



LIFTECH GROUP BERHAD

Registration No. 202301002993 (1496912-A)

BOARD CHARTER

LGB-COR-01

BOARD CHARTER

LIST OF REVISIONS

Document reference no	Revision	Revision date	Effective date
LGB-COR-01			31 December 2025

CONTENTS

Section	Details	Page no
1	INTRODUCTION	2
2	PURPOSE	2
3	THE BOARD	2
4	INVESTOR RELATIONS AND SHAREHOLDER COMMUNICATION	10
5	ACCESS TO INFORMATION AND INDEPENDENT ADVICE	10
6	COMPANY SECRETARIES	11
7	FINANCIAL REPORTING AND EXTERNAL AUDITORS	11
8	CODE OF ETHICS AND CONDUCT	11
9	DUTY OF CARE AND DILIGENCE	11
10	BUSINESS JUDGEMENT	12
11	REVIEW AND AMENDMENTS	12

This Board Charter has been approved by the Board of Directors of the Company via a Directors' Written Resolution dated on 31 December 2025 and is made effective on 31 December 2025.

BOARD CHARTER

1. INTRODUCTION

The Board of Directors (“**Board**”) of LIFTECH GROUP BERHAD (“**the Company**”) is primarily responsible for the business and affairs of the Company and its subsidiaries (“**the Group**”) and strongly believes that good corporate governance is essential for delivering sustainable value and enhancing business integrity apart from maintaining the confidence of shareholders/investors in the Group in achieving its corporate objectives and vision.

2. PURPOSE

This Board Charter sets out the roles, responsibilities, functions, compositions, processes and operations of the Board as well as those functions delegated to the Board Committees and the Management of the Group.

This Board Charter is to promote a high standard of corporate governance within the Group and to ensure that each Board member acts on behalf of the Company and is always aware of his/her fiduciary duties and responsibilities, the legislations and regulations affecting their duties as directors; and the principles and practices of good corporate governance which apply to the Group.

The Charter also acts as a primary source of reference and induction literature to provide insights to prospective Board members. In addition, the Board Charter will assist the Board in the assessment of its own performance and of its members. This Charter shall be read together with the Company’s Constitution and the provision of the CA 2016.

3. THE BOARD

3.1 Composition

The Board shall consist of qualified individuals with a diverse set of skills, knowledge, professional/industry experience, age, gender, cultural and educational background, ethnicity and length of service that ensure sufficient diversity and independence so as to effectively discharge the Board’s roles and responsibilities for the benefit of the Company and its business.

The Constitution of the Company provides that until otherwise determined by the Company in a meeting of members, the number of Directors shall not be less than two (2) and not more than nine (9). All the Directors of the Company shall be natural persons of at least eighteen (18) years of age.

The Board must ensure that at least 2 directors or one-third (1/3) of its board members (whichever is the higher) are Independent Directors. If a vacancy in the Board results in a non-compliance with this requirement, the vacancy must be filled within three (3) months.

The Independent Directors are expected to provide independent judgement, experience and objectivity without being subordinated to operational considerations as well as to ensure that the interests of all shareholders are protected, and that the relevant issues are subjected to objective and impartial consideration by the Board.

The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years, unless subject to the recommendation of the Board, shareholders’ approval has been obtained via a general meeting of the Company for the said Independent Director to continue to serve the Company as an Independent Director after the said nine (9) years’ term on an annual basis through a two-tier voting process by the shareholders of the Company.

Notwithstanding the above, the tenure of an Independent Director of the Company shall not exceed a cumulative term of twelve (12) years.

BOARD CHARTER

The Nomination and Remuneration Committee shall review the tenure of each Director and the composition and size of the Board to ensure that the Board is refreshed periodically. The composition and size of the Board should reflect an appropriate range and balance of skills, experiences, independence, background of the Board and diversity (including diversity in age, ethnicity, cultural background and gender).

3.2 Appointment and Re-election

The Board has the power under the Company's Constitution to appoint a director from time to time either to fill a casual vacancy or as an additional director. Any director so appointed shall hold office only until the next following Annual General Meeting ("**AGM**") and shall then be eligible for re-election at the said AGM.

The selection and appointment of a new member to the Board is made only with the recommendation from the Nomination and Remuneration Committee based on his/her merits and potential contribution which he/she brings to the Board having due regard to the benefit of diversity and the depth of experience of the Board in line with the provisions provided under the Company's Directors' Fit and Proper Policy.

The Company's Constitution provides that an election of Directors shall take place each year at the AGM of the Company where one-third (1/3) of the Directors for the time being shall retire from office at each AGM but shall be eligible for re-election at the same meeting. The directors retiring will be those longest in office since their last election. If the number of Directors is not 3 or a multiple of three (3), then the number nearest to one-third shall retire from office. All the Directors shall retire from office at least once in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the AGM at which he retires.

The Board shall via the Nomination and Remuneration Committee conduct an annual assessment of the performance and contribution of each Director. The annual re-election of a director will be contingent upon satisfactory evaluation of the director's performance and contribution to the Board.

3.3 Independence of Director

The Board shall assess the independence of each existing Independent Director annually by taking into consideration their disclosed interests and having regard to the criteria for assessing the independence of director under the annual Board assessment. The Board shall focus beyond the independent director's background, economic and family relationships and consider whether the Independent Director can continue to bring independent and objective judgment to board deliberations.

A Director is considered to be independent if the Director satisfies the criteria for independence as prescribed in Rule 1.01 and Guidance Note 9 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and where the Director is independent of management and free from any business or other relationship that could materially interfere with the exercise of independent judgement or the ability to act in the best interest of the Company. The Independent Directors are to ensure that the interests of all shareholders are taken into account by the Board and the relevant issues deliberated are subjected to impartial consideration by the Board.

3.4 Other Directorships

A director may accept appointments as director of other public companies, provided that such director must notify the Board before accepting any new directorship and provide an indication of time expected to be spent on the new appointment. A director must not hold more than five (5) directorships in the boards of public listed companies at any one time.

BOARD CHARTER

3.5 Board's Role

The Board plays an important role in the stewardship of the Company's direction and operations. It focuses mainly on strategies and oversight of the Group's financial performance and critical business issues. The Board is supported by the Executive Directors and the Management, whose responsibilities are to implement the Group's business plans and strategies and manage the operations of the Group, subject to the appropriate authority limits as approved by the Board. The Board is the ultimate decision-making body of the Group, with the exception of matters requiring shareholders' approval.

The Board assumes, amongst others, leadership, due care and fiduciary duties under the Companies Act 2016 ("CA 2016") and applicable laws, and the following principal duties and responsibilities:-

- (i) reviewing and if thought fit, approving the Management's strategic action plans including setting performance objectives and policies which have long-term value creation and include strategies on economic, environmental and social considerations underpinning sustainability;
- (ii) monitoring the implementation of the strategic action plans by the Management on a regular basis;
- (iii) overseeing the conduct of the business of the Group and monitoring whether the businesses are being properly managed in line with the Group's policies and procedures as well as any relevant rules and regulations;
- (iv) promoting good corporate governance culture within the Group which reinforces ethical, integrity, prudence and professional behaviour;
- (v) overseeing and reviewing the risk management systems of the Group, including the management of principal risks affecting the Group's businesses, continuously identifying, assessing, evaluating, treating/mitigating potential risks that might affect the Group's operations, setting the appropriate risk appetite for the risk management framework as well as monitoring of significant financial and non-financial risks affecting the Group, including sustainability considerations;
- (vi) reviewing the adequacy and the integrity of the internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines and continuously identifying, assessing, evaluating, addressing weaknesses in the internal controls that might affect the Group's operations and implementing appropriate internal controls and mitigation measures;
- (vii) establishing a succession plan, including the appointment of senior management and to provide them with appropriate guidance as and when needed;
- (viii) evaluating and fixing the remuneration of the executive directors of the Company;
- (ix) monitoring and reviewing the Group's policy and procedures for effective communication with its stakeholders, including having an effective investor relations programme and shareholders communication;
- (x) overseeing and monitoring the policies and processes relating to quality, safety & health, environmental considerations and compliance with relevant laws and regulations relating to work health and safety;
- (xi) establishing appropriate ethical standards and behaviour and an appropriate code of conduct and integrity for adherence by the Directors, Management and employees at all times; and

BOARD CHARTER

- (xii) overseeing and monitoring the sustainability practices of the Group, including setting sustainability strategies, priorities, targets and risks and ensuring that sustainability considerations are incorporated in the Group's businesses and strategies so as to create value for its businesses and stakeholders in the longer term as well as to support business continuity and competitiveness over the longer term.

The Board may, subject to their responsibilities, from time-to-time delegate specific functions to a Board Committee, a Director, an employee or any other person to assist them in the discharge of their duties and responsibilities, as and when required.

Matters Reserved for the Board

The following are matters which are specifically reserved for the Board's approval which include, amongst others, reviewing and approving the following: -

- (i) strategic action plans, annual business plans and financial budget of the Group prepared by the Management;
- (ii) material investments, material divestments, mergers and acquisitions, new ventures and corporate restructuring of the Group;
- (iii) material acquisitions and disposals of undertakings and properties of the Group, including major capital expenditure and capital management;
- (iv) issuance of corporate guarantees and parental guarantees by the Group;
- (v) approve the Management structure and the threshold/authority limits delegated to the Management for day-to-day business operations of the Group;
- (vi) annual financial statements and interim financial results of the Company and the Group prior to release to Bursa Securities;
- (vii) appointment, resignation/termination of directors of the Company (after taking into consideration the recommendation of the Nomination and Remuneration Committee);
- (viii) any related party transactions of the Group;
- (ix) internal and external audit plans of the Group;
- (x) interim dividends of the Company and recommendation of final dividend for shareholders' approval;
- (xi) establishment of board committees and delegation of authorities to such committees to carry out certain functions and responsibilities on behalf of the Board; and
- (xii) any other matters that the Board may deem necessary from time to time.

3.6 Positions of the Chairman and Managing Director

The position of the Chairman and the Managing Director of the Board shall be assumed by different persons with a clear division of power and responsibilities to ensure a balance of power and authority as well as a clear demarcation of power between strategy and policy-making process and the day-to-day management of the Group.

The Chairman is primarily responsible for ensuring the Board's effectiveness and conduct as well as facilitating constructive deliberation of all matters presented to the Board. The Chairman shall not assume any role in any of the Board Committees in order to maintain his/her objectivity.

BOARD CHARTER

The Managing Director is responsible for the implementation of corporate and business strategies for the Group and managing the day-to-day operations of the Group.

The key roles and responsibilities of the Chairman shall include, amongst others, the following:-

- (i) to preside at all Board and general meetings of the Company, unless he/she so delegates to another Director;
- (ii) to lead the Board in establishing and maintaining good corporate governance practices in the Group;
- (iii) to lead the Board in developing corporate strategies for the Group;
- (iv) to facilitate the constructive and effective contribution from all Directors at Board meetings;
- (v) to promote constructive and respectful relations amongst Directors, and between the Board and Management;
- (vi) to manage the boardroom dynamics by promoting a culture of openness and debate;
- (vii) to set the board meeting agenda and ensuring the Board members receive complete and accurate information in a timely manner to facilitate deliberation and decision-making;
- (viii) to represent the Company at shareholders' meetings and promote effective communication between the Company and shareholders and all stakeholders; and
- (ix) to oversee the annual evaluation of performance of the Board, Board Committees and individual directors as well as to discuss the performance and assessment with the individual director concerned and the chairmen of the respective Board Committees.

The Managing Director has the overall responsibility for the business and operation units, organisational effectiveness and implementation of the Board's policies, strategic plans and decisions. The key roles and responsibilities of the Managing Director shall include, amongst others, the following:-

- (i) to develop and implement corporate and business strategies for the Group;
- (ii) to develop and implement long-term and short-term business plans to achieve the Group's objectives in terms of growth and profitability aimed at building sustainable value for shareholders and stakeholders;
- (iii) to co-ordinate the implementation of the business plans and strategies and supervise the respective heads of business and operation divisions/units to ensure the same are implemented effectively;
- (iv) to ensure the efficiency and effectiveness of the operations, and adequacy of internal controls as well as risk management systems of the Group;
- (v) to keep the Board fully informed of all important aspects of the Group's operations on a timely, accurate and regular basis;
- (vi) to communicate effectively the Company's vision, mission, core values as well as management philosophy and strategic action plans to the employees of the Group;
- (vii) to assess any business opportunities and investments with potential benefits and within the Group's objectives;

BOARD CHARTER

- (viii) to maintain good relationship with employees and to provide a healthy and safe working environment for the employees of the Group;
- (ix) to drive the strategic management of material sustainability matters of the Group; and
- (x) to ensure the Group complies with relevant laws and regulations; and
- (xi) to perform any other duties and responsibilities as may be delegated by the Board.

3.7 Board Committee

The Board may from time to time establish a committee as it considers appropriate to assist the Board in discharging its duties and responsibilities. The Board Committees shall operate within the defined roles and responsibilities as set out in their terms of reference as approved by the Board. The chairman of the respective Board Committee reports/updates the Board on the outcome of the Board Committee meetings and the minutes of every Board Committee's meeting shall be escalated to the Board for information.

The Board has established the following Board Committees with written terms of reference, which shall be periodically reviewed and updated as may be required, to assist the Board in furtherance of its duties and responsibilities:

(i) Audit Committee ("AC")

The AC of the Company shall have at least three (3) members comprising independent and/or non-executive Directors of the Company. The Chairman of the AC shall be an Independent Non-Executive Director of the Company. All AC members must not hold any executive position in the Group and a majority of the AC shall consist of independent directors who meet the criteria as set out in the ACE Market Listing Requirements of Bursa Securities. At least one of the members of the AC must be a member of the Malaysian Institute of Accountants ("MIA") or if not a member of MIA, must have met the minimum requirements as set out in Rule 15.09(1)(c) of the ACE Market Listing Requirements of Bursa Securities.

The AC is to assist the Board in fulfilling its responsibilities relating to the group's financial reporting and internal control systems. The AC shall review the annual audited financial statements, quarterly unaudited financial results, audit reports, related party transactions, independence and performance of internal and external auditors, as well as the effectiveness of the internal control systems of the Group.

A former partner of an audit firm acting as the external auditors of the Company or any of its subsidiary companies would be required to observe a cooling-off period of at least three (3) years before being eligible to be appointed as a member of the AC.

(ii) Nomination and Remuneration Committee ("NRC")

The NRC shall have at least three (3) members comprising independent and/or non-executive Directors. The chairman of the NRC shall be an Independent Non-Executive Director.

The NRC is to assist the Board in identifying and recommending for the Board's approval new appointments and/or re-elections of Directors, review the terms of employment and propose remuneration for Directors and senior management as well as the diverse set of skills, knowledge, professional/industry experiences, gender, age, cultural and educational backgrounds, ethnicity and length of service of the Directors and senior management.

BOARD CHARTER

The NRC also assesses the effectiveness of the Board as a whole, the Board Committees as well as the performance of each individual Director and senior management on an annual basis. In order to facilitate the annual assessment, the NRC may recommend to the Board to engage an independent party to conduct the assessment, as and when the NRC deems necessary.

(iii) Risk Management Committee ("RMC")

The RMC shall have at least three (3) members comprising a majority of independent non-executive directors. The chairman of the RMC shall be an Independent Non-Executive Director.

The RMC is to assist the Board in overseeing the risk management activities of the Group and reviewing and recommending the appropriate risk management policies and procedures and methodologies across the Group, including overseeing the compliance management system relating to anti-bribery and anti-corruption. In addition, RMC is also responsible to oversee sustainability-related risks and ensure that sustainability considerations are incorporated into the Group's businesses and strategies so as to create value for its businesses and stakeholders in the longer terms as well as to support business continuity and competitiveness over the longer term.

(iv) Employees' Share Option Scheme (ESOS) Committee

The ESOS Committee shall have at least three (3) members comprising a majority of independent non-executive directors. The chairman of the ESOS Committee shall be an Independent Non-Executive Director.

The ESOS Committee is responsible for administering the Company's ESOS in accordance with the objectives and regulations thereof and to determine the eligibility, terms and conditions of the offer and allocation of ESOS options and to attend to such other matters as may be required subject to the ESOS By-Laws as approved by the Board and the shareholders of the Company.

3.8 Board Meetings

The Board shall meet at least four (4) times a year, once after each financial quarter with additional Board meetings to be convened as and when necessary at the discretion of the Chairman of the Board. The quorum necessary for the transaction of any business deliberated at a Board meeting shall be two (2).

The Chairman of a Board meeting shall have a second or casting vote unless where only two (2) Directors who form a quorum are present or at which only two (2) Directors are competent to vote in the question at issue, the Chairman shall not have a casting vote.

The Board members shall be provided with the meeting agenda and meeting papers on financial performance, business progress reports, corporate development, regulatory updates, business development, audit reports, risk management reports and material updates with accompanying notes and explanations to be provided to the Board members on a timely basis and before the Board meeting to ensure the Board members are well informed and have sufficient time to review the same as well as to seek additional information, clarification and advice, if required.

The Board may invite the management, Company's auditors and any other external advisors to attend the Board meeting, as and when necessary, to provide the Board with the information, clarification and/or advice needed to assist the Board in its deliberation and any decision making.

BOARD CHARTER

For any matter requiring urgent approval, the Board's approval may be sought via a Directors' written resolution to be signed by a majority of the Board members and such resolution shall be accompanied with the sufficient information for an informed decision by the Board members.

3.9 Directors' Remuneration

The Board will determine the level of remuneration payable to each of the Directors by taking into consideration the recommendations of the NRC. The remuneration package accorded to Directors holding executive positions, may consists of salary, allowance, employers' statutory contribution, bonus, incentive and other benefits. The package shall be structured to reward the executive directors based on corporate and individual performance with close links to the Group's operational and financial performance. Executive directors may receive fixed directors' fees as may be recommended by the NRC and as approved by the Board and shareholders of the Company, where required.

Non-executive directors shall be remunerated by a fixed fee for their positions in the Board and Board Committee, and meeting allowances based on their attendance. The non-executive directors who hold the Chairman position in each board committee may be remunerated with a higher fee as compared to the other non-executive directors.

3.10 Directors' Training & Continuing Education

All new directors shall be provided with the orientation and education programme. In addition to the Mandatory Accreditation Programme as required by Bursa Securities, Directors shall continue to update their knowledge and enhance their skills through continuing education and professional development programmes. These continuing programmes are essential for the directors to keep abreast with the dynamic environment in which the Group operates and to enable the directors to effectively discharge their duties and hold active participation in Board deliberations. The Board and each director shall assess the training needs of the directors and oneself respectively from time to time.

The Board shall assess and evaluate the training needs of its Directors on a continuous basis and the Company Secretary shall assist the Board by identifying and organising internal or external training, seminar, workshop and briefing for the Board members.

4. INVESTOR RELATIONS AND SHAREHOLDER COMMUNICATION

The Board recognises the importance of having good and effective communication with the shareholders, investors and the general public, to ensure that they have access to the information disclosed by the Company and shareholders are well informed of all material developments and matters affecting the Group. The Board shall strive to maintain high standards of transparency and accountability in its communication to the shareholders, as well as to potential investors, analysts and other stakeholders.

The following shall be established and implemented by the Company towards promoting effective communication with the shareholders, investors and the general public:

- (i) convening AGM of the Company serving as principal forums of communication with its shareholders during which the shareholders are encouraged to participate in the questions and answers session as well as to provide constructive feedback. Extraordinary General Meetings ("EGM") may also be held during the year for any material transactions requiring shareholders' approval;
- (ii) holding press conference after AGM or EGM of the Company, or whenever necessary;
- (iii) releasing financial results and other corporate announcements to Bursa Securities on a timely manner to provide the shareholders and the investing public with timely information of the Group's performance and operations and material information affecting the Group;

BOARD CHARTER

- (iv) maintaining regular communication between the Company and its shareholders, investors and the media via the Group's corporate communication and investor relations activities;
- (v) conducting regular briefings with financial analysts and fund managers from time to time as a means of maintaining and improving investor relationship;
- (vi) providing up-to-date information on investor relations via the Company's website; and
- (vi) participating in investor road shows/conferences held in Malaysia and overseas, where required.

5. ACCESS TO INFORMATION AND INDEPENDENT ADVICE

All directors, whether as a Board or in their individual capacity are entitled to request for and receive additional information/advice as they consider necessary and reasonable to enable them to make informed and independent decisions, including but not limited to obtaining:

- (i) full and unrestricted access to any information pertaining to the Group;
- (ii) full and unrestricted access to the advice and services of the Company Secretary and Management; and
- (iii) professional independent advice, at the Company's expense.

6. COMPANY SECRETARIES

The Company Secretaries play an important advisory and compliance role, and are a source of information and advice to the Board and Board Committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Company and the Group. The Board has direct and unrestricted access to the advice and services of the Company Secretaries. The appointment and removal of the Company Secretary is decided by the Board.

7. FINANCIAL REPORTING & EXTERNAL AUDITORS

The Board shall aim to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects, primarily through the annual audited financial statements, interim financial reports to shareholders and other stakeholders of the Group.

The annual audited financial statements are prepared so as to give a true and fair view of the state of affairs of the Group and the Company in accordance with the CA 2016 and approved accounting standards in Malaysia.

The Board shall established a transparent and appropriate relationship with the Group's external auditors in seeking professional assurance in respect of the financial statements of the Group and the Company in compliance with the approved accounting standards in Malaysia.

The Board shall review the scope and results of the audit and its cost-effectiveness as well as the independence and objectivity of the external auditors throughout the conduct of the engagement in accordance with the requirements of all relevant professional and regulatory bodies.

The appointment and re-appointment of the external auditors are subject to the shareholders' approval at the general meeting of the Company. The external auditors shall retire at the AGM of the Company every year and their re-appointment must be approved by the shareholders for the ensuing year of engagement.

BOARD CHARTER

8. CODE OF ETHICS AND CONDUCT

The Code of Ethics and Conduct of the Group sets out the broad standards of conduct and basic principles of ethics to guide the Board in carrying out their duties and responsibilities in a proper standard of conduct and ethical behaviour, based on the principles of sincerity, integrity and responsibility.

The Company has adopted a Code of Ethics and Conduct for all the Directors and employees of the Group which encompasses all aspects of its day-to-day business operations. All the Directors are expected to observe high standards of integrity and fair dealings with the Group's customers, employees, regulators and communities in which the Group operates and ensure compliance with all applicable laws, rules and regulations to which the Group is bound to observe in the performance of its duties and responsibilities.

9. DUTY OF CARE AND DILIGENCE

All Directors shall at all times exercise their power for proper purposes and in good faith in the best interest of the Group. He/she shall exercise reasonable care and diligence with the knowledge, skill and experience which may reasonably be expected of a Director having the same responsibilities; and any additional knowledge, skill and experience which he/she in fact has.

All Directors ought to discharge their duty of care and diligence in a conscientious manner and shall be guided as follows:

- (i) ensure that the Group has established an effective governance system and process;
- (ii) refrain from rushing into decision-making and allow adequate time for deliberations and evaluations of material transactional and financial matters;
- (iii) require sufficient notice and distribution of board papers and explanatory appendices in advance of meetings;
- (iv) convene meetings in response to requests for further information before the final decision;
- (v) make informed decisions based on the information provided and analysis and recommendations of the Company's independent advisers;
- (vi) ensure that there is no undue pressure from dominant personalities or nominees of substantial shareholders;
- (vii) ensure proper record of key decision-making deliberations;
- (viii) base reliance on others where there is a sound basis for doing so; and
- (ix) periodically test the internal control and risk assessment systems set up for integrity and soundness.

10. BUSINESS JUDGEMENT

A Director who makes a business judgement is deemed to meet the requirements of the duty as aforesaid and the equivalent duties under the law if he:-

- (i) makes the business judgement in good faith for a proper purpose;
- (ii) does not have a material personal interest in the subject matter of the business judgement;

BOARD CHARTER

- (iii) is informed about the subject matter of the business judgment to the extent the Director reasonably believes to be appropriate under the circumstances; and
- (iv) reasonably believes that the business judgment is in the best interests of the Company.

11. REVIEW AND AMENDMENTS

The Board Charter will be periodically reviewed by the Board and updated as and when deemed necessary and upon any new regulations that may have an impact on the discharge of the Board's roles and responsibilities. Any amendments to this Board Charter shall be subject to the approval by the Board.

(The rest of this page has been intentionally left blank)