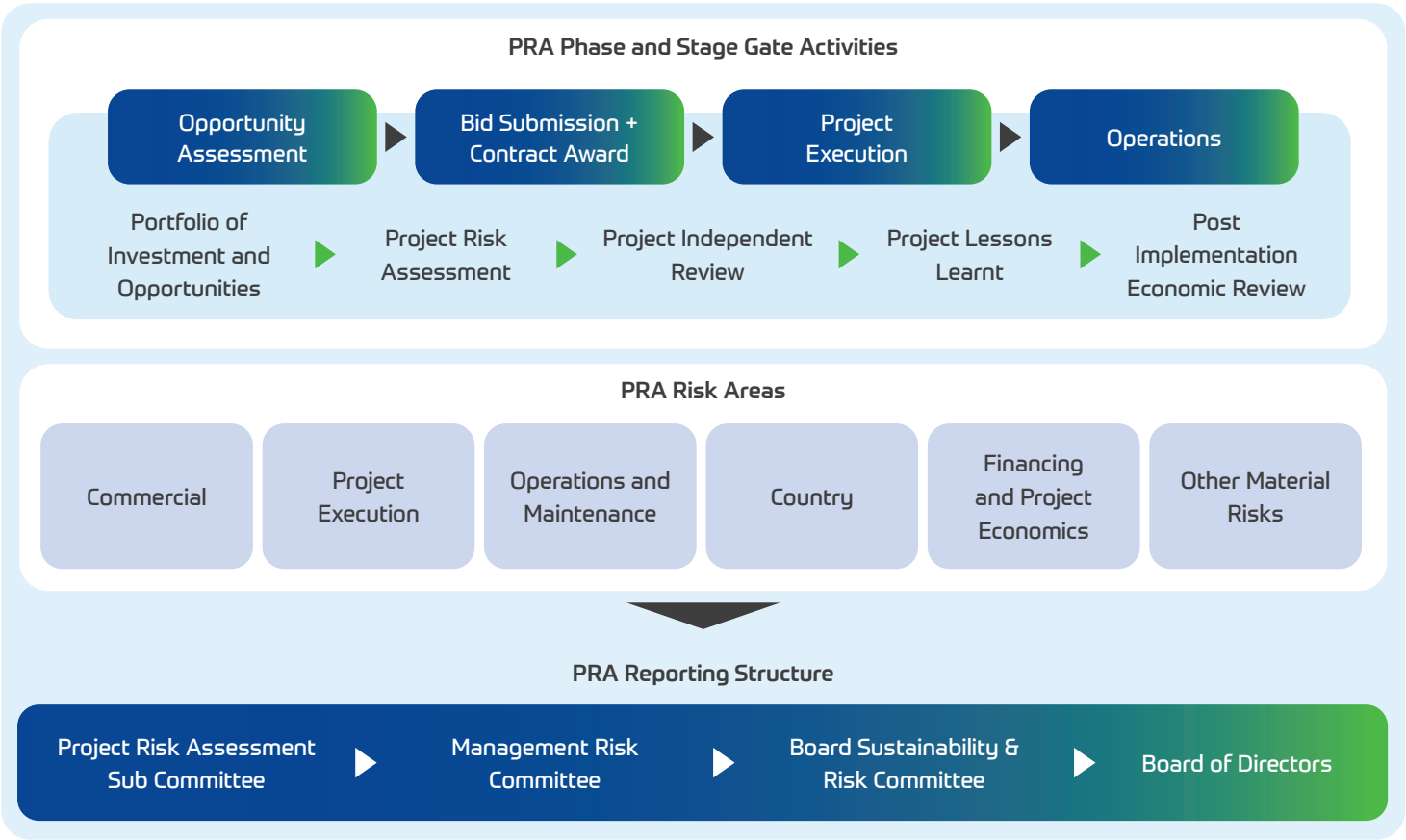
In institutionalising risk-based decision-making across the Group, the Risk Assessment in Decision-Making (RADM) Guideline sets out the requirement for strategic decision papers to be equipped with risk assessments to ensure that decision-makers make fully informed decisions. It aims to enhance the decision-making process through sufficient deliberation with a balanced view of the exposure associated with the decision.

The risk assessment facilitates the identification of potential threats, enables risk prioritisation, and enhances preparedness by identifying relevant mitigations to address the risks. During the year, the BSRC deliberated risks related to proposed projects, investments, partnerships, divestment strategies, corporate exercises, and key business proposals prior to approval by the Board.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Risk Assessment for Projects and Investment Opportunities

The Project Risk Assessment (PRA) Framework is a risk-based tool that thoroughly evaluates risks for new capital intensive and revenue based projects, and other investment opportunities, which enables the business to identify and implement appropriate controls to mitigate associated risks. The framework supports informed decision-making and reinforces a disciplined and structured investment practice. It is continuously reviewed and refined to maintain relevance and robustness in risk assessment throughout the project cycle. The PRA Framework for new capital intensive and revenue based projects, and other investment opportunities is outlined below:



PRA Phase and Stage Gate Activities

The PRA Phase and Stage Gate activities consider the project lifecycle, ensuring that new capital intensive and revenue based projects, and other investment opportunities are evaluated with risk assessment, mitigation, independent review, and lessons learned at key milestones for informed decision-making and monitoring. It encompasses phases such as opportunity assessment, bid submission and award, project execution, and operations.

PRA Risk Area

Risks for participation in new capital intensive and revenue based projects, and other investment opportunities are assessed using criteria that, at a minimum, focus on material risks, including commercial, execution, operational, country, and financial aspects.

PRA Reporting Structure

The risk assessment is deliberated by MISC's PRA Sub-Committee (i.e., sub-committee of the MRC), and the BSRC for endorsement before the Board of Directors' approval.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

During the year, several strategic project proposals, including participation in tenders and bids, were assessed and deliberated by the Group. These proposals were evaluated to ensure the risks were comprehensively identified and aligned with the Group’s overarching business strategy and the MISC 2030 Ambition. The assessment process considers the strategic rationale, potential risks, including exposures during project execution as well as during operations, and expected returns to ensure these potential investments support the Group’s vision.

Key ERM Activities in FY2025

- Reviewed and endorsed the MISC Group Risk Register and the Primary Risk Events for FY2025.
- Reviewed and endorsed the Statement of Risk Management and Internal Control for inclusion in the MISC Integrated Annual Report FY2025.
- Reviewed and endorsed the Financial Risk Appetite Setting for FY2025.
- Monitored and reported the status, risk indicators, thresholds, and performance for MISC Group Risk Appetite and ERM on a quarterly basis.
- Undertook risk assessments for participation in new projects/tenders and monitored the progress of new projects under the PRA Framework.
- Reviewed and provided appropriate recommendations for the MISC Group Corporate Risk Profile for FY2025.
- Reviewed of MISC RADM Framework, MRC’s Terms of Reference and BSRC’s Terms of Reference.
- Conducted the annual ERM focused training session for risk focal points across the Group as part of a continuous upskilling programme. In 2025, training and workshop sessions on ERM principles and practices, focusing on identifying and managing sustainability and climate-related risks and opportunities, were conducted.
- Led the integration of sustainability-related risks into the ERM process, aligning it with the organisation’s adoption of IFRS S1 and IFRS S2 in accordance with NSRF and ISSB requirements. Material sustainability-related risk outcomes are now identified, assessed, and documented within the Corporate Risk Profile and Risk Registers, ensuring consistent Group-wide oversight.
- For continuous improvement of ERM processes, BSRC’s feedback was gathered to identify gaps and areas of improvement, followed by actionable recommendations to enhance risk governance.

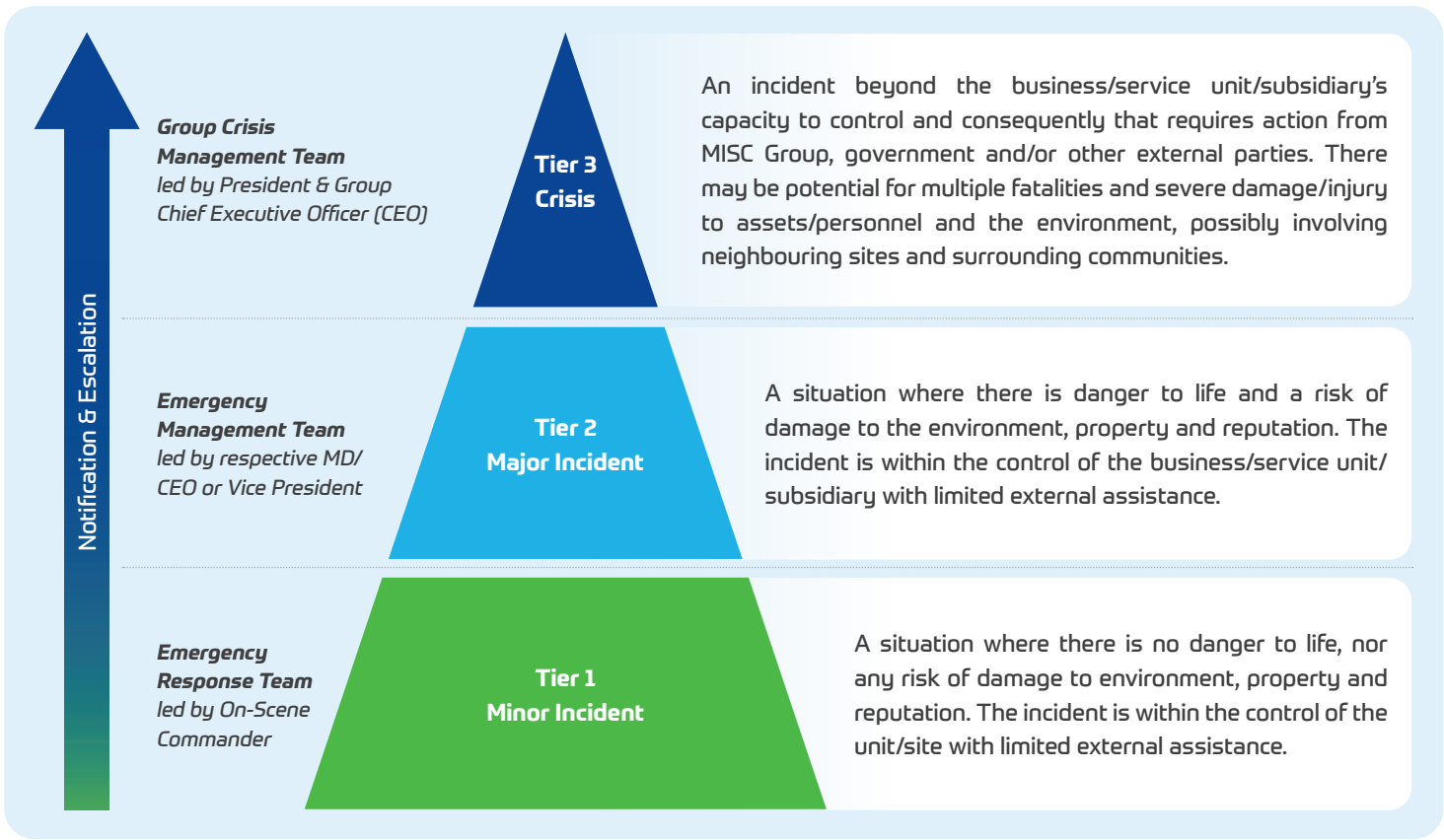
Crisis Management

Crisis Management is a holistic and cohesive approach designed to enhance MISC Group’s ability to anticipate, prepare for, respond to, and manage crises across all risk dimensions of people, environment, assets, and reputation.

The MISC Strategic Crisis Management Guideline (SCMG) was established in 2023 replacing the MISC Group Crisis Management Plan (2019). The document was revised in 2025 to reflect leadership changes and updated legislation. The SCMG outlines the roles and responsibilities within the crisis management structure and is used in the preparation and planning of crisis responses across MISC Group.

A three-tiered response system provides the clear demarcation of roles and responsibilities between emergency site management, business segment/subsidiary management, corporate crisis management and the relevant internal/external response agencies and/or authorities.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL



An integrated crisis management tabletop exercise was conducted in 2025 based on a simulated incident to test the effectiveness of the SCMG and the Crisis Management Team in ensuring a coordinated and timely response during a crisis. Additionally, drills and tabletop exercises were conducted for emergencies on various vessels and offshore facilities, validating response plans and promoting continuous improvement. These proactive measures highlight the Group’s commitment to enhancing crisis management capabilities, ensuring swift and effective responses to unforeseen challenges, and fostering resilience.

BUSINESS CONTINUITY MANAGEMENT

Business Continuity Management (BCM) aims to build the capability of the MISC Group to recover and continue the operations of critical business functions in the event of a disruption.

In 2024, MISC established the BCM Framework to set expectations for clear and consistent BCM practices throughout the MISC Group. Through the BCM process, the Business Continuity Plan is developed to enhance MISC Group’s readiness to recover and restore essential business functions within a reasonable time to sustain business activities and minimise stakeholder disruption. Annual Business Impact Analysis and recovery strategy reviews are carried out to ensure changes in the Group are risk-assessed, analysed and mitigated. The mitigation actions also take into consideration different work environments such as flexible working arrangement and other remote working arrangements. This is achieved seamlessly by the application of technology, deployment of digital platforms for communication and collaboration to ensure our teams are able to work remotely and effectively.

Through the operational resilience that MISC Group has built over the years and the well-executed recovery plans, MISC Group was able to provide uninterrupted services to its clients, as well as internal and external stakeholders, globally.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

KEY INTERNAL CONTROL PROCESSES IN ENTERPRISE RISK AREAS

MISC Group Management Framework (MGMF) functions as a guide that aligns the Group’s activities on an integrated platform providing the first point of reference with guiding principles for the following areas which defines how the Group fulfils its obligations to regulators, employees, customers, shareholders, and the community.

- 1 Corporate Governance and Communication
- 2 Values
- 3 Decision-making Philosophy
- 4 Approach to Governance Management
- 5 MISC Excellence Management System (ExMS)

In operationalising the MGMF, MISC uses myGOVERNANCE, a digital system designed as a central hub to streamline document management across all levels to ensure compliance, facilitate online adoption, deviation handling, and provide comprehensive performance reports for governance activities. myGOVERNANCE which was approved for implementation in August 2023, has been in operation since January 2024.

The Group conducts structured assessment across key financial and non-financial risk areas. This includes regular assurance and compliance reviews covering HSSE, cybersecurity, regulatory compliance and procurement governance through a combination of myASSURANCE self-assessments, management reviews and independent assurance activities. The results are monitored, tracked and reported to Management and the relevant Board Committees to support timely remediation and continuous improvement.

During the year under review, MISC conducted a total of 591 self-assessments via myASSURANCE, an online assurance platform, covering HSSE, cybersecurity, finance, tax, procurement and legal areas to ensure compliance with internal governance requirements established under the Group’s frameworks, guiding principles and guidelines.

Other than self-assessment via myASSURANCE, the key internal control processes in Enterprise Risk Areas within MISC Group are as follows:

Financial

Limits of Authority

The Limits of Authority (LOA) manual provides a framework of authority and accountability within the organisation and facilitates sound and timely corporate decision-making at the appropriate level in the organisation’s hierarchy.

Reporting

The Board reviews quarterly reports from Management on key operating performance, legal, environmental, and regulatory matters. Financial performance is deliberated monthly by the ELT and tabled to the BAC and the Board on a quarterly basis for oversight and decision-making.

Planning and Budgeting

The Group performs a comprehensive annual planning and budgeting exercise that involves the development of business strategies for the next five years to achieve the Group’s vision. The long-term strategies are supported by initiatives to be pursued in the upcoming year and for effective implementation, the initiatives are tied to specific measurable indicators which will be evaluated against the relevant business/service units and subsidiaries’ deliverables.

The Group’s strategic direction is reviewed annually, taking into account the current progress level and other indicators such as the latest developments in the industry, changes in market conditions and significant business risks. In addition, the Group’s business plan is translated into budgetary numbers for the next five years, and financial performance and variance against budget are analysed and reported to the ELT, BAC, and the Board.

Financial Reporting Control Assurance

To enhance the quality of the Group’s financial reports, the Group continues to execute the PETRONAS Financial Reporting Control (FRC) Assurance. FRC Assurance is a structured process that ensures the adequacy and effectiveness of internal controls operating within the Group. FRC covers internal controls related to financial reporting based on the identified processes and risks.

The FRC includes among others, documentation of controls, testing of internal control design effectiveness, remediation of control gaps, as well as periodic testing of control operating effectiveness.

The objective of conducting the assurance and evaluating the test results is to conclude whether the controls are designed and operating effectively to support the financial statement assertions. If internal control deficiencies are noted during the testing, Management shall determine whether they constitute a material misstatement to the financial statements. The root cause for each deficiency shall be documented and the Corrective Action Plan for the ineffective controls shall be monitored and reported periodically.

FRC Assurance testing is performed annually for relevant processes.

MISC Financial Policy

MISC Financial Policy (MFP) outlines the financial management framework and incorporates principles of financial risk management. The MFP governs financial risk management practices across the Group and establishes a framework for identifying and managing risk exposures to ensure efficient capital and liquidity management.

MISC is committed to become a financially resilient organisation.

- MISC shall continuously strive to achieve the following:
- Capital efficiency in pursuit of business objectives with appropriate balance between risk and reward.
 - Maintain an investment grade credit rating (if applicable).
 - Sustain a strong cash repatriation discipline in the most optimal manner.
 - Uphold strong governance at all times.

Adherence to this Policy is everyone’s responsibility.

Note: MISC refers to MISC Berhad and its subsidiaries, excluding the joint venture companies and associate companies.

On 13 August 2025, MISC adopted PETRONAS Financial Standard to replace the existing PETRONAS Corporate Financial Policy, which serves as a supporting framework and guideline to manage its financial risk exposure, including liquidity management, cash repatriation, financing, investment, banking, asset-liability management, foreign exchange management, credit, tax, inward financial guarantee and documentary credit, and integrated financial risk management.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Debt Compliance Monitoring

The Group monitors its financial and non-financial covenants set out under all its external financing facilities on a quarterly basis, to ensure ongoing compliance with the covenants.

Financial Risk Appetite

The Group has established the Financial Risk Appetite Setting, which sets out KRIs as a means of monitoring and mitigating adverse trends in key financial risk areas:

- Interest rate risk appetite limit, where the Weighted Average Cost of Debt for the year is set to monitor the overall cost of debt of the Group.
- Debt appetite limit, whereby a debt threshold is established to monitor the Group’s leverage levels.
- Minimum liquidity requirement level, which ensures that the Group can meet its immediate operating expenses, committed debt service obligations, and capital expenditures. In addition to the minimum liquidity requirement, additional cash reserves and credit facilities available for utilisation are maintained to meet contingent payments and opportunistic investments.
- Foreign exchange risk appetite, which sets thresholds for net currency exposures to mitigate the financial risk arising from non-functional currency transactions.
- Financial institution credit counterparty risk appetite, to mitigate financial exposures arising from the potential failure of financial institution counterparties.

The KRIs thresholds are reviewed and refreshed annually. Its performance is reported to the BSRC on a quarterly basis.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

MISC Tax Policy

With the tax policy in place, MISC Group continues to enhance its tax compliance with the required legislation, including Organisation for Economic Co-operation and Development’s Base Erosion and Profit Shifting 2.0 Pillar 2, also known as Global Minimum Tax (GMT), in the countries where it has a presence, with the aim for the Group to be a responsible corporate taxpayer and to maintain cooperative relationships with the relevant tax authorities.

MISC Group is committed to be a responsible taxpayer by:

- Complying in good faith with all applicable tax laws, regulations, guidelines and international tax treaties, and settling tax obligations when legally due, as company and employer; and
- Maintaining cooperative working relationships with tax authorities.

Adherence to this Policy is everyone’s responsibility, by referring all tax related matters to the appropriate parties.

Note: MISC refers to MISC Berhad and its subsidiaries, excluding the joint venture companies and associate companies.

In addition, overall tax risks of the Group are managed, among others, through:

- i. Risk Register which sets out KRI in relation to non-compliance events that result in penalties being imposed by tax authorities.
- ii. Tax Compliance & Control assurance which is designed to enforce effective governance and management of tax risks for both direct and indirect tax areas.
- iii. Performing tax assessments covering contractual, business structure and operational tax risks as part of PRA.
- iv. Assessment of potential tax liabilities including GMT in each jurisdiction annually. The Group, however, does not have any material exposure to Pillar 2 income taxes in the relevant jurisdictions.

Finance Transformation Programme

Following the successful implementation of Project Lightspeed on Wave 2 Platform initiatives which integrated SAP S/4HANA across the MISC Group and implemented process harmonisation, which has gone live on 1 October 2025, the Group is now progressing into two (2) key initiatives as follows:

Financial Planning & Analysis

Aims to replace the legacy system with a more flexible and scalable solution to support budgeting, forecasting, financial consolidation and reporting.

Target Operating Model

Covers the expansion of Finance Shared Service Centre into Wave 2 Business Units.

Both initiatives are scheduled to be completed in 2026.

Looking ahead, the Group’s focus shifts toward enhancing operational efficiency and unlocking business value through advanced data analytics, empowering more informed and strategic decision-making.

PROCUREMENT

The MISC Group Procurement Programme focuses on the digitalisation of procurement processes and the embedding of relevant policies within the platform, such as LOA and approval flow, among others, will automate and effectively enforce compliance to policies and improve visibility of procurement activities and approval flow.

CONTRACT MANAGEMENT

The framework for digitalised contract has been regularly reviewed to ensure ongoing improvement and alignment with organisation’s evolving needs and strategic direction. A hybrid approach, combining conventional and digitalisation method, is currently being applied to support contract management compliance.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

PROJECT MANAGEMENT

Project management of newbuilding Engineering and Construction for GAS & Petroleum business are handled by the Asset Construction & Conversion (ACC) department of MISC Marine, whereas the project management for the Offshore Business is managed by the Project Delivery (PD) department of the Offshore Business Unit. The primary objective of the ACC and PD departments is to strategise, lead and control the shipbuilding/conversion of vessels and the newbuild/conversion of floaters respectively, to ensure safe and successful execution of projects within the agreed schedule and allocated budget limits.

Two main functions of MISC Marine’s ACC are:

1

Project engineering team, which mainly provides technical support in project bidding and contracting, feasibility and conceptual studies, retrofitting and modification projects; and

2

Project management team, which handles project execution post contract signing, engineering review, supervision, guarantee claim management and appraisal of builders’ performance depending on the agreed scope of work with the project owner.

The ACC continuously reviews the execution of the project against the project execution plan, which includes the planned programme, procurement schedule, factory test schedule and commissioning schedule. The ACC also provides regular reporting to Management on the progress and escalating pertinent issues.

The Offshore Business’ PD manages all project phases from the bid, through Front End Engineering Design and execution until handover to the asset management team. During project execution, the team will carry out regular project reviews and risk assessments and formulate risk mitigation to ensure that appropriate actions are taken in a timely manner. Independent reviews which may include external experts, if required, are performed during the project execution phase led by MISC’s GIA.

GROUP INFORMATION & COMMUNICATION TECHNOLOGY

MISC Group is responsible for the implementation and maintenance of enterprise Information and Communication Technology (ICT) system and corporate applications that enable and support core business operations. ICT operates in a Managed State, where processes are well-defined to monitor, track, and control ICT operations, ensuring system availability and safeguarding information security.

ICT RISK AND GOVERNANCE

Group ICT risks are governed through the following governance bodies:

Digital Steering Committee (DSC)

Serves as the central governance platform for evaluating and monitoring Group ICT strategic and enterprise investments, providing management oversight, ensuring business alignment, and tracking the progress of initiatives to achieve successful implementation.

Enterprise Architecture Committee (EAC)

EAC oversees Group ICT architecture decisions, ensuring alignment with business goals, and promoting future-proof solutions that deliver business value while minimising risk. To support this, an Enterprise Architecture Team is established under the governance of the EAC through:

- The Digital Foundation and ICT Standards, Unified Control Framework (UCF), and Project Management Procedures to ensure robust control and risk management.
- The ICT UCF defines minimum standards to enhance ICT control effectiveness across the Group, thereby minimising risks and improving Information Technology (IT) governance.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

CYBERSECURITY

In 2025, MISC continued strengthening cyber resilience under its multi-year Cybersecurity Strategic Plan. Key areas of focus included enhancing third-party cybersecurity requirements through updated procurement processes and the deployment of a continuous monitoring tool for high-risk IT vendors. For maritime operations, MISC advanced its cyber protections for maritime assets by implementing cybersecurity monitoring and attestation mechanisms, enabling continuous detection of threats in response to heightened Operational Technology (OT) risk and regulatory expectations that may affect safety, operational continuity, and asset integrity.

Operational measures and controls were further strengthened through continuous updates to reflect emerging risks, regulatory changes, and advancements in technology. Detection and response capabilities were further enhanced through improvements to the Security Operations Centre with the introduction of automated response technology. It strengthened MISC’s ability to prevent, detect and respond to threats across its digital and operational environments.

Assurance activities – including tabletop exercises, red-teaming exercises, and cybersecurity attestation reviews – provided continuous validation of control effectiveness. MISC also reinforced its cybersecurity culture through structured awareness programmes, gamified training and phishing simulations, supporting its target of Zero Major Cybersecurity Incident.

Performance and control effectiveness are assessed through a structured set of key performance indicators, anchored by MISC’s commitment to achieving Zero Major Cybersecurity Incident. The oversight and implementation activities are managed by a formal cybersecurity team led by a qualified Chief Information Security Officer, with progress reported regularly to the Group HSSE and Sustainability Council and the BSRC, ensuring strong governance, accountability and alignment with MISC Group’s Risk Appetite.

MISC Cybersecurity Framework

Cybersecurity Governance

The cybersecurity governance framework outlines the policies and procedures, specifies the cybersecurity control standards, and ensures a consistent approach to managing cybersecurity for the Group.



Cybersecurity Risk Management

Cybersecurity risks are managed by the team based on a group-wide methodology. All projects and implementation of IT/OT facilities will be assessed and remediated prior to handing over to operation. Regular assessments are conducted to identify changes in risk profiles and ensure continuous improvement.



Cybersecurity Culture

Formal and structured cybersecurity campaigns and awareness programmes are conducted combining MISC Group internal cybersecurity training and email phishing campaigns. On-going cybersecurity announcements are done to provide security alerts and updates of cybersecurity incidents in developing a security culture where everyone understands that cybersecurity is everyone’s responsibility.



Cybersecurity Technology

MISC Group adopts proven and cost-effective technology solutions in detecting and preventing cyber-attacks, as well as responding and recovering from cyber-attacks. These technologies comprise of Artificial Intelligence, cloud computing and data analytics and are revised regularly to reduce MISC Group’s risks from cyber-attacks.



HUMAN RESOURCE

MISC Group proactively manages human capital risks to ensure a sustainable, capable and future-ready workforce aligned with its strategic objectives. Workforce demographic insights inform targeted talent strategies, supported by strong leadership accountability across all levels. Key focus areas include performance management, succession and leadership development, capability building, diversity and inclusion, employee well-being and regulatory compliance. Together, these measures ensure business continuity, long-term growth and organisational resilience.

Performance management is a core control underpinning MISC’s high-performance culture. The Employee Performance Management mitigates risks related to underperformance, capability gaps and misalignment with business priorities. This includes annual expectation setting, quarterly check-ins, and mid-year and year-end reviews. Beginning with the mid-year review 2025, MISC implemented a revised rating scale aligned with the year-end scale to ensure consistency, enable earlier identification of performance gaps and support timely interventions.

Leadership continuity risks are addressed through structured succession planning for key roles. Successors are assessed based on performance, leadership capability and cultural alignment, supported by external talent assessments. Development actions are guided by the Leadership Development Framework, with readiness monitored through the Talent Review process and reinforced through targeted leadership development programmes.

MISC addresses skills and capability risks through targeted development initiatives. Strategic programmes such as Techno-Commercial Excellence in Maritime, Professional Engineer Development Programme and the Marine Multi-Skilling Programme strengthen critical competencies, enhance operational flexibility and support workforce readiness.

MISC fosters diversity, equity and inclusion under its ESG Social Pillar to reduce risks of discrimination, inequitable practices, disengagement and barriers to talent progression. Programmes such as the Platform Series and the PETRONAS Leading Women Network Maritime Chapter promote inclusive leadership, supported by grievance and whistleblowing mechanisms. Employee well-being is further supported through flexible work policies and mental health programmes via the Employee Assistance Programme. MISC also ensures compliance with local and international labour laws, safeguarding welfare onshore and at sea.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Through integrated Human Resource risk management practices, MISC strengthens workforce capability, engagement and compliance, supports business continuity and builds long-term organisational resilience.

COMPLIANCE & ETHICS

The strategic priority – Governance & Business Ethics, under the Governance Pillar of the Sustainability Strategy, is to continuously embed a culture of strong corporate governance and business ethics and conduct within the Group. The Governance Pillar maps out the Group’s compliance strategy, objectives, and guidance through the Compliance Management Framework to assist Management, business and operations in developing, managing, and maintaining the governance required to meet and sustain the compliance strategy and objectives across the Group, including the performance of the core functions of an Integrity Governance Unit i.e., complaints management, detection and verification of breaches, integrity strengthening, and governance management.

MISC Group has put in place fundamental policies in line with the CoBE which extends to employees and directors within the Group and third parties performing works or services for or on behalf of the Group. Internal controls, including policies and measures addressing the Critical Legal Areas (CLA) related to ethics and integrity (including human rights and modern slavery), personal data protection, sanctions, export control, and competition, are implemented through the following policies:

- MISC Group has a zero tolerance policy (ABC Policy and Manual) which applies to employees or companies acting for or on behalf of MISC, throughout the Group, reflecting the commitment of zero tolerance against any corrupt or unethical practices in the course of conducting business in all the jurisdictions it operates in. This is further strengthened through the Integrity Management System, which sets out the requisite requirements to prevent, identify and respond to bribery, of which MISC Group are ISO Anti-Bribery Management System (ABMS) certified entities, i.e. MISC Berhad and MHB have received the ISO 37001:2016 (ISO ABMS) certification in 2019, followed by AET in 2020, MISC Marine in 2022, and ALAM in 2023.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

The Corruption Risk Assessment is being conducted and reviewed on an annual basis to ensure MISC Group fulfils the requirements of the Adequate Procedures Guideline and is safeguarded against the provision in the MACC Act (Amendment 2018) under Section 17A: Corporate Liability, which was effective from 1 June 2020.

- MISC Group has established the Corporate Privacy Policy and Master Guidelines, which demonstrate the commitment to handle and manage personal data in accordance with the general principles of personal data protection and applicable laws in various jurisdictions. In line with the Malaysian Personal Data Protection (Amendment) Act 2024, MISC has appointed a Data Protection Officer to fulfil the new requirement, which came into force on 1 June 2025.
- The Sanctions and Export Control Guidelines underpin the Group’s commitment to comply with relevant economic sanctions and export control regulations in the jurisdictions it operates in, through identifying, mitigating, and managing such risks.
- MISC Group has a policy under the Competition Law Guidelines and its supporting protocols on Meetings and Information Sharing, as well as Merger and Acquisition Transactions to fully comply with competition laws of every country in which we operate.

For other relevant laws, MISC Group, through the Regulatory and Legislation (R&L) Register and myGOVERNANCE Legal Register, maintains regulations and legislations which can potentially impact the Group. The R&L Register/Legal Register serves as the guide to ensure that MISC Group operates in accordance with the R&L requirements, and for any potential exposures to be adequately mitigated.

In providing the Board and Management with assurances that the MISC Group is complying with all applicable laws and regulations, Head of Department Compliance Attestations to R&L and Legal Functional Checklists are implemented through an integrated assurance platform called myASSURANCE.

Dealing with third parties is part of MISC Group’s business operations, and the Group expects third parties to comply with the same standards as the MISC Group’s CoBE-related policies and guidelines as mentioned above:

- Due diligence exercises are carried out on all third parties as outlined in MISC’s Third Party Compliance Due Diligence Operational Guidelines.
- Third parties are also required to adhere to MISC Group’s CoBE for Third Parties and the related policies and guidelines through the Declaration and Integrity Pledge.
- Annual training sessions are also conducted for MISC Group’s third parties.

There are continuous awareness sessions through the “See.Speak.Support” campaign with the objective of highlighting and creating awareness amongst employees on MISC Group’s principal elements of the CoBE. The campaigns are aimed at promoting MISC’s Whistleblowing Channels and processes to employees. Continuous mandated trainings on the CoBE and its related policies covering the CLA have been conducted for employees, directors, and third parties. This is to be further reiterated through Integrity Time-Out sessions by Senior Leadership and through Compliance and Integrity sharing sessions. In 2025, MISC Group Integrity Day was held, where ELT members reaffirmed their commitment to integrity by signing the Corruption-Free Pledge. This was followed by employees and directors refreshing their pledges towards a corruption-free working environment.

The Group continues to monitor any potential conflicts of interest through the annual and ad hoc declarations by employees captured in the employees’ Conflict of Interest Register, and the receipt and/or giving of any gifts via the employees’ Gift Register.

MISC’s Conflict of Interest (COI) Policy, as described in MISC Group’s CoBE, provides guidelines on the business and personal relationships between MISC Group’s employees and its competitors, suppliers, customers, and other business entities. As per the COI Review and Analysis Procedure, the disclosures are reviewed and analysed to ensure any potential COI exposures are adequately mitigated.

In addition, the Board has in place established procedures for the declaration and management of actual, potential, or perceived COI, further upholding its commitment to the highest standards of integrity and ethical conduct.

At the commencement of every Board and/or Board Committee meeting, directors are required to declare any interest, whether direct or indirect, in matters to be deliberated. These declarations are duly recorded and managed in accordance with the Director’s COI Procedures. These measures collectively promote transparency, accountability, and adherence to all applicable laws, regulations, and recognised best practices.

The Whistleblowing Policy provides an avenue for all parties to disclose and report any suspected unethical and/or unlawful conduct or non-compliance with the CoBE involving MISC Group and/or any of its employees. In line with the highest standards of integrity expected of the Company and its employees, and the Malaysian Code on Corporate Governance 2021, the BAC reviews the adequacy and effectiveness of the established whistleblowing management policy and procedures.

As the governing body, the BSRC, is updated on Compliance and Ethics related matters as part of as good governance, as well as to ensure the objectives of the Sustainability Strategy 2025 (Governance Pillar) are effectively implemented.

CORPORATE POLICIES

MISC established its Corporate Disclosure Policy (CDP) and Corporate Disclosure Guidelines (CDG) in 2016. The CDP guides the Board, Management and employees of the Group when communicating and making disclosure of information to external parties such as Bursa Malaysia Securities Berhad, the investment community, media, government authorities and other relevant stakeholders. It also sets out the parameters to enable timely, adequate and accurate disclosure of such information. The CDG, which is an internal document, provides more definitive guidelines for communication and disclosure of information in these areas.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

ASSURANCE FUNCTIONS

Group Health, Safety, Security, Environment & Sustainability

MISC Group is committed to ensure the highest HSSE standards and compliance in formulating plans, procuring products and services, making investment decisions and managing total business risks. MISC Group established the Health, Safety and Environment Management System and the Security Management System pursuant to the Health, Safety and Environment Policy and the Security Policy instituted by the Management. The management systems were developed to ensure adherence to applicable international standards, legal requirements, and other recognised industry best practices. The management systems establish the expectations and performance objectives in identifying, evaluating and managing the HSSE risks to People, Environment, Assets and Reputation. MISC Group’s commitment to HSSE principles and sustainability beyond compliance signifies its responsibility in creating persistent positive impacts across all components of operations.

HSSE Assurance is carried out on the respective business segments, vessels and floating facilities with the objective of verifying, evaluating and reviewing HSSE operational activities to ensure their operational integrity and reliability are maintained at all times, consistent with international regulations, HSSE controls and internal policies.

The Group’s vessels are subjected to stringent audits, vetting and inspections to meet various regulatory and commercial requirements. These include vetting by oil majors, audits by the Malaysian Marine Department and ship classification societies to maintain international safety and security management certification under the relevant international codes. In addition, MISC Group is also subjected to periodic management reviews by its customers’ risk management units.

The Group HSSE & Sustainability Council, chaired by the President & Group CEO, with the ELT and Head of Group HSSE as members, reviews the Group’s HSSE & Sustainability performance periodically. HSSE & Sustainability policies and strategies are reviewed to ensure alignment with business objectives. The BSRC is then updated on the HSSE & Sustainability performance, while the BAC oversees the HSSE risk and control effectiveness through the review of the assurance findings.

STATEMENT ON RISK MANAGEMENT &
INTERNAL CONTROL

MISC Group adopted the International Association of Oil & Gas Producers Life Saving Rules in 2023 to enhance safety awareness, prevent accidents, and ultimately save lives by promoting strict adherence to these rules throughout operations. MISC Group has also introduced the new HSSE Rules and Commitments to create a secure and healthy workplace, ensuring compliance with relevant laws and regulations. Reflective learnings are carried out for high-risk incidents to reinforce the learnings from the incidents. The HSSE Incident Management process has been translated into an e-learning platform where a mandatory module has been developed to be completed by all employees to ensure they understand the implications of any HSSE incidents. The HSSE Lessons Learnt process has been improved through conversion into an interactive learning series of videos.

The HSSE culture of MISC Group reflects the values, attitudes, perceptions, competencies, and behaviours of our workforce, shaping the Group's overall commitment to HSSE. MISC Group continues to strengthen a Generative HSSE Culture where everyone does the right thing at all times, even when no one is watching. Various initiatives have been implemented to reinforce positive HSSE behaviours, cultivate the right attitudes and skills, and promote forward accountability across the Group.

GROUP INTERNAL AUDIT

MISC's GIA supports the BAC by providing an independent review of the adequacy of risk management, governance, as well as the efficiency and effectiveness of the internal control systems.

The authority, responsibilities and scope of work are defined in the approved Internal Audit Charter, which is aligned with the principles outlined in the Global Internal Audit Standards issued by the Institute of Internal Auditors. In performing its audit engagements, GIA refers to the internal control framework and guidelines issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO). COSO is an internationally recognised organisation providing guidance on internal control, ERM and governance.

To safeguard independence and objectivity, the Head of GIA reports functionally to the BAC and administratively to the President & Group CEO, with unrestricted access to records, systems and personnel as provided under the MISC Internal Audit Charter.

GIA is adequately resourced with suitably qualified auditors, supported by established audit procedures and digital audit tools. Audit engagements are carried out in accordance with the annual risk-based audit plan approved by the BAC.

Further information on the internal audit function is set out in the Statement of Internal Audit function on pages 206 to 207 in the BAC Report of this Integrated Annual Report.

JOINT VENTURES AND ASSOCIATES

With regard to the associate companies and jointly controlled entities, the Board does not regularly review their internal control systems as the Board has no direct control over their operations. Nevertheless, MISC's interests in the associate companies and jointly controlled entities are served via representations on the boards as well as review of management accounts and enquiries thereof.

AFFIRMATION BY THE BOARD

The Board acknowledges its responsibility for maintaining a sound risk management and internal control framework and continuously reviews the adequacy and effectiveness of the Group's systems. In discharging this responsibility, the Board considered multiple layers of assurances across both financial and non-financial risk areas covering the Group's principal operations, excluding joint ventures and associates.

STATEMENT ON RISK MANAGEMENT &
INTERNAL CONTROL

In forming its view, the Board evaluated the credibility and sufficiency of the assurance provided by the President & Group CEO and the Chief Financial Officer and considered the assurance mechanisms outlined in the preceding sections, including but not limited to quarterly reporting and oversight by the BSRC and BAC, internal audit reviews, risk and compliance attestations, self-assessments, and the independent review performed by the external auditors. The assurance scope encompassed operational, HSSE, cybersecurity, financial reporting, as well as legal and regulatory compliance controls, encompassing the full financial year ended 31 December 2025 up to the date of this Statement. Based on these inputs, the Board concludes that the internal control and risk management systems of the Company and its subsidiaries for the year under review and up to the date of approval of this Statement, are functioning adequately and effectively in all material respects.

During the financial year under review, there was no significant control failure or weakness that would result in material losses, contingencies or uncertainties requiring separate disclosure in this Integrated Annual Report.

REVIEW BY EXTERNAL AUDITOR

The external auditor, Messrs. Ernst & Young PLT, has reviewed this Statement on Risk Management and Internal Control for inclusion in the Integrated Annual Report for the financial year ended 31 December 2025, in compliance with paragraph 15.23 of the Listing Requirements in accordance with guidelines issued by the Malaysian Institute of Accountants and reported to the Board that nothing has come to their attention to cause them to believe that the Statement intended to be included in the Integrated Annual Report is not prepared, in all material respects, in accordance with disclosures required by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies, or that the statement is factually inaccurate.

CONCLUSION

For the financial year under review, based on enquiry, information and assurance provided, the Board is satisfied that the internal control and risk management systems were generally satisfactory. Measures would continuously be taken to ensure ongoing adequacy and effectiveness of the internal control and risk management systems, and to safeguard the Group's assets and shareholders' investment.

This statement is made in accordance with the resolution of the Board of Directors dated 23 February 2026.

STATEMENT OF DIRECTORS’ RESPONSIBILITY

The directors are responsible in ensuring that the annual audited financial statements of the Group and of the Corporation are drawn up in accordance with MFRS Accounting Standards as issued by Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

In the preparation of the annual audited financial statements of the Group and of the Corporation for the financial year ended 31 December 2025, the directors have ensured that:

- the audited financial statements comply with MFRS Accounting Standards as issued by Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act, 2016 in Malaysia;
- appropriate and relevant accounting policies were adopted and consistently applied;
- reasonable and prudent estimates and judgements were made; and
- going concern basis was adopted.

The directors are responsible to ensure that the Group and the Corporation keep accounting records which disclose, with reasonable accuracy, the financial position of the Group and the Corporation.

The directors have the overall responsibility for taking such steps that are reasonably available to them to safeguard the assets of the Group and the Corporation to prevent and detect fraud and other irregularities.

ADDITIONAL COMPLIANCE INFORMATION

A. STATUS OF UTILISATION OF PROCEEDS

During the financial year ended 31 December 2025, the Company did not raise any proceeds from corporate proposals.

B. AUDIT AND NON-AUDIT FEES

- i) The amount of audit fees paid or payable to the external auditors, Ernst & Young PLT (EY PLT), for services rendered to the Group and the Company for the financial year ended 31 December 2025 amounted to RM7,584,900 and RM1,306,200 respectively.
- ii) The amount of non-audit fees paid or payable to the external auditors, EY PLT, and their affiliated companies for services rendered to the Group and the Company for the financial year ended 31 December 2025 amounted to RM1,064,000 and RM413,000 respectively. The non-audit services rendered to the Group and the Company include limited review of semi-annual financial results and tax advisory.

C. MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries which were not in the ordinary course of business, involving the Directors’ and/or major shareholders’ interests, still subsisting at the end of the financial year ended 31 December 2025 or, if not then subsisting, entered into since the end of the previous financial year.



SECTION 12

ADDITIONAL INFORMATION

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244	Properties Owned by MISC Berhad and Its Subsidiaries
246	Statistics on Shareholdings
249	Corporate Information
250	List of Abbreviations

DISCLOSURE OF FINANCIAL DATA FOR
SHARIAH SCREENING

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

(a) Total Income and Total Assets

	Group	
	2025 (RM'000)	2024 (RM'000)
Total Income		
Revenue	11,146,137	13,237,477
Other income	910,645	259,380
Interest/Finance income	249,311	411,556
Share of profit of joint ventures	34,944	94,787
Share of (loss)/profit of associates	(5,900)	2,315
Total	12,335,137	14,005,515
Total Assets	53,014,373	60,435,106

(b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Interest income	Conventional	238,434	382,928
Banking & finance and related services	Fair value gain on derivatives	-	32,780
Total		238,434	382,928

(c) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Group	
	2025 (RM'000)	2024 (RM'000)
Cash at bank	165,831	290,856
Deposits with licensed bank	167,152	-
Total Cash	332,983	290,856

(c) Component of Financial Position (cont'd.)

(i) Cash Component (cont'd.)

Conventional Account/Instruments	Group	
	2025 (RM'000)	2024 (RM'000)
Cash at bank	2,782,583	4,236,957
Deposits with licensed bank	2,980,797	2,148,752
Total Cash	5,763,380	6,385,709

(ii) Debt Component

Islamic Financing	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Current			
Term loans	Tawarruq financing facility	40,936	39,303
Non-Current			
Term loans	Tawarruq financing facility	181,013	221,949
Total Financing		221,949	261,251

Conventional Borrowing	Group	
	2025 (RM'000)	2024 (RM'000)
Current		
Medium term notes	-	1,783,712
Revolving credit and loans	313,711	-
Term loans	1,377,481	1,412,636
Non-Current		
Medium term notes	2,429,344	2,671,135
Term loans	7,871,165	9,092,308
Total Debt	11,991,701	14,959,791

PROPERTIES OWNED BY MISC BERHAD
AND ITS SUBSIDIARIES

As at 31 December 2025

NO	LOCATION	DESCRIPTION	TENURE & YEAR LEASE EXPIRES	AREA IN SQ FT	EXISTING USE	AGE OF BUILDING/ LAND (YEARS)	APPROX NBV (RM'000)
1	PTD 22805 Mukim Plentong Johor Bahru	Land, shipyard	Leasehold/2073	13,115,306	Marine repair, marine conversion, heavy engineering fabrication yard, ancillary facilities and office buildings	46	35,222
2	PTD 11549 Mukim Plentong Johor Bahru	Land, shipyard	Leasehold/2075	522,720		50	589
3	PTD 101363 Mukim Plentong Johor Bahru	Land	Leasehold/2039	2,567,862	Storage area	16	12,804
4	PTD 65615 Mukim Plentong Johor Bahru	Land	Leasehold/2044	698,266	Staff quarters	42	1,511
5	PTD 65618 Mukim Plentong Johor Bahru	Land	Leasehold/2044	587,624	Staff quarters	42	1,272
6	PTD 65619 Mukim Plentong Johor Bahru	Land	Leasehold/2044	128,502	Staff quarters	42	279
7	PTD 65616 Mukim Plentong Johor Bahru	Land	Leasehold/2044	169,884	Vacant	42	368
8	PTD 65617 Mukim Plentong Johor Bahru	Land	Leasehold/2044	374,180	Vacant	42	810
9	Pasir Gudang Industrial Estate 81707 Pasir Gudang, Johor (erected on land 1 and 2 above)	Warehouse, workshops and office buildings	Leasehold/ 2073/2075	1,956,881	Marine repair, marine conversion, heavy engineering fabrication yard, ancillary facilities and office buildings	48	1,028,908
10	Rumah Pangsa MMHE 81700 Pasir Gudang (erected on land 4 to 6 above)	4-storey residential flats	Leasehold/2044	383,559	Staff quarters	47	999
11	PTD 71056 Mukim Plentong Johor Bahru	Land, yard	Leasehold/2045	1,524,600	Heavy engineering fabrication yard, ancillary facilities and office buildings	40	29,610
12	PTD 109040 Mukim Plentong Johor Bahru	Land	Leasehold/2053	217,800	Workshop, ancillary facilities and site office	32	4,995
13	PTD 200290 Mukim Plentong Johor Bahru	Land, yard	Leasehold/2052	2,424,158	Workshop, ancillary facilities and office buildings	17	57,193

PROPERTIES OWNED BY MISC BERHAD
AND ITS SUBSIDIARIES

As at 31 December 2025

NO	LOCATION	DESCRIPTION	TENURE & YEAR LEASE EXPIRES	AREA IN SQ FT	EXISTING USE	AGE OF BUILDING/ LAND (YEARS)	APPROX NBV (RM'000)
14	PTD 22768 Mukim Plentong Johor Bahru	Land	Leasehold/2040	435,600	Storage area	45	7,381
15	Lot 51611 Mukim Plentong Johor Bahru	Land	Leasehold/2045	173,514	Ancillary facilities and storage area	29	3,370
16	PTD 110760 Mukim Plentong Johor Bahru	Land	Leasehold/2052	205,603	Workshop, ancillary facilities and office buildings	32	4,563
17	PTD 110758 Mukim Plentong Johor Bahru	Land	Leasehold/2052	59,242	Cabin office and warehouse	32	1,384
18	PTD 233477 Mukim Plentong Johor Bahru	Land	Leasehold/2079	333,197	Heavy engineering fabrication yard and ancillary facilities	7	12,426
19	Lot 76, Mukim Kuala Sungai Baru, Alor Gajah, Melaka	Building	Leasehold/2046	13,474	Accommodation, meeting facilities and storage	17	NIL
20	Lot 1516, Mukim Kuala Sungai Baru (Kampus Alam, Batu 31 Kampung Tanjung Dahan Kuala Sungai Baru, Melaka)	Building	Leasehold/2046	24,210	Post sea hostel	15	NIL
21	Lot 32988, Mukim Dengkil, (No. 3505 Jalan Teknokrat 5, Cyberjaya, Selangor)	Land, building	Freehold	58,652	Vacant	23	26,040
22	305, The Colonnades Porchester Square, Bayswater, London W2 6AS	Apartment	Leasehold/2073	1,200	Accommodation	34	3,055
23	Galveston, Texas, USA	Land, building	Freehold	290,415	Workboats, dockage and lightering support operation	57	11,142
24	Rivium 1e straat 42, 2909 LE, Capelle ann den IJssel, Netherlands	Land, building	Freehold	21,140	Office	28	7,618

STATISTICS ON SHAREHOLDINGS

As at 4 March 2026

Total Number of Issued Shares : 4,463,793,103*
Class of Share : Ordinary shares
Voting Right : One vote per ordinary share held

* Inclusive of 47,400 treasury shares

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital [#]
Less than 100	2,471	28.54	11,872	0.00
100 - 1,000	2,348	27.12	1,178,801	0.02
1,001 - 10,000	2,405	27.77	9,409,929	0.21
10,001 - 100,000	876	10.12	30,670,532	0.69
100,001 to less than 5% of issued shares	557	6.43	1,710,490,417	38.32
5% and above of issued shares	2	0.02	2,711,984,152	60.76
Total	8,659	100.00	4,463,745,703	100.00

[#] Excludes 47,400 ordinary shares bought back by the Company and held as treasury shares as at 4 March 2026.

DIRECTORS’ SHAREHOLDINGS IN THE COMPANY

None of the Directors have any interest in the shares of the Company.

DIRECTORS’ SHAREHOLDINGS IN RELATED CORPORATION

PETRONAS Chemicals Group Berhad

No.	Name of Directors	Direct Interest		Indirect Interest	
		No. of Shares	%	No. of Shares	%
1	Mohammad Suhaimi Mohd Yasin	6,000	0.00	-	-
2	Wan Shamilah Wan Muhammad Saidi	6,000	0.00	-	-

SUBSTANTIAL SHAREHOLDERS

No.	Name of Substantial Shareholders	Direct Interest		Indirect Interest	
		No. of Shares	% [#]	No. of Shares	% [#]
1	Petroliam Nasional Berhad	2,276,583,900	51.00	-	-
2	Employees Provident Fund Board	712,404,003	15.96	-	-

[#] Excludes 47,400 ordinary shares bought back by the Company and held as treasury shares as at 4 March 2026.

STATISTICS ON SHAREHOLDINGS

As at 4 March 2026

30 LARGEST SHAREHOLDERS AS AT 4 MARCH 2026

No.	Name of Shareholders	No. of Shares	% [#]
1	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR PETROLIAM NASIONAL BERHAD	2,276,583,900	51.00
2	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EMPLOYEES PROVIDENT FUND BOARD	435,400,252	9.75
3	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	211,410,200	4.74
4	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	210,552,351	4.72
5	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA	171,487,200	3.84
6	STATE FINANCIAL SECRETARY SARAWAK	67,466,667	1.51
7	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LEMBAGA KEMAJUAN TANAH PERSEKUTUAN (415321)	51,891,800	1.16
8	PENANG DEVELOPMENT CORPORATION	50,800,000	1.14
9	LEMBAGA TABUNG HAJI	43,756,700	0.98
10	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA 3	41,712,100	0.93
11	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA	37,940,900	0.85
12	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. URUSHARTA JAMAAH SDN. BHD. (1)	30,870,000	0.69
13	PERMODALAN NASIONAL BERHAD	29,975,000	0.67
14	HSBC NOMINEES (ASING) SDN. BHD. JPMCB NA FOR VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	29,220,602	0.65
15	HSBC NOMINEES (ASING) SDN. BHD. JPMCB NA FOR VANGUARD EMERGING MARKETS STOCK INDEX FUND	27,719,696	0.62
16	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA 2	23,984,400	0.54
17	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1)	21,243,100	0.48
18	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA 3 - DIDIK	17,661,300	0.40
19	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA 2 - WAWASAN	17,337,000	0.39
20	CITIGROUP NOMINEES (ASING) SDN. BHD. CBNY FOR ISHARES CORE MSCI EMERGING MARKETS ETF	15,442,800	0.35

STATISTICS ON SHAREHOLDINGS

As at 4 March 2026

30 LARGEST SHAREHOLDERS AS AT 4 MARCH 2026 (CONT'D)

No.	Name of Shareholders	No. of shares	%#
21	HSBC NOMINEES (ASING) SDN. BHD. <i>JPMCB NA FOR VANGUARD FIDUCIARY TRUST COMPANY INSTITUTIONAL TOTAL INTERNATIONAL STOCK MARKET INDEX TRUST II</i>	14,667,158	0.33
22	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. <i>EMPLOYEES PROVIDENT FUND BOARD (AHAM AM)</i>	14,020,400	0.31
23	HSBC NOMINEES (ASING) SDN. BHD. <i>JPMSE LUX FOR ROBECO CAPITAL GROWTH FUNDS</i>	12,985,100	0.29
24	CITIGROUP NOMINEES (ASING) SDN. BHD. <i>UBS AG</i>	12,749,251	0.29
25	HSBC NOMINEES (ASING) SDN. BHD. <i>JPMCB NA FOR BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A. INVESTMENT FUNDS FOR EMPLOYEE BENEFIT TRUSTS</i>	10,973,780	0.25
26	HSBC NOMINEES (ASING) SDN. BHD. <i>HSBC-FS G FOR PEOPLE'S BANK OF CHINA (SICL ASIA EM)</i>	10,775,200	0.24
27	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. <i>PRUDENTIAL ASSURANCE MALAYSIA BERHAD FOR PRULINK STRATEGIC FUND</i>	10,225,100	0.23
28	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. <i>EMPLOYEES PROVIDENT FUND BOARD (NOMURA)</i>	10,048,700	0.22
29	MINISTER OF FINANCE <i>AKAUN JAMINAN PINJAMAN KERAJAAN PERSEKUTUAN</i>	10,000,000	0.22
30	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. <i>EXEMPT AN FOR AIA BHD.</i>	9,210,760	0.21
TOTAL		3,928,111,417	88.00

Excludes 47,400 ordinary shares bought back by the Company and held as treasury shares as at 4 March 2026.

CORPORATE INFORMATION

BOARD OF DIRECTORS		
Chairman, Independent Non-Executive Director Datuk Abu Huraira Abu Yazid Senior Independent Non-Executive Director Chew Liong Kim	Independent Non-Executive Directors Datin Norazah Mohamed Razali Dato’ Tengku Marina Tunku Annuar Mohammad Suhaimi Mohd Yasin Non-Independent Non-Executive Directors Liza Mustapha Wan Shamilah Wan Muhammad Saidi Datuk Adif Zulkifli	President & Group CEO, Non-Independent Executive Director Zahid Osman
Board Audit Committee Chairman Chew Liong Kim Members Mohammad Suhaimi Mohd Yasin Wan Shamilah Wan Muhammad Saidi	Board Nomination & Remuneration Committee Chairperson Dato’ Tengku Marina Tunku Annuar Members Datin Norazah Mohamed Razali Wan Shamilah Wan Muhammad Saidi	Board Sustainability & Risk Committee Chairperson Datin Norazah Mohamed Razali Members Chew Liong Kim Mohammad Suhaimi Mohd Yasin Dato’ Tengku Marina Tunku Annuar

Company Secretaries

Noridah Khamis
LS 0010240
SSM PC No. 201908001731

Lee Ming Leong
MAICSA 7006926
SSM PC No. 202308000507

Registered Office

Level 25, Menara Dayabumi
Jalan Sultan Hishamuddin
50050 Kuala Lumpur
Tel: +603 2264 0888
Email: miscweb@miscbhd.com
Website: www.miscgroup.com

Auditors

Ernst & Young PLT
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel: +603 7495 8000
Fax: +603 2095 5332

Share Registrars

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Tel: +603 7890 4700
Fax: +603 7890 4670
Email: bsr.helpdesk@boardroomlimited.com

Place of Incorporation and Domicile

Malaysia

Stock Exchange Listing

Main Market of Bursa Malaysia
Securities Berhad
Stock Name: MISC
Stock Code: 3816

LIST OF ABBREVIATIONS

ABC	Anti-Bribery and Corruption
ABMS	Anti-Bribery Management System
ABS	American Bureau of Shipping
ACC	Asset Construction & Conversion
AET	AET Pte. Ltd.
AGM	Annual General Meeting
AI	Artificial Intelligence
AiP	Approval in Principle
ALAM	Akademi Laut Malaysia
ARSC	Audit, Risk and Sustainability Committee
ATE	Accountability, Transparency and Efficiency
BAC	Board Audit Committee
BCG	Boston Consulting Group
BCM	Business Continuity Management
BCRA	Bribery and Corruption Risk Assessment
BEE	Board Effectiveness Evaluation
BNM	Bank Negara Malaysia
BNRC	Board Nomination & Remuneration Committee
BOSIET	Basic Offshore Safety Induction & Emergency Training
BOT	Build-Operate-Transfer
BSC	Balanced Scorecard
BSRC	Board Sustainability & Risk Committee
CAPEX	Capital expenditure
CCS	Carbon capture and storage
CDG	Corporate Disclosure Guidelines
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CFD	Computational Fluid Dynamics
CFO	Cash Flows from Operations
CG	Corporate governance
CGM	Climate Governance Malaysia
CIMA	Chartered Institute of Management Accountants
CLA	Critical Legal Areas
CLNG	China LNG Shipping (Holdings) Limited
CO ₂	Carbon Dioxide

CoBE	Code of Conduct and Business Ethics
COET	China Offshore Engineering & Technology Company Limited
COI	Conflict of Interest
COSO	Committee of Sponsoring Organisations of the Treadway Commission
CPA	Certified Public Accountant
CPS	Central Production System
CROs	Climate-related Risk and Opportunities
CSA	Chamber of Shipping of America
CSSO	Chief Strategy & Sustainability Officer
D&I	Diversity and Inclusion
DPST	Dynamic Positioning Shuttle Tanker
EAC	Enterprise Architecture Committee
EES&G	Economic, environmental, social and governance
ELT	Executive Leadership Team
EPC	Engineering, Procurement and Construction
EPCIC	Engineering, procurement, construction, installation and commissioning
ERM	Enterprise Risk Management
ESG	Environmental, social and governance
ESRS	European Sustainability Reporting Standards
EU ETS	EU Emissions Trading System
ExMS	Excellence Management System
EY PLT	Ernst & Young PLT
FCA	Fellow Chartered Accountant
FCCA	Fellow, Association of Chartered Certified Accountants
FEED	Front End Engineering Design
FIDs	Final Investment Decisions
FMS	Fleet Management Services
FPSO	Floating production, storage and offloading
FPSSB	Floating Production Solutions Sdn. Bhd.
FPU	Floating Production Unit
FR	Financial Report

FRAS	Financial Risk Appetite Setting
FRC	Financial Reporting Control
FSO	Floating storage and offloading
FSRUs	Floating Storage and Regasification Units
FSU	Floating storage unit
FY	Financial year
FY2021	Financial year ended 31 December 2021
FY2022	Financial year ended 31 December 2022
FY2023	Financial year ended 31 December 2023
FY2024	Financial year ended 31 December 2024
FY2025	Financial year ended 31 December 2025
GAS	Gas Assets & Solutions
GCMD	Global Centre for Maritime Decarbonisation
GDP	Gross Domestic Product
GFI	GHG Fuel Intensity
GHG	Greenhouse gas
GIA	Group Internal Audit
GIAS	Group Internal Audit Standards
GMT	Global Minimum Tax
GRI	Global Reporting Initiative
HOTO	Heart of the Ocean
HRDC	Human Resource Development Corporation
HSE	Health, safety and environment
HSSE	Health, safety, security & environment
HSSES	Health, safety, security environment & sustainability
HVDC	High voltage direct current
IAR	Integrated Annual Report
ICAEW	Institute of Chartered Accountants in England & Wales
ICDM	Institute of Corporate Directors Malaysia
iCEP	International Conference and Exhibition Professionals
ICT	Information and Communication Technology
IDP	Individual Development Plan
IEA	International Energy Agency

IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
IMO	International Maritime Organisation
INEDs	Independent Non-Executive Directors
IR	Investor Relations
ISPS	International Ship and Port Facility Security
ISSB	International Sustainability Standards Board
JDA	Joint Development Agreement
K Line	Kawasaki Kisen Kaisha, Ltd.
KRIs	Key Risk Indicators
KYC	Know Your Counterparty
L&O	Lease and Operate
LCO ₂	Liquefied carbon dioxide
LNG	Liquefied natural gas
LNGC	LNG carrier
LOA	Limits of Authority
LOPC	Loss of Primary Containment
LR2	Long Range 2
LSV	Lightering Support Vessel
LTi	Lost time injury
LTIF	Lost time injury frequency
LTIP	Long Term Incentive Plan
MAC	Management Audit Committee
MACC	Malaysian Anti-Corruption Commission
MACN	Maritime Anti-Corruption Network
MAICSA	Malaysian Institute of Chartered Secretaries and Administrators
MAP	Mandatory Accreditation Programme
MCA	Maritime and Coastguard Agency
MCCG	Malaysian Code on Corporate Governance
MCMC	Malaysian Communications and Multimedia Commission
MCV	Modular capture vessel

LIST OF ABBREVIATIONS

LIST OF ABBREVIATIONS

MEPC	Marine Environment Protection Committee
MFP	MISC Financial Policy
MFRS	Malaysian Financial Reporting Standards
MGA	Malaysian Gas Association
MGMF	MISC Group Management Framework
MHB	Malaysia Marine and Heavy Engineering Holdings Berhad
MIA	Malaysian Institute of Accountants
MICG	Malaysian Institute of Corporate Governance
MIDP	Malaysian Institute of Development for Professionals
MiSHA	Malaysian Industrial Safety and Health Association
MMASB	Malaysian Maritime Academy Sdn. Bhd.
MMD	Malaysian Marine Department
MMLR	Main Market Listing Requirements
MoHE	Ministry of Higher Education
MOL	Mitsui O.S.K. Lines, Ltd.
MoU	Memorandum of Understanding
MPM	Malaysia Petroleum Management
MRC	Management Risk Committee
MSOSH	Malaysian Society for Occupational Safety and Health
MSWG	Minority Shareholders Watch Group
MYR	Malaysian Ringgit
NACGSA	National Annual Corporate Governance & Sustainability Awards
NACRA	National Annual Corporate Report Awards
NEDs	Non-Executive Directors
NINEDs	Non-Independent Non-Executive Directors
NO _x	Nitrogen Oxides
NSRF	National Sustainability Reporting Framework
NYK	Nippon Yusen Kabushiki Kaisha

NZF	Net-Zero Framework
OBU	Offshore Business Unit
OCIMF	Oil Companies International Marine Forum
OPEC	Organisation of the Petroleum Exporting Countries
OSHA	Occupational Safety and Health Act
OSS	Offshore substation
OT	Operational technology
OTCA	Offshore Technology Conference Asia
PCBL	PETRONAS Carigali Brunei Ltd.
PDC	People Development Committee
PEMFC	Proton Exchange Membrane Fuel Cell
PETRONAS	Petroliaam Nasional Berhad
PETRONAS Group	PETRONAS and its subsidiaries
PGCEO	President & Group Chief Executive Officer
PIER	Post Implementation Economic Review
PLC	PETRONAS Leadership Centre
PLL	PETRONAS LNG Ltd.
PNB	Permodalan Nasional Berhad
PRA	Project Risk Assessment
PTSC	PetroVietnam Technical Services Corporation
PTT	PTT Public Company Limited
R&L	Regulatory and Legislation
RADM	Risk Assessment in Decision-Making
RM	Ringgit Malaysia
RPTs	Related party transactions
RRPTs	Recurrent related party transactions
RSC	Responsible Supply Chain
SASB	Sustainability Accounting Standards Board
SCMG	Strategic Crisis Management Guideline
SDGs	Sustainable Development Goals
Semi-FPS	Semi-submersible Floating Production System

SHI	Samsung Heavy Industries
SIGTTO	Society of International Gas Tanker and Terminal Operators
SLE	Super Low Energy
SOCISO	Social Security Organisation
SORMIC	Statement on Risk Management and Internal Control
SO _x	Sulphur oxides
SPE	Society of Petroleum Engineers
SR	Sustainability Report
SROs	Sustainability Risks and Opportunities
STCW	Standards of Training, Certification and Watchkeeping
TCPs	Time Charter Parties
TEXIM	Techno-Commercial Excellence in Maritime
TMS	Talent Management System
ToR	Terms of Reference
TPRM	Third Party Risk Management
TRCF	Total recordable cases frequency
UCF	Unified Control Framework
UCUAs	Unsafe Conditions and Unsafe Acts
UNGC	United Nations Global Compact
UOB Bank	United Overseas Bank (M) Bhd.
USD	United States Dollar
VESTIGO	Vestigo Petroleum Sdn. Bhd.
VLCC	Very Large Crude Carrier
VLEC	Very Large Ethane Carrier
WAPS	Wind-Assisted Propulsion
ZEUS	Zero Emission Power Station

LIST OF ABBREVIATIONS

SECTION 13

ANNUAL GENERAL MEETING

256 Notice of Annual General Meeting
 Form of Proxy

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-Seventh Annual General Meeting (“**57th AGM**”) of MISC Berhad (“**MISC**” or “**the Company**”) will be held at the Grand Ballroom, Level 2, InterContinental Kuala Lumpur, 165, Jalan Ampang, 50450 Kuala Lumpur, Malaysia (“**Main Venue**”) and virtually by way of electronic means via the Boardroom Smart Investor Portal (“**BSIP**”) at <https://investor.boardroomlimited.com> (“**Online Platform**”) on Wednesday, 13 May 2026 at 10.00 a.m. for the following purposes:

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon.
2. To re-elect the following Directors who retire by rotation pursuant to Rule 21.8 of the Company’s Constitution and, being eligible, offer themselves for re-election:

- (i) Liza Mustapha
- (ii) Wan Shamilah Wan Muhammad Saidi

Ordinary Resolution 1
Ordinary Resolution 2

Datuk Abu Huraira Abu Yazid who retires by rotation pursuant to Rule 21.8 of the Company’s Constitution has expressed his intention of not seeking re-election. Hence, he will retain office until the conclusion of the 57th AGM.

3. To approve the payment of Directors’ fees (inclusive of benefits-in-kind) up to an amount of RM3,000,000.00 from 14 May 2026 until the conclusion of the next Annual General Meeting of the Company.
4. To re-appoint Ernst & Young PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

Ordinary Resolution 3

Ordinary Resolution 4

As Special Business

To consider and, if thought fit, to pass the following resolution, with or without modifications:

5. **Proposed renewal of authority for MISC to purchase its own shares of up to 10% of its prevailing total number of issued shares at any time (“Proposed Renewal of Share Buy-Back Authority”)**

Ordinary Resolution 5

“THAT subject to compliance with the Companies Act 2016 (“**Act**”), MISC’s Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and/or any other relevant regulatory requirements, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company (“**Proposed Share Buy-Back**”) as may be determined by the Board of Directors (“**Board**”) from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the best interest of the Company, provided that the maximum aggregate number of shares which may be purchased and/or held by the Company shall not exceed ten per centum (10%) of its prevailing total number of issued shares at any point of time, and that the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the latest retained earnings of the Company.

NOTICE OF ANNUAL GENERAL MEETING

THAT the Board be and is hereby authorised to deal with the shares so purchased, at their discretion, in the following manner:

- (i) cancel the shares so purchased; or
- (ii) retain the shares so purchased as treasury shares which may be dealt with in accordance with Section 127(7) of the Act; or
- (iii) retain part of the shares so purchased as treasury shares and cancel the remainder of the shares,

or in any other manner as may be prescribed by the Act, all applicable laws, regulations and guidelines applied from time to time by Bursa Securities and/or any other relevant authority for the time being in force, and that the authority to deal with the purchased shares shall continue to be valid until all the purchased shares have been dealt with by the Board.

THAT the authority shall commence immediately upon passing of this resolution, until the earlier of:

- (i) the conclusion of the next Annual General Meeting (“**AGM**”) of the Company; or
- (ii) the expiration of the period within which the next AGM is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting.

AND THAT the Board be and is hereby authorised to do all acts and things and to take all such steps as necessary or expedient (including opening and maintaining a Central Depository System account) to give full effect to the Proposed Share Buy-Back with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant regulatory authorities, and/or to do all such acts and things as the Board may deem fit, necessary and expedient in the best interest of the Company.”

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

By Order of the Board

Noridah Khamis (LS 0010240) (SSM PC No. 201908001731)
Lee Ming Leong (MAICSA 7006926) (SSM PC No. 202308000507)
Company Secretaries
14 April 2026
Kuala Lumpur

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes on Ordinary Business

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

This Agenda item is meant for discussion only as Section 340(1) of the Companies Act 2016 (“**Act**”) does not require the Audited Financial Statements to be formally approved by the shareholders. As such, this Agenda item is not put forward for voting.

2. Re-election of Directors (Ordinary Resolutions 1 and 2)

Rule 21.8 of the Company’s Constitution provides that one-third of the Directors of the Company for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third, shall retire from office and that each Director shall retire at least once in every three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the Annual General Meeting (“**AGM**”) at which he/she retires. The Directors to retire at such AGM shall be the Directors who have been longest in office and the length of time a Director has been in office shall be computed from his/her last appointment or election.

Liza Mustapha and Wan Shamilah Wan Muhammad Saidi are retiring as Directors and being eligible, have offered themselves for re-election. Datuk Abu Huraira Abu Yazid who is also retiring by rotation has expressed his intention of not seeking re-election. He will retain office until the conclusion of the 57th AGM.

The Board has endorsed the Board Nomination & Remuneration Committee’s (“**BNRC**”) recommendation that the abovementioned Directors who retire in accordance with Rule 21.8 of the Company’s Constitution are eligible to stand for re-election on the basis that the performance of each of the retiring Director was found to be satisfactory and that each Director continued to be suitable for her role, as assessed through the last Board effectiveness evaluation. The retiring Directors have effectively discharged their duties and responsibilities and met the criteria in the Directors’ Fit and Proper Policy of the Company.

The retiring Directors had abstained themselves from deliberations and decisions on their re-election at the BNRC and Board meetings, as appropriate.

The profiles of the retiring Directors are set out in the Profiles of Board of Directors on pages 152, 158 and 160 of the Company’s Integrated Annual Report 2025.

3. Payment of Directors’ Fees (inclusive of benefits-in-kind) (Ordinary Resolution 3)

Pursuant to Section 230(1) of the Act, the shareholders’ approval is sought for the proposed payment of Directors’ fees (inclusive of benefits-in-kind) to the Non-Executive Directors (“**NEDs**”) for the period from 14 May 2026 until the expiration of the period within which the next AGM of the Company is required to be held, which is estimated to be RM3,000,000.00. The calculation is based on the Directors’ fee structure, the estimated number of scheduled Board and Board Committees’ meetings, and the composition of NEDs, including a provisional sum as a contingency for future appointment of NED on the Board from 14 May 2026, being the day after the 57th AGM until the conclusion of the next AGM. The resolution is to facilitate payments of the Directors’ Fees (inclusive of benefits-in-kind) for the financial year 2026/2027.

The Board will seek shareholders’ approval at the next AGM in the event the Directors’ Fees (inclusive of benefits-in-kind) is insufficient.

Please refer to page 192 of the Corporate Governance Overview Statement in the Company’s Integrated Annual Report 2025 for details of the Directors’ Fees and benefits-in-kind for the financial year ended 31 December 2025.

NOTICE OF ANNUAL GENERAL MEETING

4. Re-appointment of Auditors (Ordinary Resolution 4)

The Board Audit Committee (“**BAC**”) has considered the re-appointment of Ernst & Young PLT (“**EY**”) as Auditors of the Company and is satisfied with the performance, competency, audit approach, and independence of EY. The BAC viewed that EY have met the relevant criteria prescribed by Paragraph 15.21 of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), amongst others, adequacy of the experience and resources of the accounting firm, and size and competency of the audit engagement team.

The Board endorsed the BAC’s recommendation to seek shareholders’ approval to re-appoint EY as External Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

Explanatory Notes on Special Business

1. Proposed Renewal of Share Buy-Back Authority (Ordinary Resolution 5)

Ordinary Resolution 5, if passed, will renew the authority granted by the shareholders at the last AGM. The renewed authority will allow the Company to purchase its own shares of up to 10% of its prevailing total number of issued shares at any time. The renewed authority, unless revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting, will expire at the conclusion of the 58th AGM of the Company or the expiration of the period within which the 58th AGM is required by law to be held, whichever occurs first.

Further information on the Proposed Renewal of Share Buy-Back Authority is set out in the statement dated 14 April 2026.

Notes:

Hybrid 57th AGM

1. The 57th AGM of the Company will be held in a hybrid mode. A member or his/her proxy(ies) may either:
- (i) attend physically at the Main Venue (“**Physical Attendance**”); OR
- (ii) attend virtually using the Remote Participation and Electronic Voting (“**RPEV**”) facilities which are available on the Boardroom Smart Investor Portal (“**BSIP**”) at <https://investor.boardroomlimited.com> to be provided by Boardroom Share Registrars Sdn. Bhd. (“**Boardroom**”), the appointed Poll Administrator for this AGM (“**Virtual Attendance**”).
- Please refer to the Administrative Notes for the full guide to Physical Attendance and Virtual Attendance at the 57th AGM.
2. Only depositors whose names appear in the Record of Depositors as at 6 May 2026 shall be entitled to attend, speak and vote at the meeting or appoint proxy(ies) to attend and vote on their behalf.

Appointment of Proxy

3. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to exercise all or any of his/her rights to attend, participate, speak and vote at the meeting.
4. A member may appoint not more than two (2) proxies to attend the same meeting. Where a member appoints two (2) proxies the appointment shall be invalid unless he/she specifies the proportion of his/her holding to be represented by each proxy. A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy without limitation. There shall be no restriction as to the qualification of the proxy.
5. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (“**SICDA**”), it may appoint up to two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account and the number of shares to be represented by each proxy must be clearly indicated.

NOTICE OF ANNUAL GENERAL MEETING

6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“**Omnibus Account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. Where an exempt authorised nominee appoints more than one (1) proxy in respect of each Omnibus Account, the appointment shall not be valid unless the exempt authorised nominee specifies the proportion of the shareholding to be represented by each proxy.

An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

7. Where a member or the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the Form of Proxy.

8. The Form of Proxy must be signed by the appointer of the proxy, or his/her attorney duly authorised in writing. In the case of a corporation, the Form of Proxy shall be executed under its common seal, or signed by its attorney duly authorised in writing or by a duly authorised officer on behalf of the corporation.

9. The appointment of proxy may be made in a hardcopy form or by electronic means as specified below and must be received by the Company not less than forty-eight (48) hours before the time appointed for the holding of the 57th AGM, or in the event the 57th AGM is adjourned, not less than twenty-four (24) hours before the time appointed for the taking of the poll at the adjourned 57th AGM:

(i) In hardcopy form
The original Form of Proxy shall be deposited at the Company’s Share Registrar’s office, Boardroom, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia.

(ii) Electronically
The Form of Proxy can be electronically lodged with Boardroom via BSIP at <https://investor.boardroomlimited.com>. Please follow the procedures set out in the Administrative Notes for such lodgement. Alternatively, the Form of Proxy can be emailed to Boardroom at bsr.proxy@boardroomlimited.com.

10. Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all the resolutions set out in the Notice of the 57th AGM will be put to a vote by poll.

Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”); (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

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Form of Proxy



Registration No. 196801000580 (8178-H)
(Incorporated in Malaysia)

CDS Account No.	No. of Shares Held

I/We _____(Full name in block letters)

NRIC/Passport/Company No. : _____of _____
_____(Full address)

being a member of **MISC BERHAD (“the Company”)**, do hereby appoint _____
_____(Full name in block letters as per identity card/passport)

NRIC/Passport No. : _____ of _____
_____(Full address)
_____(Contact No.)_____(Email address)

and/or failing him/her _____
_____(Full name in block letters as per identity card/passport)

NRIC/Passport No. : _____of _____
_____(Full address)
_____(Contact No.)_____(Email address)

and failing the abovenamed proxies, the Chairman of the Meeting, as my/our proxy/proxies to attend and vote for me/us on my/our behalf at the Fifty-Seventh Annual General Meeting (“**57th AGM**”) of the Company to be held at the Grand Ballroom, Level 2, InterContinental Kuala Lumpur, 165, Jalan Ampang, 50450 Kuala Lumpur, Malaysia (“**Main Venue**”) and virtually by way of electronic means via the Boardroom Smart Investor Portal (“**BSIP**”) at <https://investor.boardroomlimited.com> (“**Online Platform**”) on Wednesday, 13 May 2026 at 10.00 a.m., and at any adjournment thereof. My/our proxy is to vote as indicated below:

RESOLUTIONS		FOR	AGAINST
Re-election of Liza Mustapha as Director of the Company.	Ordinary Resolution 1		
Re-election of Wan Shamilah Wan Muhammad Saidi as Director of the Company.	Ordinary Resolution 2		
Approval for the payment of Directors’ fees (inclusive of benefits-in-kind) up to an amount of RM3,000,000.00 from 14 May 2026 until the conclusion of the next Annual General Meeting of the Company.	Ordinary Resolution 3		
Re-appointment of Ernst & Young PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.	Ordinary Resolution 4		
Proposed Renewal of Share Buy-Back Authority.	Ordinary Resolution 5		

Please indicate with an “X” in the space whether you wish your votes to be cast for or against the resolutions. In the absence of such specific directions, your proxy will vote or abstain as he/she thinks fit.

Dated this _____ day of _____ 2026.

The proportions of my/our shareholding to be represented by my/our proxies are as follows:

	No. of shares	Percentage
Signature/Common Seal of Member	First Proxy	
Contact No. : _____	Second Proxy	
Email Address: _____	Total	100%

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- Notes:
1.

Only depositors whose names appear in the Record of Depositors as at 6 May 2026 shall be entitled to attend, speak and vote at the meeting.

2.

A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to exercise all or any of his/her rights to attend, participate, speak and vote at the meeting.

3.

The 57th AGM of the Company will be held in a hybrid mode. A member or his/her proxy(ies) may either:

(i) attend physically at the Main Venue (“**Physical Attendance**”); OR

(ii) attend virtually using the Remote Participation and Electronic Voting (“**RPEV**”) facilities which are available on the Boardroom Smart Investor Portal (“**BSIP**”) at <https://investor.boardroomlimited.com> to be provided by Boardroom Share Registrars Sdn. Bhd. (“**Boardroom**”), the appointed Poll Administrator for this AGM (“**Virtual Attendance**”).

Please refer to the Administrative Notes for a full guide to Physical Attendance and Virtual Attendance at the 57th AGM.

4.

A member may appoint not more than two (2) proxies to attend the same meeting. Where a member appoints two (2) proxies the appointment shall be invalid unless he/she specifies the proportion of his/her holding to be represented by each proxy. A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy without limitation. There shall be no restriction as to the qualification of the proxy.

5.

Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (“**SICDA**”), it may appoint up to two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account and the number of shares to be represented by each proxy must be clearly indicated.

6.

Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“**Omnibus Account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. Where an exempt authorised nominee appoints more than one (1) proxy in respect of each Omnibus Account, the appointment shall not be valid unless the exempt authorised nominee specifies the proportion of the shareholding to be represented by each proxy.

An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

7.

Where a member or the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the Form of Proxy.

8.

The Form of Proxy must be signed by the appointer of the proxy, or his/her attorney duly authorised in writing. In the case of a corporation, the Form of Proxy shall be executed under its common seal or signed by its attorney duly authorised in writing or by a duly authorised officer on behalf of the corporation.

9.

The appointment of proxy may be made in a hardcopy form or by electronic means as specified below and must be received by the Company not less than forty-eight (48) hours before the time appointed for the holding of the 57th AGM, or in the event the 57th AGM is adjourned, not less than twenty-four (24) hours before the time appointed for the taking of the poll at the adjourned 57th AGM:

(i) In hardcopy form

The original Form of Proxy shall be deposited at the Company’s Share Registrar’s office, Boardroom, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia.

(ii) Electronically

The Form of Proxy can be electronically lodged with Boardroom via BSIP at <https://investor.boardroomlimited.com>. Please follow the procedures set out in the Administrative Notes for such lodgement. Alternatively, the Form of Proxy can be emailed to Boardroom at bsr.proxy@boardroomlimited.com.

10.

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the 57th AGM will be put to a vote by poll.

MISC Berhad

Annual General Meeting

13 May 2026

STAMP

Boardroom Share Registrars Sdn. Bhd.

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Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
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