

*Hextar*

**HEXTAR CAPITAL BERHAD**  
Registration No. 199401036979 (322661-W)

EMPOWERING  
CONNECTIONS,  
EVERYWHERE

ANNUAL  
REPORT  
**20  
25**

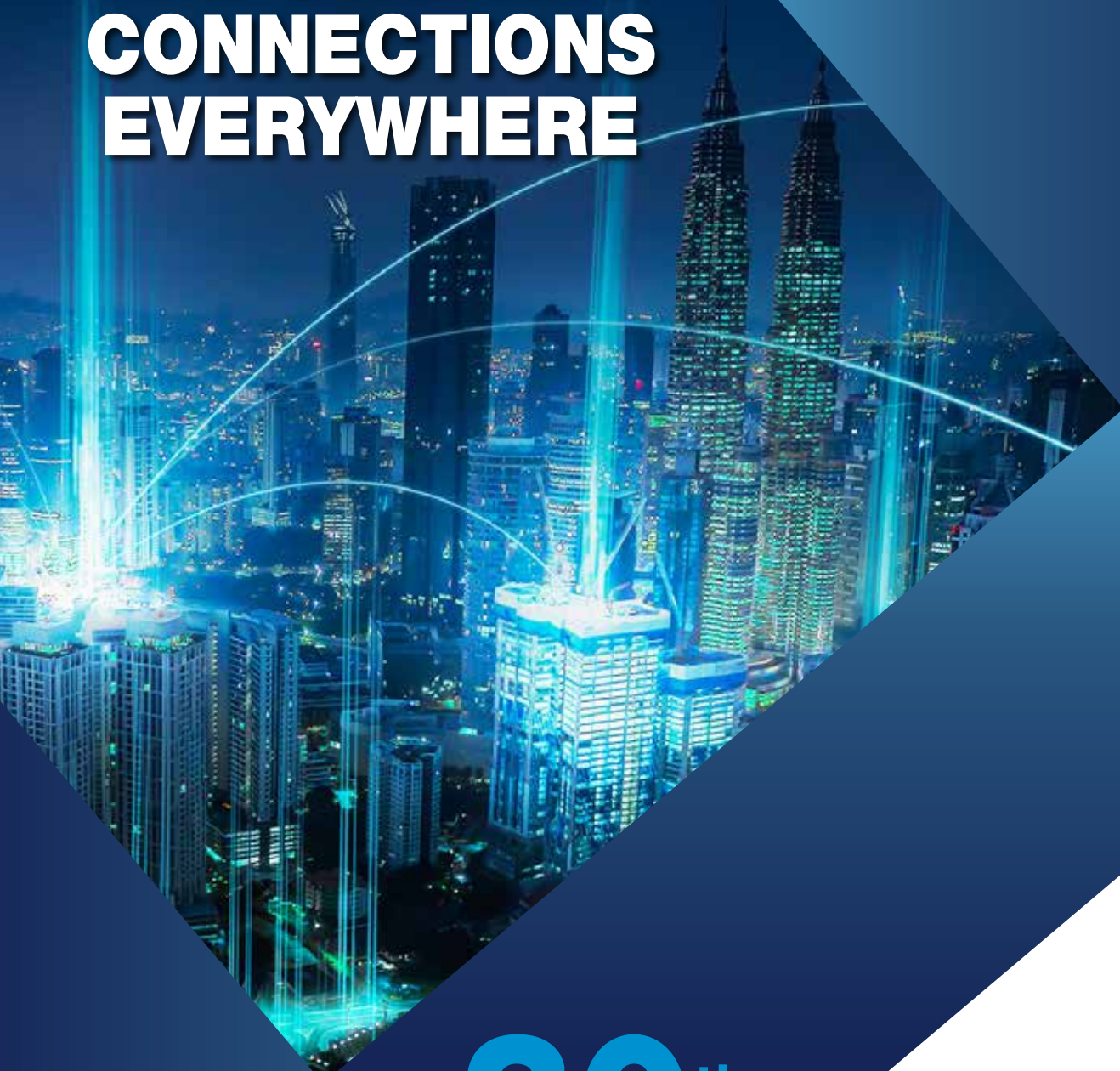
HEXTAR CAPITAL BERHAD Registration No. 199401036979 (322661-W)

ANNUAL REPORT 2025

**HEXTAR CAPITAL BERHAD**  
(Registration No. 199401036979 (322661-W))  
No.11, Jalan Utas 15/7, 40200 Shah Alam, Selangor Darul Ehsan, Malaysia  
Tel : +603 5523 2267

[www.hextarcapital.com](http://www.hextarcapital.com)

# EMPOWERING CONNECTIONS EVERYWHERE



# 30<sup>th</sup>



**ANNUAL GENERAL MEETING**  
of Hextar Capital Berhad (“HCB”)  
will be held at

Hextar Hall, Level 17, Hextar Centre,  
Hextar Tower, No. 8, Jalan Damansara,  
Empire City, PJU 8, Damansara Perdana,  
47820 Petaling Jaya, Selangor Darul Ehsan  
on Friday,  
19 June 2026  
at 10:00 a.m.

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# GLOSSARY

ACRONYM / SHORT FORM	FULL FORM
ABC	Anti-Bribery and Corruption
AC	Audit Committee
AGM	Annual General Meeting
AMLR	ACE Market Listing Requirements
Board	Board of Directors
Bursa Securities	Bursa Malaysia Securities Berhad
CA 2016	Companies Act 2016
CG Report	Corporate Governance Report
DFPP	Directors' Fit and Proper Policy
ESOS	Employees' Share Option Scheme
FYE 2024	Financial year ended 30 September 2024
FPE 2025	Financial period ended 31 December 2025
HCB or the Company	Hextar Capital Berhad
HCB Group or the Group	Hextar Capital Berhad and its subsidiaries
KPI	Key Performance Indices
MCCG	Malaysian Code on Corporate Governance
NRC	Nominating and Remuneration Committee
PDPA	Personal Data Protection Act 2010
RPT	Related Party Transaction
RRPT	Recurrent Related Party Transaction of a Revenue or Trading Nature
TC	Tender Committee
TOR	Terms of Reference



## VISION

To be the preferred business partner and employer of choice where  
**We Enrich lives with Our Products & Solutions**



## MISSION

We build shareholder value by carving a niche in the global arena, earn the respect of the market for outstanding products and services, endorse human capital development and enhance business synergy in diversity with  
**sustainability principles underpinning our corporate thinking and actions**



## CORE VALUES

### Humility

Fostering an environment of mutual respect which encourages appreciation and cooperation amongst each other with self-awareness and open mindedness to learn and grow

### Excellence

Pushing boundaries to achieve the highest possible standards of performance and quality

### X - factor

Ability to think outside the box to develop unique solutions to complex challenges and to push past traditions with innovative and progressive ideas

### Trustworthy

Being honest and showing a consistent and uncompromising adherence to strong moral and ethical principles and values

### Adaptability

Ability to change and adjust to shifting demands and requirements by being proactive and resourceful

### Responsibility

Demonstrating reliability by staying true to the task, accepting accountability for your duties and carrying out

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### DATO' MAZLIN BIN MD JUNID

*Independent Non-Executive Chairman*

### CHANG KIAN SEONG

*Managing Director*

### GWI FEI YI

*Executive Director*

### ER KIAN HONG

*Independent Non-Executive Director*

### DATO' HAJI MOHD YAZID BIN HAJI MUSTAFA

*Independent Non-Executive Director*

## AUDIT COMMITTEE

Chairperson

**Er Kian Hong**

Members

**Dato' Mazlin Bin MD Junid**

**Dato' Haji Mohd Yazid Bin Haji Mustafa**

## NOMINATING AND REMUNERATION COMMITTEE

Chairman

**Dato' Haji Mohd Yazid Bin Haji Mustafa**

Members

**Dato' Mazlin Bin MD Junid**

**Er Kian Hong**

## TENDER COMMITTEE

Chairman

**Dato' Haji Mohd Yazid Bin Haji Mustafa**

Members

**Er Kian Hong**

**Gwi Fei Yi**

## COMPANY SECRETARIES

**Wong Mee Kiat** MAICSA 7058813

*SSM Practicing Certificate No. 202008001958*

**Lim Li Heong** MAICSA 7054716

*SSM Practicing Certificate No. 202008001981*

## REGISTERED OFFICE

Level 7, Mercu 3

No. 3, Jalan Bangsar

KL Eco City

59200 Kuala Lumpur

Federal Territory of Kuala Lumpur, Malaysia

Tel : (03) 2280 6388

Fax : (03) 2280 6399

Email: listcomalaysia@acclimate.com

## SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.

*Registration No. 199601006647 (378993-D)*

11th Floor, Menara Symphony

No. 5, Jalan Prof. Khoo Kay Kim

Seksyen 13, 46200 Petaling Jaya

Selangor Darul Ehsan, Malaysia

Tel : (03) 7890 4700

Fax : (03) 7890 4670

Email: bsr.helpdesk@boardroomlimited.com

## HEAD OFFICE / PRINCIPAL PLACE OF BUSINESS

No. 11, Jalan Utas 15/7

40200 Shah Alam

Selangor Darul Ehsan, Malaysia

Tel : (03) 5523 2267

Email: info@hextarcapital.com

Website: www.hextarcapital.com

## AUDITORS

Ecovis Malaysia PLT

*Registration No. 201404001750*

*(LLP0003185-LCA & AF 001825)*

Chartered Accountants

D-10-03, Level 10, EXSIM Tower

Millerz Square @ Old Klang Road

Megan Legasi, No. 357, Jalan Klang Lama

58000 Kuala Lumpur

Federal Territory of Kuala Lumpur, Malaysia

Tel : (03) 7986 0066

## PRINCIPAL BANKERS

OCBC Bank (Malaysia) Berhad

AI Rajhi Banking & Investment Corporation (Malaysia)

Berhad

RHB Bank Berhad

## STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad

Stock Name: HEXCAP

Stock Code: 0035

# CORPORATE STRUCTURE



## HEXTAR CAPITAL BERHAD

Registration No. 199401036979 (322661-W)



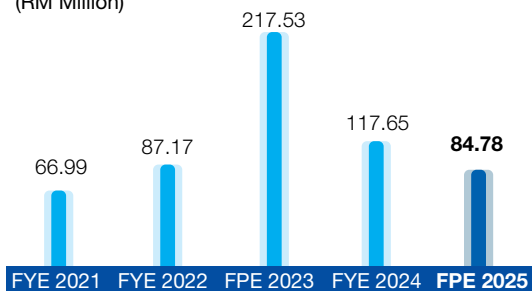
# FINANCIAL HIGHLIGHTS

Operating Results (RM Million)	FYE 2021 (12 months)	FYE 2022 (12 months)	FPE 2023 (18 months)	FYE 2024 (12 months)	FPE 2025 (15 months)
Revenue	66.99	87.17	217.53	117.65	84.78
Profit/ (Loss) before tax ("PBT"/ "LBT")	3.39	7.56	10.98	(3.50)	5.66
Profit/ (Loss) after tax ("PAT"/"LAT") attributable to Owners of the Company	2.59	3.95	2.53	(3.62)	3.53
Key Financial Position Data (RM Million)					
Property, plant and equipment	24.40	23.29	20.31	23.18	21.43
Total assets	118.19	181.66	307.78	387.96	390.70
Share capital	32.25	100.41	170.63	207.45	236.53
Shareholders' funds	83.93	158.05	192.06	206.66	265.21
Share Information (Sen Per Share)					
Basic earnings/(loss) <sup>(2)</sup>	1.60	1.79	0.79	(0.84)	0.72
Net assets ("NA") attributable to Owners of the Company <sup>(3)</sup>	52.05	56.63	50.01	46.24	45.64
Financial Ratios (%)					
Return on total assets	2.72	3.81	2.55	(1.58)	1.20
Return on shareholders' equity	3.08	2.50	1.32	(1.75)	1.33

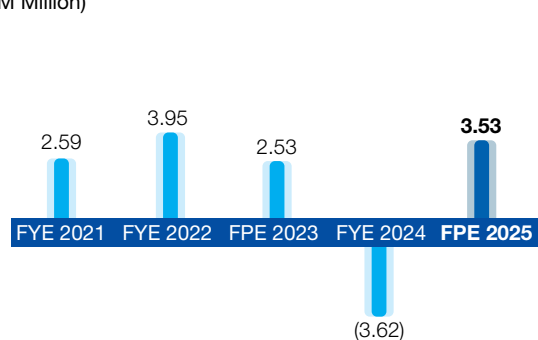
### Note:-

- <sup>(1)</sup> FPE 2025 covers a 15-month financial period from 1 October 2024 to 31 December 2025 following the change in the Company's financial year end from 30 September to 31 December. Income statement figures for FPE 2025 are therefore not directly comparable with prior 12-month financial year figures.
- <sup>(2)</sup> Basic earnings/(loss) per share is computed based on PAT/(LAT) attributable to Owners of the Company over the weighted average number of ordinary shares for the respective financial year/period.
- <sup>(3)</sup> NA per share attributable to Owners of the Company is computed based on NA attributable to Owners of the Company over the total number of ordinary shares as at the end of the respective financial year/period.

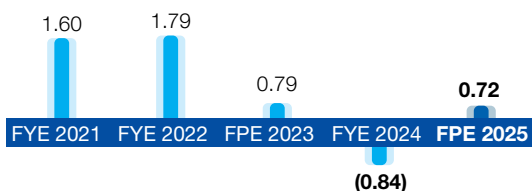
**Revenue**  
(RM Million)



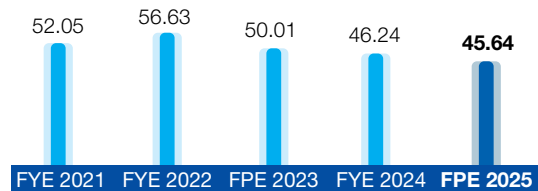
**PAT/(LAT) Attributable to Owners of the Company**  
(RM Million)



**Basic Earnings/(Loss) Per Share**  
(Sen)



**NA Attributable to Owners of the Company Per Share**  
(Sen)



# CHAIRMAN'S STATEMENT

## *Dear Esteemed Shareholders,*

On behalf of the Board of Directors (“the Board”), I am honoured to present the Annual Report and Audited Financial Statements of Hextar Capital Berhad (“HCB” or the “Company”) for the financial period ended 31 December 2025 (“FPE 2025”), covering a 15-month financial period from 1 October 2024 to 31 December 2025.

FPE 2025 was a transitional but constructive period for HCB and its subsidiaries (“HCB Group” or the “Group”). Following the realignment of our financial year end, our Group continued to make meaningful progress across our diversified business segments. Despite operating in a dynamic business environment, we remained focused on resilience, disciplined execution and capturing emerging opportunities that support our long-term growth strategy and value creation for our shareholders.

### **ECONOMIC ENVIRONMENT AND OPERATIONAL HIGHLIGHTS**

According to Bank Negara Malaysia (“BNM”), Malaysia’s economy grew by 5.20% in 2025, driven by strong domestic demand and favourable exports, exceeding the forecast range of 4.00% to 4.80%. Inflationary pressures remained well-contained, with headline and core inflation averaging 1.40% and 2.00% respectively. Total investment approvals by the Malaysian Investment Development Authority reached RM285.00 billion for the period of January to September 2025, an increase from RM252.00 billion over the same period in 2024, mainly driven by foreign investments in high-complexity subsectors such as Information and Communication Technology (“ICT”), Electrical and Electronics (“E&E”) and data centre infrastructure.



# Chairman's Statements

Cont'd

The Budget 2026, tabled in October 2025, reaffirmed the Malaysian Government's commitment to building an Artificial Intelligence ("AI") Nation by 2030. Key allocations supporting our industry include RM780.00 million to extend broadband coverage through JENDELA Phase 2 project to 2,700 new locations, and RM2.00 billion to develop the MADANI Subsea Cable Link, a 3,190km subsea fibre-optic cable connecting Peninsular Malaysia to Sabah and Sarawak, aimed at narrowing the digital divide between the two (2) regions. The Government is also expanding the adoption of the MyDigital ID across key sectors including finance, telecommunications, e-commerce and healthcare, targeting 15 million users by end of 2026.

In addition, the Malaysian Communications and Multimedia Commission ("MCMC") has introduced the Strategic Communications and Multimedia Technology Roadmap 2025-2030 ("MyTMAP2030") to guide Malaysia's communications and multimedia industry over the next five (5) years by outlining the strategic directions in adopting emerging technologies and advancing innovation for the nation's digital growth. One of its key strategic thrusts focuses on building a robust and resilient communications infrastructure with emphasis on 5G and 6G networks, broadband, satellite as well as smart city technologies.

Collectively, these initiatives reflect the Government's commitment to digital infrastructure and connectivity development, areas that are supportive of the growth of our Group's telecommunications network infrastructure and manufacturing segments, positioning our Group to participate in Malaysia's continuing digital transformation.

One of our key highlights in FPE 2025 was the completion of JENDELA Phase 1 project by our subsidiary, T & J Engineering Sdn. Bhd. ("TJE"), which marked the conclusion of a significant national broadband deployment and further reinforced TJE's track record in executing large-scale telecommunications infrastructure works. Switching from our telecommunication network infrastructure segment to the construction & project management segment, TJE is now focusing on the execution of the RM97.04 million Universiti Malaysia Kelantan ("UMK") student hostel project. This project is progressing in line with our expectations and reinforces our position as a trusted contractor for large-scale infrastructure works. Building on our current exposure in the construction & project management segment, we acquired 100.00% equity interest in Legacy Core Sdn. Bhd. ("LCSB") (formerly known as Civispace Sdn. Bhd.) on 3 October 2025, which has yet to commence operations as at 31 December 2025 but is expected to be principally engaged in construction & project management activities moving forward.

In our power generation and transmission activities, our strategic investment in our associate, Transgrid Ventures Sdn. Bhd. ("Transgrid"), continued to generate compelling returns during the financial period. Transgrid further strengthened its position in the power transmission and distribution substation sector through several significant contract wins from Tenaga Nasional Berhad ("TNB"), including the establishment of Malaysia's first 500/275kV Gas Insulated Substations ("GIS") at Gurun East, Kedah and Bukit Batu, Johor, a 275kV Switching Stations project at Iskandar Puteri West, Johor, as well as a consumer landing station works at Mukim Pulau, Johor, totalling RM833.10 million.

To deepen our footprint in the telecommunications sector, we increased our equity interest in Binasat Communications Berhad ("Binacom") from 23.39% as at 30 September 2024 to 29.82% as at 31 December 2025. This strategic investment further strengthens our presence in the sector and enhances our ability to pursue future contract opportunities. By leveraging our manufacturing and engineering capabilities, we are well-positioned to unlock synergies, broaden our service offerings and create greater value for both existing and prospective customers.

Our financial solutions segment continued to scale steadily during the financial period, with cumulative credit facilities extended reaching RM64.00 million and an outstanding loan book of RM56.50 million as at 31 December 2025. This represents a meaningful build-up from the inaugural RM24.00 million facility extended in the previous financial year. This segment is progressively establishing itself as a recurring earnings contributor within our diversified portfolio.

# Chairman's Statements

Cont'd

## FINANCIAL HIGHLIGHTS

Following the Board's decision to change our Group's financial year end from 30 September to 31 December for better alignment of our Group's financial reporting cycle with our associate companies, FPE 2025 covers a 15-month financial period from 1 October 2024 to 31 December 2025. Thus, there is no direct comparative figure for the preceding year.

For FPE 2025, our Group recorded revenue of RM84.78 million, with the construction & project management segment and manufacturing segment emerging as the major contributors at 33.84% and 31.61% of our Group's revenue respectively. As we close the financial period, we recorded a PAT of RM3.40 million, a turnaround from the LAT of RM3.86 million in financial year ended 30 September 2024 ("FYE 2024"). This improvement was mainly attributable to the higher share of associates' profits amounting to RM18.43 million, coupled with the absence of amortisation of intangible assets of RM26.24 million and impairment of goodwill of RM2.17 million, both arising from the acquisition of TJE and fully recognised in FYE 2024.

We closed the financial period on a strengthened financial footing, with NA growing from RM216.32 million as at 30 September 2024 to RM271.73 million as at 31 December 2025, while NA attributable to Owners of the Company per share stood at 45.64 sen as at 31 December 2025. Our current ratio improved from 1.37 times as at 30 September 2024 to 2.28 times as at 31 December 2025. Our gearing ratio also improved from 0.37 times to 0.29 times over the same period.

For further details on our Group's financial and operational performance, please refer to the Management Discussion and Analysis section of this Annual Report.

## CORPORATE GOVERNANCE

At HCB, we believe that sound corporate governance is the foundation upon which sustainable business growth is built. As our Group continues to expand and diversify across multiple business segments, maintaining robust governance standards becomes increasingly important in ensuring that our operations are conducted with the highest levels of integrity, accountability and transparency.

The Board remains committed to upholding best practices in corporate governance, safeguarding the interests of our shareholders and ensuring that adequate oversight mechanisms are in place across all levels of the organisation. We will continue to review and strengthen our governance practices in tandem with our Group's business growth and the evolving regulatory landscape.

For further details on our corporate governance efforts, please refer to the Corporate Governance Overview Statement in this Annual Report and our Company's Corporate Governance Report.



# Chairman's Statements

Cont'd

## EMBEDDING SUSTAINABILITY

Our commitment to sustainability remains a core pillar of how we conduct our business at HCB Group. We recognise that responsible business practices are not only essential to our Group's long-term success, but also for the well-being of the communities we operate in and the environment we share.

On the environmental front, we continue to promote and practise sustainable waste management through our 3R (Reduce, Reuse and Recycle) initiatives across our operations. Our commitment to environmental stewardship is further underpinned by the ISO 14001:2015 Environmental Management System certification maintained for our manufacturing operations. We will also continue to monitor and progressively reduce our environmental footprint, with ongoing focus on responsible energy and water usage, waste management, and the tracking of our sustainability performance.

At HCB, the safety and well-being of our employees remain a top priority. Our Occupational Health and Safety ("OSH") Committee continues to monitor our OSH affairs and compliance, as well as to conduct training and awareness programmes to ensure a safe and healthy working environment for all employees. We also continue to organise various training programmes and company activities during FPE 2025 to promote a positive and inclusive workplace culture.

In fulfilling our social responsibilities, we remain committed to contributing positively to society through providing internship opportunities and community engagement initiatives. We believe that a sustainable future is a shared responsibility, and we will continue to work closely with our employees, business partners and the wider community to advance this common agenda.

For more insights on our sustainability strategies and initiatives, please refer to the Sustainability Statement in this Annual Report.

## FUTURE OUTLOOK

Looking ahead, the Board is cautiously optimistic about our Group's prospects. In March 2026, the MCMC commenced the rollout of JENDELA Phase 2 project by issuing requests for proposals for the improvement of broadband and internet connectivity nationwide. The first batch of 1,000 sites, out of a planned 2,700 sites, has been assigned, with 68.9% located in East Malaysia, underscoring the Government's focus on narrowing the digital divide in Sabah and Sarawak. Works are expected to commence as early as the third quarter of 2026, subject to MCMC's evaluation and governance processes. Given TJE's established track record and operational presence in East Malaysia from its involvement in JENDELA Phase 1 project, we are well-positioned to participate in this initiative, which is expected to present revenue opportunities for our telecommunications network infrastructure segment.

For our construction & project management segment, LCSB was awarded a contract worth RM75.90 million in Sabah in March 2026 for the geotechnical and earth works, pavement, infrastructure works and related construction works. This contract marks a significant step in expanding our Group's construction presence in East Malaysia and is expected to contribute positively to our Group's earnings going forward. We also remain positive in securing future construction projects as we embark on growing TJE's work portfolio.

Our power generation and transmission business, undertaken through our 49%-owned associate Transgrid, remains well-positioned to benefit from Malaysia's ongoing investment in grid infrastructure and data centre development. Building on the significant contract wins during FPE 2025, we expect these projects to support Transgrid's earnings performance, which in turn, will further reinforce our Group's share of results from associates in the coming years.

During FPE 2025, our core manufacturing segment continued to navigate a subdued fibre optic market. In response, we remain focused on cost optimisation while expanding our engineering capabilities to deliver fibre optic solutions that support digital infrastructure developments with focus on fibre optic installations for data centres. The financial solutions segment further reinforces the resilience of our earnings base by providing a recurring income stream, underpinned by prudent credit assessment and disciplined risk management approaches.

# Chairman's Statements

Cont'd

That said, our Group remains mindful of the evolving global macroeconomic landscape, particularly the geopolitical uncertainties that continue to impact global supply chains and input costs across our business operations. Disruptions to the procurement of materials, whether arising from trade policy shifts, regional conflicts or logistical constraints, may introduce cost pressures that require proactive management. In navigating these headwinds, we will continue to adopt a disciplined cost management approach and maintain an ongoing review of our pricing structures to safeguard our business and financial sustainability over the long term.

Moving forward, we believe that our diversified portfolio, strong earnings contributions from our associates and disciplined approach to capital allocation will drive sustainable growth and long-term value creation for our shareholders.

## DIVIDEND

The Board does not recommend any dividend for the FPE 2025 as our Group intends to conserve cash for future business expansion. This decision was made after careful consideration of our Group's financial position and growth opportunities. We believe that this decision is in the best interest of our Company and our shareholders in the long run.

## APPRECIATION

On behalf of the Board, I would like to express our heartfelt appreciation to all our employees, customers, suppliers, business associates and industry partners for their continued trust, dedication and support. The progress we have made in FPE 2025 is a testament to the collective commitment of every individual associated with our Group, and we are sincerely grateful for your contributions.

I would like to take this opportunity to welcome Dato' Haji Mohd Yazid bin Haji Mustafa as our new Independent Non-Executive Director, and Mr. Gwi Fei Yi as our new Executive Director. We look forward to their contributions as our Group continues to grow.

I would also like to extend our sincere gratitude to Mr. Chen Thien Yin for his dedicated service and valuable contributions to our Group during his tenure as Independent Non-Executive Director. We wish him well in his future endeavours. My sincere appreciation also goes to Mr. Teh Li King and Mr. Ong Soon Lim for their contributions to the Board upon their retirement. Their guidance and support during their respective tenures have been greatly valued by our Group.

Finally, to our shareholders, your continued confidence in HCB is deeply appreciated. We remain committed to delivering sustainable and rewarding returns to you as we grow our Group across our diversified business segments.

## DATO' MAZLIN BIN MD JUNID

*Independent Non-Executive Chairman*

22 April 2026

# MANAGEMENT DISCUSSION & ANALYSIS

## OVERVIEW OF BUSINESS AND OPERATIONS

Over more than three (3) decades, HCB Group has grown from our origins in the manufacturing of fibre optic cables and cable-related products into a diversified group with operations spanning telecommunications network infrastructure solutions, construction and project management, engineering services and trading, and financial solutions services in Malaysia.

During FPE 2025, our Group undertook several strategic initiatives to strengthen our position across our business segments.

In the telecommunications space, our Group increased our equity stake in Binacom, a telecommunications infrastructure service provider listed on the ACE Market of Bursa Malaysia, from 23.39% to 29.82% through a series of share acquisitions during FPE 2025. The increased equity interest further strengthens our Group's telecommunications footprint and enables our Group to leverage Binacom's established platform and expanded client network to pursue future industry contracts and tenders. On the project execution front, our Group's wholly-owned subsidiary, TJE, successfully completed our obligations under JENDELA Phase 1, which involved the construction of communication towers at 138 sites across Sarawak. The successful completion of this national connectivity project positions our Group favourably for potential participation in the upcoming JENDELA Phase 2 initiative under Malaysia's national connectivity agenda.

In the construction & project management segment, our Group acquired LCSB on 3 October 2025. LCSB is expected to be principally engaged in the provision of construction and project management activities and has yet to commence operations as at 31 December 2025.

Our Group's 49%-owned associate, Transgrid, which is principally involved in power generation and transmission, secured sizable contracts from TNB for data centre substation projects totalling RM690.5 million, including Malaysia's first 500/275kV GIS at Gurun East, Kedah and Bukit Batu, Johor, as well as 275 kV Switching Stations GIS at Iskandar Puteri West, Johor. Transgrid also secured a contract of RM142.6 million for consumer landing station works at Mukim Pulau, Johor via a joint venture arrangement.

These developments reflect our Group's continued efforts to expand and diversify our operations across our business segments. Our Group remains committed to exploring opportunities that align with our long-term growth objectives and enhance value for our shareholders.



# Management Discussion & Analysis

Cont'd

## OVERVIEW OF BUSINESS AND OPERATIONS (CONT'D)

As at 31 December 2025, HCB Group is mainly engaged in the following six (6) business segments:

<b>Manufacturing</b>	Manufacturing of fibre optic cables, systems accessories and lubricant oil, and oil related products.
<b>Engineering Services &amp; Trading</b>	Provision of engineering services for civil structure and fibre optic cabling system, and trading of industrial products.
<b>Telecommunication Network Infrastructure Solutions</b>	Setting up of new infrastructure including construction and installation of telecommunications towers; and its ancillaries for the purpose of providing public cellular services.
<b>Construction &amp; Project Management</b>	Provision of construction and project management services including provision of structural, civil, mechanical, electrical, architectural and other engineering services; site inspection, demolition, site preparation, electrical, plumbing, general external works and other construction installation activities; and overseeing all aspects of construction project including scheduling, budgeting, monitoring, risk management and quality control.
<b>Financial Solutions</b>	Provision of tailored loan products including personal loans, business loans (collateralised and non-collateralised), and project financing solutions.
<b>Other operations</b>	Management services and investment holding

In addition, our Group holds 49.00% equity interest in Transgrid, an associate principally involved in the power generation and transmission business, including engineering, procurement, construction, and commissioning ("EPCC") of power transmission and distribution substation infrastructure, project management and engineering consultancy, supply and maintenance of equipment for power transmission and distribution substations.

Our Group also holds 29.82% equity interest in Binacom, an associate principally involved in the provision of support services for satellite, mobile and fibre optic telecommunications networks which complements our telecommunication network infrastructure solutions segment.

# Management Discussion & Analysis

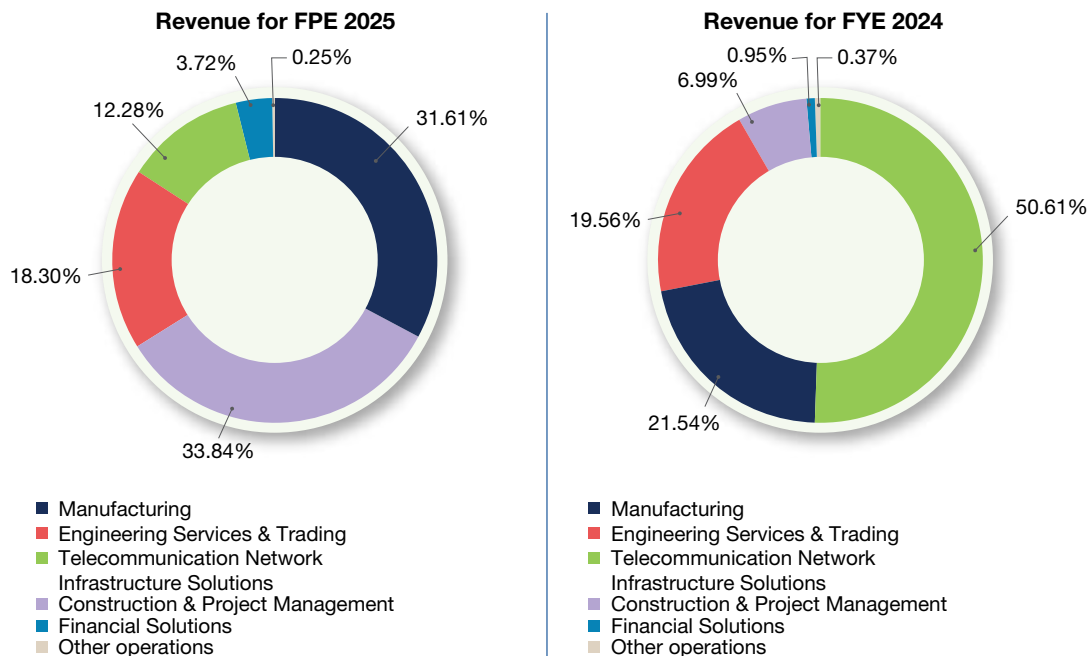
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## FINANCIAL PERFORMANCE REVIEW

	(15 Months) FPE 2025 RM'000	(12 Months) FYE 2024 RM'000
Revenue	84,782	117,653
Gross profit ("GP")	8,582	31,130
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	14,041	28,114
PBT/(LBT)	5,658	(3,497)
PAT/(LAT)	3,395	(3,859)
GP margin (%)	10.12	26.46
PBT/(LBT) margin (%)	6.67	(2.97)
PAT/(LAT) margin (%)	4.00	(3.28)

HCB Group has changed our financial year end from 30 September 2025 to 31 December 2025, resulting in an extended 15-month financial period from 1 October 2024 to 31 December 2025 for FPE 2025, which is not directly comparable to the 12-month period for the financial year ended 30 September 2024 ("FYE 2024").

Our Group's revenue by business segment for FPE 2025 and FYE 2024 is shown as follows:



Our Group recorded total revenue of RM84.78 million for FPE 2025. The overall revenue mix for FPE 2025 was significantly shaped by a sharp decline in the revenue contribution from the telecommunication network infrastructure solutions segment, which recorded revenue of RM10.41 million in FPE 2025, compared to RM59.54 million in FYE 2024. The decline was primarily due to the completion of the JENDELA Phase 1 project during FPE 2025, with the majority of the project revenue having been recognised in prior periods. With the reduced contribution from the telecommunication network segment, the construction & project management segment and manufacturing segment emerged as the two (2) largest revenue contributors, accounting for 33.84% and 31.61% of total revenue respectively.

The manufacturing segment recorded revenue of RM26.80 million in FPE 2025, notwithstanding the subdued market demand for fibre optic cables and cable-related products observed throughout the period.

# Management Discussion & Analysis

Cont'd

## FINANCIAL PERFORMANCE REVIEW (CONT'D)

The construction & project management segment recorded revenue of RM28.69 million, primarily contributed by the ongoing execution of the RM97.04 million student hostel project at UMK by TJE.

The engineering services & trading segment recorded revenue of RM15.52 million in FPE 2025, derived from the provision of engineering services for civil structure and fibre optic cabling systems, as well as the trading of industrial products.

Our Group recorded a GP of RM8.58 million in FPE 2025. The GP margin declined significantly to 10.12% from 26.46% in FYE 2024, primarily driven by the shift in revenue composition, as the higher-margin telecommunication network infrastructure solutions segment recorded substantially lower revenue following the completion of JENDELA Phase 1 project, while the manufacturing and construction segments, which operate at lower margins, constituted the majority of FPE 2025 revenue.

For FPE 2025, our Group recorded a PBT of RM5.66 million and a PAT of RM3.40 million, representing a PBT margin of 6.67% and a PAT margin of 4.00% respectively. Despite recording an operating loss of RM7.25 million, our Group achieved overall profitability through the share of results from our associates, amounting to RM18.43 million, which offset the operating loss and finance costs of RM5.52 million. The operating performance was weighed down by a one-off fair value loss on contingent consideration of RM7.03 million arising from the completion of the acquisition of TJE, impairment loss on trade receivables of RM2.57 million, and modification loss on financial assets of RM1.76 million.

## FINANCIAL POSITION REVIEW

### Statement of Financial Position

	As at 31	As at 30	Variance	
	December	September	RM'000	%
	2025	2024	RM'000	
	RM'000	RM'000		
<b>Assets</b>				
Non-current assets	221,212	232,516	(11,304)	(5.11)
Current assets	169,484	155,448	14,036	8.28
<b>Total assets</b>	<b>390,696</b>	<b>387,964</b>	<b>2,732</b>	<b>0.70</b>
<b>Liabilities</b>				
Non-current liabilities	44,501	58,172	(13,671)	(30.72)
Current liabilities	74,463	113,470	(39,007)	(52.38)
<b>Total liabilities</b>	<b>118,964</b>	<b>171,642</b>	<b>52,768</b>	<b>(44.28)</b>
<b>NA/Total equity</b>	<b>271,732</b>	<b>216,322</b>	<b>55,410</b>	<b>(20.39)</b>
NA per share (sen)	46.77	48.40	1.63	(3.49)
Current ratio (times)	2.28	1.37	0.91	39.91
Gearing ratio (times)	0.29	0.37	(0.08)	(27.59)

## FINANCIAL POSITION REVIEW (CONT'D)

# Management Discussion & Analysis

Cont'd

## Statement of Financial Position (Cont'd)

Our Group's total assets increased by RM2.74 million or 0.70% from RM387.96 million as at 30 September 2024 to RM390.70 million as at 31 December 2025. The increase was mainly driven by an increase in investment in associates by RM31.78 million, comprising our Group's share of results from our associates, of RM18.43 million and an additional equity investment in Binacom of RM17.63 million during FPE 2025, which were partially offset by our Group's share of associate's other comprehensive loss of RM4.28 million.

However, the overall increase in total assets was partially offset by the decrease in the following:

- (i) deposits, cash and bank balance by RM11.34 million, mainly due to significant cash outflows for investing activities, including the settlement of deferred consideration and additional investment in associates, which were partially funded by financing inflows from the private placement;
- (ii) other investments by RM6.28 million, primarily attributable to the redemption of a short-term investment placed with a peer-to-peer financing platform; and
- (iii) inventories by RM2.77 million, mainly due to the utilisation of inventories for JENDELA Phase 1 project.

Our Group's total liabilities decreased by RM52.68 million or 30.69% from RM171.64 million as at 30 September 2024 to RM118.96 million as at 31 December 2025, mainly due to a decrease in other payables and accruals by RM51.96 million, largely attributable to the settlement of deferred consideration in relation to the acquisition of TJE and Transgrid during FPE 2025. This was partially offset by an increase in trade payables of RM0.67 million.

Overall, our Group maintained a healthy financial position as at 31 December 2025, with a current ratio of 2.28 times, a gearing ratio of 0.29 times and a NA per share of 46.77 sen.

## Statement of Cash Flows

	(15 Months) FPE 2025 RM'000	(12 Months) FYE 2024 RM'000
Net cash from/(used in) in operating activities	14,381	(31,462)
Net cash used in investing activities	(42,510)	(62,264)
Net cash from financing activities	28,607	60,043
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>478</b>	<b>(33,683)</b>
Cash and cash equivalents at the beginning of the financial period/year	12,758	46,577
Effect of exchange rate changes on cash held	10	(136)
<b>Cash and cash equivalents at the end of the financial period/year</b>	<b>13,246</b>	<b>12,758</b>

During FPE 2025, our Group recorded a net cash generated from operating activities of RM14.38 million, a significant improvement from net cash used of RM31.46 million in FYE 2024, mainly attributable to favourable working capital movements arising from the higher trade payables and lower trade receivables and others receivables levels during the period.

The net cash used in investing activities of RM42.51 million in FPE 2025 was mainly due to the payment of deferred consideration of RM37.10 million in relation to the acquisition of TJE and Transgrid and the additional investment in associates of RM17.63 million. These cash outflows were partially offset by proceeds from the redemption of short-term investment of RM6.50 million and the decrease in placement of fixed deposit pledged with financial institution of RM5.37 million.

The net cash inflow from financing activities of RM28.61 million in FPE 2025 was mainly attributable to the issuance of ordinary shares of RM29.08 million through the private placement and net drawdown of bank borrowings of RM5.20 million, which were partially offset by finance costs of RM5.52 million.

# Management Discussion & Analysis

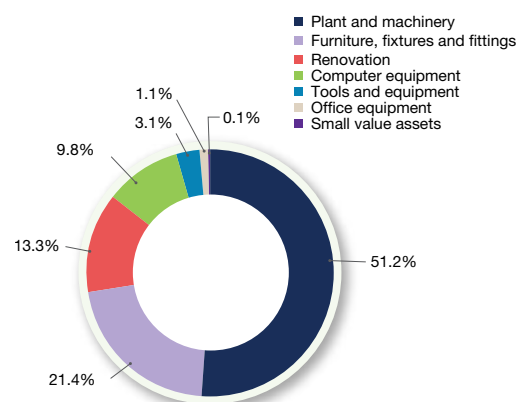
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## CAPITAL STRUCTURE, RESERVES, AND EXPENDITURE

As at 31 December 2025, our Company's share capital stood at RM236.53 million, comprising 581,053,222 ordinary shares with a NA per share of RM0.47. Our Group finances our operations with cash generated from operations, credit extended by trade creditors, bank borrowings and existing cash reserves.

During FPE 2025, our Group has allocated a total of RM0.65 million in capital expenditure, as follows:

Capital Expenditure	RM'000
Plant and machinery	331
Furniture, fixtures and fittings	138
Renovation	86
Computer equipment	63
Tools and equipment	20
Office equipment	7
Small value assets	1
<b>Total</b>	<b>646</b>



Our total capital expenditure was mainly allocated towards the purchase of plant and machinery mainly for our manufacturing as well as engineering services and trading segments. As at 31 December 2025, we do not have any capital commitment.

## ANTICIPATED OR KNOWN RISK

Our Group is exposed to certain anticipated and known risks that may affect our operations and financial performance. These risks, together with the corresponding mitigation measures adopted by our Group, are outlined below:

### (i) Foreign Exchange Risk

Our Group's financial results are exposed to foreign currency risk, primarily arising from transactions denominated in United States Dollar ("USD"), making our profitability vulnerable to currency fluctuations. By sourcing our raw materials from overseas, we create a natural hedge against the impact of USD-denominated revenue. In addition, our Group maintains cash and cash equivalents in foreign currencies to support our daily operations. Our finance department actively monitors prevailing exchange rates and enters into forward contracts where appropriate to secure favourable rates and minimise the impact of adverse currency fluctuations on our Group's financial performance.

### (ii) Diversification Risk

As our Group continues to broaden our presence across various sectors, we will encounter new challenges such as global and regional economic downturns, sociopolitical instability, and changes in the legal and regulatory frameworks governing these sectors. To address these risks, our Group will leverage the expertise and experience of key management personnel to manage the uncertainties associated with operating across these sectors.

### (iii) Credit Risk

Our financial solutions business inherently carries credit risk, whereby borrower defaults on loans extended by our Group could adversely affect our Group's financial performance. To address this, our Group performs comprehensive credit evaluations on all applicants prior to loan approval, applies defined eligibility criteria to govern the lending process, and calibrates the loan amount to each applicant's assessed creditworthiness. The adequacy and quality of collateral secured against each loan is also continuously reviewed to strengthen the overall integrity of our lending portfolio.

# Management Discussion & Analysis

Cont'd

## ANTICIPATED OR KNOWN RISK (CONT'D)

### (iv) Construction and Project Risk

Our Group's construction and project management segment is subject to risks inherent to the construction industry, including project delays, cost overruns, supply chain disruptions, or changes in regulatory requirements. To mitigate these risks, our Group adopts rigorous project planning and scheduling, maintains close oversight of project budgets and timelines, and ensures compliance with all applicable construction regulations and standards. Our project teams also conduct regular progress reviews to identify and address potential issues at an early stage.

### (v) Occupational Safety and Health Risk

Due to the nature of our business, our employees are inevitably exposed to various occupational safety and health risks at our construction sites and manufacturing facilities. Our Group is committed to providing a safe and healthy working environment through the implementation of appropriate safety measures and adherence to established standard operating procedures. Among the measures practised are:

- conducting onboarding briefings for new employees and refresher training sessions for existing employees to enhance safety awareness;
- performing regular inspections of electrical wiring and fire-fighting equipment and systems;
- avoiding overloading of circuits with office equipment;
- enforcing smoking restrictions to designated areas; and
- ensuring proper housekeeping and orderly storage of materials in the warehouse and production areas to minimise workplace hazards.

## FUTURE PROSPECT AND OUTLOOK

The International Monetary Fund ("IMF") has raised its projection for Malaysia's economy to grow at 4.70% for 2026, while BNM estimates growth between 4.00% and 5.00% for the year, supported by resilient domestic demand and continued investment activity. Our Group is, however, mindful of external headwinds, including the escalation of geopolitical tensions in the Middle East in late February 2026, which has disrupted global energy markets and introduced uncertainty into the global trade outlook. Notwithstanding these risks, our Group remains cautiously optimistic that Malaysia's strong economic fundamentals will continue to provide a conducive operating environment for our Group's diversified business segments in the year ahead.

In the construction & project management segment, Malaysia's construction sector is projected to expand by 9.10% in 2026 according to BNM, driven by continued activity across civil engineering, non-residential and residential subsectors, including a steady pipeline of data centre projects. Against this favourable backdrop, TJE continues to make steady progress on the construction of student hostels at UMK, which remains on track and reinforces our Group's construction delivery capabilities. Subsequent to the financial period end, LCSB secured its maiden construction contract valued at approximately RM75.90 million in Sabah, marking an important step in expanding our Group's construction footprint in East Malaysia. Our Group will continue to actively pursue opportunities to broaden TJE's and LCSB's project portfolios.

In the telecommunication network infrastructure segment, Malaysia's continued investment in national connectivity creates meaningful opportunities for our Group. The MCMC has introduced the MyTMAP2030, with one of its key strategic thrusts focusing on building a robust and resilient communications infrastructure with emphasis on 5G and 6G networks, broadband, satellite and smart city technologies. Alongside this, the Government has allocated RM780.00 million under Budget 2026 for the expansion of broadband coverage through JENDELA Phase 2 to 2,700 new locations nationwide.

# Management Discussion & Analysis

Cont'd

## FUTURE PROSPECT AND OUTLOOK (CONT'D)

Subsequent to the financial period end, MCMC issued requests for proposals in March 2026 for JENDELA Phase 2, with the first batch targeting 1,000 sites nationwide and work expected to commence as early as the third quarter of 2026, subject to approvals. Notably, 68.9% of the first batch sites are located in East Malaysia, an area where TJE has an established operational presence from its completion of JENDELA Phase 1 during FPE 2025. This positions TJE favourably to secure meaningful participation in JENDELA Phase 2 and contribute to our Group's future revenue.

In the power generation and transmission business, carried out through our 49%-owned associate Transgrid, the outlook is supported by Malaysia's continued investment in grid infrastructure and data centre development. Transgrid has secured sizable contracts from TNB for the establishment of Malaysia's first 500/275kV GIS facilities at Gurun East, Kedah and Bukit Batu, Johor, as well as a 275kV Switching Stations GIS at Iskandar Puteri West, Johor, totalling RM690.50 million. Transgrid further secured a contract of RM142.60 million for consumer landing station works at Mukim Pulai, Johor, via a joint venture arrangement. These secured contracts are expected to contribute positively to Transgrid's earnings, and in turn, to our Group's share of associate results in the years ahead.

In the manufacturing segment, our Group expects market demand for fibre optic cables and cable-related products to remain subdued in 2026, consistent with the trend observed during FPE 2025. Our Group will continue to prioritise operational efficiency while monitoring demand recovery signals across the broader market.

In the engineering services and trading segment, our Group will continue to leverage our established capabilities in civil structure engineering and fibre optic cabling systems, alongside our trading activities in industrial products.

In the financial solutions segment, Malaysia's continued economic expansion is expected to sustain demand for flexible financing solutions across consumer and business segments. Our Group's wholly-owned financial solutions subsidiary, Opcom Trading Sdn. Bhd., will continue to offer personal loans, business loans (collateralised and non-collateralised) and project financing solutions to its customers.

Looking ahead, our Group is well-positioned to capitalise on opportunities across our diversified business segments, supported by Malaysia's resilient economic fundamentals and the favourable infrastructure development pipeline outlined above. While we remain mindful of prevailing external uncertainties, our Group will continue to leverage our project execution capabilities, expanding order book and disciplined business approach to deliver sustainable value for stakeholders in the year ahead.

## DIVIDEND

At present, our Company does not have a formal dividend policy. Any recommendation or declaration of dividends is at the discretion of the Board and subject to various considerations, including financial performance, capital expenditure requirements, cash flow management and any other factors considered relevant by our Board.

In view of the ongoing uncertainties and the need to preserve a strong cash flow for operational purposes, our Board has not recommended any dividend payment for FPE 2025.

# BOARD OF DIRECTORS

**GWI FEI YI**  
Executive Director

**DATO' HAJI MOHD YAZID  
BIN HAJI MUSTAFA**  
Independent Non-Executive Director

**ER KIAN HONG**  
Independent Non-Executive Director



# Board of Directors

Cont'd

**CHANG KIAN SEONG**  
Managing Director

**DATO' MAZLIN BIN MD JUNID**  
Chairman/Independent Non-Executive Director



# Board of Directors' Profile

Cont'd



**DATO' MAZLIN BIN MD JUNID**  
CHAIRMAN/ INDEPENDENT  
NON-EXECUTIVE DIRECTOR

Age	Gender	Nationality
64		

#### Date Appointed to the Board:

21 July 2021

#### Number of Board Meetings Attended in FPE 2025:

5/5

#### Qualifications:

- Masters in Business Administration from Cranfield University, England
- Bachelor of Science Degree in Mechanical Engineering from the University of Brighton (formerly known as Brighton Polytechnic), Sussex, England

#### Membership of Board Committee:

- Audit Committee
- Nominating and Remuneration Committee

#### Skills, Experience and Expertise:

Dato' Mazlin Bin Md Junid ("**Dato' Mazlin**") started his career 1984 with Hicom Yamaha Manufacturing (M) Sdn. Bhd. as Assistant Manager of Operations to head the Planning, Operations and Production Control.

In 1987, he joined PA Consulting Group based in the United Kingdom as Senior Consultant & Regional Manager for the manufacturing sector. During his 4 years stint with PA Consulting Group, he was seconded to work in 13 different organisations in the area of performance improvement and profit turnaround.

In 1992, he left PA Consulting Group and joined the Sime Darby Group as Managing Director of 5 companies. He ascended to the group level of the Sime Darby Group in 1995 as Group Manager.

From 1995-1997, he was a business partner of ASPAC Executive Search Sdn. Bhd. ("ASPAC"), a recruitment agency in Malaysia with operations in the United Kingdom, Australia and other Asian countries through affiliate offices.

After he divested his equity stake in ASPAC, he acquired a majority interest in SECA Dyme Sdn. Bhd. ("**SECA**"), a speciality chemical trading company, supplying to downstream petrochemical industries.

In 2007, he was appointed as the Executive Vice Chairman, President & Group Chief Executive Officer of Daya Materials Berhad ("**DMB**") after DMB acquired SECA. He resigned from the Board of DMB in August 2014. He was also formerly an Independent Non-Executive Director of Sapura Industrial Berhad, Sapura Technology Berhad and Metronic Global Berhad, an Independent Non-Executive Director and Chairman of the Audit Committee of MTD Infraperdana Berhad and an Executive Director-Corporate Affairs & Development in Reach Energy Berhad.

On 20 April 2015, Dato' Mazlin was appointed as a Non-Independent and Non-Executive Director of ENRA Group Berhad. He was redesignated as President & Group Chief Executive Officer, Non-Independent Executive Director of ENRA Group Berhad on 1 June 2015. He retired from ENRA Group Berhad in November 2021.

# Board of Directors' Profile

Cont'd



**CHANG KIAN SEONG**  
MANAGING DIRECTOR

Age	Gender	Nationality
56		

#### Date Appointed to the Board:

1 October 2022

#### Number of Board Meetings Attended in FPE 2025:

5/5

#### Qualifications:

- LLB (Honours) Bachelor of Laws from University of London
- Driving A Sales & Relationship Management Organisation from Duke University
- Corporate Education – Catalyst for Change from Duke University
- Developing Strategy for Value Creation from London Business School

#### Membership of Board Committee:

-

#### Skills, Experience and Expertise:

Chang Kian Seong (“**Johnson**”) graduated with a Bachelor of Law from the University of London in 1993.

In 1994, he commenced his career with HSBC Banking Group, where he remained in employment for 20 years until his resignation in 2014. His first held position in HSBC Malaysia’s main branch in 1994 was as an Officer-In-Charge for retail banking, covering consumer banking products and retail banking operation. In 1997, he was promoted to Credit Executive and transferred to HSBC Hong Kong and concurrently promoted to the position of Deputy Division Manager for the Global Trade and Receivables Finance division where he was responsible for managing trade finance solutions for Asian corporations and global multinational companies across Asia including China. In 1999, he was transferred to HSBC Bank International, Jersey, Chanel Islands and joined Group Sales, International Investments Sales division as Group Executive where he was responsible for managing the sales of the bank’s offshore wealth management products across Asia and United Kingdom. In 2001, he was transferred to HSBC Bank Middle East, Dubai and was promoted to the position of Head of Corporate Banking, Dubai and Jebel Ali where he was responsible for managing the Dubai and Jebel Ali commercial portfolio covering multinational companies and large local conglomerates. In 2005, he was transferred back to HSBC Malaysia as the Head of Commercial Banking, Sales Management and was subsequently promoted to the position of Country Head of Sales for the Commercial Banking division in 2006. In 2008, he was transferred to HSBC Thailand where he was concurrently promoted to the position of Country Head for both Commercial Banking and Global Trade Finance divisions. In 2009, he was transferred to HSBC Indonesia where he acted as a Principal Consultant in setting up the Commercial Banking business for Bank Ekonomi following HSBC acquisition of the latter. In 2010, he was transferred to HSBC Bangladesh and was concurrently promoted to the position of Chief Risk Officer where he was responsible for country’s risk management across all business divisions. In 2014, he was transferred back to HSBC Indonesia as the Chief Risk Officer, where he was responsible for the Wholesale, Consumer Credit and Risk functions. He resigned from HSBC Indonesia in 2014.

In 2014, he joined Hong Leong Banking Group as the Group Chief Credit Officer for Wholesale Banking, where he was responsible for managing Wholesale Credit Risk and Special Assets for the Business and Commercial Banking, Corporate Finance, Islamic Wholesale Banking, Global Markets, Financial Institution Group divisions as well as Hong Leong Banking Group’s overseas operations across Malaysia, China, Singapore, Vietnam, Cambodia and Hong Kong.

In 2017, he left Hong Leong Banking Group and joined TS Law’s group of companies, a private company involved in steel production and distribution, mining, property development and investments, as the Group Chief Executive Officer, where he was primarily responsible for planning the overall growth strategy and corporate direction for TS Law’s group of companies as well as managing financial and banking matters. In addition to his role, together with the property team, he oversaw the development of Menara TSL which is a 48-story commercial and office tower block and Skyline Pudu Development which comprises 2000 units within 4 tower blocks.

In 2021, he left TS Law’s group of companies and joined Smart Glove Holdings Berhad, an investment holding company, where its subsidiaries are primarily engaged in glove manufacturing activities as the group Chief Executive Officer, where he was responsible for developing business strategies and setting the corporate direction for the overall expansion of the company.

In 2022, he joined HCB as Managing Director, a position he continues to hold until today.

Johnson does not hold directorships in other public companies and listed issuers.

# Board of Directors' Profile

Cont'd



**GWI FEI YI**  
EXECUTIVE DIRECTOR

Age	Gender	Nationality
39		

#### Date Appointed to the Board:

26 February 2025

#### Number of Board Meetings

##### Attended in FPE 2025:

3/3

#### Qualifications:

- Bachelor of Engineering (BEng) in Civil Engineering from University of Nottingham
- Chartered Financial Analyst ("CFA") from the CFA Institute
- Computer Science (CS50x) from Harvard University
- Machine Learning and Data Analytics from the National University of Singapore

#### Membership of Board Committee:

- Tender Committee

#### Skills, Experience and Expertise:

Gwi Fei Yi ("Fei Yi") has over 15 years of experience in the banking and insurance industry, he brings a strategic mindset and a deep expertise of financial markets, corporate governance, and risk management. As a seasoned Equity Fund Manager and a CFA, he is highly adept in business analysis, economics, financial modelling, strategic planning, and valuation. During his tenure at Allianz Malaysia, he managed a portfolio exceeding RM3 billion, which was ranked number one among insurance peers for 2022, as well as for the cumulative period of 2021-2022. At Public Mutual, Mr Gwi led a team of analysts covering more than 80% of MSCI China index by market weight, a substantial and complex market. He was also a key member of Investment Committee meetings, Quarterly Management meetings and Chairman engagements. In addition, Mr Gwi played a vital role as a liaison across multiple departments, including Product, Marketing, Legal, and Finance.

In 2025, he joined HCB as the Non-Independent and Non-Executive Director and on 29 August 2025, re-designated to Executive Director of HCB and continues to hold until today.

Fei Yi does not hold directorships in other public companies and listed issuers.

# Board of Directors' Profile

Cont'd



**ER KIAN HONG**  
INDEPENDENT NON-  
EXECUTIVE DIRECTOR

Age	Gender	Nationality
49		

## Skills, Experience and Expertise:

Er Kian Hong (“**Elizabeth**”) began her career in the Audit and Assurance division in Deloitte Malaysia, involved in statutory financial audits for public listed and private companies. Currently, she is the Associate Director in a boutique corporate advisory firm involved in provision of advisory services to clients who are undertaking corporate exercises.

She has vast experience in providing advisory services and assistance to companies undertaking corporate exercises such as initial public offerings (“IPO”), fund raising and restructuring.

Elizabeth served in the Corporate Finance department of M&A Securities Sdn. Bhd. from May 2014 to December 2021. Prior to that, she was in the Corporate Finance/Strategy department of KSK Group Berhad from February 2007 to March 2014 involved in the assessment and implementation of possible mergers and acquisition opportunities for KSK Group Berhad.

She also sits on the board of Aldrich Resources Berhad, Ajiya Berhad, K. Seng Seng Corporation Berhad and SSF Home Group Berhad.

## Date Appointed to the Board:

22 September 2022

## Number of Board Meetings Attended in FPE 2025:

5/5

## Qualifications:

- Bachelor Degree in Accounting and Finance from University of Technology, Sydney
- Certified Practising Accountant registered with CPA Australia

## Membership of Board Committee:

- Audit Committee (*Chairperson*)
- Nominating and Remuneration Committee
- Tender Committee

# Board of Directors' Profile

Cont'd



**DATO' HAJI MOHD YAZID  
BIN HAJI MUSTAFA**  
INDEPENDENT NON-  
EXECUTIVE DIRECTOR

Age	Gender	Nationality
69		

#### Date Appointed to the Board:

15 January 2026

#### Number of Board Meetings

##### Attended in FPE 2025:

N/A

#### Qualifications:

- LLB (Honours) Bachelor of Laws from University of Malaya

#### Membership of Board Committee:

- Nominating and Remuneration Committee (Chairman)
- Tender Committee (Chairman)
- Audit Committee

#### Skills, Experience and Expertise:

Dato' Haji Mohd Yazid Bin Haji Mustafa ("**Dato' Haji Mohd Yazid**"), a High Court Judge for more than 15 years, and retired from the Judiciary service in December 2022. Prior to his judgeship, Dato' Haji Mohd Yazid served in various capacities both in courts and the Attorney Generals Chambers such as Sessions Court Judge, Magistrate, Senior Assistant Registrar of High Court, Deputy Public Prosecutor, Senior Federal Counsel, Chairman of the Cooperative Tribunal and Registrar of High Court. Post-retirement, Dato' Haji Mohd Yazid continues to serve as a court of Appeal Judge of the Terengganu Syariah Courts. In Jan 2025, Dato' Haji Mohd Yazid was appointed as Ahli Dewan Pangkuan DiRaja Terengganu (the supporter of the State)/member of Royal Advisory Council to the Sultan of Terengganu. He offers broad range of legal services including counsel work, advisory and strategies.

He is also an Independent Non-Executive Chairman of Bioalpha Holdings Berhad.

#### Notes:

None of the Directors:-

- have any family relationship with each other and/or any major shareholders of the Company;
- has conflict of interest with the Company;
- have been convicted of any offences (other than traffic offences) within the past five (5) years; and
- were publicly sanctioned or imposed with penalty by the regulatory bodies for FPE 2025.

# Senior Management's Profile

Cont'd

**DATO' NGU SING HIENG**  
Chief Executive Officer,  
T & J Engineering Sdn. Bhd.

Dato' Ngu Sing Hieng ("**Dato' Thomas**"), aged 63, Male Malaysian, joined HCB in 7 March 2023 and he possess more than 30 years of experience in the telecommunications industry. Dato' Thomas obtained his Bachelor of Engineering in Electrical Engineering from the University of New South Wales, Australia in 1987.

Upon graduation, he commenced his career in 1988 at Skypage Communications, Australia as a Programmer and Unix System Administrator where he was responsible for installation, configuration and maintenance of the company's UNIX servers and systems. In 1989, he left Skypage Communications to join Answer Services (NZ) Ltd, New Zealand as a System Engineer, where he was tasked with developing and maintaining the company's radio paging network. In 1995, he left Answer Services (NZ) Ltd and returned to Malaysia to join Hager Elektronik Sdn. Bhd. as General Manager, where he was responsible for overseeing the company's operations, finances and business expansion activities. In 2000, he left Hager Elektronik Sdn. Bhd. and was appointed as a director of Tennas Komunikasi Indah Sdn. Bhd. where he was responsible for overseeing the business operations of the company. He ceased to be a director in Tennas Komunikasi Indah Sdn. Bhd. in 2004. In 2001, he co-founded Instacom Engineering Sdn. Bhd. with Dato' Wong Say Khim and was concurrently appointed as director, where he oversaw construction projects of over 1,000 base stations for various telecommunications service providers.

Pursuant to a reverse takeover exercise by Instacom Engineering Sdn. Bhd. on an ACE Market listed company, I-Power Berhad (currently known as Vinvest Capital Holdings Berhad) in 2012, he was appointed as an Executive Director of I-Power Berhad. He resigned on 4 February 2015 and divested all his shares in I-Power Berhad in the same year.

In 2015, he co-founded T & J Engineering Sdn. Bhd. with Dato' Wong Say Khim and was concurrently appointed as a director, a position he continues to hold until to-date. He has been involved in planning, managing and overseeing the implementation of various telecommunications infrastructure projects in Johor and Sarawak.

**YUSREE PUTRA BIN ALIAS**  
Chief Executive Officer,  
Opcom Engineering  
Services Sdn. Bhd.  
Chief Operating Officer,  
Opcom Cables Sdn. Bhd.

Yusree Putra Bin Alias, aged 56, Male Malaysian, joined the Group in April 1997. He obtained his Diploma in Electrical Engineering (Electronics) from Universiti Teknologi MARA (UiTM) in 1993.

He started his career in Marconi (M) Sdn Bhd and joined the Group in April 1997 as a Project Manager. Since 2000, he has been responsible for the sales and marketing of the Group's fibre optic cable products. He was appointed as Vice President in 2010 and subsequently as Chief Operating Officer of Opcom Cables Sdn Bhd in 2014. In 2017, he was appointed as the Chief Executive Officer of Opcom Engineering Services Sdn Bhd, Acting Co-Chief Executive Officer of Opcom Holdings Berhad in the period of 2019 and 2020. Presently, he is the Chief Operating Officer cum Director of Opcom Cables Sdn Bhd, Chief Executive Officer cum Director of Opcom Engineering Services Sdn Bhd

# Senior Management's Profile

Cont'd

**FONG WAI YI**  
Chief Financial Officer  
of HCB Group

Fong Wai Yi, aged 46, a female Malaysian, was appointed as the Chief Financial Officer of the Group on 1 July 2025. She is a member of Malaysian Institute of Accountants (MIA) and a fellow member of Association of Chartered Certified Accountant (ACCA).

She has more than 20 years of experience in finance, accounting, treasury management, financial advisory, audit, tax as well as various types of corporate exercises in Malaysia and Singapore.

In 2002, she began her professional journey as an Audit Associate and later advanced to the role of Senior Audit Manager in Crowe Malaysia PLT (then known as Crowe Horwath). During her tenure, she was involved in audits of both public listed and private companies for a wide range of industries. She was also involved in engagements as the reporting accountants for corporate exercises undertaken by companies going for initial public offering.

In 2012, she was appointed as Financial Controller at a company listed in Singapore Exchange Securities, where she oversaw the group's financial management and reporting matters. Since then, she held several top finance positions in private, public and multinational companies, where she gained her experience in financial accounting, treasury management, tax planning, compliance, strategic planning and budgeting. She also played a key role in building teams, improving operational capabilities and implementing systems to align business goals while upholding governance and compliance standards. In 2025, she subsequently joined the Group as her current position.

## Notes:

None of the Key Senior Management:-

- (a) Holds directorships in public companies and listed issuers;
- (b) have any family relationship with each other and/or any major shareholders of the Company;
- (c) has conflict of interest with the Company;
- (d) have been convicted of any offences (other than traffic offences) within the past five (5) years; and
- (e) were publicly sanctioned or imposed with penalty by the regulatory bodies for FPE 2025.



# SUSTAINABILITY STATEMENT

## About This Statement

The Board is pleased to present Sustainability Statement (“Statement”) of HCB and HCB Group for the FPE 2025. This Statement describes our strategic approach to sustainability in view of the Economic, Environmental, Social and Governance (“EESG”) framework.

## Reporting Framework

The Statement complies to AMLR of Bursa Securities and Bursa Securities Sustainability Reporting Guide (3rd Edition). We have also referred to the United Nations Sustainable Development Goals (“UNSDG”) in mapping our Group’s material sustainability matters and developing the Group’s sustainability strategies.

## Scope and Boundary

This Statement outlines the Group’s sustainability efforts and performance for the reporting period from 1 October 2024 to 31 December 2025.

We have adopted the control approach to define the scope of this Statement, covering only operations where the Group has direct control. This includes our operations in manufacturing, engineering services and trading, telecommunication network infrastructure solutions, construction, and financial solutions. All the Group’s operations are operated locally, within Malaysia.

This Statement does not account for operations where we own an interest but do not exercise control. To clarify, this Statement excludes operations of associates, namely Binasat Communication Berhad and Transgrid Ventures Sdn. Bhd., as they fall outside the Group’s operational control during this reporting period.

# Sustainability Statement

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## Sustainability Commitment

The Group is committed to achieve Net Zero Carbon Emissions by 2050 that aligned with the Malaysia's national aspirations. We strive to minimise the impact of our operations on the planet, and at the same time contribute to an equitable society.

At HCB Group, we recognize the importance of setting measurable performance targets to drive our sustainability efforts. While we are currently in the process of establishing specific targets across key areas, we have been continuously monitoring and collecting data since FYE 2024. This proactive approach provides a robust foundation for tracking progress and driving meaningful improvements as we work toward our long-term goals.

## Sustainability Governance

The Company's Board serves as the custodian of sustainability governance at HCB, providing strategic oversight and high-level direction for sustainability initiatives. Our corporate governance framework integrates and embeds sustainability across all key aspects of our business operations, ensuring that it remains a core focus in decision-making and engagement.

Currently, operational oversight and day-to-day management of sustainability initiatives is managed by the key management team, which works collaboratively with various departments to ensure alignment with the corporate strategy and stakeholder expectations. These departments include operations, procurement, compliance and human resource.

## Commitment to Stakeholder Engagement

Stakeholders play an important role in a company's business. Engagement with stakeholders serves a broad purpose focusing on inclusiveness, responsiveness and building continuous relationships. We strive to maintain strong relationships with our stakeholders and keep noticed of their concerns in relation to material matters.






In line with this, we actively engage with our key stakeholders on regular basis via various forms of communication to keep informed of their views and perspectives of our sustainable practices.

The following summary showcases our engagement efforts with key stakeholders during the year under review:-

Stakeholders	Stakeholders' Concerns/Material Matters	Engagement Methods
<b>Shareholders/Investors</b> 	<ul style="list-style-type: none"> <li>• Share price performance</li> <li>• Business growth</li> <li>• Business performance</li> <li>• Return on investment</li> </ul>	<ul style="list-style-type: none"> <li>• General meeting</li> <li>• Reporting and announcement</li> <li>• Corporate website</li> </ul>
<b>Government and regulators</b> 	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> <li>• Permits and licenses</li> <li>• Tax compliance</li> <li>• Labour rights</li> <li>• Business ethics and governance</li> </ul>	<ul style="list-style-type: none"> <li>• On-site inspections</li> <li>• Correspondence</li> <li>• Meetings</li> </ul>
<b>Customers</b> 	<ul style="list-style-type: none"> <li>• Product quality</li> <li>• Competitive pricing</li> <li>• On-time delivery</li> <li>• Pre and post sales services</li> <li>• Customer satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Company website</li> <li>• Phone call/email communications</li> </ul>

# Sustainability Statement

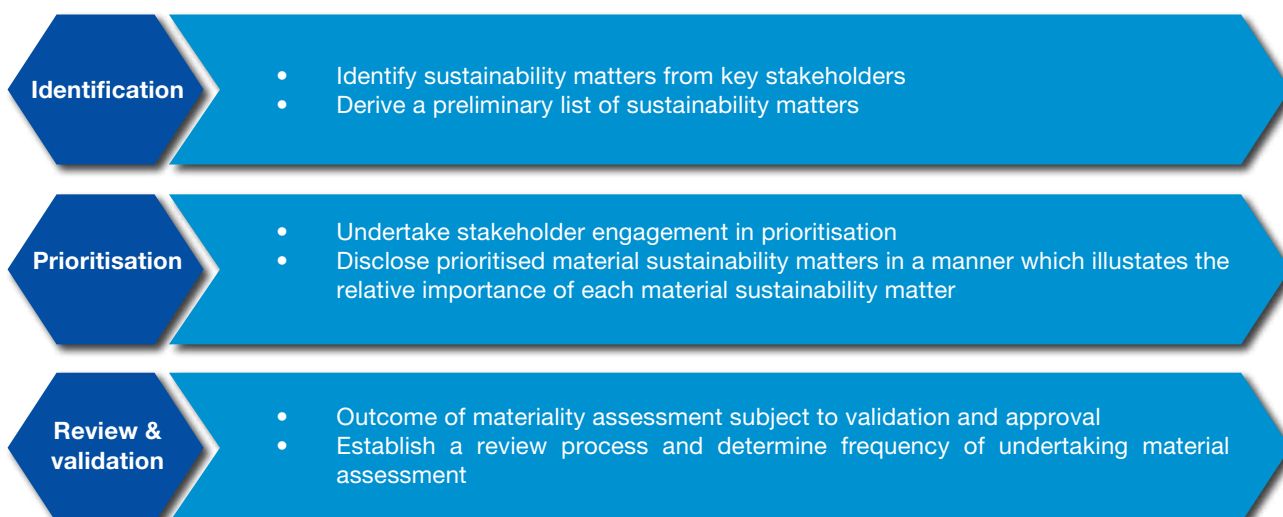
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Stakeholders	Stakeholders' Concerns/Material Matters	Engagement Methods
<b>Suppliers</b> 	<ul style="list-style-type: none"> <li>• Long term business relationships</li> <li>• Credit terms and credit limits</li> <li>• Supply chain management</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Company website</li> <li>• Phone call/email communications</li> </ul>
<b>Employees</b> 	<ul style="list-style-type: none"> <li>• Health and safety</li> <li>• Training and career development</li> <li>• Job security and stability</li> <li>• Competitive remuneration and benefits</li> <li>• Human rights and fair labour practice</li> </ul>	<ul style="list-style-type: none"> <li>• Performance appraisals</li> <li>• Training</li> <li>• In-house mobile application</li> <li>• Memo/newsletter</li> <li>• Company events</li> </ul>
<b>Bankers</b> 	<ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Repayment capabilities</li> <li>• Sustainability performance</li> </ul>	<ul style="list-style-type: none"> <li>• Reporting and announcement</li> <li>• Meetings / visits</li> <li>• Media release</li> </ul>
<b>Local communities</b> 	<ul style="list-style-type: none"> <li>• Job creation</li> <li>• Environmental impact</li> </ul>	<ul style="list-style-type: none"> <li>• Support local employment</li> <li>• Strict adherence to environmental-related laws and standards</li> </ul>
<b>Media</b> 	<ul style="list-style-type: none"> <li>• Business performance</li> <li>• Business strategic plan</li> </ul>	<ul style="list-style-type: none"> <li>• Reporting and announcement</li> <li>• Press release on ongoing initiatives</li> </ul>

## Materiality Assessment and Approach

Reference made to the Bursa Securities Sustainability Reporting Guide (3rd Edition), the Group has identified sustainability matters that are of the greatest priority to the Group and our stakeholders. HCB Group has considered areas of concern by both internal and external stakeholders when identifying and prioritising material matters.

We have assessed our identified sustainability matters through the materiality assessment approach as follows:-



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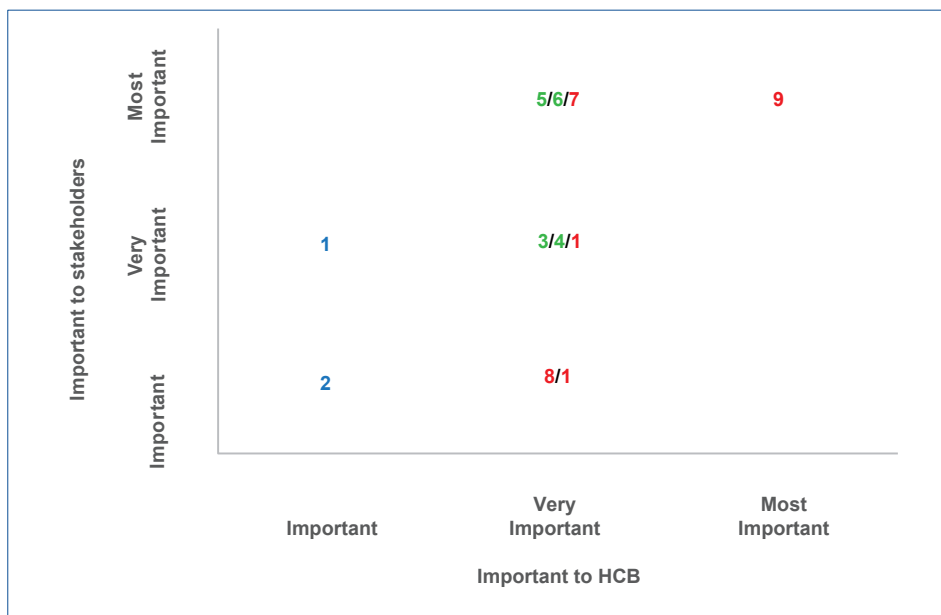
The impacts of significant sustainability matters are viewed in the context of EESG. This framework guides our strategic decision making and operational practices, ensuring we are not only thriving economically but also contribute positively to our planet and society while upholding the highest standards of corporate governance.

EESG term could be explained as follows:-

 <p><b>ECONOMIC</b></p> <ul style="list-style-type: none"> <li>An organisation's economic impact on its stakeholders and hence having further impact on economic system at local, national and global level</li> <li>It is related to organisation's procurement practices, or community investment</li> </ul>	 <p><b>ENVIRONMENTAL</b></p> <ul style="list-style-type: none"> <li>An organisation's impact on natural resources and ecosystem</li> <li>It is related to organisation's usage on water and energy, emissions and waste discharge</li> </ul>	 <p><b>SOCIAL</b></p> <ul style="list-style-type: none"> <li>The impacts of an organisation has on the social system in which it operates</li> <li>It is related to the organisations' relationship with communities, employees, consumer, etc</li> </ul>	 <p><b>GOVERNANCE</b></p> <ul style="list-style-type: none"> <li>The procedures in place in the organisation to prevent corruption and promote accountability</li> <li>The organisation's adherence to legal and ethical standards across all operations</li> <li>Transparency in communication with stakeholders and the public, including financial reporting, corporate disclosure, and stakeholder engagement strategies</li> </ul>
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The materiality matrix reflects the importance or significance of the sustainability topics to the Group's business operations and to key stakeholders. It must be made clear that a topic deemed significant is not by default an indication that the topic is a high-risk topic for the Group. Neither does it indicate that the Group has an issue in managing the said topic. It is only expression of view that this topic, given the present operating landscape and business context, is likely to be important to sustain value creation, both to the Group and its stakeholders.

Our material sustainability matters have been reflected in materiality matrix as follows:-



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ECONOMIC	ENVIRONMENTAL	SOCIAL
<ol style="list-style-type: none"> <li>1. Community Contribution</li> <li>2. Supply Chain Management</li> </ol>	<ol style="list-style-type: none"> <li>3. Energy Management</li> <li>4. Water Usage</li> <li>5. Emission Management</li> <li>6. Waste Management</li> </ol>	<ol style="list-style-type: none"> <li>7. Anti-corruption</li> <li>8. Diversity</li> <li>9. Health and Safety</li> <li>10. Labour Practices and Standards</li> <li>11. Data Privacy and Security</li> </ol>

## Risks and Opportunities

In today's world, businesses face a complex landscape where social responsibility and environmental impact are deeply connected to success. This report explores our approach to these interconnected issues, acknowledging potential risks while highlighting the strategic opportunities they create for sustainable growth and stakeholder value.

Materiality	Risk	Opportunity
<b>Community Contribution</b>	<ul style="list-style-type: none"> <li>• Failing to do so could lead to a negative public perception of HCB, potentially impacting brand image and customer loyalty</li> </ul>	<ul style="list-style-type: none"> <li>• Regular engagements through community impact programs strengthens our relationship with local communities</li> </ul>
<b>Supply Chain Management</b>	<ul style="list-style-type: none"> <li>• Non-compliance with Anti-Bribery and Corruption Policy by suppliers and contractors may cause disruption on supply chain</li> </ul>	<ul style="list-style-type: none"> <li>• Ethical and structured procurement practice reduce costs and keep the Group competitive in the market</li> </ul>
<b>Energy &amp; Emission Management</b>	<ul style="list-style-type: none"> <li>• Non-compliance with environmental/ climate-related regulations may lead to penalties and legal action</li> <li>• Inadequate energy management may cause financial losses</li> <li>• Consumers are increasingly concerned about environmental responsibility. Non-compliance could damage HCB's image as a sustainable and environmentally conscious company.</li> </ul>	<ul style="list-style-type: none"> <li>• Effective mitigation and adaptation strategy ensures business continuity.</li> <li>• Demonstrating a commitment to environmental compliance can strengthen the Group's brand image and attract environmentally conscious customers and investors.</li> </ul>
<b>Water Usage</b>	<ul style="list-style-type: none"> <li>• Poor water management cause wastage and potential scarcity of water resources</li> </ul>	<ul style="list-style-type: none"> <li>• Good water management cause reduction in operational costs and promotes water conservation behaviour</li> </ul>
<b>Waste Management</b>	<ul style="list-style-type: none"> <li>• Improper disposal of hazardous waste cause pollution and may compromise communities' health and safety</li> <li>• HCB's reputation may be damaged</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce, Recycle and Reuse (3Rs) concept adopted can result in cost savings in operations</li> </ul>

# Sustainability Statement

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Materiality	Risk	Opportunity
<b>Anti-Bribery and Corruption</b>	<ul style="list-style-type: none"> <li>Corporate liability under Malaysian Anti-Corruption Commission Act</li> <li>Corrupted environment ruins company's reputations</li> <li>Challenges in attracting and retaining employees.</li> </ul>	<ul style="list-style-type: none"> <li>Corruption free environment relates to cost effectiveness</li> </ul>
<b>Diversity</b>	<ul style="list-style-type: none"> <li>Inequality damage HCB's reputation</li> </ul>	<ul style="list-style-type: none"> <li>Inclusive and diverse work culture attracts talent and brings a range of viewpoints that enhances the quality of decision making</li> </ul>
<b>Occupational Health &amp; Safety</b>	<ul style="list-style-type: none"> <li>Accidents and injuries in workplace lead to productivity loss, legal repercussions such as penalties and reputational damage</li> <li>Employees may feel insecure and loyalty may be deteriorated</li> </ul>	<ul style="list-style-type: none"> <li>Practising health and safety rules in daily operations support employee retention rate</li> <li>Zero work-related fatalities improve HCB's reputation amongst employees and attract talents</li> </ul>
<b>Labour Practices and Standards</b>	<ul style="list-style-type: none"> <li>Non-compliance with labour legislation could result in fines, diminished employee morale, increased staff turnover, and labour disputes</li> <li>Potentially disrupting operations and affecting organisational performance</li> </ul>	<ul style="list-style-type: none"> <li>To develop fair labour practices and foster continuous dialogues with employees, creating a resilient workforce</li> </ul>
<b>Data Protection &amp; Cyber Security</b>	<ul style="list-style-type: none"> <li>Breach of Personal Data Protection Act ("PDPA") leads to penalties, legal action and loss of customers' trust</li> <li>Loss of record can lead to non-compliance with regulations and more backlog work</li> </ul>	<ul style="list-style-type: none"> <li>Build trust and confidence in customers, partners and investors by showing a strong commitment to data security</li> </ul>

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## ECONOMIC



### COMMUNITY INVESTMENT

At HCB Group, we believe that fostering and supporting mutually beneficial relationships within the communities where we operate promotes greater social inclusion and delivers meaningful, long-term positive outcomes. We are committed to being a responsible corporate citizen by giving back to society, with a particular focus on education and social welfare.

#### [Empowering Youth Through Leadership and Cultural Engagement](#)



Holistic youth development extends beyond the classroom, fostering leadership, resilience, and cross-cultural understanding among future generations. As part of our commitment to community development, HCB Group supported the 8th National Camporama organised by the National Royal Rangers of Malaysia, held from 2 to 5 April 2025 at Semenyih Eco Venture Resort.



The event brought together over 680 youths aged 9 to 18 from Malaysia and across the globe, providing a dynamic platform for personal growth and meaningful engagement. Under the theme “Stronger Together,” participants took part in a range of structured activities including team challenges, skill-building sessions, and cultural exchanges designed to build confidence, teamwork, and global awareness.

A key highlight was the immersive “City Day,” where participants experienced diverse cultures through interactive showcases representing countries such as Brazil, Indonesia, New Zealand, Spain, and South Africa. Through initiatives like this, we aim to nurture well-rounded individuals, equipping them with essential life skills and a broader worldview to thrive in an increasingly interconnected world.

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## [Empowering Future Leaders Through Internship Opportunities](#)

Recognizing the importance of investing in future generations, HCB Group is dedicated to contributing to society by focusing on educational welfare and nurturing future talents. We believe that our efforts will help develop a pool of exceptional individuals who can serve as future leaders not only within organisations but also as contributors to nation-building through education empowerment.

As part of this initiative, we offer internship programs to undergraduate students from various colleges and universities. These programs provide on-the-job training, solid work experience, and valuable opportunities to gain industry knowledge, develop technical skills, and enhance personal capabilities. Interns are also given the chance to explore their interests in relevant fields during their tenure.

In the financial year, we welcomed a total of two interns, providing them with a platform to grow professionally while contributing to our organisation. Through these efforts, we aim to inspire and equip the next generation of leaders with the skills and confidence to succeed.

By investing in education and offering opportunities for growth, HCB Group strives to make a lasting impact on society, building a brighter future for all.

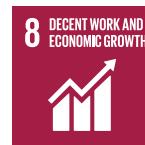
## **SUPPLY CHAIN MANAGEMENT**

### [Sourcing and procurement](#)

To ensure and maintain the quality of our supplies, we conduct an annual assessment of all suppliers listed in our approved supplier registry. This assessment evaluates key factors such as product quality and delivery lead times. Based on the evaluation results, we make informed decisions about whether to continue or terminate business relationships with individual suppliers, ensuring that our supply chain remains reliable and efficient.

Our procurement team is also proactive in sourcing new suppliers who can provide better credit terms, higher-quality products or services, and more competitive pricing. This approach not only enhances the value of our supply chain but also expands our pool of qualified suppliers to meet our operational needs effectively.

In addition, we are committed to supporting local economic development by prioritising the sourcing of raw materials locally whenever possible. In FY2025, 96% of our purchases were made locally, underscoring our dedication to fostering domestic economic growth while reducing the environmental impact associated with long-distance transportation.



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## ENVIRONMENTAL



### ENERGY AND EMISSIONS MANAGEMENT

#### Energy Intensity

In Malaysia, electricity generation predominantly relies on fossil fuels, which emit significant amounts of carbon dioxide, sulfur dioxide, and nitrogen oxides. These are the key contributors to climate change. Therefore, it is crucial for organisations to manage their energy usage effectively to minimise their environmental impact and support a sustainable future. Implementing robust energy management practices not only enhances business sustainability by reducing operational costs through optimized energy use but also helps preserve the planet's finite resources.



Our electricity is mainly dedicated to operating our plant and machinery, which are essential for our production processes. This includes powering equipment and systems necessary for manufacturing and maintaining operational efficiency. Other than that, electricity is used for office operations, supporting daily business activities such as lighting, cooling and running office equipment.

HCB Group strive to manage our resources and energy usage efficiently to reduce the relevant environment impacts. Our approach to monitor energy consumption intensity involves comparing the total electrical usage in kilowatt (kWh) to our production output measured in metric tonnes (MT) for gel and lubricant production, and kilometres (KM) for cables production. The table below shows the electricity consumption and the relevant intensity based on the factories and office premises functions:-

Indicator/FYE	2024	2025
<b>Factories</b>		
<b>1. Fiber Optic Cables</b>		
Electricity Consumption (kWh)	1,466,140	1,971,753
Production Output (KM)	1,201	2,200
Intensity (kWh/KM)	1,221	888
<b>2. Thixotropic Gel and Lubricant</b>		
Electricity Consumption (kWh)	157,187	122,607
Production Output (MT)	422	1,080
Intensity (kWh/MT)	373	114
<b>Office premises</b>		
Electricity Consumption (kWh)	71,487	75,707

#### Tracking Our Carbon Footprint

Greenhouse gas (GHG) emissions are a critical driver of climate change, as they trap heat in the Earth's atmosphere and contribute to global warming. The Group's GHG emissions primarily consist of carbon dioxide (CO<sub>2</sub>), generated from electricity usage, company-owned vehicles, personal vehicles used for business trips, and employees' transportation to the workplace. We diligently track and report our Scope 1, 2 and 3 emissions aligning with Bursa Malaysia's sustainability reporting requirements and Greenhouse Gas Protocol. Utilizing the financial control approach, we account for 100% of GHG emissions where we have the authority to direct financial policies.



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## Emissions Summary:

Scope 1: Direct emissions from owned or controlled sources. For The Group, Scope 1 emission are mainly generated from fuel usage by company-owned vehicles

Scope 2: Indirect emissions from the consumption of purchased electricity.

Scope 3: Indirect emissions arising from our business travel and employee commuting.

Indicator	GHG Emissions	Unit of Measurement	2024 (MT)	2025 (MT)
Scope 1		Tonnes CO <sub>2</sub> e	11.24	15.57
Scope 2		Tonnes CO <sub>2</sub> e	1,313.84	1,687.82
- Employee commuting		Tonnes CO <sub>2</sub> e	122.19	50.91
- Business Travel (Land)		Tonnes CO <sub>2</sub> e	108.03	44.13
- Business Travel (Air)		Tonnes CO <sub>2</sub> e	14.41	6.70
- Business Travel (Train)		Tonnes CO <sub>2</sub> e	0.03	0.08
Total Scope 3		Tonnes CO <sub>2</sub> e	244.46	101.82
<b>Total Scope 2+3</b>		<b>Tonnes CO<sub>2</sub>e</b>	<b>1,569.74</b>	<b>1,805.21</b>

## WATER MANAGEMENT

Water covers nearly 70% of our planet, yet only a small fraction is fresh water accessible for daily human use. Most of Earth's water is saltwater in oceans, and a significant portion of the limited fresh water is trapped in glaciers and polar ice caps, leaving only a small percentage available for consumption and agriculture.



The growing concern over water scarcity is driven by several critical factors. Water pollution from industrial activities, agricultural runoff, and untreated sewage has compromised the quality of available fresh water. Inefficient water management practices have led to over-extraction and misallocation of resources, worsening shortages in many regions. Climate change further exacerbates the issue by altering precipitation patterns, increasing the frequency and severity of droughts, and impacting the availability and distribution of fresh water.

As these challenges intensify, the need for sustainable water management and conservation becomes increasingly urgent. Addressing water scarcity requires a multifaceted approach, including improving water use efficiency, investing in clean water technologies, and implementing policies to protect and preserve water resources for future generations.

### Our Approach

The Group's water consumption primarily arises from operational needs such as cooling systems for injection machines, routine factory cleaning, and office staff usage. To effectively manage and minimise water usage, we are committed to implementing a range of water conservation initiatives.

We actively promote water-saving practices among employees by issuing regular reminders on efficient water use within our premises. These reminders encourage habits such as turning off taps when not in use and using water resources responsibly.

In addition, our administrative team conducts regular inspections and scheduled maintenance of washrooms and pantries to identify and promptly address leaks or inefficiencies. This proactive approach helps prevent water wastage and ensures that all facilities operate optimally.

By combining awareness campaigns with diligent maintenance practices, we aim to reduce our water consumption and uphold sustainable resource management throughout the organisation.

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Our water usage during FY2025 as follows:-

Indicator/FYE	2024	2025
<b>Factories</b>		
<b>1. Fiber Optic Cables</b>		
Water consumption (m <sup>3</sup> )	4,987	4,792
Production output (KM)	1,201	2,220
Intensity m <sup>3</sup> /KM	4.15	2.16
<b>2. Thixotropic Gel and Lubricant</b>		
Water consumption (m <sup>3</sup> )	296	167
Production output (MT)	422	1080
Intensity m <sup>3</sup> /MT	0.70	0.15
<b>Office premises</b>		
Water consumption (m <sup>3</sup> )	886	679

## WASTE MANAGEMENT

Improper waste management can result in air and water pollution, soil contamination, and pose health risks to both employees and the local community. To mitigate these impacts, implementing strict waste management measures across all operations is essential.



At HCB Group, we prioritise effective waste management to minimise environmental and community impact. Our operations generate various types of waste, including hazardous waste (scheduled waste), non-hazardous waste, which comprises recyclable and general waste.

During the financial year, the scheduled waste disposed of included spent lubricating oil (SW305); rags, plastics, paper, or filters contaminated with scheduled waste (SW410); discarded containers contaminated with chemicals (SW409); and waste of non-halogenated organic solvents (SW322). These were handled responsibly through registered scheduled waste collectors. In addition, scheduled waste always being strictly managed and monitored by our Occupational Health and Safety Committee.

We strictly practice 3R - reduce, reuse, and recycle in our business operations:-

**Reduce:** - In our thixotropic gel production plant, we have invested in a squeeze system to minimise oil residue in packaging, effectively reducing raw material wastage. During the financial year, Hexlube Sdn. Bhd. transitioned to lubricant production, where production waste has become nearly zero due to the efficient nature of lubricant manufacturing.

Across the Group, employees are encouraged to adopt eco-friendly printing habits, such as using double-sided printing and recycled paper. Additionally, we have implemented e-signatures for certain approval processes, significantly reducing paper usage while improving operational efficiency.

**Reuse:** - Plastics and wooden pallets are reused for goods delivery whenever their condition permits. Furthermore, selected customers return used Intermediate Bulk Containers (IBCs) for reuse in subsequent deliveries, reducing environmental impact and promoting sustainable practices.

**Recycle:** - To minimise landfill waste and generate additional income, we recycle used plastics, including plastic pallets and empty bobbins, by selling them for further processing and reuse.

# Sustainability Statement

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The volume of scheduled waste disposed during the financial year as follows:-

Indicator/FYE	2024	2025
<b>Volume of waste disposed (MT)</b>		
Hazardous waste	1.65	2.06

## Environmental-friendly Grease

REXLTON™ ESG MULTI-PURPOSE GREASE is an eco-friendly grease made from renewable and biodegradable resources, such as plant-based materials. It is recommended for use in environmentally sensitive areas, particularly near waterways. It offers excellent protection against rust and corrosion and is especially well suited for wet and corrosive environments. This product is designed to protect chassis and other applications, including commercial and agricultural vehicles and heavy-duty equipment.

## SOCIAL



### ANTI BRIBERY AND CORRUPTION

#### Anti-Bribery & Corruption Policy and Whistleblowing Policy

At HCB Group, we uphold a zero-tolerance policy against all forms of bribery and corruption, aligned with UNSDG 16.5. This policy encompasses unethical practices such as kickbacks, fraud, money laundering, and facilitation payments. We are committed to maintaining the highest standards of integrity, accountability, and professionalism in our business operations, safeguarding the interests of both our organisation and stakeholders while fostering trust and transparency.

#### Governance and Oversight

HCB Group is steadfast in conducting business with integrity and good faith. The Integrity Committee which reports directly to the Audit Committee, is tasked with overseeing the implementation and effectiveness of the Anti-Bribery and Corruption ("ABC") Policy.

#### Employee and Supplier Accountability

To create a culture of integrity, all new employees receive a comprehensive briefing on the ABC and Whistleblowing Policies conducted by the Human Resources team. After the session, employees must acknowledge their understanding and commitment to these policies.

#### Whistleblowing Mechanism

To strengthen ethical practices, HCB has also established a dedicated whistleblowing channel under the Whistleblowing Policy. This platform enables employees and external stakeholders to confidentially report any misconduct or impropriety via email or telephone. Both the ABC Policy and the Whistleblowing Policy are available on HCB Group's corporate website to ensure accessibility for all stakeholders.

#### Commitment to Ethical Practices

During the financial year, HCB reported zero incidents of corruption across all business operations of the Group. This reflects our unwavering commitment to ethical business practices and upholding the highest standards of corporate governance.

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## EMPLOYEE MANAGEMENT, EQUALITY AND DIVERSITY

HCB Group is committed to providing equal employment opportunities to all qualified individuals, ensuring fairness and equality across races, ages, and genders. We actively strive to promote and communicate our commitment to equal opportunities by reaching out to a diverse pool of qualified candidates through both internal and external channels.

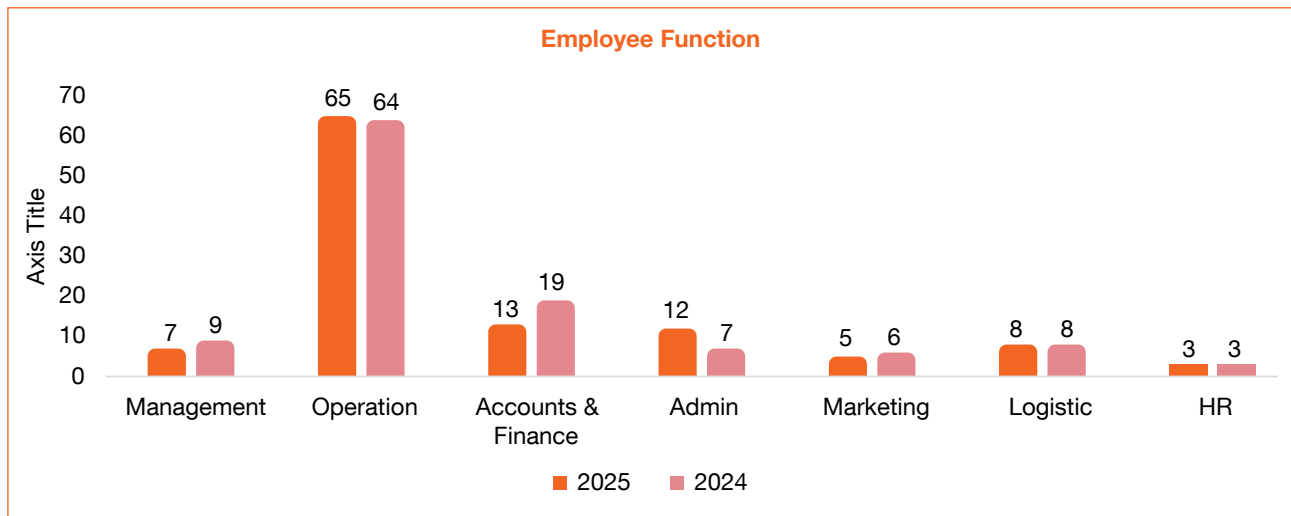


The employee's composition is illustrated as follow:



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## OCCUPATIONAL HEALTH AND SAFETY (“OSH”)

At HCB, the health and safety of our employees are our highest priority, as we recognize that their well-being is fundamental to the success and growth of our business. We firmly believe that a company can only reach its full potential when its employees are protected, supported, and valued.

### Occupational Health and Safety Committee (“OSH Committee”)

To effectively address and manage Occupational Safety and Health (OSH) concerns, we have established a dedicated OSH Committee. This committee ensures that workplace safety and health practices align with regulatory requirements and industry standards.

The OSH Committee is responsible for the following:-

#### Monitoring Compliance

Ensuring adherence to all relevant safety regulations, including the Occupational Safety and Health Act, through regular audits and reviews of safety policies and procedures.

#### Hazard Identification, Risk Assessment, Risk Control

Identifying potential hazards and assessing risks within the workplace. The committee conducts evaluations to anticipate and mitigate potential safety issues before they escalate.

#### Training and Awareness

Coordinating safety training programs and awareness campaigns to keep employees informed about best practices, safety protocols, and emergency procedures.

#### Incident Management

Investigating workplace incidents and accidents, analysing root causes, and implementing corrective actions to prevent recurrence.

#### Reporting and Documentation

Maintaining accurate records of safety-related activities, such as incident reports, safety audits, and training sessions, to ensure transparency and compliance.

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## PERSONAL PROTECTIVE EQUIPMENT (“PPE”)

Ensuring that employees are properly equipped with proper PPE is a cornerstone of our safety protocols. PPE is critical for safeguarding employees against workplace hazards. The OSH Committee monitors compliance with PPE usage to maintain a secure work environment.

### First-aid Kits

First-aid kits are maintained in accordance with the Occupational Safety and Health Act, ensuring they are strategically placed and fully stocked. Regular inspections and maintenance are conducted to ensure all items are current and functional, with expired or depleted supplies promptly replaced.

### Safety Awareness Training

We provide comprehensive safety awareness training to ensure employees are familiar with safety protocols and procedures. Employees are encouraged to promptly report any potential hazards and take proactive measures to prevent harm to themselves and their colleagues.

### Pest Control Management and Safety

To safeguard the health and safety of our employees, we maintain a pest control program at our factory and warehouse facilities. Certified pest control providers ensure a pest-free workspace, reinforcing our commitment to a healthy working environment.



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## Fire Safety Inspections and Maintenance

HCB also conduct quarterly inspections of fire safety systems, including fire alarms, hydrants, hose reels, and the Central Monitoring Station (CMS). Any identified defects are promptly addressed, ensuring all fire protection measures remain fully operational and reliable.

Under our stringent OSH management, we achieved zero-injury working environment during FYE 2025. We are committed to maintaining this record and continuously improving our safety measures to ensure a secure and healthy workplace for all employees.

## LABOUR PRACTICES AND STANDARDS

### Employee Welfare, Culture and Development

At HCB Group, we are committed to maintaining a sustainable and motivated workforce by fostering a well-balanced workplace that supports employee well-being, professional development, and recognition of achievements. To ensure our employees feel valued and supported, we offer a range of benefits tailored to their respective job grades and/or years of service, including:-

Annual Leave

Marriage leave

Compassionate leave

Paternity leave

Calamity leave

Prolonged illness leave

Maternity leave

Group medical card policy

Medical leave and medical fee claim for dependents

### Performance Evaluation and Recognition

HCB Group conducts annual performance evaluations to assess employees' achievements against established KPIs. This appraisal process ensures that employees are recognized for their contributions and rewarded based on their success in meeting or exceeding these KPIs. By linking rewards to performance, we promote a culture of accountability and continuous improvement while motivating employees to excel in their roles and align their efforts with the organisation's strategic objectives.

### Professional Development and Membership Support

To encourage continuous learning and professional growth, we sponsor memberships in relevant professional organisations. Employees affiliated with accredited professional bodies or associations aligned with the Group's business focus are eligible for reimbursement of their annual membership fees. This initiative not only supports skill enhancement but also helps employees stay informed and well-connected within their fields.

### Organisational Culture and Core Values

A motivated and engaged workforce is the foundation of a positive organisational culture. At HCB Group, our operations are guided by our core values, which foster a collaborative and innovative environment while driving individual and collective success. These core values include H-umility, E-xcellence, X-factor, T-rustworthy, A-daptability, and R-esponsibility. By embedding these values into our organisational culture, HCB Group fosters a workplace that encourages collaboration, innovation, and a shared commitment to success, empowering employees to excel and contribute meaningfully to the Group's goals.

# Sustainability Statement

Cont'd

## Employee Training and Development

In addition to providing motivational support, we recognise that ongoing training and development are crucial for employees to refine their skills and boost their competencies. To facilitate this, we offer a range of training opportunities for current employees, including both external courses and internal on-the-job training. External training programs are selected based on recommendations from the respective Heads of Departments, who assess the specific needs of their teams and the relevance to employees' roles.

Training Program Attended	Date
Working at Height & Fall Prevention at Workplace	May 2025
Navigating the USEC and Class Regulation: Key Insights for Compliance	June 2025
Safety Matters: Navigating Regulation, Strengthening Compliance	June 2025
Hearing Conservation Administrator	June 2025
Ergonomic Training	July 2025
Integrated Management System (IMS) ISO Training	July 2025
Employment Act Training	July 2025
Environmental Quality Act 1974	July 2025
Effective Emergency Response Strategies	July 2025
2025 Occupational Health & Safety Guide: Seating and Standing Workstation	August 2025
CE20 Sistem Bekalan Air	September 2025

## EVENTS AND ACTIVITIES

Bonding activities are strategic investment in fostering a collaborative and high-performing workplace. These initiatives enhance team effectiveness, improve communication, and strengthen alignment with organisational goals, creating an environment where employees feel valued, engaged, and motivated to contribute their best.

To promote teamwork, boost morale, and encourage a sense of camaraderie, we organise a variety of bonding events and activities for our employees. These initiatives not only improve workplace relationships but also create opportunities for employees to connect on a personal level, fostering a positive and supportive organisational culture.

Recognising the vital role that physical activity and well-being play in shaping healthy and vibrant communities, we also prioritise initiatives that encourage active lifestyles. By promoting sports activities and organising well-being events, we aim to empower individuals of all ages to lead active, fulfilling lives. These activities are a reflection of our commitment to holistic employee development and the cultivation of energetic and resilient communities.

### Hextar Capital Berhad Gathering (Celebrating CNY & Ramadhan 2025)

On 26 February 2025, HCB organised the Hextar Capital Berhad Gathering in celebration of Chinese New Year and Ramadan 2025. The event brought together employees across the Group, fostering unity, inclusiveness, and mutual appreciation among colleagues from diverse backgrounds. Through this gathering, we reinforced a strong sense of community and camaraderie while celebrating cultural traditions in a warm and engaging environment. Overall, the event strengthened employee engagement and promoted a cohesive workplace culture.

### Hextar Group Career Fair at Mid Valley Exhibition

On 12 April 2025, HCB took part in the MCTF Malaysia Career & Training Fair at Mid Valley Exhibition Centre. We had the opportunity to engage with a diverse pool of candidates, discuss job openings, and display our company culture and values. The event allowed us to interact with enthusiastic job seekers, answer their questions, and assess their fit for our open positions in a dynamic and face-to-face setting. Overall, it was a valuable experience that helped us connect with potential hires and strengthen our talent pipeline.

# Sustainability Statement

Cont'd

## Hextar Group Career Fair at MITEC

On 27 April 2025, HCB participated in MyCareerFair 2025 at MITEC Kuala Lumpur. We engaged with a wide range of job seekers, providing insights into career opportunities within the Group while highlighting our organisational culture and values. The event served as a valuable platform to connect with aspiring talents, address their queries, and evaluate their suitability for available roles through direct interaction. Overall, the participation strengthened our recruitment outreach and enhanced our ability to build a robust and future-ready talent pipeline.

## Fire Drill

On 3 July 2025, HCB organised an internal Response Training and Fire Drill at our Shah Alam factory, focusing on critical safety protocols and effective evacuation strategies. The training aimed to ensure that all staff are well-prepared to respond confidently and efficiently in the event of an emergency. By equipping employees with essential knowledge and practical skills, this initiative reinforces our commitment to workplace safety and preparedness.



## Tree Planting Program at the Jeti Ranger mangrove area in Pelabuhan Klang.

On November 15, 2025, HCB proved its commitment to environmental stewardship through a **Tree Planting Program** at the Jeti Ranger mangrove area in Pelabuhan Klang. As a group, a dedicated team of **50 Hextarians** participated in the initiative, directly supporting the Group's **ESG goals** and aligning with the **UN SDGs** to promote biodiversity and climate



# Sustainability Statement

Cont'd

## Hextar Chairman Cup at Colmare Tropical Resort, Bukit Tinggi Pahang

On 22 November 2025, HCB participated in the Hextar Chairman Cup held at Colmar Tropicale Resort, Bukit Tinggi, Pahang. The event brought together teams across the Group in a spirit of friendly competition, teamwork, and sportsmanship. Through a series of engaging activities and matches, employees had the opportunity to strengthen collaboration, build camaraderie, and foster stronger inter-company relationships. Overall, participation enhanced team cohesion and reinforced a positive and dynamic workplace culture.

### DATA PROTECTION AND CYBER SECURITY

In recent years, we have seen the acceleration of various trends revolving around remote working, e-commerce and automation, which has propelled the adoption of digital technologies and infrastructure. However, it has also made data more susceptible to cybersecurity risks. We have a responsibility to manage the growing threat of cyberattacks, including protecting sensitive information of our customers, suppliers, and employees, to prevent any leaks, threats or loss of information.



In compliance to the Malaysia Personal Data Protection Act 2010 (PDPA), HCB implement robust security measures, including firewalls, encryption technologies and access controls, to protect unauthorised access of data. We are committed to reviewing and updating our security protocols to stay ahead of evolving cyber threats.

During FY2025, there were no complaints substantiated concerning breaches in privacy and losses of data.

# Sustainability Statement

Cont'd

Date & Time: 2026-04-30\_16:36:46  
FYE 31/12/2025

**Hextar Capital Berhad**  
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Energy Management	Usage of electricity	Kilowatt-hour (kWh)	75,707	-	No assurance
Emission Management	Scope 1 emission	Tonnes CO <sub>2</sub> e	15.57	-	No assurance
Emission Management	Scope 2 emission	Tonnes CO <sub>2</sub> e	1,68,782	-	No assurance
Emission Management	Scope 3 emission	Tonnes CO <sub>2</sub> e	101.82	-	No assurance
Water Management	Total volume of water used	Cubic Meter	679	-	No assurance
Water Management	Volume of waste disposed	Metric Ton	2.06	-	No assurance
Diversity	Employee by gender -Male	Number of employees	82	-	No assurance
Diversity	Employee by gender -Female	Number of employees	31	-	No assurance
Diversity	Employee by ethnicity -Chinese	Number of employees	29	-	No assurance
Diversity	Employee by ethnicity -Malay	Number of employees	82	-	No assurance
Diversity	Employee by ethnicity -Indian	Number of employees	2	-	No assurance
Diversity	Employee by ethnicity -Others	Number of employees	0	-	No assurance
Diversity	Employee by nationality -Malaysian	Number of employees	113	-	No assurance
Diversity	Employee by nationality -Others	Number of employees	0	-	No assurance
Diversity	Employee by age - below 30	Number of employees	19	-	No assurance
Diversity	Employee by age - between 30 -49	Number of employees	68	-	No assurance

# Sustainability Statement

Cont'd

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity	Employee by age - 50 and above	Number of employees	26	-	No assurance
Diversity	Employee Structure -Management	Number of employees	25	-	No assurance
Diversity	Employee Structure -Executive	Number of employees	40	-	No assurance
Diversity	Employee Structure -Non-Executive	Number of employees	43	-	No assurance
Diversity	Employee Structure -Factory	Number of employees	5	-	No assurance
Diversity	Employee function -Management	Number of employees	7	-	No assurance
Diversity	Employee function -Operation	Number of employees	65	-	No assurance
Diversity	Employee function -Accounts & Finance	Number of employees	13	-	No assurance
Diversity	Employee function -Admin	Number of employees	12	-	No assurance
Diversity	Employee function -Marketing	Number of employees	5	-	No assurance
Diversity	Employee function -Logistic	Number of employees	8	-	No assurance
Diversity	Employee function -HR	Number of employees	3	-	No assurance

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) of Hextar Capital Berhad and its subsidiaries (“the **Group**”) is committed to upholding and embedding sound corporate governance practices across the Group as an integral part of fulfilling its responsibilities to enhance shareholders’ value and stakeholder interest.

The Corporate Governance Overview Statement provides an overview of the Group’s application of principles and practices outlined in the Malaysian Code on Corporate Governance (“**MCCG**”) during the financial period ended 31 December 2025. This statement is prepared in accordance with Rule 15.25 of the ACE Market Listing Requirements Listing Requirements (“**Listing Requirements**”) Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and should be read together with the Company’s Corporate Governance Report (“**CG Report**”), which is available on the Company’s website at [www.hextarcapital.com](http://www.hextarcapital.com).

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

### PART I - BOARD RESPONSIBILITIES

#### 1.1 Board and Board Committees

The Board is entrusted with overall responsibility for the governance, leadership and internal control of the Group, ensuring that its businesses operate in compliance with applicable laws, regulations, ethical standards and best practices, while setting the Group’s strategic direction, overseeing the conduct of its affairs to promote long-term success, and ensuring the implementation of effective internal control and risk management systems.

In discharging its fiduciary duties and responsibilities, the Board is guided by its Board Charter and Code of Conduct of Board (“**Code**”) which outlines the roles, responsibilities and authorities of the Board. The Board also delegates specific responsibilities to the following Board Committees to enhance efficiency and effectiveness:-

- (i) Audit Committee (“**AC**”);
- (ii) Nominating and Remuneration Committee (“**NRC**”);
- (iii) Risk Management Committee (“**RMC**”) and
- (iv) Tender Committee (“**TC**”).

Each Committee operates in accordance with defined Terms of Reference (“**TOR**”) and policies approved by the Board and is empowered to perform their functions and responsibilities. The Board Committees report to the Board on key matters discussed during their respective committee’s meeting, presenting recommendations to the Board for consideration and approval.

#### 1.2 The Chairman of the Board

The Board is led by Dato’ Mazlin bin Junid, an Independent Non-Executive Chairman who is responsible for ensuring the overall effectiveness of the Board, including providing leadership, effective conduct and instilling good corporate governance practices of the Board, chairing Board and general meetings of shareholders, overseeing the conduct of Board proceedings, ensuring that all relevant matters for the effective management of the Company’s business are duly tabled, encourage active participation from all Directors, and liaising with the Executive Director and/or the Company Secretary on the agenda for Board meetings.

The roles of the Board’s Chairman and the Managing Director are held by different individuals, each with clearly defined and distinct roles.

# Corporate Governance Overview Statement

Cont'd

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART I - BOARD RESPONSIBILITIES (CONT'D)

#### 1.3 Managing / Executive Director

The Managing Director is primarily responsible for overseeing the implementation of the Board's policies and strategies, making key operational decisions, and acting as the bridge between the Board and Management to ensure effective governance. The Managing Director also maintains communication with shareholders and stakeholders, provides leadership by articulating the Company's vision and business strategy to employees, and keeps the Board informed of all significant matters concerning the Group's operations.

Whereas, the Executive Director focuses on the day-to-day management of the Company, driving operational performance, providing strategic guidance and sound business judgment, and ensuring the achievement of immediate performance targets while safeguarding the Company's long-term growth and sustainability.

#### 1.4 Executive and Non-Executive Directors

The roles of Executive and Non-Executive Directors are clearly differentiated, with both having fiduciary duties to shareholders. Executive Directors are directly responsible for the day-to-day management and operations of the business, supported by a core team of senior management who execute and implement the policies and strategies approved by the Board in accordance with the Group's corporate governance, risk management, and internal control framework. In contrast, Non-Executive Directors bring independent judgment, skills, and experience to assess strategic, performance, and resource-related matters presented to the Board, providing objective oversight and guidance.

#### 1.5 Qualified and Competent Company Secretaries

The Board is supported by two (2) Company Secretaries, each experienced and qualified to act under Section 235(2) of the Companies Act 2016 ("**Act**") and holding a Practising Certificate issued by the Companies Commission of Malaysia. All Directors have unrestricted access to the advice and services of the Company Secretaries.

The Company Secretaries play a key role in ensuring the Board's compliance with the Act, Listing Requirements of Bursa Securities, and other relevant laws and regulations. They assist the Board and Board Committees in functioning effectively in accordance with their TOR and best practices, and ensure adherence to existing Board policies and procedures. To discharge their duties effectively, the Company Secretaries regularly participate in training programmes, conferences, seminars, and forums organised by regulatory and professional bodies, keeping them updated on developments in corporate governance and regulatory requirements, thereby enabling them to provide informed and valuable advisory services to the Board.

During the FPE 2025, all Board and Board Committee meetings were properly convened, with accurate and complete records of proceedings and resolutions maintained in the Company's statutory records.

#### 1.6 Meeting of Board and Board Committees

To facilitate the Directors in planning their schedules, an annual meeting calendar is prepared in advance of each year, providing scheduled dates for Board and Board Committee meetings as well as the Annual General Meeting ("**AGM**"). The Company Secretaries also provide the Directors and principal officers with the closed periods for dealings in securities, aligned with the scheduled dates for announcements of the Group's quarterly results.

Notices for Board and Board Committee meetings, together with the relevant meeting papers, are generally circulated to Directors at least seven (7) days prior to the meetings to ensure sufficient time for preparation and informed decision-making. The Board meets at least once every quarter on a scheduled basis, with additional meetings convened as necessary. The Company Secretaries record all proceedings, deliberations, and conclusions of Board meetings, with the minutes subsequently confirmed by the Board at the following meeting and endorsed by the Chairman or the meeting's presiding Chairman as an accurate record.

# Corporate Governance Overview Statement

Cont'd

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART I - BOARD RESPONSIBILITIES (CONT'D)

#### 1.6 Meeting of Board and Board Committees (Cont'd)

During the FPE 2025, the Board conducted five (5) meetings. The Directors' attendance is detailed in the Profile of the Board of Directors set out in this Annual Report. All Directors serving as at the date of this Statement have complied with the minimum 50% attendance requirement under the Listing Requirements of Bursa Securities. Between scheduled meetings, matters requiring Board approval are addressed through written resolutions circulated to all Directors, with such resolutions subsequently noted at the next quarterly Board meeting.

#### 1.7 Board Charter

The Board Charter formalises the roles, responsibilities, and authorities of the Board, Board Chairman, Managing Director, and the Board Committees, including the Board's authority to delegate certain functions to its Committees and matters reserved exclusively for the Board's decision-making. The Charter is reviewed every three (3) years, or as needed, to remain aligned with evolving regulations and best practices, and to support the Board's effectiveness in providing strong and competent leadership for the Group.

The current Board Charter and the matters reserved for the Board are available for reference on the Company's website at [www.hextarcapital.com](http://www.hextarcapital.com).

#### 1.8 Code of Conduct of Board

The Company has adopted a Code of Conduct of Board ("**Code**") to enhance the standards of corporate governance and corporate behaviour. The Code aims to establish a standard of ethical conduct for Directors based on trustworthiness and values, as well as to uphold the spirit of responsibility and social accountability in line with the applicable laws, regulations and guidelines governing the administration of the Company.

The Code is published on the Company's website at [www.hextarcapital.com](http://www.hextarcapital.com).

#### 1.9 Whistle-blowing Policy and Procedures

The Board has established a formal Whistle-Blowing Policy and Procedures which set out the mechanism for employees to raise concerns regarding possible misconduct or irregularities that they may become aware of in the course of their duties or within their respective workplace.

This policy not only covers possible improprieties in matters of financial reporting, but also:-

- (i) fraud;
- (ii) corruption, bribery or blackmail;
- (iii) criminal offences;
- (iv) failure to comply with a legal or regulatory obligation;
- (v) miscarriage of justice;
- (vi) endangerment of an individual's health and safety; and
- (vii) concealment of any or a combination of the above.

The policy is reviewed once every three (3) years, or as and when deemed necessary, to ensure that it remains effective, relevant, and aligned with current legislation and regulatory requirements.

The Whistle-Blowing Policy and Procedures is available on the Company's website at [www.hextarcapital.com](http://www.hextarcapital.com).

# Corporate Governance Overview Statement

Cont'd

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART I - BOARD RESPONSIBILITIES (CONT'D)

#### 1.10 Anti-Bribery and Corruption Policy

The purpose of the Anti-Bribery and Corruption Policy (“**ABC Policy**”) is to set out the responsibilities of the Group, its directors, officers, and employees to observe and uphold the Group’s zero-tolerance stance on bribery and corruption. The Policy ensures that the Group has adequate procedures in place to prevent and detect any acts of bribery or corruption. It provides information and guidance on the standards of conduct expected from employees and those working on behalf of the Company and offers guidance on how to recognise bribery and corruption. The Policy also establishes a safe and confidential channel for employees and members of the public to report any suspected bribery or corruption without fear of reprisal.

The ABC Policy will be reviewed at least once every three (3) years and in accordance with the needs of the Company to ensure that it continues to remain relevant and appropriate. The ABC Policy is made available on the Company’s website at [www.hextarcapital.com](http://www.hextarcapital.com).

#### 1.11 Directors’ Fit and Proper Policy

The Board has adopted a Directors’ Fit and Proper Policy (“**DFPP**”) for the appointment and re-election of Directors for the Group. The DFPP is designed to strengthen the governance of the Group by ensuring that each Director possesses the necessary character, experience, integrity, competence, time, and commitment to effectively discharge their role. The Policy is reviewed every three (3) years, or as and when necessary, to remain aligned with relevant legislative developments and standards.

The fitness and propriety of a Board candidate, or of Directors seeking re-election, will be assessed in accordance with the following key criteria set out in the DFPP:-

- (i) Probity, personal and financial integrity and reputation;
- (ii) Experience, expertise and Competence; and
- (iii) Time and commitment.

A copy of the DDFP is available on the Company’s website, [www.hextarcapital.com](http://www.hextarcapital.com).

#### 1.12 Conflict of Interest Policy

The Board has adopted a Conflict of Interest Policy which sets forth guidelines and procedures to identify, disclose, and address conflicts of interest that may arise within the Group. This ensures that any actual, potential and perceived conflicts of interest are effectively managed. This policy is also designed to ensure compliance with the Listing Requirements of Bursa Securities and the provisions under the Act, as well as to uphold the highest standards of corporate governance and transparency.

The Board will review the Conflict of Interest Policy from time to time and make any necessary amendments to ensure it remains consistent with the Board’s objectives, current law, and practices.

A copy of the Conflict of Interest Policy is available on the Company’s website, [www.hextarcapital.com](http://www.hextarcapital.com).

#### 1.13 Sustainability Governance

The Group is committed to conduct its business in a responsible and sustainable manner, taking into account environmental, social and economic (“**ESG**”) considerations, while complying with all relevant laws and regulations. The Group strives to achieve long-term sustainable balance between meeting its business goals and preserving the environment as it recognises that the sustainability of ecosystems is an integral part of sustaining its long-term business plans. Further details on the Group’s sustainability practices are set out in the Sustainability Statement of the Annual Report.

# Corporate Governance Overview Statement

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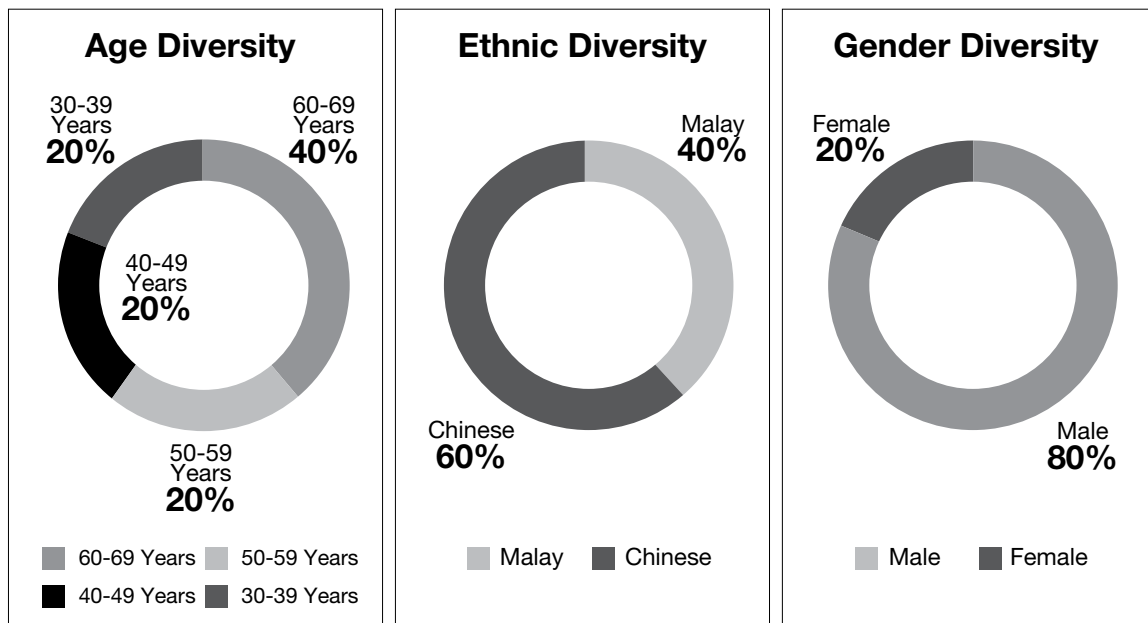
## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II - BOARD COMPOSITION

#### 2.1 Composition and Balance of the Board

The Board comprises five (5) members, including two (2) Executive Directors and three (3) Independent Non-Executive Directors. Thus, the current Board composition complies with Rule 15.02 of the Listing Requirements of Bursa Securities, which requires at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors and that there is at least one (1) woman Director.

The current board composition is illustrated as below:-



The Board composition is also in line with Practice 5.2 of the MCCG of having at least half of the Board comprising Independent Non-Executive Directors. This well-balanced composition ensures objective deliberations and independent decision-making as well as provide an effective check and balance to safeguard the interest of the minority shareholders and other stakeholders.

#### 2.2 Tenure of Independent Non-Executive Directors

The Board Charter incorporates the recommendation of the MCCG that the tenure of an Independent Non-Executive Director should not exceed a cumulative term of nine (9) years. However, if the Board intends to retain a Director who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, the Board must justify its decision and seek the shareholders' approval through a two-tier voting process at a general meeting. Furthermore, the Board recognises that as per the Listing Requirements of Bursa Securities, the tenure of an Independent Non-Executive Director should not exceed a cumulative term of twelve (12) years.

# Corporate Governance Overview Statement

Cont'd

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II - BOARD COMPOSITION

#### 2.2 Tenure of Independent Non-Executive Directors (Cont'd)

As of 31 December 2025, none of the Directors served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years. Based on the assessment carried out during the FPE 2025, the Board is satisfied with the level of independence demonstrated by all the Independent Non-Executive Directors and their abilities to act in the best interests of the Company.

#### 2.3 Appointment and Re-Election to the Board

Appointment to the Board is reviewed by the NRC and is made via a formal and transparent process, premised on meritocracy and taking into account the following key criteria under DFPP:-

- (A) Probity, personal and financial integrity and reputation;
- (B) Experience, expertise and Competence; and
- (C) Time and commitment.

In the case of Independent Directors, the NRC assesses the candidate's ability to bring the element of detached impartiality and objective judgement to the Board deliberation.

During the FPE 2025, there was one (1) new appointment of Director, as recommended by the NRC, as follows:-

Name of Director	Date of Appointment	Designation
Gwi Fei Yi	26 February 2025	Executive Director  <i>(Redesignated from Non-Independent and Non-Executive to Executive Director on 29 August 2025)</i>

In accordance with the Listing Requirements of Bursa Securities and the Company's Constitution, one-third (1/3) of the Directors of the Company for the time being shall retire at the AGM of the Company provided always that all Directors, shall retire from office at least once (1) in every three (3) years but shall be eligible for re-election at the AGM. Additionally, the Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the conclusion of the next AGM and shall be eligible for re-election.

The Notice of AGM, included in this Annual Report, discloses the names of the Directors who will retire by rotation at the forthcoming AGM. Further details on these Directors are provided in the Profile of the Board of Directors set out in this Annual Report.

In assessing candidates' eligibility for re-election, the NRC considers their competencies, commitment, contributions, and performance based on the results of their respective performance evaluations, as well as their ability to act in the best interests of the Company. The Board then makes recommendations on the re-election, re-appointment, or continuation in office of any Director for shareholders' approval at the AGM.

The Board continuously reviews its size and composition to ensure its effectiveness. Any potential candidate for Directorship undergoes a thorough review and recommendation by the NRC before being presented to the Board for full deliberation and approval.

#### 2.4 Board Diversity

The Company currently does not have a formal policy specifically dedicated to gender diversity for the Board or Senior Management. However, the Company adheres to the principles of equal opportunity, non-discrimination, and fair employment. The selection criteria for appointment of Directors and Senior Management focus primarily on merit, capability, skills, and experience, while also taking into account diversity in gender, ethnicity, and age to enhance the effectiveness of the Board and Senior Management by attracting the best available talent.

# Corporate Governance Overview Statement

Cont'd

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II - BOARD COMPOSITION

#### 2.4 Board Diversity (Cont'd)

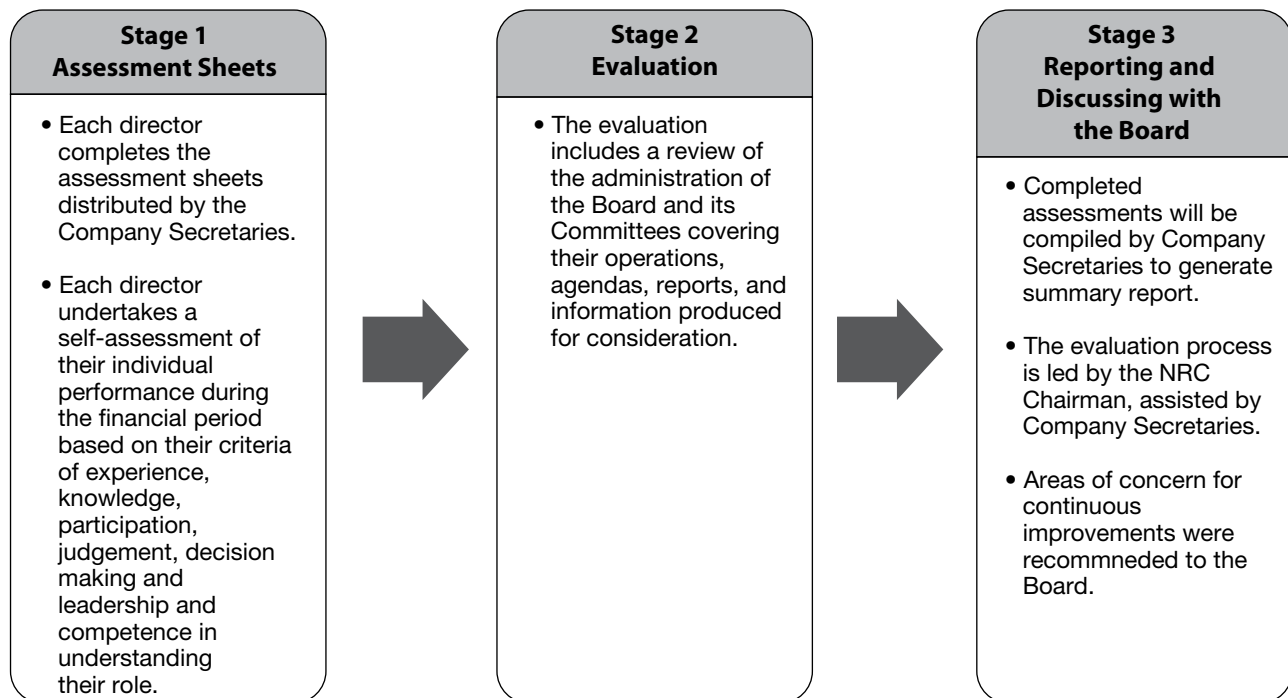
During the FPE 2025, the Board comprised one (1) female Director out of five (5) members, while the Senior Management team included one (1) female out of three (3) members.

#### 2.5 Annual Evaluation of the Directors, Board and Board Committees as a whole

The Board has, through the NRC, undertaken a formal and objective annual evaluation to assess the effectiveness of the Board and the Board Committees as a whole and the contribution of each Director, including the independence of the Independent Non-Executive Director, making reference to the guides available and the good corporate governance compliance. The evaluation process was carried out by sending the following customised assessment forms to Directors:-

- (i) Board and board committee evaluation;
- (ii) Board evaluation questionnaire to ESG or sustainability matters;
- (iii) Individual Directors' Evaluation Form;
- (iv) Individual Directors' Self and Peer Performance;
- (v) Independent Directors' Self-Assessment on independence;
- (vi) Evaluation on AC;
- (vii) AC members' self and peer evaluation form;
- (viii) Evaluation on NRC performance sheet; and
- (ix) Evaluation by NRC on AC and its members.

The outcomes of the annual evaluation are summarised and presented to the NRC before reporting the same to the Board for notation. Both the NRC and the Board acknowledge the findings and results and take appropriate action where necessary. The evaluation process is conducted in three (3) stages as follows:-



# Corporate Governance Overview Statement

Cont'd

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II - BOARD COMPOSITION (CONT'D)

#### 2.6 Attendance of Board

Name of Directors	Attendance
Dato' Mazlin Bin MD Junid	5/5
Chang Kian Seong	5/5
Gwi Fei Yi (Appointed on 26 February 2025)	3/3
Er Kian Hong	5/5
Chen Thien Yin (Resigned on 22 December 2025)	5/5
Teh Li King (Retired on 26 February 2025)	1/1
Ong Soon Lim (Retired on 26 February 2025)	1/1

The table above excludes one (1) Independent Non-Executive Director namely, Dato' Haji Mohd Yazid Bin Haji Mustafa, who was appointed on 15 January 2026. All the Directors (save for the newly appointed Independent Non-Executive Director) have complied with the minimum 50% attendance requirement as stipulated in the Listing Requirements of Bursa Securities.

#### 2.7 Training

The Directors continually assess their individual training needs and participate in relevant courses, seminars, conferences, and briefings to enhance their knowledge and competencies, enabling them to effectively discharge their duties and responsibilities. In addition, the Directors remain updated on business and regulatory developments through Board meetings, Committee meetings, and ongoing discussions. Regular updates and briefings on regulatory are also provided during these meetings.

The Board actively encourages and supports its members to undertake appropriate training and professional development programmes to further strengthen their effectiveness in fulfilling their roles as Directors.

During FPE 2025, the Directors have attended the following training programmes in compliance with Rule 15.08 of the Listing Requirements of Bursa Securities:-

Name of Directors	Training(s) attended
Dato' Mazlin Bin MD Junid	<ul style="list-style-type: none"> <li>UWA creating a safe, inclusive and respectful workplace</li> </ul>
Chang Kian Seong	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme (MAP) II</li> </ul>
Er Kian Hong	<ul style="list-style-type: none"> <li>Malaysia budget 2025 and latest tax developments</li> <li>Key Amendments to the ACE Market Listing Requirements</li> <li>The Evolving Financial Industry-Technology Driven Banking and Capital Markets, Fintech Credit and ESG</li> <li>Unmasking Financial Frauds &amp; Market Manipulation (Information, Transaction &amp; Financial Statement Based)</li> <li>Essential Fundamentals of Anti Bribery and Corruption</li> </ul>
Gwi Fei Yi	<ul style="list-style-type: none"> <li>AWS re:Invent re:Cap Malaysia</li> <li>Mandatory Accreditation Programme (MAP) I &amp; II</li> <li>AWS Data &amp; AI Day Malaysia</li> <li>Common Pitfalls in Transactions &amp; RPT Rules</li> </ul>

The above table excludes one (1) Independent Non-Executive Director namely, Dato' Haji Mohd Yazid Bin Haji Mustafa, who was appointed on 15 January 2026.

# Corporate Governance Overview Statement

Cont'd

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART III – REMUNERATION

#### 3.1 NRC

The NRC assists the Board in reviewing the structure, size, and composition of the Board, and provides recommendations on the appointment, retirement, and replacement of Directors. It also oversees remuneration matters to ensure that Directors and senior management are fairly and responsibly rewarded, commensurate with their performance and contributions.

The NRC conducts an annual assessment of the required mix of skills, experience, and core competencies of Non-Executive Directors, as well as the overall effectiveness of the Board, Board Committees, and individual Directors, including Independent Directors. In accordance with the Listing Requirements of Bursa Securities, the NRC also reviews the tenure of the AC and evaluates the performance of the AC and its members on an annual basis. Further details are set out in the NRC Report in this Annual Report.

#### 3.2 Remuneration Policy

The Board has established a formal Remuneration Policy for Directors and Senior Management, which provides a transparent framework for determining remuneration in a manner that supports the Company's business strategy and long-term interests. The Policy is designed to ensure that remuneration is competitive, equitable, and aligned with performance, responsibilities, and market practices, while also promoting value creation for shareholders.

The Policy aims to attract, retain, and reward high-calibre individuals by offering remuneration commensurate with their roles, experience, and contributions, and by linking rewards to both individual and corporate performance. The Board also determines the remuneration packages of Executive Directors, taking into consideration the recommendations of the NRC.

Fees and benefits payable to the Directors are reviewed by the Board and subject to shareholders' approval at the Company's AGM. Directors abstain from deliberations and decisions on matters relating to their own remuneration.

#### 3.3 Remuneration of Directors

The Board determines the remuneration of the Directors based on the recommendations of the NRC. Non-Executive Directors are remunerated by way of fixed annual fees and meeting allowances for their attendance at Board and Board Committee meetings.

# Corporate Governance Overview Statement

Cont'd

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART III – REMUNERATION (CONT'D)

#### 3.3 Remuneration of Directors (Cont'd)

The remuneration payable to each of the individual Directors of the Company and of the Group for the FPE 2025 are as follows:-

(i) The Company

Name of Directors	Company		
	Fees (RM)	Allowance (RM)	Total (RM)
Dato' Mazlin Bin MD Junid	60,000	25,500	85,500
Chang Kian Seong	45,000	9,000	54,000
Gwi Fei Yi (Appointed on 26 February 2025)	-	-	-
Er Kian Hong	45,000	20,500	65,500
Chen Thien Yin (Resigned on 22 December 2025)	45,000	17,500	62,500
Teh Li King (Retired on 26 February 2025)	18,000	3,000	21,000
Ong Soon Lim (Retired on 26 February 2025)	18,000	3,000	21,000
<b>Total</b>	<b>231,000</b>	<b>78,500</b>	<b>309,500</b>

(ii) The Group

Name of Directors	Group			
	Fees (RM)	Allowance (RM)	Salary (RM)	Other emoluments (RM)
Dato' Mazlin Bin MD Junid	60,000	25,500	-	-
Chang Kian Seong	52,500	9,000	858,000	113,280
Gwi Fei Yi (Appointed on 26 February 2025)	-	-	300,000	87,800
Er Kian Hong	45,000	20,500	-	-
Chen Thien Yin (Resigned on 22 December 2025)	45,000	17,500	-	-
Teh Li King (Retired on 26 February 2025)	18,000	3,000	-	-
Ong Soon Lim (Retired on 26 February 2025)	18,000	3,000	-	-

The table above excludes one (1) Independent Non-Executive Director namely, Dato' Haji Mohd Yazid Bin Haji Mustafa, who was appointed on 15 January 2026.

Detailed disclosure on name basis of the nature and amount of each major element of the remuneration of Directors of the Company during the FPE 2025 also disclosed in the Corporate Governance Report, which can be downloaded from the Company's corporate website at [www.hextarcapital.com](http://www.hextarcapital.com) or Bursa Securities' website.

# Corporate Governance Overview Statement

Cont'd

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART III – REMUNERATION (CONT'D)

#### 3.4 Remuneration of Senior Management

The remuneration of Senior Management during the financial period is as follows:

RANGE OF REMUNERATION	NUMBER OF SENIOR MANAGERMENTS
Below RM400,000	1
RM400,001 – RM500,000	-
RM500,001 – RM600,000	1
RM600,001 – RM700,000	1

The NRC aims to ensure that the KSM's remuneration packages align with their individual roles, capabilities, professionalism, skills, expertise and contributions to the Group. Given the industry's competitive landscape, the Board remains committed to safeguarding the security and confidentiality of KSM's remuneration details to protect the Company's best interests.

## PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

### PART I – AUDIT COMMITTEE

#### 4.1 Effective and Independent AC

During FPE 2025, the Company has in place an AC which comprises solely three (3) Independent Non-Executive Directors. The AC is chaired by Ms. Er Kian Hong, an Independent Non-Executive Director, distinct from the Chairman of the Board, and the majority of its members are financially literate, with the Chairperson is a member of the Certified Practising Accountants (“CPA”), Australia.

The AC assists the Board in overseeing financial reporting processes, ensuring the integrity of financial statements, reviewing related party transactions and conflict of interest situations, and evaluating the adequacy and effectiveness of the Group's internal control and internal audit functions. Currently, none of the existing AC members have previously served as key audit partners involved in auditing the Group.

The term of office and performance of the AC and its members are reviewed annually by the NRC to ensure that they have effectively discharged their duties in accordance with TOR.

#### 4.2 External Auditors

The AC maintains a formal and transparent relationship with the External Auditors, who are granted direct access to the AC. This enables the External Auditors communicate independently and draw attention to matters requiring the Board's consideration particularly in relation to the integrity of the financials statements, compliance with applicable accounting standards and relevant regulatory requirements.

The AC assists the Board in overseeing the objectivity, independence and effectiveness of the External Auditors in accordance to the Evaluation and Appointment of External Auditors Policy.

The AC conducts an annual evaluation of the External Auditors based on four (4) key areas:-

- (i) quality of service;
- (ii) sufficiency of resources;
- (iii) communication and interaction; and
- (iv) independence, objectivity, and professional scepticism.

# Corporate Governance Overview Statement

Cont'd

## PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

### PART I – AUDIT COMMITTEE (CONT'D)

#### 4.2 External Auditors (Cont'd)

As part of its annual assessment, the AC received written assurance from the External Auditors confirming their independence in accordance with relevant professional and regulatory requirements. The AC is satisfied with the performance, suitability and independence of the External Auditors of the Company and recommended their re-appointment to the Board for shareholders' approval at the forthcoming AGM.

### PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

#### 5.1 Risk Management and Internal Control Framework

The Board has established a structured risk management and internal control framework as an ongoing process to identify, evaluate, monitor, and manage significant risks that may affect the achievement of the Group's business objectives. While the Board retains overall responsibility for maintaining a sound risk management and internal control system, the Board has delegated the review of its adequacy and effectiveness to the Risk Management Committee ("**RMC**"), which reports directly to the AC. This framework provides the Board with reasonable assurance that risks are appropriately identified, assessed, and managed in pursuit of the Group's objectives.

Further details of the Group's risk management and internal control framework are set out in the Statement on Risk Management and Internal Control in this Annual Report.

#### 5.2 Tender Committee

The Tender Committee ("**TC**") of the Board is responsible to review the Group's procurement activities and commitment to undertake major business ventures with third parties. For procurement activities, TC examines the recommendation from the management team for expenditure or investment activities that require Board approvals.

The Committee also assesses the business transactions including the nature of the transaction, risks associated and the risk-reward considerations of the proposed transaction.

#### 5.3 Internal Control

To ensure the robustness and effectiveness of the Group's risk management and internal control system, the Board has outsourced the internal audit function to an independent professional firm, Wensen Consulting Asia (M) Sdn. Bhd. ("**Wensen**" or "**Internal Auditors**"). This strategic approach reinforces objectivity, with the Internal Auditors reporting directly to the AC. To safeguard their independence, the AC has obtained a written declaration from Wensen, confirming the absence of any relationships or conflicts of interest that could compromise their impartiality.

Upon completing each quarterly audit review, the Internal Auditor presents a detailed report to the AC during scheduled meetings. This report highlights identified weaknesses, areas for improvement, root-cause analyses and recommended measures to enhance operational efficiency. The Management acknowledges the audit findings and implements corrective action plans within the stipulated timeframe. Follow-up reviews are conducted to assess the effectiveness of these measures, ensuring continuous improvement in the Group's risk management and internal control framework.

# Corporate Governance Overview Statement

Cont'd

## PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

### PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

#### 5.3 Internal Control (Cont'd)

Further details on the Group's internal control system and framework are provided in the Statement on Risk Management and Internal Control and/or the AC Report in this Annual Report.

#### 5.4 Financial Reporting

The Board strives to provide a fair, balanced, and meaningful assessment of the Group and the Company's financial performance and prospects. This is primarily achieved through the announcement of quarterly financial results to Bursa Securities and the circulation of the Annual Report to shareholders. The AC supports the Board by reviewing all financial information to ensure its completeness, accuracy, and adequacy prior to release.

## PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

### PART I – COMMUNICATION WITH STAKEHOLDERS

#### 6.1 Communication and Engagement with Shareholders

The Company is committed to maintaining effective, timely and transparent communication with shareholders and stakeholders. The Company strictly adheres to Bursa Securities' disclosure framework and listing requirements, ensuring the prompt dissemination of accurate and comprehensive information to facilitate shareholders' well-informed investment decisions.

The Company utilised various channels and platforms for information disclosure, including:

- (i) Company's website, [www.hextarcapital.com](http://www.hextarcapital.com);
- (ii) Announcements made to Bursa Securities;
- (iii) AGM;
- (iv) Annual Reports; and
- (v) Email and face-to-face communications.

While the Company endeavours to provide comprehensive information, it remains mindful of legal and regulatory requirements governing the disclosure of material and price-sensitive information.

### PART II – CONDUCT OF GENERAL MEETINGS

The AGM serves as the principal forum for shareholders to engage with the Board, seek clarifications on the Company's business and reports, and vote on all resolutions.

In line with the MCCG, the notice for the 29th AGM was issued at least twenty-eight (28) days prior to the meeting. Shareholders, corporate representatives, and proxies participated via the remote participation and voting facilities provided by the appointed vendor. The AGM was conducted virtually through live streaming from the Company's conference room, with all Directors in attendance. Shareholders and their proxies were invited to pose questions, including those submitted in advance by the Minority Shareholders Watch Group, and the Board endeavoured to provide clear and meaningful responses during the session.

All questions and responses were documented in the minutes, which, along with the list of questions and answers, have been uploaded to the Company's website. All resolutions were voted by poll, with votes validated by an independent scrutineer. The outcomes of all resolutions were announced to Bursa Securities on the same day.

# Corporate Governance Overview Statement

Cont'd

## COMPLIANCE STATEMENT

The Group has consistently upheld corporate governance principles and practices in all material aspects, in line with the MCGG and the relevant chapters of the Listing Requirements on corporate governance, except for the departures outlined in the Company's Corporate Governance Report. The Board remains committed to maintaining strong corporate governance by continuously embracing the principles and best practices outlined in the MCGG and other relevant laws, as appropriate and applicable.

This Statement is approved by the Board on 22 April 2026.

# AUDIT COMMITTEE REPORT

Pursuant to Rule 15.15 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**AMLR**”), the Board is pleased to present the Audit Committee (“**AC**”) Report which lays out the AC’s functions and activities held for the financial period ended 2025 (“**FPE 2025**”). The AC has carried out their roles and responsibilities according to the Terms of Reference (“**TOR**”) which is available on the Company’s website at [www.hextarcapital.com](http://www.hextarcapital.com).

## AC COMPOSITION

The Company complies with Rule 15.09(1)(a) and (b) of the AMLR and adopts Practice 9.4 of the Malaysian Code of Corporate Governance (“**MCCG**”) with the AC comprises three (3) Independent Non-Executive Directors and no alternate director is appointed as a member of the AC.

The members of the AC and their respective designations are as follows:-

<b>Names</b>	<b>Designation</b>
<b>Er Kian Hong</b>	<i>Chairperson, Independent Non-Executive Director</i>
<b>Dato’ Mazlin Bin Md Junid</b>	<i>Member, Independent Non-Executive Director</i>
<b>Dato’ Haji Mohd Yazid Bin Haji Mustafa</b> <i>(Appointed on 15 January 2026)</i>	<i>Member, Independent Non-Executive Director</i>
<b>Chen Thien Yin</b> <i>(Resigned on 22 December 2025)</i>	<i>Member, Independent Non-Executive Director</i>

The Company complies with Rule 15.09(1)(c)(ii) of AMLR wherein, the AC is chaired by Ms. Er Kian Hong who is a member of the Certified Practising Accountants (“**CPA**”), Australia.

## MEETINGS AND ATTENDANCES

The AC held five (5) meetings during the FPE 2025, and the meeting attendance of each member of AC were as follows:-

<b>Names</b>	<b>Meetings Attendance</b>
Er Kian Hong	5/5
Dato’ Mazlin Bin Md Junid	5/5
Dato’ Haji Mohd Yazid Bin Haji Mustafa <i>(Appointed on 15 January 2026)</i>	N/A
Chen Thien Yin <i>(Resigned on 22 December 2025)</i>	5/5

At the invitation of the AC, the Executive Directors, relevant Senior Management personnel, external and internal auditors attended the AC meetings to provide clarifications on matters discussed, updated on financial performance and Group’s operations. Minutes of each meeting were recorded and tabled for confirmation at the next AC meeting and subsequently to the Board for notation.

# Audit Committee Report

Cont'd

## SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

During the FPE 2025, the AC discharged its functions and carried out its duties as set out in its TOR. The summary of key activities undertaken by the AC during the financial period is provided below:-

### (a) Financial Reporting

- Reviewed and deliberated the unaudited quarterly financial results and annual audited financial statements of HCB Group and the Company, including related announcements, compliance and/or change in accounting policies and practices, significant adjustments arising from the audit and compliance with accounting standards and other legal requirements where explanations and clarifications are reported by the Management to the AC before recommending to the Board for approval and release of the announcements to Bursa Securities;
- Considered and recommended the change of the financial year end of the Group from 30 September to 31 December;
- Conducted a biannual review of the Risk Management Committee Report, before reporting it for the Board's information; and
- Reviewed and discussed the changes in law and regulations and regulatory updates relating to HCB Group's businesses.

### (b) External Audit

- Discussed and reviewed the External Auditors' Audit Planning Memorandum for the FPE 2025 outlining their engagement and reporting requirements, audit approach, materiality levels, areas of audit emphasis, enquiries to the AC, provision of non-assurance services, Malaysian Financial Reporting Standards updates, reporting deliverables and proposed audit fees;
- Reviewed the External Auditors' findings arising from audits, particularly comments and management's responses towards the management's issues and their actions to resolve them;
- Reviewed the audit progress, results of the final audit, audit report and assistance or responses given by the management with the External Auditors;
- Reviewed with the External Auditors, their evaluation of the system of internal control;
- Reviewed and undertook annual assessment of the suitability, objectivity and independence of External Auditors;
- Discussed and reviewed with the External Auditors the applicability and the impact of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board;
- Evaluated the performance and effectiveness of the External Auditors in the provision of statutory audit services and recommend to the Board for approval on their re-appointment and proposed annual audit fees; and
- Private Discussion with the External Auditors, without the presence of all Executive Directors and Senior Management personnel.

### (c) Internal Audit

- Reviewed and assessed the adequacy of the annual scopes, plans and functions of the internal audit for HCB Group; and
- Reviewed the internal audit reports which outlined the audit findings, key risks, preventive control recommendations, Management's responses as well as corrective actions and implementation timeframe towards remediating areas of weakness. The internal Auditors also provided the AC with updates on the status of previous audit findings to ensure that identified weaknesses were appropriately addressed.

### (d) Related party transactions ("RPT") and/or recurrent related party transactions ("RRPT")

- Reviewed, on a quarterly basis, the RRPT entered into by the Company and/or its subsidiaries with related parties to ensure that HCB Group's internal policies and procedures governing RRPTs are adhered to, the terms of the shareholders' mandate are not contravened, and disclosure requirements of AMLR are observed;
- Reviewed the Circular to Shareholders in relation to proposed renewal and new shareholders' mandate for RRPTs and recommended it to the Board for shareholders' approval.

# Audit Committee Report

Cont'd

## SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE (CONT'D)

### (e) RPT and Conflict of Interest

- Reviewed the RPT entered into by the Company and/or its subsidiaries with related parties to ensure that the transactions were in the best interest of the Company, fair, reasonable and on normal commercial terms; and was not detrimental to the interest of the Company and the minority shareholders, prior to its recommendation to the Board for approval;
- Reviewed if there are any conflicts of interest situation that may arise within the Company or the Group at every quarterly AC and Board meetings and concluded that no conflict was identified required the AC's examination and implementation of specific mitigation measures, except for the RRPTs.
- During FPE 2025, the AC has ensure that all RPT were conducted at arm's length and under normal commercial terms with proper disclosure.

### (f) Annual Report

Reviewed the Corporate Governance ("CG") Report, CG Overview Statement, AC Report, Sustainability Statement, Management Discussion and Analysis, and Statement on Risk Management and Internal Control, before seeking approval from the Board for inclusion in the Annual Report of the Company.

## INTERNAL AUDIT FUNCTION

The Internal Auditors of HCB Group during the FPE 2025 was outsourced to Wensen Consulting Asia (M) Sdn. Bhd. ("**WENSEN**"), who reports directly to the AC. WENSEN assisted the Board through the AC in maintaining a sound system of internal controls and ensures that established policies and procedures are adhered to and continue to be effective and satisfactory.

WENSEN has conducted on-going reviews of the adequacy and effectiveness of the internal control systems, compliance with established policies and regulations and means of safeguarding assets of HCB Group. On a quarterly basis, internal audit findings and the internal follow-up review reports are submitted for review and approval by the AC. The reports contain suggested actions for addressing any identified risks or weaknesses, which are recommended to be implemented by the management. Certain internal control weaknesses were identified during the financial period under review, all of which have either been addressed or are currently being attended by the management. None of these weaknesses has resulted in any material loss that would require disclosure in HCB Group's financial statements.

WENSEN conducted a follow-up audit during the financial period to assess the progress of the implementation and improvement measures taken to address the identified internal control weaknesses previously highlighted.

The business processes reviews conducted during the financial period are as follows:-

- Fixed Assets Management;
- Procurement to payment management;
- Sustainability Reporting Process; and
- Project Management.

The total costs incurred for the internal audit function for the FPE 2025 was RM52,000.

None of the internal audit personnel has any relationships or conflict of interest that could impair their objectivity and independence will performing their internal audit duties. Accordingly, the AC is satisfied that the independence of the internal audit function has been maintained as adequate safeguards are in place. WENSEN has performed its audit assignments with impartiality, proficiency and due professional care.

# NOMINATING AND REMUNERATION COMMITTEE REPORT

## COMPOSITION

The Nominating and Remuneration Committee (“NRC”) comprises three (3) Non-Executive Directors, all of whom are Independent Directors, as follows:-

<b>Names</b>	<b>Designation</b>
<b>Dato’ Haji Mohd Yazid Bin Haji Mustafa</b> <i>(Appointed on 15 January 2026)</i>	<i>Chairman, Independent Non-Executive Director</i>
<b>Chen Thien Yin</b> <i>(Resigned on 22 December 2025)</i>	<i>Chairman, Independent Non-Executive Director</i>
<b>Dato’ Mazlin Bin Md Junid</b>	<i>Member, Independent Non-Executive Director</i>
<b>Er Kian Hong</b>	<i>Member, Independent Non-Executive Director</i>

## TERMS OF REFERENCE (“TOR”)

The NRC has written TOR dealing with its authority and duties which include the selection and assessment of directors. The TOR of the NRC is available on the Company’s website at [www.hextarcapital.com](http://www.hextarcapital.com).

The NRC shall meet at least once a year and as frequently as may be required.

## MEETINGS AND ATTENDANCES

During the FPE 2025, total of three (3) NRC meetings were held, and the details of attendance are as follows:-

<b>Names</b>	<b>Meetings Attendance</b>
Dato’ Haji Mohd Yazid Bin Haji Mustafa <i>(Appointed on 15 January 2026)</i>	N/A
Er Kian Hong	3/3
Dato’ Mazlin Bin Md Junid	3/3
Chen Thien Yin <i>(Resigned on 22 December 2025)</i>	3/3

## SUMMARY OF ACTIVITIES UNDERTAKEN BY NRC DURING FPE 2025

The summary of the activities carried out by the NRC during the FPE 2025 are as follows:-

(a) Nomination, election and appointment of Directors

The NRC is responsible for evaluating and recommending suitable candidates for appointment to the Board when necessary, such as to fill vacancies arising from resignation or retirement, or to address identified gaps in skills, competencies, experience or diversity within the Board. In identifying suitable candidates, the NRC may utilise various approaches and independent sources to identify individuals with the appropriate qualifications and experience for consideration as Directors. The NRC ensures that the procedures for evaluating and selecting new Directors are formal, transparent and based on merit.

# Nominating And Remuneration Committee Report

Cont'd

## SUMMARY OF ACTIVITIES UNDERTAKEN BY NRC DURING FPE 2025 (CONT'D)

### (a) Nomination, election and appointment of Directors (Cont'd)

In assessing the suitability of a candidate, the NRC takes into consideration various factors including, but not limited to, the candidate's skills, knowledge, expertise, competence, experience, time commitment, character, professionalism and integrity. For the position of Independent Non-Executive Director, the NRC also evaluates the candidate's ability to discharge the responsibilities expected of an Independent Director and assesses his or her independence in accordance with the Listing Requirements of Bursa Securities.

During the financial year under review and up to the date of issuance of this Annual Report, the NRC identified and considered the suitable candidates to fill the vacancy arising from the retirement and resignation of the Directors on 26 February 2025 and 22 December 2025 respectively.

After due consideration of the professionalism, qualifications, integrity and skill sets of the potential candidates and the existing Directors of the Company, including their ability to devote sufficient time to discharge their duties, responsibilities and functions effectively, the NRC recommended the appointment of Gwi Fei Yi as a Non-Independent Non-Executive Director, and his subsequent redesignation as an Executive Director as well as the appointment of Dato' Haji Mohd Yazid Bin Haji Mustafa as an Independent Non-Executive Director (collectively referred to as the "Retiring Directors"). The appointments were approved by the Board based on the recommendation of the NRC and in accordance with the assessment criteria set out in the Directors' Fit and Proper Policy.

Pursuant to Article 83 of the Company's Constitution, any Director appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the conclusion of the next Annual General Meeting ("AGM") and shall then be eligible for re-election. The NRC reviewed and recommended to the Board the re-election of the Retiring Directors at the forthcoming AGM to be held in 2026, having satisfied itself that the Directors meet the requirements set out in the Directors' Fit and Proper Policy and they have expressed their willingness to continue in office.

Saved for the interested Director, the NRC also evaluated the performance of the Director who is due to retire by rotation at the forthcoming AGM and confirmed that he meets the requirements set out in the Directors' Fit and Proper Policy and remains eligible to stand for re-election, subject to shareholders' approval at the AGM.

### (b) Annual evaluation

The annual evaluation was conducted to assess the effectiveness of the Board as a whole, the Board Committees and the individual Directors, including their performance, discharge of responsibilities and the adequacy of their time commitment to the Company's affairs, as well as to identify areas for improvement.

The evaluation process was facilitated by the Company Secretary and involved the completion of questionnaires/evaluation forms by all Directors. The results, together with comments from the Directors, were compiled, properly documented, summarised and deliberated by the NRC before recommendations for improvement or further action were made to the Board.

In addition, the NRC assessed the independence of the Independent Directors and reviewed their annual confirmations of independence through the completion of an independence checklist. The NRC was satisfied that the Independent Directors continued to demonstrate independence in character and judgement and were able to exercise objective judgement and act in the best interests of the Company.

# Nominating And Remuneration Committee Report

Cont'd

## SUMMARY OF ACTIVITIES UNDERTAKEN BY NRC DURING FPE 2025 (CONT'D)

- (c) Review of the terms of office and performance of the AC and each of its members

The NRC conducted an evaluation of the term of office and performance of the Audit Committee (“AC”) for the financial period ended 2025 (“FPE 2025”). The assessment covered, among others, the AC’s oversight of the internal audit programme, the processes and results of internal audits or investigations undertaken, the review of related party transactions and potential conflict of interest situations in accordance with the Group’s Related Party Transactions Policy and Procedures, as well as the qualifications and experience of the AC members in meeting the objectives set out in the AC’s TOR.

Following the evaluation, the NRC concluded that the AC and its members had effectively discharged their responsibilities in ensuring the quality, integrity and reliability of the Group’s financial reporting and accounting processes, and had carried out their duties in accordance with the TOR of the AC.

- (d) Review of Directors’ fees, benefits and allowance

The NRC reviewed and assessed the proposed Directors’ fees and meeting attendance allowances (benefits), as well as the salary increment and performance incentives for the HCB Group for FPE 2025 and the AGM.

- (e) Review of NRC Report for inclusion in the Annual Report

The NRC reviewed and recommended the NRC Report, including the disclosure on trainings attended by the Directors during the financial year under review, for inclusion in the 2025 Annual Report.

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## INTRODUCTION

The Board of HCB is pleased to provide the following Statement on Risk Management and Internal Control of HCB and the Group for the financial period ended 31 December 2025, which has been prepared in accordance with the “Statement on Risk Management & Internal Control – Guidelines for Directors of Listed Companies” (“**SORMIC Guide 2025**”) issued by Bursa Securities.

## BOARD RESPONSIBILITY

The Board recognises the importance of an effective and dynamic Board to lead and control the Group in enhancing the long-term shareholders’ value and also ensuring that other stakeholders’ interests are also taken into consideration. The Board is entrusted with the responsibility to exercise reasonable and proper care of the Group’s resources in the best interest of its shareholders, whilst safeguarding its assets and shareholders’ investments.

There is an ongoing process for identifying, evaluating, and managing the significant risks faced by the Group. The Board through its Audit Committee reviews the results of this process quarterly, including measures that have been carried out by management to mitigate and address the key risk areas. This process has been in place for the financial period under review and up to the date of approval of this Statement.

The Board affirms its overall responsibilities for maintaining a sound system of risk management and internal controls, for reviewing its adequacy and integrity in supporting the achievement of the Group’s strategic goals and business objectives, and for managing those risks efficiently, effectively, and economically.

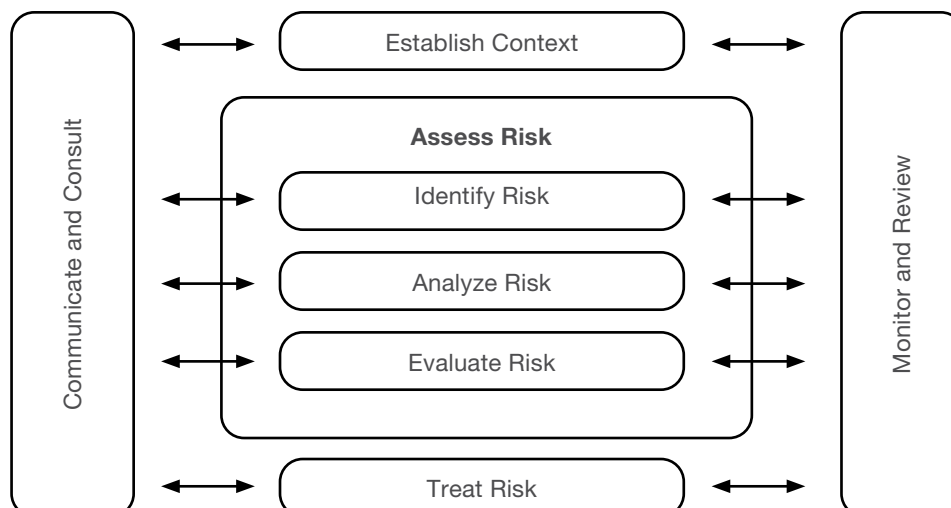
## RISK MANAGEMENT FRAMEWORK

The Board and management drive a proactive risk management culture to ensure that the Group’s management and Head of Workgroups have a better and clear understanding of the risk management principles.

The Group had written Risk Management Policies and Procedures (“**RMPP**”) to ensure a formal and consistent process of risk identification, assessment, acceptance, and treatment is carried out within the Group.

Under the RMPP, the role and responsibilities of the Board, AC, and Risk Management Committee (“**RMC**”) are defined. The composition of RMC is made up of individual heads of business units and the head of functional workgroups such as human resources, finance, MIS, safety and security, marketing, engineering, production & technical, etc, primarily to assist the Board and Audit Committee in the management of risks and control responsibilities. A RMC Chairman is appointed from the committee to govern the operations of the RMC.

The Group’s Risk Management Committee had adopted the ISO31000:2009 which had superseded AS/NSZ 4360:2004 Risk Management Standard, for the establishment and implementation of the Risk Management Process within the Group. The overview of the Risk Management Process is depicted in the following diagram:



# Statement on Risk Management & Internal Control

Cont'd

## RISK MANAGEMENT FRAMEWORK (CONT'D)

The overview of the Risk Management Process involves the systematic establishment of strategic and organisational context, identifying, analysing, assessing, evaluating, monitoring, and/or reporting on the risks that may affect the achievement of the business objectives. This process helps to reduce the Group's internal and external uncertainty environment, thus allowing it to maximise business opportunities.

Once the gross risk is identified with its likelihood rating and impact level determined, the management further identifies the existing control procedures for identified risk and the effectiveness of the control, to determine the remaining risk known as Residue Risks. The Group's Residue Risks are plotted in the Risk Map (as indicated in the below table) to assist management in prioritising their efforts and appropriately gauging the acceptability and managing the different classes of risks.

Probability/Likelihood	Consequences/Impact				
	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
5 - Almost Certain					
4 - Likely					
3 - Possible					
2 - Unlikely					
1 - Rare					

Insignificant
  Low
  Moderate
  High
  Extremely High

RMC meeting is held once every three (3) months or four (4) times in a financial period to continuously monitor and review management action plans to mitigate the risk. The RMC also had ad-hoc meeting arrangements on any crisis management that might arise.

## INTERNAL AUDIT

The Group appoints an independent outsourced internal audit service provider to carry out internal audit reviews and to support the Board in assessing the adequacy and integrity of the internal control systems of the business units within the Group. The internal audit team highlights to the executive and operational management, areas for improvement and subsequently reviews the extent to which its recommendations have been implemented.

Areas that the internal auditors reviewed during the period are as follows:

- i. Opcom Cables Sdn. Bhd., Hexlube Sdn. Bhd. and Opcom Engineering Services Sdn. Bhd.
  - Procurement to Payment Management
- ii. Opcom Cables Sdn. Bhd. and Hexlube Sdn. Bhd.
  - Fixed Assets Management.
- ii. Hextar Capital Berhad
  - Review on Sustainability Reporting Process.
- iii. T & J Engineering Sdn. Bhd.
  - Project Management.

The reports are submitted to the AC, which reviews the findings with management at its quarterly meetings. In addition, the Management's response to the control recommendations on deficiencies identified during the internal audits provide an added and independent assurance that control procedures are in place, and are being followed.

The AC reports to the Board the plans and activities of the outsourced internal audit function, significant findings, and the necessary recommendations for the adequacy and effectiveness of the system of internal controls of the Group, including accounting control procedures.

# Statement on Risk Management & Internal Control

Cont'd

## INTERNAL AUDIT (CONT'D)

Additionally and separately, the Board is also of the view that the Internal Control system is adequate and effective based on the established Internal Control framework as reported by an independent outsourced internal audit service provider to the Audit Committee of the Board. The Board remains committed to ensuring a sound system of risk management and internal control, and therefore, recognise that the systems must continuously evolve to support growth and will take any appropriate action plans, when necessary, to further enhance the Company's system of risk management and internal control.

## MANAGEMENT RESPONSIBILITIES AND BOARD ASSURANCE AND LIMITATION

The Board uses the following key controls, processes, and information and review mechanisms to follow up on the progress of management actions and to derive comfort on the state of internal control and risk management in the Group:

- A RMC has been set up to constantly identify, evaluate and monitor significant risks faced by the Group. The said committee is also responsible for the development of risk mitigation strategies and plans;
- Board discussions with the management during the board meetings on business and operational issues as well as the measures taken by the management to mitigate and manage risks associated with the business environment;
- The management team of the business unit meets frequently to discuss and review the cash flows, financial and business units' performances, funding, and operational issues to ensure that challenges and risks are addressed timely and appropriately;
- The AC reviews and discusses with the management the unaudited quarterly financial results to monitor the Group's performance; and
- The AC also discusses with the External Auditors on the key concerns and findings on financial and internal control matters at the audit planning, interim and final stage of the audit, and the follow-up actions by the management.

The Group's system of internal controls also comprises the following key elements:

- **Standard Operating Procedures and Control Policy**  
Group-wide policies and procedures are in place to facilitate communications and awareness of accountability and control procedures for key business units. The policies and procedures are available and accessible to the relevant employees.
- **Organisation Structure and Authorisation Matrix**  
The Group has a formally defined organisational structure that sets out lines of accountability. The delegation of authority is documented and sets out the decisions that need to be taken and the appropriate authority levels of management, including matters that require the Board's approval. Key financial and procurement matters of the Group require the authorisation of the relevant levels of senior management.
- **Budgetary Review**  
The Group's management team monitors and reviews the financial results and budgets for all business units within the Group monthly. The processes include monitoring and reporting performance against the operating plans and annual budgets in operations committee meetings. The Group's management team communicates monthly to monitor operational and financial performance as well as to formulate action plans to address any areas of concern.

# Statement on Risk Management & Internal Control

Cont'd

## MANAGEMENT RESPONSIBILITIES AND BOARD ASSURANCE AND LIMITATION (CONT'D)

The Group's system of internal controls also comprises the following key elements: (Cont'd)

The system of internal control is also structured in such a manner that it provides reasonable assurance that the likelihood of a significant adverse impact on objectives arising from a future event or situation is at a level acceptable to the business. It achieves this through a combination of prevention, detective, and corrective measures. It is possible that internal control may be circumvented or overridden. The rationale of the system of internal controls is to enable the Group to achieve its strategic and business objectives within an acceptable risk profile and cannot be expected to eliminate all risks. The system of internal controls will continue to be reviewed and tested periodically, added on, or updated in line with the changes in the operating environment.

However, this system of internal control does not apply to the Associated Companies as the Group does not possess control over the associates who operate under different business environments. There are no major internal control weaknesses that brought to the attention of the Board since the date of acquisition.

The RMC provided assurance that there was no significant breakdown or weakness in the system of internal controls of the Group that may result in a material loss to the Group for the financial period ended 31 December 2025. Based on the management's assurance as well as input from the relevant assurance providers, the Board is of the view that the risk management and internal control system are adequate and effective for the financial period under review and up to the date of approval of this statement and there is a continuous process in evaluating and managing significant risks faced by the Group and the underlying controls to mitigate these risks.

## Review of Statement on Internal Control by External Auditors

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in the Audit and Assurance Practice Guide (AAPG) 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants for inclusion in the Annual Report of the Group for the financial period ended 31 December 2025, and reported to the Board that nothing has come to their attention that causes them to believe that the Statement intended to be included in the Annual Report of the Group, in all material respects:

- (a) has not been prepared in accordance with the disclosures required by section 7 of the SORMIC Guide 2025,  
or
- (b) is factually inaccurate.

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

This statement is issued in accordance with a resolution of the Board dated 22 April 2026.

# ADDITIONAL COMPLIANCE INFORMATION

## 1. Audit and Non-Audit Fees

The amount of audit and non-audit fees paid and payable to the External Auditors by the Company and the Group, respectively, for the financial period ended 31 December 2025 (“FPE 2025”) are as follows:

Type of Fees	Group RM	Company RM
Audit Fees	914,500	497,400
Non-Audit Fees	10,000	10,000
<b>Total</b>	<b>924,500</b>	<b>507,400</b>

Non-Audit fees covered the review of the Statement on Risk Management and Internal Control, as well as the examination of financial information presented in the Annual Report.

## 2. Material Contracts

There are no material contracts including contracts relating to any loans entered into by the Company and its subsidiaries (“Group”) involving Directors’ or substantial shareholders’ interest, either still subsisting at the end of the financial period ended 31 December 2025 or entered into since the end of the previous financial year.

## 3. Utilisation of Proceeds

Save as disclosed below, there were no other proceeds raised from the corporate proposal during the FPE 2025:-

### 10% Private Placement

- (a) The 10% Private Placement was undertaken pursuant to the general mandate granted by the shareholders of the Company at its 27th Annual General Meeting held on 22 September 2022, in accordance with Sections 75 and 76 of the Companies Act 2016, whereby the Board of Directors of the Company was authorised to issue and allot up to 27,908,700 new shares of the Company, representing not more than 10% of the total issued shares.

On 31 January 2023, the Company raised RM19.257 million from issuance of 27,908,700 new ordinary shares pursuant to the said 10% Private Placement. The status of the utilisation of proceeds as at 31 December 2025 is as follows:-

Details of Utilisation	Original Proposed Utilisation RM'000	Actual utilisation RM'000	Unutilised Proceeds RM'000	Timeframe for utilisation of proceeds <sup>(i)</sup>
Future business projects/investments	18,257	(18,257)	-	Within 36 months
Working capital	735	(735)	-	Within 36 months
Estimated expenses for 10% Private Placement	265	(265)	-	Immediate
<b>Total</b>	<b>19,257</b>	<b>(19,257)</b>	<b>-</b>	<b>-</b>

Note:-

- (i) From 31 January 2023 (being the date of completion of the 10% Private Placement).

# Additional Compliance Information

Cont'd

## 3. Utilisation of Proceeds (Cont'd)

### 30% Private Placement

- (a) The Company had on 24 April 2024 obtained shareholders' approval for the private placement of up to 134,089,200 new ordinary shares in the Company representing not more than 30% of the total number of issued shares of the Company ("**30% Private Placement**") via an Extraordinary General Meeting ("**EGM**").

On 6 March 2025, the Company raised gross proceeds of RM5.811 million from the first tranche of its private placement exercise via the issuance of 19,700,000 new ordinary shares. Subsequently, on 29 April 2025, the Company raised an additional RM4.998 million from the second tranche through the issuance of 20,400,000 new ordinary shares. On 17 September 2025, the Company further raised an additional amount of RM18.328 million from the final tranche via the issuance of 93,989,200 new ordinary shares. The Company has completed the 30% private placement of up to 134,089,200 new shares with total proceed raised amounting to RM29.137 million ("**Actual proceeds raised**").

The status of the utilisation of proceeds is as follows:-

Details of Utilisation	Original proposed utilisation <sup>(i)</sup> RM'000	Variation <sup>(ii)</sup> RM'000	Revised Proposed Utilisation RM'000	Actual proceeds raised RM'000	Actual utilisation RM'000	Unutilised Proceeds RM'000	Timeframe for utilisation of proceeds (iii)
Funding for existing and future contracts	28,000	(28,000)	-	-	-	-	Within 36 months
Financial solutions business	-	28,000	28,000	18,269	(18,269)	-	Within 36 months
TP tied consideration	9,800	-	9,800	9,800	(9,800)	-	Within 12 months
Working capital	2,768	-	2,768	974	(974)	-	Within 24 months
Estimated expenses for 30% Private Placement	1,000	-	1,000	94	(94)	-	Immediate
<b>Total</b>	<b>41,568</b>	<b>-</b>	<b>41,568</b>	<b>29,137</b>	<b>(29,137)</b>	<b>-</b>	<b>-</b>

Notes:-

- (i) As per the Circular to Shareholders in relation to the 30% Private Placement dated 5 April 2024.  
(ii) As per the Circular to Shareholders in relation to the Proposed Variation of the utilisation of proceeds dated 9 January 2025. Subsequently, the shareholders' approval was obtained via an EGM held on 24 January 2025.  
(iii) From 29 April 2025.

## 4. Employees' Share Option Scheme ("ESOS")

The shareholders of the Company had via an EGM held on 18 August 2021 approved the ESOS of up to 30% of the total number of issued shares of the Company (excluding treasury shares, if any) for eligible Directors and employees of the Group. The ESOS is for a duration of five (5) years commencing from the date of implementation of ESOS, unless extended further.

The options were granted on 21 September 2021 and no ESOS were issued during the FPE 2025.

# Additional Compliance Information

Cont'd

## 4. Employees' Share Option Scheme ("ESOS") (Cont'd)

- (a) The number of schemes currently in existence during the financial period is set out follows:-

Total Number of Options Granted	-
Total Number of Options Exercised	-
Total Number of Options Lapsed	-
Total Number Options Outstanding	18,500,000

- (b) The aggregate options or shares outstanding at the beginning and at the end of the financial period are as follows:-

Description	Directors	Senior Management
Total Number of Options Granted	-	-
Total Number of Options Exercised	-	-
Total Number Options Outstanding	500,000	18,000,000

- (c) The ESOS allocated and granted to the Directors and senior management since the commencement of the ESOS are as follows:-

	Aggregate maximum allocation (%)	Actual percentage granted (%) Since commencement of the ESOS	During the FPE 2025
Directors and senior management	55.88	55.88	-

- (d) The breakdown of the options offered to and exercised by the Non-Executive Directors pursuant to the ESOS in respect of the FPE 2025 are as follows:-

Name of Directors	Amount of options granted	Amount of options exercised
1. Dato' Mazlin Bin MD Junid	500,000	-
2. Dato' Haji Mohd Yazid Bin Haji Mustafa (Appointed on 15 January 2026)	-	-
3. Er Kian Hong	-	-
4. Chen Thien Yin (Resigned on 22 December 2025)	-	-

# Additional Compliance Information

Cont'd

## 5. Recurrent Related Party Transactions (“RRPTs”)

The following are the details of RRPTs entered into between the Company and/or its subsidiaries and related parties during the FPE 2025 pursuant to the Shareholders’ Mandate obtained by the Company at the last Annual General Meeting held on 26 February 2025:-

No.	Transacting Parties	Interested Parties	Nature of Relationship	Nature / type of Transaction with the Group	Aggregate Value made during the FPE 2025 (RM)
1	Complete Logistic Specialists Sdn. Bhd. (“CLSSB”)	Dato’ Ong Choo Meng (“OCM”) and Ong Soon Lim (“OSL”)	OCM is the executive director and Major Shareholder of Hextar Technologies Solutions Berhad (“HTSB”). HTSB is the holding company of CLSSB.  OSL holds directorships in the subsidiary/ies of HTSB. He is also the uncle of OCM.	Purchase of goods/ services from CLSSB includes but not limited to transportation services.	116,926
2	Hextar Global Berhad with its subsidiaries/ associates (“HGB Group”)	OCM, OSL and Teh Li King (“TLK”)	OCM is a Major Shareholder of HGB and HGB is the holding company of HCSB.  OSL is the uncle of OCM.  TLK is deemed as a Person Connected to OCM as he is the Group Chief Operating Officer of Hextar Holdings Sdn. Bhd. (“HHSB”) Group, which is the ultimate holding company of HGB. TLK is a director of HCSB and also a shareholder of HGB.	i. Supply of goods/ services to HGB Group includes but not limited to lubricant-based related products (e.g. hydraulic oil, grease), handling, storage etc.  ii. Purchase of goods/ services from HGB Group includes but not limited to lubricant related additives.  The supply of goods/ services to HGB Group are not the same as the purchase of goods/ services from HGB Group.	4,989,423  278
3	Hextar Chemicals Sdn. Bhd. (“HCSB”)			Purchase of goods/ services from HCSB, includes but not limited to raw materials, chemicals.	2,404

# Additional Compliance Information

Cont'd

## 5. Recurrent Related Party Transactions (“RRPTs”) (Cont’d)

The following are the details of RRPTs entered into between the Company and/or its subsidiaries and related parties during the FPE 2025 pursuant to the Shareholders’ Mandate obtained by the Company at the last Annual General Meeting held on 26 February 2025:- (Cont’d)

No.	Transacting Parties	Interested Parties	Nature of Relationship	Nature / type of Transaction with the Group	Aggregate Value made during the FPE 2025 (RM)
4	Binasat Communications Berhad with its subsidiaries/ associates (“ <b>BCB Group</b> ”)	OCM, OSL and TLK	<p>OCM is deemed interested in BCB by virtue of his interests in the Company via Opcom VC Sdn. Bhd. (“<b>OVCSB</b>”). OVCSB is wholly owned by the Company and OVCSB is the substantial shareholder of BCB.</p> <p>OSL is Group Managing Director of BCB and holds directorships in the subsidiaries of the Company. He is the uncle of OCM.</p> <p>TLK is the non-independent non-executive director of BCB.</p>	Supply of good and services to BCB Group includes but not limited to fiber optic cables, high density polyethylene tube and pipe, corrugated sub duct, smooth wall duct, fiber optic splice closure, box panel distribution, fiber wall socket, transformer oil and engineering services related to telecommunication network, fiber optic closure or fiber optic infrastructure.	2,075,475
5	Transgrid Ventures Sdn. Bhd. (“ <b>TVSB</b> ”)	Datin Sri M. Saraswathy A/P Manikum (“ <b>Datin Sri M. Saraswathy</b> ”), Dato’ Sri J.O. Nantha Kumar A/L J.C. Ramalu (“ <b>Dato’ Sri J.O. Nantha</b> ”), and Chang Kian Seong (“ <b>CKS</b> ”)	<p>Datin Sri M. Saraswathy is a director of TVSB and a Major Shareholder of the Company and TVSB.</p> <p>Dato’ Sri J.O. Nantha is the spouse of Datin Sri M. Saraswathy and is a Major Shareholder of the Company and TVSB via his indirect interest. He is also a director of TVSB.</p> <p>CKS holds directorships in the Company and TVSB.</p>	Supply of transformer oil and engineering services related to electrical substation and storage space to TVSB.	1,295

# STATEMENT OF DIRECTORS' RESPONSIBILITY FOR PREPARATION OF FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 (“**the Act**”) to prepare the financial statements for each financial year/period and to ensure that the financial statements are prepared in accordance with the applicable Malaysian Financial Reporting Standards (“**MFRS**”), International Financial Reporting Standards (“**IFRS**”), the Act and the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are also responsible for ensuring that the financial statements give a true and fair view of the financial position of the Group and of the Company at the end of the financial year/period, and of the financial performance and cash flows of the Group and of the Company for the financial year/period.

During the preparation of the financial statements, the Directors ensured that the Management has taken the following measures:-

- adopted and applied appropriate and relevant accounting policies consistently;
- ensured compliance with applicable accounting standards including MFRS, IFRS and the Act, subject to any material departure being explained in the financial statements;
- made judgements and estimates that are reasonable and prudent; and
- prepared the financial statements on a going concern basis.

In addition, the Directors are responsible to ensure that the Group and the Company keep proper accounting and other records that disclose the financial position of the Group and of the Company with reasonable accuracy at all times in compliance with the requirements of the Act.

The Directors have overall responsibilities for taking such steps so as to safeguard the assets of the Group and of the Company, to prevent and detect fraud and other irregularities.

# FINANCIAL STATEMENTS

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# DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial period ended 31 December 2025.

## PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of renting of buildings, provision of management services to its subsidiaries and investment holding. The principal activities of the subsidiaries are set out in Note 9 to the financial statements.

There have been no significant changes in the nature of these activities during the financial period.

## CHANGE OF FINANCIAL YEAR END

On 30 December 2025, the Board of Directors approved the change of financial year end from 30 September 2025 to 31 December 2025. The change of financial year end is for better alignment of the Company's financial reporting cycle with its associates.

As a result, the current financial period will cover 15 months from 1 October 2024 to 31 December 2025. Consequently, the comparative amounts presented in the financial statements and related notes are not comparable.

## RESULTS

	<b>Group RM</b>	<b>Company RM</b>
Profit for the financial period, net of tax	<u>3,395,039</u>	<u>7,316,733</u>
Attributable to:		
Owners of the Company	3,534,353	7,316,733
Non-controlling interests	<u>(139,314)</u>	<u>-</u>
	<u>3,395,039</u>	<u>7,316,733</u>

## DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year.

The Directors do not recommend the payment of any final dividends in respect of the financial period ended 31 December 2025.

## RESERVES OR PROVISIONS

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

# Directors' Report

Cont'd

## **BAD AND DOUBTFUL DEBTS**

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances which would render the necessary to write off any bad debts or render the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

## **CURRENT ASSETS**

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

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

## **VALUATION METHODS**

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

## **CONTINGENT AND OTHER LIABILITIES**

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

- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial period which secures the liabilities of any other person; and
- (ii) any contingent liabilities in respect of the Group or of the Company which has arisen since the end of the financial period.

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

## **CHANGE OF CIRCUMSTANCES**

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

# Directors' Report

Cont'd

## ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the Directors,

- (i) the results of the operations of the Group and of the Company for the financial period were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial period and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial period in which this report is made.

## ISSUE OF SHARES AND DEBENTURES

During the financial period:-

- (i) On 4 March 2025, the Company issued 19,700,000 new ordinary shares for a total cash consideration of RM5.8 million pursuant to the first tranche of private placement;
- (ii) On 25 April 2025, the Company issued 20,400,000 new ordinary shares for a total cash consideration of RM5.0 million pursuant to the second tranche of private placement; and
- (iii) On 17 September 2025, the Company issued 93,989,200 new ordinary shares for a total cash consideration of RM18.3 million pursuant to the final tranche of private placement.

The new ordinary shares issued during the financial period rank pari passu in all respects with the existing ordinary shares of the Company.

No new issue of debentures were made by the Company.

## OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up the unissued shares of the Company during the financial period other than options previously granted pursuant to the Employees Share Option Scheme ("ESOS").

On 18 August 2021, the Company's shareholders approved the establishment of an ESOS for Directors and employees who meet the criteria of eligibility for participation. On 21 September 2021, the Company granted 68,000,000 ESOS to selected eligible employees and Directors of the Group.

The salient features and other details of the ESOS are disclosed in Note 17(a) to the financial statements.

Movement of the options offered for the subscription of unissued ordinary shares during the financial period are as follows:

Grant date	Exercise price	Number of option over ordinary shares				At 31 December 2025
		At 1 October 2024	Granted	Exercised	Lapsed	
21 September 2021	RM0.6804	18,500,000	-	-	-	18,500,000

# Directors' Report

Cont'd

## DIRECTORS

The Directors in office during the financial period until the date of this report are:

Dato' Mazlin Bin MD Junid	
Er Kian Hong	
Chang Kian Seong*	
Dato' Haji Mohd Yazid Bin Haji Mustafa	(Appointed on 15 January 2026)
Gwi Fei Yi*	(Appointed on 26 February 2025)
Chen Thien Yin	(Resigned on 22 December 2025)
Ong Soon Lim*	(Retired on 26 February 2025)
Teh Li King*	(Retired on 26 February 2025)

\*Directors of the Company and certain subsidiaries

Other than as stated above, the names of the Directors of the subsidiaries of the Company in office during the financial period until the date of this report are:

Yusree Putra Bin Alias	
Rohiza Binti Husain	
Dato' Ngu Sing Hieng	
Dato' Wong Say Khim	
Ong Soon Lim	
Teh Li King	
Clement Ang Woon Teng	(Appointed on 02 May 2025)

## DIRECTORS' INTERESTS

According to the Registers of Directors' Shareholding required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of Directors in office at the end of the financial period in the ordinary shares and share options granted under ESOS of the Company and its related corporations during the financial period were as follows:

	At 1 October 2024	Granted	Exercised	Lapsed	At 31 December 2025
<b>Share options in the Company</b>					
Dato' Mazlin Bin MD Junid	500,000	-	-	-	500,000

Other than as stated above, none of the other Directors in office at the end of the financial period had any interest in the ordinary shares and options over ordinary shares of the Company and its related corporations during the financial period.

# Directors' Report

Cont'd

## DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the Directors as shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than any deemed benefit which may arise from transactions as disclosed in Note 28 to the financial statements.

The Directors' benefits of the Group and of the Company during the financial period are as follows:

	<b>Group RM</b>	<b>Company RM</b>
Fees	238,500	231,000
Salaries, bonuses and other benefits	1,293,541	78,500
Defined contribution plan	144,039	-
	<u>1,676,080</u>	<u>309,500</u>

Neither during, nor at the end of the financial period, was the Company a party to any arrangements where the object is to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate, other than those arising from the share options granted under the ESOS.

## INDEMNITY TO DIRECTORS AND OFFICERS

During the financial period, the total amount of indemnity insurance coverage and insurance premium paid for the Directors and officers of the Company and its subsidiaries were RM5,000,000 and RM8,000 respectively.

## SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 9 to the financial statements.

## SIGNIFICANT EVENT SUBSEQUENT TO THE FINANCIAL PERIOD

The details of the significant event subsequent to the financial period is disclosed in Note 34 to the financial statements.

# Directors' Report

Cont'd

## AUDITORS

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

The auditors' remuneration of the Group and of the Company during the financial period are as follows:

	<b>Group RM</b>	<b>Company RM</b>
<b>Auditors' remuneration:</b>		
Audit fee:		
- Ecovis Malaysia PLT	730,000	321,400
- Other auditors	184,500	176,000
Non-audit fees:		
- Ecovis Malaysia PLT	10,000	10,000
	<u>924,500</u>	<u>507,400</u>

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the Directors.

.....  
**Chang Kian Seong**  
 Director

.....  
**Gwi Fei Yi**  
 Director

Date: 22 April 2026

# STATEMENTS OF FINANCIAL POSITION

## AS AT 31 DECEMBER 2025

	Note	Group		Company	
		31.12.2025 RM	30.09.2024 RM	31.12.2025 RM	30.09.2024 RM
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	5	21,430,100	23,183,976	115,213	77,609
Right-of-use assets	6	11,292,382	11,640,722	10,992,265	11,276,547
Investment properties	7	-	-	10,860,023	11,309,071
Intangible assets	8	4,160,700	4,159,745	-	-
Investment in subsidiaries	9	-	-	85,599,680	83,041,953
Investment in associates	10	158,372,915	126,592,631	83,956,321	83,956,321
Trade receivables	11	25,955,640	58,688,728	-	-
Other receivables	12	-	8,250,000	-	-
Total non-current assets		<u>221,211,737</u>	<u>232,515,802</u>	<u>191,523,502</u>	<u>189,661,501</u>
<b>Current assets</b>					
Inventories	13	6,163,942	8,936,612	-	-
Trade receivables	11	126,050,476	95,568,592	-	-
Other receivables, deposits and prepayments	12	12,574,507	10,833,588	84,917,864	68,984,327
Tax assets		4,400,819	2,199,359	359,648	700,365
Other investment	14	-	6,280,264	-	-
Deposits, cash and bank balances	15	20,294,152	31,629,683	3,842,204	14,301,925
Total current assets		<u>169,483,896</u>	<u>155,448,098</u>	<u>89,119,716</u>	<u>83,986,617</u>
<b>Total assets</b>		<u>390,695,633</u>	<u>387,963,900</u>	<u>280,643,218</u>	<u>273,648,118</u>

# Statements Of Financial Position

## As At 31 December 2025

Cont'd

	Note	Group		Company	
		31.12.2025 RM	30.09.2024 RM	31.12.2025 RM	30.09.2024 RM
<b>Equity and liabilities</b>					
<b>Equity attributable to owners of the Company</b>					
Share capital	16	236,526,660	207,448,648	236,526,660	207,448,648
Reserves	17	4,411,665	(33,992,955)	1,316,285	(41,369,251)
Retained earnings		24,273,646	33,207,507	1,802,475	6,953,956
		<u>265,211,971</u>	<u>206,663,200</u>	<u>239,645,420</u>	<u>173,033,353</u>
Non-controlling interests		6,519,633	9,658,947	-	-
<b>Total equity</b>		<u>271,731,604</u>	<u>216,322,147</u>	<u>239,645,420</u>	<u>173,033,353</u>
<b>Non-current liabilities</b>					
Loans and borrowings	18	43,926,656	43,692,038	4,666,656	7,333,328
Deferred tax liabilities	19	574,631	680,158	684,314	861,629
Other payables	20	-	13,800,170	-	13,800,170
Total non-current liabilities		<u>44,501,287</u>	<u>58,172,366</u>	<u>5,350,970</u>	<u>21,995,127</u>
<b>Current liabilities</b>					
Loans and borrowings	18	33,922,407	35,442,401	20,166,671	18,871,504
Trade payables	21	14,275,789	13,603,254	-	-
Other payables and accruals	20	26,264,546	64,423,732	15,480,157	59,748,134
Total current liabilities		<u>74,462,742</u>	<u>113,469,387</u>	<u>35,646,828</u>	<u>78,619,638</u>
<b>Total liabilities</b>		<u>118,964,029</u>	<u>171,641,753</u>	<u>40,997,798</u>	<u>100,614,765</u>
<b>Total equity and liabilities</b>		<u>390,695,633</u>	<u>387,963,900</u>	<u>280,643,218</u>	<u>273,648,118</u>

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

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2025

	Note	Group		Company	
		01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
Revenue	22	84,782,296	117,653,139	19,972,451	2,404,072
Cost of sales		<u>(76,200,118)</u>	<u>(86,523,285)</u>	<u>(2,740,997)</u>	<u>(2,192,454)</u>
Gross profit		8,582,178	31,129,854	17,231,454	211,618
Other income	23	12,012,575	10,327,946	4,438,898	553,908
Distribution expenses		(406,475)	(483,802)	-	-
Administrative expenses		(16,087,857)	(14,444,258)	(2,116,198)	(3,063,822)
Other operating expenses		(8,784,799)	(33,660,230)	(8,784,799)	(4,332,891)
Net impairment losses on financial assets and contract assets		(2,569,511)	(383,040)	-	(1,595,058)
		<u>(27,848,642)</u>	<u>(48,971,330)</u>	<u>(10,900,997)</u>	<u>(8,991,771)</u>
Operating (loss)/profit		(7,253,889)	(7,513,530)	10,769,355	(8,226,245)
Finance costs	24	(5,517,699)	(3,285,945)	(3,413,286)	(586,615)
Share of net profits of equity accounted associates		18,429,197	7,301,978	-	-
Profit/(Loss) before tax	25	<u>5,657,609</u>	<u>(3,497,497)</u>	<u>7,356,069</u>	<u>(8,812,860)</u>
Tax expense	26	<u>(2,262,570)</u>	<u>(361,442)</u>	<u>(39,336)</u>	<u>78,178</u>
Net profit/(loss) for the financial period/year		<u>3,395,039</u>	<u>(3,858,939)</u>	<u>7,316,733</u>	<u>(8,734,682)</u>

# Statements Of Profit Or Loss And Other Comprehensive Income

## For The Financial Period Ended 31 December 2025

Cont'd

	Group		Company	
	01.10.2024 to 31.12.2025	01.10.2023 to 30.09.2024	01.10.2024 to 31.12.2025	01.10.2023 to 30.09.2024
Note	RM	RM	RM	RM
<b>Other comprehensive loss, net of tax</b>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation differences	-	(50,785)	-	-
Share of other comprehensive loss from an equity accounted associate	(4,280,916)	-	-	-
	<b>(4,280,916)</b>	<b>(50,785)</b>	<b>-</b>	<b>-</b>
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Net changes in fair value of equity instruments	-	(18,550,000)	-	-
Total other comprehensive loss for the financial period/year	<b>(4,280,916)</b>	<b>(18,600,785)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive (loss)/income for the financial period/year</b>	<b>(885,877)</b>	<b>(22,459,724)</b>	<b>7,316,733</b>	<b>(8,734,682)</b>
<b>Profit/(Loss) for the financial period/year attributable to:</b>				
Owners of the Company	3,534,353	(3,617,238)	7,316,733	(8,734,682)
Non-controlling interests	(139,314)	(241,701)	-	-
	<b>3,395,039</b>	<b>(3,858,939)</b>	<b>7,316,733</b>	<b>(8,734,682)</b>
<b>Total comprehensive (loss)/income for the financial period/year attributable to:</b>				
Owners of the Company	(746,563)	(22,218,023)	7,316,733	(8,734,682)
Non-controlling interests	(139,314)	(241,701)	-	-
	<b>(885,877)</b>	<b>(22,459,724)</b>	<b>7,316,733</b>	<b>(8,734,682)</b>
<b>Earning/(Loss) per ordinary share attributable to the owners of the Company:</b>				
Basic (sen)	27	0.72	(0.84)	
Diluted (sen)	27	0.72	(0.84)	

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

# STATEMENTS OF CHANGES IN EQUITY

## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2025

	Attributable to owners of the Company		Non-Distributable		Distributable		Total equity RM		
	Share capital RM	Capital reserve RM	Share option reserve RM	Foreign currency translation reserve RM	Other reserves RM	Retained earnings RM		Sub-total RM	Non-controlling interests RM
<b>Group</b>									
<b>At 1 October 2024</b>	207,448,648	3,283	1,316,285	7,373,013	(42,685,536)	33,207,507	206,663,200	9,658,947	216,322,147
<b>Total comprehensive (loss)/income for the financial period</b>									
Net profit/(loss) for the financial period	-	-	-	-	-	3,534,353	3,534,353	(139,314)	3,395,039
Share of other comprehensive loss from an equity accounted associate	-	-	-	-	(4,280,916)	-	(4,280,916)	-	(4,280,916)
Total comprehensive (loss)/income	-	-	-	-	(4,280,916)	3,534,353	(746,563)	(139,314)	(885,877)
<b>Transactions with owners</b>									
Issuance of ordinary shares pursuant to private placement	29,078,012	-	-	-	-	-	29,078,012	-	29,078,012
Dividend issued by a subsidiary to non-controlling interests	-	-	-	-	-	-	-	(3,000,000)	(3,000,000)
Settlement of deferred consideration	-	-	-	-	42,685,536	(12,468,214)	30,217,322	-	30,217,322
Total transactions with owners	29,078,012	-	-	-	42,685,536	(12,468,214)	59,295,334	(3,000,000)	56,295,334
<b>At 31 December 2025</b>	236,526,660	3,283	1,316,285	7,373,013	(4,280,916)	24,273,646	265,211,971	6,519,633	271,731,604

# Statements Of Changes In Equity

## For The Financial Period Ended 31 December 2025

Cont'd

	Attributable to owners of the Company		Non-Distributable		Distributable		Non-controlling interests RM	Sub-total RM	Total equity RM
	Share capital RM (Note 16)	Capital reserve RM	Fair value reserve RM	Share option reserve RM (Note 17)	Foreign currency translation reserve RM	Other reserves RM			
<b>Group</b>									
<b>At 1 October 2023</b>	170,627,839	3,283	-	1,410,195	7,423,798	(42,685,536)	55,280,835	192,060,414	201,961,062
<b>Total comprehensive loss for the financial year</b>	-	-	-	-	-	-	(3,617,238)	(3,617,238)	(3,858,939)
Net loss for the financial year	-	-	-	-	-	-	-	-	-
Foreign currency translation reserve	-	-	-	-	(50,785)	-	-	(50,785)	(50,785)
Net changes in fair value of equity instruments	-	-	(18,550,000)	-	-	-	-	(18,550,000)	(18,550,000)
Derecognition of equity instruments	-	-	18,550,000	-	-	-	(18,550,000)	-	-
<b>Total comprehensive loss</b>	-	-	-	-	(50,785)	-	(22,167,238)	(22,218,023)	(241,701)
<b>Transactions with owners</b>									
Issuance of ordinary shares pursuant to:									
- acquisition of an associate	-	-	-	-	-	-	-	36,820,809	36,820,809
Lapsed share options	-	-	-	(93,910)	-	-	93,910	-	-
<b>Total transactions with owners</b>	-	-	-	(93,910)	-	-	93,910	36,820,809	36,820,809
<b>At 30 September 2024</b>	207,448,648	3,283	-	1,316,285	7,373,013	(42,685,536)	33,207,507	206,663,200	216,322,147

# Statements Of Changes In Equity

## For The Financial Period Ended 31 December 2025

Cont'd

	Share capital RM (Note 16)	Share option reserve RM	Non-Distributable Other reserves RM	Distributable Retained earnings RM	Total equity RM
<b>Company</b>					
<b>At 1 October 2023</b>	170,627,839	1,410,195	(42,685,536)	15,594,728	144,947,226
Net loss for the financial year	-	-	-	(8,734,682)	(8,734,682)
<b>Transactions with owners</b>					
Issuance of ordinary shares pursuant to acquisition of an associate	36,820,809	-	-	-	36,820,809
Lapsed share options	-	(93,910)	-	93,910	-
Total transactions with owners	36,820,809	(93,910)	-	93,910	36,820,809
<b>At 30 September 2024/1 October 2024</b>	207,448,648	1,316,285	(42,685,536)	6,953,956	173,033,353
Net profit for the financial period	-	-	-	7,316,733	7,316,733
<b>Transactions with owners</b>					
Issuance of ordinary shares pursuant to private placement	29,078,012	-	-	-	29,078,012
Settlement of deferred consideration	-	-	42,685,536	(12,468,214)	30,217,322
Total transactions with owners	29,078,012	-	42,685,536	(12,468,214)	59,295,334
<b>At 31 December 2025</b>	236,526,660	1,316,285	-	1,802,475	239,645,420

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

# STATEMENTS OF CASH FLOWS

## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2025

	Note	Group		Company	
		01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
<b>Cash flows from/(for) operating activities</b>					
Profit/(Loss) before tax		5,657,609	(3,497,497)	7,356,069	(8,812,860)
Adjustments for:					
Amortisation of intangible assets	8	-	26,239,215	-	-
Depreciation of property, plant and equipment	5	2,399,601	1,715,474	38,825	39,527
Depreciation of right-of-use assets	6	466,263	370,563	284,282	227,427
Depreciation of investment properties	7	-	-	449,048	359,237
Gain on disposal of associates		-	(2,418,175)	-	-
Interest expense		5,517,699	3,285,945	3,413,286	586,615
Impairment losses on:					
- Goodwill	8	-	2,168,340	-	-
- Investment in subsidiaries	9	-	-	-	247,381
- Trade receivables	11	2,569,511	383,040	-	-
- Other receivables	12	-	-	-	1,595,058
Inventories written-down	13	163,289	753,052	-	-
Fair value loss on deferred consideration		7,026,000	-	7,026,000	-
Modification loss on financial assets		1,758,799	3,988,143	1,758,799	3,195,355
Property, plant and equipment written-off	5	1	38	-	-
Interest income		(994,291)	(4,911,699)	(4,438,898)	(551,315)
Reversal of impairment losses on:					
- Trade receivables	11	-	(62,560)	-	-
- Other investment	14	(219,736)	(111,132)	-	-
Share of net profits of equity accounted associates		(18,429,197)	(7,301,978)	-	-
Unrealised (gain)/loss on foreign exchange		(136,488)	317,571	-	-
<b>Operating profit/(loss) before working capital changes</b>		<b>5,779,060</b>	<b>20,918,340</b>	<b>15,887,411</b>	<b>(3,113,575)</b>
<u>Changes in working capital:</u>					
Inventories		2,609,381	7,532,829	-	-
Trade receivables and other receivables		6,319,666	(40,179,568)	(94,188)	7,547,180
Trade payables and other payables		4,242,714	(2,313,729)	464,376	688,191
<b>Cash from/(for) operations</b>		<b>18,950,821</b>	<b>(14,042,128)</b>	<b>16,257,599</b>	<b>5,121,796</b>

# Statements Of Cash Flows

## For The Financial Period Ended 31 December 2025

Cont'd

	Note	Group		Company	
		01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
<b>Cash from/(for) operations</b>		18,950,821	(14,042,128)	16,257,599	5,121,796
Tax paid, net		(4,569,557)	(16,222,530)	124,066	(438,737)
Net cash from/(for) operating activities		14,381,264	(30,264,658)	16,381,665	4,683,059
<b>Cash flows for investing activities</b>					
Additional investment in existing subsidiaries	9	-	-	(2,557,727)	-
Acquisition of a subsidiary, net of cash and cash equivalents acquired	9(i)	(955)	-	-	-
Acquisition of associates	10	(17,632,003)	(73,584,331)	-	(19,700,000)
(Repayment to)/Advances from subsidiaries		-	-	(15,839,349)	75,336
Repayment of deferred consideration		(37,100,000)	-	(37,100,000)	-
Proceeds from disposal of investment in associates		-	10,035,862	-	-
Proceeds from disposal of other investments		6,500,000	1,200,000	-	-
Purchase of property, plant and equipment	5	(645,726)	(2,965,496)	(76,429)	(23,335)
Withdrawal of pledged deposits	15	5,374,026	384,492	-	-
Interest received	23	994,291	1,467,955	4,438,898	551,315
<b>Net cash for investing activities</b>		(42,510,367)	(63,461,518)	(51,134,607)	(19,096,684)
<b>Cash flows from financing activities</b>					
Net drawdown/(repayment) of bank borrowings		5,200,440	63,448,646	(1,371,505)	20,204,832
Payments of lease liabilities		(153,805)	(119,755)	-	-
Net proceeds from issuance of shares pursuant to private placement		29,078,012	-	29,078,012	-
Interest paid	24	(5,517,699)	(3,285,945)	(3,413,286)	(586,615)
<b>Net cash from financing activities</b>		28,606,948	60,042,946	24,293,221	19,618,217

# Statements Of Cash Flows

## For The Financial Period Ended 31 December 2025

Cont'd

	Note	Group		Company	
		01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
<b>Net increase/(decrease) in cash and cash equivalents</b>		477,845	(33,683,230)	(10,459,721)	5,204,592
<b>Cash and cash equivalents at the beginning of the financial period/year</b>		12,757,838	46,576,644	14,301,925	9,097,333
Effects of exchange rate changes on cash and cash equivalents		10,583	(135,576)	-	-
<b>Cash and cash equivalents at the end of the financial period/year</b>	15	<u>13,246,266</u>	<u>12,757,838</u>	<u>3,842,204</u>	<u>14,301,925</u>

(a) The cash disbursed for the addition of right-of-use assets is as follows:-

	Note	Group	
		01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
Cost of right-of-use assets acquired	6	117,923	-
Less: Additions of new lease liabilities	(b)	<u>(117,923)</u>	<u>-</u>
		<u>-</u>	<u>-</u>

# Statements Of Cash Flows

## For The Financial Period Ended 31 December 2025

Cont'd

(b) The reconciliations of liabilities arising from financing activities are as follows

<b>Group</b>	<b>Bank borrowings*</b>	<b>Lease liabilities</b>	<b>Total</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>31.12.2025</b>			
At 1 October 2024	71,629,703	296,554	71,926,257
<u>Changes in financing cash flows</u>			
Net drawdown/(repayment)	5,200,440	(153,805)	5,046,635
Repayment of interests	(5,504,115)	(13,584)	(5,517,699)
	(303,675)	(167,389)	(471,064)
<u>Other changes</u>			
Acquisition of new leases (Note (a))	-	117,923	117,923
Interest expense recognised in profit or loss (Note 24)	5,504,115	13,584	5,517,699
	5,504,115	131,507	5,635,622
At 31 December 2025	76,830,143	260,672	77,090,815
<b>30.09.2024</b>			
At 1 October 2023	8,181,057	416,309	8,597,366
<u>Changes in financing cash flows</u>			
Net drawdown/(repayment)	63,448,646	(119,755)	63,328,891
Repayment of interests	(3,283,184)	(2,761)	(3,285,945)
	60,165,462	(122,516)	60,042,946
<u>Other changes</u>			
Interest expense recognised in profit or loss (Note 24)	3,283,184	2,761	3,285,945
At 30 September 2024	71,629,703	296,554	71,926,257

# Statements Of Cash Flows

## For The Financial Period Ended 31 December 2025

Cont'd

(b) The reconciliations of liabilities arising from financing activities are as follows (continue):

<b>Company</b>	<b>Bank borrowings* RM</b>
At 1 October 2024	26,204,832
<u>Changes in financing cash flows</u>	
Net repayment	(1,371,505)
Repayment of interests	(2,173,060)
	(3,544,565)
<u>Other changes</u>	
Interest expense recognised in profit or loss (Note 24)	2,173,060
At 31 December 2025	<u>24,833,327</u>
 <b>30.09.2024</b>	
At 1 October 2023	6,000,000
<u>Changes in financing cash flows</u>	
Net drawdown	20,204,832
Repayment of interests	(586,615)
	19,618,217
<u>Other changes</u>	
Interest expense recognised in profit or loss (Note 24)	586,615
At 30 September 2024	<u>26,204,832</u>

\* Excluded bank overdrafts.

(c) The total cash outflows for leases as a lessee are as follows:

		<b>Group</b>	
	<b>Note</b>	<b>31.12.2025 RM</b>	<b>30.09.2024 RM</b>
<b>Included in net cash from operating activities:</b>			
Payment related to short-term leases and low-value assets	25	66,885	28,541
<b>Included in net cash from financing activities:</b>			
Payments of lease liabilities		153,805	119,755
Interest paid in relation to lease liabilities	24	13,584	2,761
Total cash outflow for leases		<u>234,274</u>	<u>151,057</u>

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

# NOTES TO THE FINANCIAL STATEMENTS

## 1. CORPORATE INFORMATION

Hextar Capital Berhad (“the Company”) is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the ACE Market of Bursa Malaysia Securities Berhad.

The registered office of the Company has changed from Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200, Kuala Lumpur to Level 7, Mercu 3, No. 3, Jalan Bangsar, KL Eco City 59200 Kuala Lumpur.

The principal place of business of the Company is located at 11, Jalan Utas 15/7, 40200 Shah Alam, Selangor Darul Ehsan.

The Company is principally engaged in the business of renting of buildings, provision of management services to its subsidiaries and investment holding. The principal activities of the subsidiaries are set out in Note 9 to the financial statements.

There have been no significant changes in the nature of these activities during the financial period.

On 30 December 2025, the Board of Directors approved the change of financial year end from 30 September 2025 to 31 December 2025. The change of financial year end is for better alignment of the Company's financial reporting cycle with its associates.

As a result, the current financial period will cover 15 months from 1 October 2024 to 31 December 2025. Consequently, the comparative amounts presented in the financial statements and related notes are not comparable.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 22 April 2026.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

The financial statements of the Group and the Company have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRSs”), the International Financial Reporting (“IFRSs”) Standards and the requirements of the Companies Act 2016 in Malaysia.

### 2.2 MFRSs and amendments to MFRSs that are effective and have been adopted in the current financial period

During the current financial period, the Group and the Company have adopted the following new and amended accounting standards:

- Classification of Liabilities as Current or Non-current (Amendments to MFRS 101 Presentation of Financial Statements)
- Lease Liability in a Sale and Leaseback (Amendments to MFRS 16 Leases)
- Non-current Liabilities with Covenants (Amendments to MFRS 101 Presentation of Financial Statements)
- Supplier Finance Arrangements (Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures)

# Notes to the Financial Statements

Cont'd

## 2. BASIS OF PREPARATION (CONTINUED)

### 2.2 MFRSs and amendments to MFRSs that are effective and have been adopted in the current financial period (continued)

- Amendments to MFRS 121, 'The Effects of Changes in Foreign Exchange Rates' – Lack of Exchangeability

The adoption of the above MFRSs and amendments to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

### 2.3 MFRS and amendments to MFRS that have been issued, but yet to be adopted

The following are MFRS and amendments to MFRS that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective and have not been adopted by the Group and the Company:

#### (a) Effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, 'Financial Instruments' and MFRS 7, 'Financial Instruments: Disclosures' – Amendments to the Classification and Measurement of Financial Instruments
- Amendments to MFRS 9, 'Financial Instruments' and MFRS 7, 'Financial Instruments: Disclosures' - Contracts Referencing Nature-dependent Electricity
- Annual improvements to MFRS Accounting Standards – Volume 11

#### (b) Effective for annual periods beginning on or after 1 January 2027

- MFRS 18, 'Presentation and Disclosure in Financial Statements'
- MFRS 19, 'Subsidiaries without Public Accountability: Disclosures'
- Amendments to MFRS 19, 'Subsidiaries without Public Accountability: Disclosures'
- Amendments to MFRS 121, 'The Effects of Changes in Foreign Exchange Rates' - Translation to a Hyperinflationary Presentation Currency

#### (c) Deferred to a date to be determined by the MASB

- Amendments to MFRS 10, 'Consolidated Financial Statements' and MFRS 128, 'Investments in Associates and Joint Ventures' – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group and the Company plan to apply the abovementioned MFRSs, amendments to MFRSs and IC Interpretations, where applicable to the Group and the Company, from the beginning of the financial year where they become effective.

The Group and the Company are currently assessing the impact of initial application of the above applicable MFRSs and amendments to MFRSs since the effect would only be observable in future financial years.

### 2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

# Notes to the Financial Statements

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## 2. BASIS OF PREPARATION (CONTINUED)

### 2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

### 3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

#### (a) Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

#### (b) Acquisition of subsidiary with non-controlling interests

The Group elects to measure the non-controlling interests in the acquiree at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

#### (c) Associates

Investment in associates are accounted for in the consolidated financial statements using the equity method.

Under the equity method, the investment in associates are initially recognised at cost. The cost of investment includes transaction costs. Subsequently, the carrying amount is adjusted to recognise changes in the Group's share of net assets of the associate.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not remeasured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

# Notes to the Financial Statements

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## 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries and associates are measured at cost less any accumulated impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

### 3.3 Revenue and other income

Revenue recognition of the Group and the Company are applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer). For practical expedient, the Group and the Company applied revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics if the Group and the Company reasonably expect that the effects on the financial statements would not differ materially from recognising revenue on the individual contracts (or performance obligations) within that portfolio.

The Group and the Company measure revenue at its transaction price, being the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties, adjusted for the effects of any variable consideration, constraining estimates of variable consideration, significant financing components, non-cash consideration and consideration payable to customer. If the transaction price includes variable consideration, the Group and the Company use the expected value method by estimating the sum of probability-weighted amounts in a range or possible consideration amounts, or the most likely outcome method, depending on which method the Group and the Company expect to better predict the amount of consideration to which it is entitled.

For contract with separate performance obligations, the transaction price is allocated to the separate performance obligations on the relative stand-alone selling price basis. If the standalone selling price is not directly observable, the Group and the Company estimate it by using the costs plus margin approach.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer, i.e. when or as a performance obligation in the contract with customer is satisfied. A performance obligation is satisfied when or as the customer obtains control of the good or service underlying the particular performance obligation, which the performance obligation may be satisfied at a point in time or over time.

A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. A modification exists when the change either creates new or changes existing enforceable rights and obligations of the parties to the contract. The Group and the Company have assessed the type of modification and accounted for as either creates a separate new contract, terminates the existing contract and creation of a new contract; or forms a part of the existing contracts.

#### Financing components

The Group and the Company have applied the practical expedient for not adjusting the promised amount of consideration for the effects of a significant financing components if the Group and the Company expect that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

# Notes to the Financial Statements

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## 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.3 Revenue and other income (continued)

#### (a) Sale of goods

Revenue from sale of goods are recognised at a point in time when control of goods is transferred to the customer, generally on the delivery of the goods. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

Sales are made with a credit term ranging from 30 to 120 days. A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other than the passage of time before the payment is due.

#### (b) Rendering of engineering services and other services

Revenue from providing contract engineering and other services is recognised at a point in time when the services have been rendered to and accepted by the customers and over time as costs are incurred for contracts where the Group's performance creates or enhances an asset that the customer controls as the assets is created or enhanced.

#### (c) Construction contracts

Construction service contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of construction costs incurred for work performed to date bear to the estimated total construction costs (an input method).

The Group recognises a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers then the Group recognises a contract liability for the difference.

#### (d) Interest income

Interest income is recognised using the effective interest method.

#### (e) Dividend income

Dividend income is recognised when the right to receive payment is established.

#### (f) Rental income

Rental income is recognised in profit or loss on the straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of lease.

# Notes to the Financial Statements

Cont'd

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.4 Financial instruments

#### (a) Debt instruments at amortised cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment loss.

#### (b) Debt instruments at fair value through other comprehensive income ("FVTOCI")

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

#### (c) Financial liabilities at amortised cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to initial recognition, financial liabilities are measured at amortised cost using effective interest method. Gains and losses are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

#### (d) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

# Notes to the Financial Statements

Cont'd

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.5 Property, plant and equipment

All items of property, plant and equipment are initially measured at cost.

Subsequent to initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

All items of property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	<b>Useful lives</b>
Buildings	50 years
Computer equipment	4 years
Furniture, fixtures and fittings	10 - 20 years
Motor vehicles	5 years
Office equipment	10 years
Plant and machinery	15 years
Renovations	5 years
Tools and equipment	10 years
Small value assets	1 year

### 3.6 Leases

#### (a) Right-of-use asset

The right-of-use asset initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

#### (b) Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets. The Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

#### (c) Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

# Notes to the Financial Statements

Cont'd

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.6 Leases (continued)

#### (d) Lessor accounting

The Company recognises lease payment received from investment properties under operating leases as other income on a straight-line basis over the lease term.

### 3.7 Intangible assets

#### (a) Goodwill

Goodwill is measured at cost less any accumulated impairment losses.

#### (b) Other intangible assets

Intangible assets, other than goodwill that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Other intangible assets with a finite useful life are amortised from the date that they are available for use. Amortisation is recognised in profit or loss based on straight-line basis over its useful life.

### 3.8 Investment properties

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

### 3.9 Inventories

Inventories are measured at the lower of cost and net realisable value.

Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- raw materials: purchase costs on a weighted average cost basis.
- finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average cost basis.

### 3.10 Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand, bank balances and deposits, net of bank overdraft and pledged deposits, if any.

# Notes to the Financial Statements

Cont'd

## 4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial period are disclosed as follows:

### (a) Impairment of non-financial assets

The Group assesses the impairment of non-financial assets whenever the events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable i.e. the carrying amount of the asset is more than the recoverable amount. Where such indication exists, the Group determines the recoverable amount based on present value of the estimated future cash flows expected to be derived from the assets.

In estimating the present value of the estimated cash flows, the Group applies a suitable discount rate and make assumptions underlying the cash flow forecast, including growth rates, inflation rates, gross profit margins and net profit margins. Cash flows that are estimated based on those inputs may have a significant effect on the Group's financial position and results if the actual cash flows are less than expected.

The Group may also determine the recoverable amount of non-financial assets using fair value less cost of disposal determined with the market value approach as carried out by an independent valuer engaged by the management. The independent valuer obtains the current new replacement costs, less accrued depreciation for age and obsolescence taking into account various assumptions including intensity of usage, present physical condition, technological advancement and market trend.

Further details are disclosed in Note 5 and Note 10.

### (b) Impairment of goodwill

Goodwill is tested for impairment annually or more frequently when such indicators exist. This requires an estimation of the value in use of the cash-generating units ("CGU") to which goodwill is allocated. When value in use calculations are undertaken, the Directors use their judgement to estimate the expected future cash flows from the CGU and to determine the suitable discount rates, assumptions supporting the underlying cash flow forecast, including net profit margins and probabilities applied to expected revenue to derive the recoverable amount. Cash flows that are forecasted based on those inputs or assumptions may have a significant effect on the Group's financial position and results if the actual cash flows are less than expected. The carrying amount of the Group's goodwill arising from the acquisition of TJE of RM4,159,745 as at 31 December 2025 and key assumptions used to determine the recoverable amount are disclosed in Note 8.

# Notes to the Financial Statements

Cont'd

## 4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

### (c) Impairment of trade receivables

The Group uses the simplified approach to calculate expected credit loss for trade receivables. The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rate. The Group uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. Further details are disclosed in Note 11.

### (d) Revenue recognition for construction contracts

The Group recognises revenue from construction contracts which are performed over time based on stage of completion of the performance obligation at the reporting date. Significant judgement is required in determining progress towards complete satisfaction of performance obligation, the extent of the construction costs incurred and the estimated total construction revenue and costs. The Group makes such judgement based on past experience of providing similar services.

### (e) Income taxes

Significant estimate and judgement is involved in determining the Group's provision for income taxes as the ultimate tax liability for the Group is uncertain at the reporting date.

When the final outcome of the tax payable is determined by the tax authorities, the amount of provision for income tax may be different from the amounts that were initially recognised. Such differences will impact the income tax and deferred tax provisions in the period in which determination of final tax treatment is made.

## Notes to the Financial Statements

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## 5. PROPERTY, PLANT AND EQUIPMENT

Group 2025 Cost	Property, Plant and Equipment										Total RM
	Buildings RM	Computer equipment RM	Furniture, fixtures and fittings RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation RM	Tools and equipment RM	Small value assets RM		
At 1 October 2024	17,928,812	1,372,071	1,421,122	979,199	736,473	50,555,221	2,429,721	1,107,158	15,623	76,545,400	
Additions	-	63,028	138,157	-	6,950	330,520	86,467	19,930	674	645,726	
Written-off	-	-	-	-	(1,192)	-	-	-	-	(1,192)	
At 31 December 2025	17,928,812	1,435,099	1,559,279	979,199	742,231	50,885,741	2,516,188	1,127,088	16,297	77,189,934	
<b>Accumulated impairment loss</b>											
At 1 October 2024	-	12,641	27,001	33,290	8,878	4,584,064	63	110,738	-	4,776,675	
Written-off	-	-	-	-	(107)	-	-	-	-	(107)	
At 31 December 2025	-	12,641	27,001	33,290	8,771	4,584,064	63	110,738	-	4,776,568	

# Notes to the Financial Statements

Cont'd

## 5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group 2025	Buildings RM	Computer equipment RM	Furniture, fixtures and fittings RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation RM	Tools and equipment RM	Small value assets RM	Total RM
At 1 October 2024	6,619,741	1,188,426	1,143,013	782,436	657,627	35,672,100	2,108,632	399,929	12,845	48,584,749
Charge for the financial period	449,048	101,807	45,167	50,202	24,648	1,461,038	117,131	147,113	3,447	2,399,601
Written-off	-	-	-	-	(1,084)	-	-	-	-	(1,084)
Reclassification	-	-	-	-	-	(221)	-	221	-	-
At 31 December 2025	7,068,789	1,290,233	1,188,180	832,638	681,191	37,132,917	2,225,763	547,263	16,292	50,983,266
<b>Carrying amount</b>										
At 31 December 2025	10,860,023	132,225	344,098	113,271	52,269	9,168,760	290,362	469,087	5	21,430,100



# Notes to the Financial Statements

Cont'd

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)	Buildings RM	Computer equipment RM	Furniture, fixtures and fittings RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation RM	Tools and equipment RM	Capital work-in- progress RM	Small value assets RM	Total RM
Group 2024											
<b>Accumulated depreciation</b>											
At 1 October 2023	6,260,504	1,098,302	1,108,992	759,414	635,484	34,429,615	2,028,704	376,738	-	8,611	46,706,364
Charge for the financial year	359,237	89,605	33,931	22,601	22,188	1,081,826	79,776	22,097	-	4,213	1,715,474
Written-off	-	-	-	-	(327)	-	-	-	-	-	(327)
Adjustment	-	-	-	-	-	153,764	-	-	-	-	153,764
Exchange differences	-	519	90	421	282	6,895	152	1,094	-	21	9,474
At 30 September 2024	6,619,741	1,188,426	1,143,013	782,436	657,627	35,672,100	2,108,632	399,929	-	12,845	48,584,749
<b>Carrying amount</b>											
At 30 September 2024	11,309,071	171,004	251,108	163,473	69,968	10,299,057	321,026	596,491	-	2,778	23,183,976

## Notes to the Financial Statements

Cont'd

## 5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company 2025 Cost	Computer equipment RM	Furniture, fixtures and fittings RM	Office equipment RM	Renovation RM	Tools and equipment RM	Small value assets RM	Total RM
At 1 October 2024	339,473	471,999	277,275	421,068	16,204	4,946	1,530,965
Additions	25,714	50,715	-	-	-	-	76,429
At 31 December 2025	365,187	522,714	277,275	421,068	16,204	4,946	1,607,394
<b>Accumulated depreciation</b>							
At 1 October 2024	303,231	467,176	254,496	408,176	15,337	4,940	1,453,356
Charge for the financial period	21,202	3,605	9,521	4,187	310	-	38,825
At 31 December 2025	324,433	470,781	264,017	412,363	15,647	4,940	1,492,181
<b>Carrying amount</b>							
At 31 December 2025	40,754	51,933	13,258	8,705	557	6	115,213

# Notes to the Financial Statements

Cont'd

## 5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Computer equipment RM	Furniture, fixtures and fittings RM	Office equipment RM	Renovation RM	Tools and equipment RM	Small value assets RM	Total RM
<b>Company</b>							
<b>2024</b>							
<b>Cost</b>							
At 1 October 2023	335,646	471,999	277,275	405,438	16,204	1,068	1,507,630
Additions	3,827	-	-	15,630	-	3,878	23,335
At 30 September 2024	339,473	471,999	277,275	421,068	16,204	4,946	1,530,965
<b>Accumulated depreciation</b>							
At 1 October 2023	280,932	464,726	246,879	405,140	15,089	1,063	1,413,829
Charge for the financial year	22,299	2,450	7,617	3,036	248	3,877	39,527
At 30 September 2024	303,231	467,176	254,496	408,176	15,337	4,940	1,453,356
<b>Carrying amount</b>							
At 30 September 2024	36,242	4,823	22,779	12,892	867	6	77,609

(a) During the financial period, the Group has performed an impairment assessment of certain plant and machinery of a subsidiary, namely Hexlube Sdn. Bhd., HLSSB totalling RM5,466,132 (30.09.2024: RM6,392,161). The recoverable amount of these plant and machinery is determined using the market value approach, based on a recent valuation carried out by an independent valuer engaged by the management. No impairment is required in respect of the plant and machinery.

(b) During the financial period, the Group has performed an impairment assessment of property, plant and equipment of a subsidiary namely Opcom Cables Sdn. Bhd., OCSB totalling RM4,112,629 (30.09.2024: RM4,732,269). The recoverable amount of the property, plant and equipment is determined using value in use approach. No impairment is required in respect of the property, plant and equipment.

# Notes to the Financial Statements

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## 6. RIGHT-OF-USE ASSETS

The Group and the Company lease several assets including long-term leasehold land, office equipment, warehouse and office and motor vehicle.

Information about leases for which the Group or the Company is a lessee is presented below:

	Long-term leasehold land RM	Office equipment RM	Warehouse and office RM	Motor vehicle RM	Total RM
<b>Group</b>					
<b>Cost</b>					
At 1 October 2023/30 September 2024/1 October 2024	14,304,000	-	183,170	543,209	15,030,379
Additions	-	6,572	111,351	-	117,923
Lease derecognition	-	-	(183,170)	-	(183,170)
At 31 December 2025	14,304,000	6,572	111,351	543,209	14,965,132
<b>Accumulated depreciation</b>					
At 1 October 2023	2,800,026	-	141,287	77,781	3,019,094
Charge for the financial year	227,427	-	34,495	108,641	370,563
At 30 September 2024/ 1 October 2024	3,027,453	-	175,782	186,422	3,389,657
Charge for the financial period	284,282	438	45,741	135,802	466,263
Lease derecognition	-	-	(183,170)	-	(183,170)
At 31 December 2025	3,311,735	438	38,353	322,224	3,672,750
<b>Carrying amount</b>					
At 31 December 2025	10,992,265	6,134	72,998	220,985	11,292,382
At 30 September 2024	11,276,547	-	7,388	356,787	11,640,722

# Notes to the Financial Statements

Cont'd

## 6. RIGHT-OF-USE ASSETS (CONTINUED)

	<b>Long-term leasehold land RM</b>
<b>Company</b>	
<b>Cost</b>	
At 1 October 2023/30 September 2024/ 1 October 2024/31 December 2025	14,304,000
<b>Accumulated depreciation</b>	
At 1 October 2023	2,800,026
Charge for the financial year	227,427
At 30 September 2024/1 October 2024	3,027,453
Charge for the financial period	284,282
At 31 December 2025	3,311,735
<b>Carrying amount</b>	
At 31 December 2025	10,992,265
At 30 September 2024	11,276,547

- (a) The Group and the Company lease long-term leasehold land and warehouse for their office space and operation site. The leases for office space and operation site generally have lease terms ranging from 2 to 99 years (30.09.2024: 2 to 99 years).
- (b) The Group leases office equipment with lease term of 5 years (30.09.2024: Nil).
- (c) The Group leases motor vehicle with lease term of 5 years (30.09.2024: 5 years).
- (d) The remaining useful life of long-term leasehold land is 49 years (30.09.2024: 50 years).

## 7. INVESTMENT PROPERTIES

	<b>Company</b>	
	<b>31.12.2025</b>	<b>30.09.2024</b>
	<b>RM</b>	<b>RM</b>
<b>Cost</b>		
At 1 October 2023/30 September 2024/ 1 October 2024/31 December 2025	17,928,812	17,928,812
<b>Accumulated depreciation</b>		
At 1 October 2024/1 October 2023	6,619,741	6,260,504
Charge for the financial period/year (Note 25)	449,048	359,237
At 31 December 2025/30 September 2024	7,068,789	6,619,741
<b>Carrying amount</b>	10,860,023	11,309,071

# Notes to the Financial Statements

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## 7. INVESTMENT PROPERTIES (CONTINUED)

The investment properties of the Company are mainly leased to subsidiaries. The leases contain initial non-cancellable periods ranging from 1.5 to 30 years and an option that is exercisable by the subsidiaries to extend their leases for 1 to 5 years.

	Company	
	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
Rental income	2,972,451	2,404,072
Direct operating expenses	<u>233,480</u>	<u>186,754</u>

### Fair value information

Fair value of investment properties and related leasehold land of the Company is categorised as follows:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>Company</b>				
<b>2025</b>				
Land and buildings	<u>-</u>	<u>-</u>	<u>57,000,000</u>	<u>57,000,000</u>
<b>2024</b>				
Land and buildings	<u>-</u>	<u>-</u>	<u>51,250,000</u>	<u>51,250,000</u>

The fair value of the investment properties and related leasehold land are within Level 3 of the fair value hierarchy and are arrived at by reference to market evidence of transaction prices for similar properties and are estimated by the management. The most significant input into this valuation approach is the price per square foot of comparable properties.

There were no Level 1 and Level 2 investment properties and related leasehold land transfers between Level 1 and Level 2 during the financial period/year ended 31 December 2025 and 30 September 2024.

# Notes to the Financial Statements

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## 8. INTANGIBLE ASSETS

	Goodwill on consolidation (a) RM	Customer contract (b) RM	Total RM
<b>Group Cost</b>			
At 1 October 2023	6,328,085	41,189,742	47,517,827
Adjustment	-	224,641	224,641
At 30 September 2024/1 October 2024	6,328,085	41,414,383	47,742,468
Acquisition of a subsidiary	955	-	955
At 31 December 2025	6,329,040	41,414,383	47,743,423
<b>Accumulated amortisation and impairment losses</b>			
At 1 October 2023	-	15,175,168	15,175,168
Amortisation during the financial year (Note 25)	-	26,239,215	26,239,215
Impairment during the financial year (Note 25)	2,168,340	-	2,168,340
At 30 September 2024/1 October 2024/ 31 December 2025	2,168,340	41,414,383	43,582,723
<b>Carrying amount</b>			
At 31 December 2025	4,160,700	-	4,160,700
At 30 September 2024	4,159,745	-	4,159,745

### (a) Goodwill on consolidation

The carrying amount of goodwill allocated to cash-generating unit ("CGU") of the Group as follows:

	Group	
	31.12.2025 RM	30.09.2024 RM
TJE	4,159,745	4,159,745
LCSB	955	-
	4,160,700	4,159,745

# Notes to the Financial Statements

Cont'd

## 8. INTANGIBLE ASSETS (CONTINUED)

### (a) Goodwill on consolidation (continued)

For the purpose of impairment testing, goodwill acquired through business combination is allocated to the Group's CGU. Goodwill is assessed for impairment at each reporting date regardless of any indication of impairment by comparing the carrying amount with the recoverable amount of each CGU.

The recoverable amount of the CGU has been determined based on value in use calculations applying cash flows forecast from financial budgets approved by management covering a three-year period.

Key assumptions used in the value in use calculation are as follows:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>30.09.2024</b>
1. Discount rate	9.58%	15.00%
2. Gross profit margin	13%	2% to 39%
3. Projected revenue - projected revenue is based on the future win rate of projects tendered for, but not yet won.		

These key assumptions have been used for the analysis of the CGU. The values assigned to the key assumptions represent management's assessment of future events in the telecommunications network industry where the CGU operates from and are based on both external sources and internal sources, including historical and forward-looking data.

Discount rate was estimated based on the industry weighted average cost of capital. The discount rate applied to the cash flow forecast is pre-tax and reflects management's estimate of the risks specific to the CGU at reporting date.

Gross profit margins are the forecasted margins as a percentage of revenue over the three-year period. They are decreased over the forecast period for anticipated cost increases and inflationary pressure over the years.

Based on the sensitivity analysis performed, management believe that there is no possible change in key assumptions that would cause the carrying amount of the CGU to exceeds its recoverable amounts. The estimated recoverable amount of the CGU significantly exceeds the carrying amount of CGU. As a result, the management did not identify any impairment during the financial period.

### (b) Customer contract

The customer contract is amortised over the expected duration of the contract from the date of acquisition. The customer contract was fully amortised in previous financial years.

# Notes to the Financial Statements

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## 9. INVESTMENT IN SUBSIDIARIES

	Company	
	31.12.2025	30.09.2024
	RM	RM
<b>Unquoted shares, at cost</b>		
At 1 October 2024/1 October 2023	79,718,897	79,718,897
Additions:		
- Acquisition of a subsidiary	137,000	-
- Additional investment in subsidiaries	2,420,727	-
	<u>2,557,727</u>	<u>-</u>
	82,276,624	79,718,897
Accumulated Impairment losses on investment in subsidiaries	<u>(247,381)</u>	<u>(247,381)</u>
	82,029,243	79,471,516
Equity contribution in respect of ESOS	<u>3,570,437</u>	<u>3,570,437</u>
At 31 December 2025/30 September 2024	<u>85,599,680</u>	<u>83,041,953</u>

The details of the subsidiaries which are all incorporated in Malaysia, are as follows:

Name of company	Principal activities	Ownership interest	
		31.12.2025	30.09.2024
Opcom Cables Sdn. Bhd. ("OCSB")	Manufacturing of fibre optic cables, systems accessories and provision of engineering services.	70%	70%
Hexlube Sdn. Bhd. ("HLSSB")	Manufacturing and/or blending of lubricant oil and oil related products and manufacturing and trading of cable filing and flooding compounds, and trading of industrial products.	100%	100%
Opcom Shared Services Sdn. Bhd. ("OSSSB")	Provision of human resource management services.	100%	100%

# Notes to the Financial Statements

Cont'd

## 9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The details of the subsidiaries which are all incorporated in Malaysia, are as follows: (continued)

Name of company	Principal activities	Ownership interest	
		31.12.2025	30.09.2024
Opcom Engineering Services Sdn. Bhd. ("OESSB")	Provision of engineering services to telecommunications, power utility and transportation industries, and acting as distribution agent and solution provider for telecommunications products in Malaysia.	90%	90%
T & J Engineering Sdn. Bhd. ("TJE")	Provision of engineering, construction and project management business.	100%	100%
Opcom Trading Sdn. Bhd. ("OTSB")	General trading of fibre, other cable production material, provision of engineering services, and general trading of all sorts of building related materials and to carry on financial solutions business.	100%	100%
Legacy Core Sdn. Bhd. ("LCSB") (formerly known as Civispace Sdn. Bhd. and Binasat Properties Sdn. Bhd.)	Investment holding.	100%	-
Opcom Vision Sdn. Bhd.* ("OVSB")	Dormant.	100%	100%
Opcom VC Sdn. Bhd.* ("OVCSB")	Investment holding.	100%	100%

\*Not audited by Ecovis Malaysia PLT.

# Notes to the Financial Statements

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## 9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

### (i) Acquisition of a subsidiary

On 3 October 2025, the Company has acquired 137,000 ordinary shares in Legacy Core Sdn. Bhd. ("LCSB"), representing the entire equity interest in LCSB for a total purchase consideration of RM137,000.

The fair value of the identifiable asset of LCSB at the date of acquisition are as follows:

	<b>RM</b>
Cash and bank balances	136,045
<b>Net identifiable asset</b>	<b>136,045</b>
Goodwill arising from acquisition	955
<b>Total purchase consideration</b>	<b>137,000</b>

The effect of the acquisition on cash flows of the Group is as follows:

	<b>Group RM</b>
Purchase consideration settled in cash and cash equivalents	137,000
Cash and cash equivalents acquired	(136,045)
Net cash outflow	955

The effect of the acquisition on the financial results of the Group from the date of acquisition to 31 December 2025 is as follows:

	<b>Group RM</b>
Loss for the period	(107,867)

On 9 December 2025, the Company further subscribed additional 2,250,000 ordinary shares allotted by LCSB for cash consideration of RM2,250,000.

# Notes to the Financial Statements

Cont'd

## 9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

### (ii) Non-controlling interests in subsidiaries

The financial information of the Group's subsidiaries that have material non-controlling interests are as follows:

Equity interest held by non-controlling interests:

Name of company	Principal place of business /country of incorporation	Ownership interest	
		31.12.2025	30.09.2024
OCSB	Malaysia	30%	30%
OESSB	Malaysia	10%	10%

Carrying amount of material non-controlling interests:

Name of company	31.12.2025	30.09.2024
	RM	RM
OCSB	5,177,600	8,550,795
OESSB	1,342,033	1,108,152
	<u>6,519,633</u>	<u>9,658,947</u>

Profit or loss allocated to material non-controlling interests:

Name of company	01.10.2024	01.10.2023
	to	to
	31.12.2025	30.09.2024
	RM	RM
OCSB	(373,195)	(785,953)
OESSB	233,881	544,252
	<u>(139,314)</u>	<u>(241,701)</u>

# Notes to the Financial Statements

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## 9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

### (iii) Summarised financial information of material non-controlling interests

The summarised financial information (before intra-group elimination) of the Company's subsidiaries that have material non-controlling interests are as follows:

	<b>OCSB</b>	
	<b>31.12.2025</b>	<b>30.09.2024</b>
	<b>RM</b>	<b>RM</b>
<b>Summarised statement of financial position</b>		
Non-current assets	4,242,191	6,623,563
Current assets	25,124,503	32,455,467
Non-current liabilities	-	(666,349)
Current liabilities	<u>(10,665,114)</u>	<u>(8,467,114)</u>
Net assets	<u>18,701,580</u>	<u>29,945,567</u>
	<b>01.10.2024</b>	<b>01.10.2023</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2025</b>	<b>30.09.2024</b>
	<b>RM</b>	<b>RM</b>
<b>Summarised statement of profit or loss and other comprehensive income</b>		
Revenue	31,107,506	28,671,565
Loss for the financial period/year	(1,243,987)	(2,619,844)
Total comprehensive loss	<u>(1,243,987)</u>	<u>(2,619,844)</u>
<b>Summarised cash flow information</b>		
Cash flows for operating activities	(209,822)	(4,415,816)
Cash flows for investing activities	(39,127)	(2,075,476)
Cash flows for financing activities	<u>(1,390,144)</u>	<u>(1,345,200)</u>
Net decrease in cash and cash equivalents	<u>(1,639,093)</u>	<u>(7,836,492)</u>
Dividends payable to non-controlling interests	<u>3,000,000</u>	<u>-</u>

# Notes to the Financial Statements

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## 9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

### (iii) Summarised financial information of material non-controlling interests (continued)

The summarised financial information (before intra-group elimination) of the Company's subsidiaries that have material non-controlling interests are as follows (continued):

	<b>OESSB</b>	
	<b>31.12.2025</b>	<b>30.09.2024</b>
	<b>RM</b>	<b>RM</b>
<b>Summarised statement of financial position</b>		
Non-current assets	26,449,870	383,298
Current assets	42,079,130	19,071,063
Non-current liabilities	(125,416)	(129,047)
Current liabilities	<u>(54,045,733)</u>	<u>(7,306,274)</u>
Net assets	<u>14,357,851</u>	<u>12,019,040</u>
	<b>01.10.2024</b>	<b>01.10.2023</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2025</b>	<b>30.09.2024</b>
	<b>RM</b>	<b>RM</b>
<b>Summarised statement of profit or loss and other comprehensive income</b>		
Revenue	15,394,053	22,826,528
Profit for the financial period/year	2,338,810	5,442,518
Total comprehensive income	<u>2,338,810</u>	<u>5,442,518</u>
<b>Summarised cash flow information</b>		
Cash flows from/(for) operating activities	27,615,847	(65,556,030)
Cash flows for investing activities	(151,957)	-
Cash flows (for)/from financing activities	<u>(27,218,847)</u>	<u>64,776,264</u>
Net increase/(decrease) in cash and cash equivalents	<u>245,043</u>	<u>(779,766)</u>

# Notes to the Financial Statements

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## 10. INVESTMENT IN ASSOCIATES

	Group		Company	
	31.12.2025	30.09.2024	31.12.2025	30.09.2024
	RM	RM	RM	RM
Shares, at cost:				
- Unquoted shares	83,956,321	83,956,321	83,956,321	83,956,321
- Quoted shares	52,966,335	35,334,332	-	-
	136,922,656	119,290,653	83,956,321	83,956,321
Share of post-acquisition reserves, net of dividend	21,450,259	7,301,978	-	-
	158,372,915	126,592,631	83,956,321	83,956,321
<b>Market value:</b>				
- Quoted shares	18,018,394	20,687,735	-	-

The fair value of the quoted investment is categorised under Level 1 of the fair value hierarchy.

The details of the associates which are incorporated in Malaysia are as follows:

Name of associates	Principal activities	Ownership interest	
		31.12.2025	30.09.2024
<b>Associate of the Company:</b>			
Transgrid Ventures Sdn. Bhd. ("TVSB")#	Provision of engineering, procurement, construction and commissioning ("EPCC") of power transmission and distribution substation infrastructure, project management and engineering consultancy of power transmission and distribution infrastructure, and supply and maintenance of equipment for power transmission and distribution substations.	49.00%	49.00%
<b>Associate of OVCSB:</b>			
Binasat Communications Berhad ("Binacom")	Provision of support services for satellite, mobile and fibre optic telecommunications network.	29.82%	23.39%

# Audited by a firm other than Ecovis Malaysia PLT.

# Notes to the Financial Statements

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## 10. INVESTMENT IN ASSOCIATES (CONTINUED)

### (i) Additional investment in Binacom

During the financial period, the Group increased its equity interest in Binacom from 23.39% to 29.82% for a total cash consideration of RM17,632,003. Binacom remains an associate of the Group as the Group continues to have significant influence over the investee. The additional interest acquired is accounted for as part of the carrying amount of the investment in the associate under the equity method.

### (ii) Acquisition of associates

#### 2024

- (a) On 20 September 2023, the Company had through its wholly-owned subsidiary, namely OVCSB, entered into a share sale agreement (“SSA”) with Na Boon Aik for the acquisition of 70,000,000 ordinary shares in Binacom, representing 18.03% equity interest in Binacom for a total purchase consideration of RM39,200,000 at RM0.56 per share to be satisfied wholly in cash. The acquisition of the 18.03% equity interest in Binacom was completed on 2 October 2023.

On 26 October 2023, OVCSB entered into SSAs with other vendors, namely Dynamic Paradigm Sdn. Bhd., Lim Yau Siong, Sim Winn Pin and Poh Kok Yeong for the acquisition of 26,222,021 ordinary shares in Binacom, representing 6.75% equity interest in Binacom for a total purchase consideration of RM14,684,332 at RM0.56 per share, to be satisfied wholly in cash. The acquisition of the additional 6.75% equity interest in Binacom was completed on 12 January 2024. This had resulted the equity interest of OVCSB in Binacom increase from 18.03% to 24.78%.

- (b) On 1 August 2023, the Company had entered into a SSA with Dato’ Sri J. O. Nantha Kumar A/L J. C. Ramalu and Datin Sri M. Saraswathy A/P Manikum for the acquisition of 5,390,000 ordinary shares in TVSB, representing 49% equity interest in TVSB for a total purchase consideration of RM98 million, to be satisfied by a combination of shares and cash. The acquisition of the 49% equity interest in TVSB was completed on 10 January 2024.

# Notes to the Financial Statements

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## 10. INVESTMENT IN ASSOCIATES (CONTINUED)

### (iii) Summarised financial information of material associates:

	Binacom RM	TVSB RM
<b><u>31.12.2025</u></b>		
<b>Asset and liabilities</b>		
Non-current assets	38,648,000	86,659,796
Current assets	153,507,000	252,158,827
Non-current liabilities	(13,359,000)	(38,007,505)
Current liabilities	(42,812,000)	(140,749,986)
Net assets	<u>135,984,000</u>	<u>160,061,132</u>
<b><u>01.10.2024 to 31.12.2025</u></b>		
<b>Results:</b>		
Revenue	<u>119,360,000</u>	<u>484,913,324</u>
(Loss)/Profit for the financial period	(11,597,000)	48,256,393
Less: Amortisation of intangible assets acquired, net of tax	(245,481)	(4,490,829)
Less: Group share of associates' other comprehensive loss	-	(4,280,916)
Total comprehensive (loss)/income	<u>(11,842,481)</u>	<u>39,484,648</u>
<b><u>30.09.2024</u></b>		
<b>Asset and liabilities</b>		
Non-current assets	48,169,000	85,998,415
Current assets	128,887,000	272,853,194
Non-current liabilities	(17,598,000)	(38,007,505)
Current liabilities	(33,009,000)	(208,045,429)
Net assets	<u>126,449,000</u>	<u>112,798,675</u>
<b><u>01.10.2023 to 30.09.2024</u></b>		
<b>Results:</b>		
Revenue	<u>77,734,000</u>	<u>326,190,176</u>
Profit for the financial year	1,920,000	16,303,316
Less: Amortisation of intangible assets acquired, net of tax	(283,083)	(2,694,498)
Total comprehensive income	<u>1,636,917</u>	<u>13,608,818</u>

# Notes to the Financial Statements

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## 10. INVESTMENT IN ASSOCIATES (CONTINUED)

### (iv) Reconciliation of information to the carrying amount of the Group's interest in associates:

	Binacom RM	TVSB RM	Total RM
<b>2025</b>			
<b>Group's share of results:</b>			
Group's share of (loss)/profit for the financial period	(3,015,930)	21,445,127	18,429,197
Group's share of associates' other comprehensive loss	-	(4,280,916)	(4,280,916)
<b>Reconciliation of net assets to carrying amount:</b>			
Group's share of net assets	44,654,237	85,044,769	129,699,006
Goodwill	5,610,081	23,063,828	28,673,909
Carrying amount in the statements of financial position	50,264,318	108,108,597	158,372,915
<b>2024</b>			
<b>Group's share of results:</b>			
Group's share of profit for the financial year	313,913	6,988,065	7,301,978
<b>Reconciliation of net assets to carrying amount:</b>			
Group's share of net assets	30,038,164	67,880,558	97,918,722
Goodwill	5,610,081	23,063,828	28,673,909
Carrying amount in the statements of financial position	35,648,245	90,944,386	126,592,631

### (v) Impairment testing on investment in Binacom

As at 31 December 2025, the market value of the Group's investment in Binacom amounted to RM18.02 million (30.09.2024: RM20.69 million) which was lower than its carrying amount of RM50.26 million (30.09.2024: RM35.65 million). Management has performed an impairment assessment to determine the recoverable amount of the investment based on the higher of fair value less costs of disposal and value in use calculations. The value assigned to the key assumptions used in the value in use calculations represent management's assessment of future trends and are based on internal and external sources of data, where applicable. No impairment is required in respect of the investment in Binacom.

# Notes to the Financial Statements

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## 10. INVESTMENT IN ASSOCIATES (CONTINUED)

### (v) Impairment testing on investment in Binacom (continued)

The value in use calculations are prepared using cash flow forecast with the following key assumptions:

- (i) cash flow projections covering a period of 3 years (30.09.2024: 3 years);
- (ii) pre-tax discount rate of 9.63% (30.09.2024: 12.00%); and
- (iii) zero terminal growth rate

Based on management's assessment, there is no reasonably possible change in key assumptions on which management has based its determination of the recoverable amount of its investment in Binacom that would cause its carrying amount to exceed its recoverable amount.

- (vi) The Group's interest in Binacom is pledged as collateral for a term loan as disclosed in Note 18(a).

## 11. TRADE RECEIVABLES

	Note	Group	
		31.12.2025 RM	30.09.2024 RM
<b>Non-current</b>			
Third parties	(b)	<u>25,955,640</u>	<u>58,688,728</u>
<b>Current</b>			
Third parties	(b)	110,206,767	71,236,817
Contract assets	(c)	17,684,025	25,475,926
Amounts owing by related parties		<u>1,873,346</u>	<u>-</u>
		129,764,138	96,712,743
Less: Accumulated impairment losses	(d)	<u>(3,713,662)</u>	<u>(1,144,151)</u>
		<u>126,050,476</u>	<u>95,568,592</u>
		<u>152,006,116</u>	<u>154,257,320</u>

- (a) The normal credit terms offered by the Group are ranging from 30 to 120 days (30.09.2024: 30 to 120 days) from the date of invoice. Other credit terms are assessed and approved on a case by case basis. Receivables arising from the licensed financial solutions business are governed by separate financing agreements with agreed repayment terms.

# Notes to the Financial Statements

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## 11. TRADE RECEIVABLES (CONTINUED)

- (b) The Group has renegotiated repayment terms and entered into settlement agreements with the respective third parties as follows:
- (i) An amount of RM52.00 million (30.09.2024: RM61.54 million) is repayable in 36 monthly instalments, commencing from January 2025 to December 2027; and
- (ii) An amount of RM7.62 million (30.09.2024: RM Nil) is repayable in 12 monthly instalments, commencing from January 2026 to December 2026.
- (c) The Group issues progress billings to customers when the billing milestones are attained. The Group recognises revenue as performance obligation is satisfied over time.

Movement of contract assets during the financial period/year:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>30.09.2024</b>
	<b>RM</b>	<b>RM</b>
At 1 October 2024/1 October 2023	25,475,926	32,206,154
Revenue recognised during the financial period/year	34,564,642	67,760,309
Progress billings issued during the financial period/year	<u>(42,356,543)</u>	<u>(74,490,537)</u>
At 31 December 2025/30 September 2024	<u>17,684,025</u>	<u>25,475,926</u>

Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied or partially unsatisfied as at the reporting date is summarised below:-

	<b>Group</b>	
	<b>31.12.2025</b>	<b>30.09.2024</b>
	<b>RM</b>	<b>RM</b>
Within 1 year	60,809,788	54,436,913
Between 2 to 5 years	<u>23,407,319</u>	<u>47,839,934</u>
	<u>84,217,107</u>	<u>102,276,847</u>

The Group applies the practical expedient in MFRS 15 on not disclosing the aggregate amount of the revenue expected to be recognised in the future where the performance obligation is part of a contract that has an original expected duration of less than one year.

# Notes to the Financial Statements

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## 11. TRADE RECEIVABLES (CONTINUED)

(d) Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	Group	
	31.12.2025 RM	30.09.2024 RM
At 1 October 2024/1 October 2023	1,144,151	848,296
Reversal of impairment losses (Note 23)	-	(62,560)
Impairment losses (Note 25)	2,569,511	383,040
Written-off	-	(24,625)
At 31 December 2025/30 September 2024	3,713,662	1,144,151

(e) The information about credit exposures are disclosed in Note 31(i).

## 12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Note	Group		Company	
		31.12.2025 RM	30.09.2024 RM	31.12.2025 RM	30.09.2024 RM
<b>Non-current</b>					
Other receivables	(a)	-	8,250,000	-	-
<b>Current</b>					
Other receivables	(a)	4,790,934	3,208,183	19,881	76,290
Deposits		332,282	564,554	110,559	111,059
Prepayments		7,317,326	6,689,530	136,767	50,470
Amounts owing by associates	(b)	91,800	37,582	91,800	27,000
Amounts owing by related parties	(c)	56,974	348,548	-	-
Amounts owing by subsidiaries	(d)	-	-	86,153,915	70,314,566
		12,589,316	10,848,397	86,512,922	70,579,385
Less: Accumulated impairment loss		(14,809)	(14,809)	(1,595,058)	(1,595,058)
		12,574,507	10,833,588	84,917,864	68,984,327
		12,574,507	19,083,588	84,917,864	68,984,327

# Notes to the Financial Statements

Cont'd

## 12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

- (a) In the previous financial year, included in other receivables of the Group are an amount owing by a third party of RM11.0 million. The Group has renegotiated the repayment terms with the third party and entered into a settlement agreement with the third party for repayment of the outstanding amount over 36 monthly instalments, commencing from January 2025 to December 2027. During the financial period, the RM11.0 million has been fully collected.
- (b) Amount owing by associates is unsecured, interest-free and payable upon demand in cash.
- (c) Amount owing by related parties is unsecured, interest-free and receivable in 30 days (30.09.2024: 30 days).
- (d) Amount owing by subsidiaries is unsecured, interest-free and payable upon demand in cash, except for an amount of RM86.15 million (30.09.2024: RM24.00 million) which bears interest ranging from 2.30% to 5.37% (30.09.2024: 5.36% to 5.38%) per annum.

## 13. INVENTORIES

	Group	
	31.12.2025	30.09.2024
	RM	RM
<b>At cost</b>		
Raw materials	2,319,735	1,940,908
Work-in-progress	207,907	85,630
Finished goods	3,574,860	5,758,631
	<u>6,102,502</u>	<u>7,785,169</u>
<b>At net realisable value</b>		
Raw materials	15,632	766,522
Finished goods	45,808	384,921
	<u>61,440</u>	<u>1,151,443</u>
	<u>6,163,942</u>	<u>8,936,612</u>
<b>Recognised in profit or loss:</b>		
Inventories recognised as cost of sales	42,855,762	34,331,915
Inventories written-down	163,289	753,052

# Notes to the Financial Statements

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## 14. OTHER INVESTMENT

	Group	
	31.12.2025 RM	30.09.2024 RM
Short-term investment	-	6,500,000
Accumulated impairment losses	-	(219,736)
	-	6,280,264

The short-term investment in previous financial year was placed with a peer-to-peer financing platform registered with Securities Commission Malaysia and bore interest at 12% per annum. During the financial period, the investment was fully redeemed, and accordingly, the impairment loss recognised in the previous years was write back in current financial period.

## 15. DEPOSITS, CASH AND BANK BALANCES

	Note	Group		Company	
		31.12.2025 RM	30.09.2024 RM	31.12.2025 RM	30.09.2024 RM
Cash and bank balances		14,004,514	19,926,019	3,842,204	14,301,925
Deposits placed with licensed banks	(a)	6,289,638	11,703,664	-	-
Deposits, cash and bank balances		20,294,152	31,629,683	3,842,204	14,301,925
Less:					
- Pledged deposits	(b)	(6,289,638)	(11,663,664)	-	-
- Bank overdrafts	18	(758,248)	(7,208,181)	-	-
Cash and cash equivalents as at end of the financial period/year		13,246,266	12,757,838	3,842,204	14,301,925

(a) The pledged deposits of the Group are placed with licensed banks with maturity period of less than 3 months (30.09.2024: less than 3 months) and bear interest rates ranging between 0% to 3.40% (30.09.2024: 0% to 3.10%) per annum.

(b) The pledged deposits are on lien for bank facilities granted to subsidiaries.

# Notes to the Financial Statements

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## 16. SHARE CAPITAL

	Group and Company			
	31.12.2025		30.09.2024	
	No. of shares	RM	No. of shares	RM
<b>Issued and fully paid-up:</b>				
At 1 October 2024/ 1 October 2023	446,964,022	207,448,648	384,022,468	170,627,839
Issuance of shares pursuant to:				
- Private placement	134,089,200	29,078,012	-	-
- Acquisition of an associate	-	-	62,941,554	36,820,809
At 31 December 2025/ 30 September 2024	<u>581,053,222</u>	<u>236,526,660</u>	<u>446,964,022</u>	<u>207,448,648</u>

### (a) Financial period ended 31 December 2025

- (i) On 4 March 2025, the Company issued 19,700,000 new ordinary shares for a total cash consideration of RM5.8 million pursuant to the first tranche of private placement;
- (ii) On 25 April 2025, the Company issued 20,400,000 new ordinary shares for a total cash consideration of RM5.0 million pursuant to the second tranche of private placement; and
- (iii) On 17 September 2025, the Company issued 93,989,200 new ordinary shares for a total cash consideration of RM18.3 million pursuant to the final tranche of private placement.

### (b) Financial year ended 30 September 2024

The Company issued 62,941,554 new ordinary shares at RM0.585 per share as part of the purchase consideration for the acquisition of 49.00% equity interest in TVSB as disclosed in Note 10.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

The new ordinary shares issued during the financial period rank pari passu in all respects with the existing ordinary shares of the Company.

# Notes to the Financial Statements

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## 17. RESERVES

	Note	Group		Company	
		31.12.2025 RM	30.09.2024 RM	31.12.2025 RM	30.09.2024 RM
<b>Non-distributable:</b>					
Capital reserve		3,283	3,283	-	-
Share option reserve	(a)	1,316,285	1,316,285	1,316,285	1,316,285
Foreign currency translation reserve	(b)	7,373,013	7,373,013	-	-
Other reserves	(c)	<u>(4,280,916)</u>	<u>(42,685,536)</u>	<u>-</u>	<u>(42,685,536)</u>
		<u>4,411,665</u>	<u>(33,992,955)</u>	<u>1,316,285</u>	<u>(41,369,251)</u>

### (a) Share option reserve

The share option reserve comprises the cumulative value of services received from Directors and employees for the issue of share options. The reserve is recorded over the vesting period commencing from the grant date and is reduced by the expiry/lapse or exercise of the share options. When the option is exercised, the amount from the share option reserve is transferred to share capital. When the share options expire/lapse, the amount from the share option reserve is transferred to retained earnings.

Share options are granted to eligible Directors and employees. The options granted vest immediately and settlement is by issuance of fully-paid ordinary shares. The option price is based on weighted average market prices of the Company's ordinary shares in the last five trading days before the grant date. The contractual term of each option granted is five years. There are no cash settlement alternatives. The options carry neither rights to dividends nor voting rights. Options may be exercised any time from the date of vesting to the date of expiry.

#### Movement of share options during the financial period/year

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movement in, share options:

	Company	
	Number 31.12.2025 Unit'000	Number 30.09.2024 Unit'000
At beginning of the financial period/year	18,500	19,000
Lapsed	-	(500)
At end of the financial period/year	<u>18,500</u>	<u>18,500</u>
Exercisable at the end of the financial period/year	<u>18,500</u>	<u>18,500</u>

The options outstanding at 31 December 2025 have exercise price of RM0.6804 (30.09.2024: RM0.6804) and the weighted average remaining contractual life for the share options outstanding as at 31 December 2025 is 0.73 years (30.09.2024: 1.98 years).

# Notes to the Financial Statements

Cont'd

## 17. RESERVES (CONTINUED)

### (a) Share option reserve (continued)

The fair value of the share options granted were determined using the Black Scholes Options Pricing model, and the inputs were:

	<b>Grant date</b>
<b>Fair value of share options and assumptions</b>	
Weighted average fair value of share options at grant date (21 September 2021) (RM)	<u>0.7135</u>
Weighted average share price (RM)	0.7894
Annualised volatility (%)	62.16%
Risk-free rate (%)	1.76%
Exercise price (RM)	0.6804
Time to maturity (years)	0.0833
Dividend yield	<u>2.015%</u>

The expected volatility reflected the assumption that the historical volatility was an indication of future trends, which may also not necessarily be the actual outcome.

### (b) Foreign currency translation reserve

The translation reserve arose from translating the financial statements of a subsidiary whose functional currency was different from the Group's presentation currency. In the previous financial year, the subsidiary changed its functional currency due to a shift in its primary economic environment following the disposal of its foreign associates. Consequently, it now operates predominantly in the local market and has changed its functional currency to Ringgit Malaysia.

### (c) Other reserves

Other reserves comprise the following components:

#### (i) Deferred consideration arising from the acquisition of a subsidiary

During the financial period, the Company completed the acquisition of TJE. Upon completion, an amount of RM30,217,322 from the other reserves was utilised to settle the deferred consideration arising from the acquisition.

The remaining balance of RM12,468,214 in the other reserves was subsequently transferred to retained earnings, representing an internal reclassification within equity upon settlement of deferred consideration.

#### (ii) Share of other comprehensive loss from an equity accounted associate

During the financial period, the Group recognised a share of other comprehensive loss of RM4,280,916 from an equity accounted associate, representing the Group's share of post-acquisition movements in the associate's other comprehensive income relating to cash flow hedges, recognised under the equity method.

# Notes to the Financial Statements

Cont'd

## 18. LOANS AND BORROWINGS

	Note	Group	
		31.12.2025 RM	30.09.2024 RM
<b>Non-current</b>			
Bank borrowings:			
- Term loans	(a)	43,794,121	43,467,897
Lease liabilities	(c)	132,535	224,141
		<u>43,926,656</u>	<u>43,692,038</u>
<b>Current</b>			
Bank borrowings:			
- Term loans	(a)	9,366,671	7,172,900
- Trade financing	(a)	23,669,351	20,988,907
Bank overdrafts	(b)	758,248	7,208,181
Lease liabilities	(c)	128,137	72,413
		<u>33,922,407</u>	<u>35,442,401</u>
<b>Total loans and borrowings:</b>			
Bank borrowings		77,588,391	78,837,885
Lease liabilities		260,672	296,554
		<u>77,849,063</u>	<u>79,134,439</u>
<b>Company</b>			
	Note	31.12.2025 RM	30.09.2024 RM
<b>Non-current</b>			
Bank borrowings:			
- Term loans	(a)	4,666,656	7,333,328
<b>Current</b>			
Bank borrowings:			
- Term loans	(a)	2,166,671	2,000,004
- Trade financing	(a)	18,000,000	16,871,500
		<u>20,166,671</u>	<u>18,871,504</u>
<b>Total loans and borrowings</b>		<u>24,833,327</u>	<u>26,204,832</u>

# Notes to the Financial Statements

Cont'd

## 18. LOANS AND BORROWINGS (CONTINUED)

### (a) Bank borrowings

#### Trade financing

Trade financing is secured by pledged deposits (Note 15), corporate guarantee from the Company and subsidiaries, and certain Directors of a subsidiary with the interest rate charges ranging from 5.00% to 6.85% (30.09.2024: 5.00% to 7.02%) per annum.

#### Term loans

Term loans are secured by corporate guarantee from the Company and charged over pledged deposits (Note 15) and shares in an associate, Binacom (Note 10) with interest rate charges ranging from 5.12% to 5.69% (30.09.2024: 5.36% to 5.70%) per annum.

### (b) Bank overdrafts

Bank overdrafts are secured by pledged deposits (Note 15) and is guaranteed by the corporate guarantee from the Company and certain Directors of a subsidiary with interest rate charges ranging from 7.70% to 8.40% (30.09.2024: 7.95% to 8.40%) per annum.

### (c) Lease liabilities

The effective borrowing rates applied to lease liabilities ranging from 2.33% to 5.51% (30.09.2024: 2.33% to 4.50%) per annum.

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	Group	
	31.12.2025	30.09.2024
	RM	RM
Minimum lease payments:		
Not later than one year	136,261	101,592
Later than one year and not later than 5 years	135,290	205,941
	<u>271,551</u>	<u>307,533</u>
Less: Future finance charges	(10,879)	(10,979)
Present value of minimum lease payments	<u>260,672</u>	<u>296,554</u>
Present value of minimum lease payments:		
Not later than one year	128,137	72,413
Later than one year and not later than 5 years	132,535	224,141
	<u>260,672</u>	<u>296,554</u>
Less: Amount due within 12 months	(128,137)	(72,413)
Amount due after 12 months	<u>132,535</u>	<u>224,141</u>

# Notes to the Financial Statements

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## 19. DEFERRED TAX LIABILITIES

	Group		Company	
	31.12.2025 RM	30.09.2024 RM	31.12.2025 RM	30.09.2024 RM
<b>Deferred tax liabilities</b>				
At 1 October 2024/1 October 2023	(680,158)	(7,163,280)	(861,629)	(922,456)
Acquisition of a subsidiary	-	(53,914)	-	-
Recognised in profit or loss (Note 26)	105,527	6,537,253	177,315	60,827
Foreign currency translation differences	-	(217)	-	-
At 31 December 2025/ 30 September 2024	<u>(574,631)</u>	<u>(680,158)</u>	<u>(684,314)</u>	<u>(861,629)</u>
<b>Presented after appropriate offsetting as follows:</b>				
Deferred tax assets	-	88,327	-	-
Deferred tax liabilities	<u>(574,631)</u>	<u>(768,485)</u>	<u>(684,314)</u>	<u>(861,629)</u>
	<u>(574,631)</u>	<u>(680,158)</u>	<u>(684,314)</u>	<u>(861,629)</u>

Deferred tax assets/(liabilities) arose from the following temporary differences:

	Group		Company	
	31.12.2025 RM	30.09.2024 RM	31.12.2025 RM	30.09.2024 RM
<b>Deferred tax assets</b>				
Provision	<u>-</u>	<u>88,327</u>	<u>-</u>	<u>-</u>
<b>Deferred tax liabilities</b>				
Differences between the carrying amount of property, plant and equipment and their tax base intangible assets	<u>(574,631)</u>	<u>(768,485)</u>	<u>(684,314)</u>	<u>(861,629)</u>
	<u>(574,631)</u>	<u>(768,485)</u>	<u>(684,314)</u>	<u>(861,629)</u>
	<u>(574,631)</u>	<u>(680,158)</u>	<u>(684,314)</u>	<u>(861,629)</u>

# Notes to the Financial Statements

Cont'd

## 19. DEFERRED TAX LIABILITIES (CONTINUED)

### Unrecognised deferred tax assets

The estimated amount of temporary differences for which no deferred tax assets are recognised in the financial statements are as follows:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>30.09.2024</b>
	<b>RM</b>	<b>RM</b>
Unabsorbed capital allowances	9,509,532	3,389,394
Unused tax losses	16,379,680	11,788,213
Other deductible differences	-	148,249
	<u>25,889,212</u>	<u>15,325,856</u>

The availability of unused tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to requirements under the Income Tax Act, 1967 and guidelines issued by the tax authority.

The unused tax losses are available for offset against future taxable profits of the Group up to the following financial periods:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>30.09.2024</b>
	<b>RM</b>	<b>RM</b>
2028	109,180	109,180
2029	2,182,572	2,182,572
2030	5,092,170	5,092,170
2031	-	-
2032	1,451,096	1,451,096
2033	929,994	929,994
2034	3,233,369	2,023,201
2035	3,381,299	-
	<u>16,379,680</u>	<u>11,788,213</u>

# Notes to the Financial Statements

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## 20. OTHER PAYABLES AND ACCRUALS

	Note	Group		Company	
		31.12.2025 RM	30.09.2024 RM	31.12.2025 RM	30.09.2024 RM
<b>Non-current</b>					
Deferred consideration	(a)	-	13,800,170	-	13,800,170
<b>Current</b>					
Amount owing to related parties	(b)	78,641	23,666	-	-
Other payables		1,869,460	1,573,392	628,996	255,844
Dividend payable		3,000,000	-	-	-
Accruals		6,929,429	3,707,306	464,145	543,649
Deferred consideration	(a)	14,387,016	59,119,368	14,387,016	58,948,641
		<u>26,264,546</u>	<u>64,423,732</u>	<u>15,480,157</u>	<u>59,748,134</u>
<b>Total</b>		<u>26,264,546</u>	<u>78,223,902</u>	<u>15,480,157</u>	<u>73,548,304</u>

(a) Deferred consideration payable by the Group and the Company represents the purchase considerations for the acquisition of TJE and TVSB which are contingent on certain criterias being met. During the financial period, the specific payment criteria relating to TJE were fulfilled and the corresponding deferred consideration was settled. Accordingly, the remaining balance as at period end relates solely to TVSB.

(b) Amount owing to related parties is unsecured, interest-free and payable upon demand in cash.

## 21. TRADE PAYABLES

	Group	
	31.12.2025 RM	30.09.2024 RM
Third parties	<u>14,275,789</u>	<u>13,603,254</u>

The normal trade credit terms granted to the Group are ranging from 30 to 90 days (30.09.2024: 30 to 90 days).

Notes to the **Financial Statements**

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**22. REVENUE**

	Group		Company	
	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
<b>Revenue from contract customers:</b>				
<i>Recognised at a point in time:</i>				
Sales of goods	31,869,255	29,055,580	-	-
Rendering of services	8,404,099	14,490,157	-	-
	40,273,354	43,545,737	-	-
<i>Recognised over time:</i>				
Construction contracts	34,690,719	67,760,309	-	-
Interest income	3,147,279	1,116,066	-	-
Rendering of services	6,527,493	5,090,155	-	-
	44,365,491	73,966,530	-	-
<b>Revenue from other sources:</b>				
Dividend income from subsidiaries	-	-	17,000,000	-
Rental income	143,451	140,872	2,972,451	2,404,072
	143,451	140,872	19,972,451	2,404,072
	<u>84,782,296</u>	<u>117,653,139</u>	<u>19,972,451</u>	<u>2,404,072</u>

# Notes to the Financial Statements

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## 23. OTHER INCOME

	Group		Company	
	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
Interest income	994,291	1,467,955	4,438,898	551,315
Interest income arising from unwinding of discount:				
- Trade receivables	-	2,807,621	-	-
- Other receivables	-	636,123	-	-
Late payment charges from trade receivables	9,846,087	1,198,551	-	-
Gain on foreign exchange:				
- Realised	-	982,086	-	-
- Unrealised	136,488	6,222	-	-
Gain on disposal of investment in associates	-	2,418,175	-	-
Reversal of impairment losses on:				
- Trade receivables	-	62,560	-	-
- Other investment	219,736	111,132	-	-
Others	815,973	637,521	-	2,593
	<u>12,012,575</u>	<u>10,327,946</u>	<u>4,438,898</u>	<u>553,908</u>

## 24. FINANCE COSTS

	Group		Company	
	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
Interest expense:				
- bank borrowings	5,504,115	3,283,184	2,173,060	586,615
- lease liabilities	13,584	2,761	-	-
- subsidiaries	-	-	1,240,226	-
	<u>5,517,699</u>	<u>3,285,945</u>	<u>3,413,286</u>	<u>586,615</u>

# Notes to the Financial Statements

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## 25. PROFIT/(LOSS) BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged in arriving at profit/(loss) before tax:

	Note	Group		Company	
		01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
Auditors' remuneration:					
Audit fee:					
- Ecovis Malaysia PLT		730,000	780,000	321,400	390,000
- Other auditors		184,500	200,125	176,000	193,625
Underprovision of audit fee in prior year:					
- Ecovis Malaysia PLT		25,000	65,280	25,000	57,280
Non-audit fees:					
- Ecovis Malaysia PLT		10,000	8,000	10,000	8,000
Amortisation of intangible assets	8	-	26,239,215	-	-
Depreciation of investment properties	7	-	-	449,048	359,237
Depreciation of property, plant and equipment	5	2,399,601	1,715,474	38,825	39,527
Depreciation of right-of-use assets	6	466,263	370,563	284,282	227,427
Employee benefits expenses	(a)	12,602,105	10,046,720	311,000	392,000
Expenses relating to short-term leases and leases of low-value underlying assets		66,885	28,541	-	-
Impairment losses on:					
- Goodwill	8	-	2,168,340	-	-
- Investment in subsidiaries	9	-	-	-	247,381
- Trade receivables	11	2,569,511	383,040	-	-
- Other receivables	12	-	-	-	1,595,058
Inventories written-down	13	163,289	753,052	-	-
Loss on foreign exchange:					
- Realised		-	118,448	-	-
- Unrealised		-	323,793	-	-
Fair value loss on deferred consideration		7,026,000	-	7,026,000	-
Modification loss on financial assets		1,758,799	3,988,143	1,758,799	3,195,355
Property, plant and equipment written-off	5	1	38	-	-

# Notes to the Financial Statements

Cont'd

## 25. PROFIT/(LOSS) BEFORE TAX (CONTINUED)

(a) Employee benefits expenses:

	Group		Company	
	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
Salaries, wages, bonuses and other benefits	11,398,612	9,038,088	309,500	392,000
Defined contribution plan	1,203,493	1,008,632	-	-
	<u>12,602,105</u>	<u>10,046,720</u>	<u>309,500</u>	<u>392,000</u>

Included in employee benefits expenses are the following Directors' remuneration:

	Group		Company	
	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
Fees	238,500	246,000	231,000	228,000
Salaries, bonuses and other benefits	1,293,541	1,051,995	78,500	164,000
Defined contribution plan	144,039	105,620	-	-
	<u>1,676,080</u>	<u>1,403,615</u>	<u>309,500</u>	<u>392,000</u>

# Notes to the Financial Statements

Cont'd

## 26. TAX EXPENSE

	Group		Company	
	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
<b>Income tax:</b>				
- Current income tax charge	2,320,743	6,923,952	246,570	132,315
- Under/(Over)provision in prior years	47,354	(25,257)	(29,919)	(149,666)
	<u>2,368,097</u>	<u>6,898,695</u>	<u>216,651</u>	<u>(17,351)</u>
<b>Deferred tax (Note 19)</b>				
- (Reversal)/Origination of temporary differences	(89,923)	(6,445,647)	(161,710)	25,798
- Overprovision in prior years	(15,604)	(91,606)	(15,605)	(86,625)
	<u>(105,527)</u>	<u>(6,537,253)</u>	<u>(177,315)</u>	<u>(60,827)</u>
Tax expense	<u>2,262,570</u>	<u>361,442</u>	<u>39,336</u>	<u>(78,178)</u>

Income tax is calculated at the Malaysian statutory income tax rate of 24% (30.09.2024: 24%) on the estimated assessable profit/(loss) for the financial period/year.

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's tax expense are as follows:

	Group		Company	
	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
Profit/(Loss) before tax	<u>5,657,609</u>	<u>(3,497,497)</u>	<u>7,356,069</u>	<u>(8,812,860)</u>
Malaysia statutory tax rate of 24% (2024: 24%)	1,357,826	(839,399)	1,765,457	(2,115,086)
Tax effects in respect of:				
Tax effect on associates	(4,423,007)	(1,752,475)	-	-
Non-deductible expenses	2,947,684	3,614,990	2,399,403	2,273,199
Non-taxable income	(275,215)	(1,637,338)	(4,080,000)	-
Deferred tax assets not recognised during the financial period/year	2,535,205	1,092,527	-	-
Deferred tax assets written-down	88,327	-	-	-
Under/(Over)provision in prior years:				
- Current tax	47,354	(25,257)	(29,919)	(149,666)
- Deferred tax	(15,604)	(91,606)	(15,605)	(86,625)
Tax expense	<u>2,262,570</u>	<u>361,442</u>	<u>39,336</u>	<u>(78,178)</u>

# Notes to the Financial Statements

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## 27. EARNINGS/(LOSS) PER SHARE

### (a) Basic earnings/(loss) per ordinary share

Basic earnings/(loss) per share are based on the profit/(loss) for the financial period attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial period/year, calculated as follows:

	Group	
	01.10.2024 to 31.12.2025	01.10.2023 to 30.09.2024
Profit/(Loss) attributable to owners of the Company (RM)	3,534,353	(3,617,238)
Weighted average number of ordinary shares for basic earnings per share	494,264,439	429,547,318
Basic earnings/(loss) per share (sen)	0.72	(0.84)

### (b) Diluted earnings/(loss) per ordinary share

The effects of potential ordinary shares arising from the conversion of ESOS is anti-dilutive and accordingly, it has been ignored in the calculation of dilutive earnings per share. As a result, the diluted earnings/(loss) per ordinary share is the same as basic earnings/(loss) per share.

## 28. RELATED PARTIES

### (a) Identity of related parties

Parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) Subsidiaries;
- (ii) Associates;
- (iii) Entities in which certain Directors have financial interests; and
- (iv) Key management personnel of the Group and the Company, comprise persons (including Directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

# Notes to the Financial Statements

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## 28. RELATED PARTIES (CONTINUED)

### (b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group		Company	
	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
<b>Transaction with subsidiaries:</b>				
- Dividend income	-	-	(17,000,000)	-
- Rental income	-	-	(2,829,000)	(2,263,200)
- Interest income	-	-	(4,383,028)	(345,338)
- Administrative fee	-	-	1,770,000	1,416,000
- Interest expenses	-	-	1,240,226	-
<b>Transaction with associates:</b>				
- Sales	(2,076,770)	(6,320,926)	-	-
- Interest income	-	(65,853)	-	-
- Other income	-	(1,003,004)	-	-
- Purchases	-	76,697	-	-
<b>Transaction with related parties:</b>				
- Sales	(4,919,514)	(1,411,304)	-	-
- Supply of services	(367,850)	(302,634)	-	-
- Purchases	267,411	262,092	-	-

# Notes to the Financial Statements

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## 28. RELATED PARTIES (CONTINUED)

### (c) Compensation of key management personnel

Key management personnel including personnel having authority and responsibility for planning, directing and controlling the activities of the entities directly or indirectly, including any director of the Group and of the Company.

The remuneration of key management personnel is as follows:

	Group		Company	
	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
Directors of the Company:				
- Fees	238,500	246,000	231,000	228,000
- Salaries, bonuses and other benefits	1,293,541	1,051,995	78,500	164,000
- Defined contribution plan	144,039	105,620	-	-
	1,676,080	1,403,615	309,500	392,000
Directors of the subsidiaries:				
- Fees	52,500	30,000	-	-
- Salaries, bonuses and other benefits	1,774,316	1,473,134	-	-
- Defined contribution plan	233,451	174,341	-	-
	2,060,267	1,677,475	-	-
Other key management personnel:				
- Salaries, bonuses and other benefits	343,293	164,971	-	-
- Defined contribution plan	39,599	19,548	-	-
	382,892	184,519	-	-
	<u>4,119,239</u>	<u>3,265,609</u>	<u>309,500</u>	<u>392,000</u>

## 29. SEGMENT INFORMATION

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Executive Committee as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided.

# Notes to the Financial Statements

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## 29. SEGMENT INFORMATION (CONTINUED)

The Group is organised into the following reportable segments:

Segments	Products and services
Manufacturing	Involved in the manufacturing of fibre optic cables, lubricant oil, systems accessories, and oil related products.
Engineering services and trading	Provision of engineering services and trading of cable filling, flooding compounds, industrial products and building materials.
Tele-communication network infrastructure solutions	Supply, construct and delivery of telecommunications towers and its ancillaries for the purpose of providing public cellular services to end-users.
Construction and project management	Provision of construction and project management services which includes but not limited to (i) provision of structural, civil, mechanical, electrical, architectural and other engineering services; (ii) site inspection, demolition, site preparation, electrical, plumbing, general external works and other construction installation activities; and (iii) overseeing all aspects of construction project including scheduling, budgeting, monitoring, risk management and quality control.
Financial solutions	Provide tailored loan products such as personal loans, business loans and project financing solutions to customers.
Others operations	Management services and investment holding.

Inter-segment pricing is determined on negotiated basis.

### Segment profit

Segment performance is used to measure performance as Group's Executive Committee believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements.

### Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group's Executive Committee.

### Segment liabilities

The total of segment liabilities is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the Group's Executive Committee.



## Notes to the Financial Statements

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## 29. SEGMENT INFORMATION (CONTINUED)

	Manufacturing RM	Engineering services and trading RM	Tele- communication network RM	Construction and project management RM	Financial solutions RM	Other operations RM	Adjustments and eliminations RM	Consolidation RM
<b>31.12.2025</b>								
<b>Assets</b>								
Addition to non-current assets excluding deferred tax assets and investment in associates	227,179	266,451	22,261	160,440	4,320	83,953	-	764,604
Segment assets	55,486,364	68,529,000	10,776,106	48,592,540	57,253,474	336,953,836	(186,895,687)	390,695,633
<b>Liabilities</b>								
Segment liabilities	15,495,879	56,221,413	472,632	8,716,337	51,532,547	114,961,742	(128,436,521)	118,964,029



## Notes to the Financial Statements

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## 29. SEGMENT INFORMATION (CONTINUED)

	Manufacturing RM	Engineering services and trading RM	Tele- communication network RM	Construction and project management RM	Financial solutions RM	Other operations RM	Adjustments and eliminations RM	Consolidation RM
<b>30.09.2024</b>								
<b>Assets</b>								
Addition to non-current assets excluding deferred tax assets and investment in associates	2,745,476	6,049	51,479	-	139,157	23,335	-	2,965,496
Segment assets	66,410,878	19,454,361	73,559,537	-	30,907,214	312,058,555	(114,426,645)	387,963,900
<b>Liabilities</b>								
Segment liabilities	10,423,548	7,435,321	15,700,393	-	25,382,695	157,233,950	(44,534,154)	171,641,753

# Notes to the Financial Statements

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## 29. SEGMENT INFORMATION (CONTINUED)

### Geographical information

The Group operates predominantly in Malaysia and accordingly, the non-current assets of the Group are located in Malaysia.

### Information about major customers

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:

	<b>Group</b>		<b>Segment</b>
	<b>01.10.2024 to 31.12.2025 RM</b>	<b>01.10.2023 to 30.09.2024 RM</b>	
Customer 1	24,151,359	-	Tele-communication network
Customer 2	10,884,351	-	Manufacturing
Customer 3	10,413,283	59,324,675	Tele-communication network
Customer 4	-	29,888,537	Engineering services and trading

# Notes to the Financial Statements

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## 30. FINANCIAL INSTRUMENTS

### (a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

	Group		Company	
	31.12.2025 RM	30.09.2024 RM	31.12.2025 RM	30.09.2024 RM
<b>Financial assets</b>				
Trade receivables <sup>^</sup>	134,322,091	128,781,394	-	-
Other receivables and deposits <sup>*</sup>	5,257,181	12,394,058	84,781,097	68,933,857
Other investment	-	6,280,264	-	-
Deposits, cash and cash balances	20,294,152	31,629,683	3,842,204	14,301,925
	<u>159,873,424</u>	<u>179,085,399</u>	<u>88,623,301</u>	<u>83,235,782</u>
<b>Financial liabilities</b>				
Trade payables	14,275,789	13,603,254	-	-
Other payables and accruals	26,264,546	78,223,902	15,480,157	73,548,304
Loans and borrowings	77,849,063	79,134,439	24,833,327	26,204,832
	<u>118,389,398</u>	<u>170,961,595</u>	<u>40,313,484</u>	<u>99,753,136</u>

<sup>^</sup> Excluded contract assets.

<sup>\*</sup> Excluded prepayments.

### (b) Net gains and losses arising from financial instruments

	Group		Company	
	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
<b>Net (losses)/gains arising from:</b>				
Financial assets at measured amortised cost	(3,114,062)	3,053,374	4,438,898	(1,043,743)
Financial liabilities at measured amortised cost	(12,388,520)	(5,079,044)	(12,198,085)	(3,781,970)
	<u>(15,502,582)</u>	<u>(2,025,670)</u>	<u>(7,759,187)</u>	<u>(4,825,713)</u>

# Notes to the Financial Statements

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## 30. FINANCIAL INSTRUMENTS (CONTINUED)

### (c) Fair value measurement

The carrying amounts of other investment, deposits, cash and bank balances, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

## 31. FINANCIAL RISK MANAGEMENT

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, foreign currency risk, interest rate risk and liquidity risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders.

The Group's and the Company's exposure to the financial risks and the objectives, policies and processes put in place to manage these risks are discussed below.

### (i) Credit risk

Credit risk is the risk of financial loss to the Group that may arise on outstanding financial instruments and contract assets should a counterparty default on its obligations. The Group is exposed to credit risk from its operating activities (primarily trade receivables and contract assets) and from its financing activities, including deposits with banks and other financial instruments. The Group has a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. The Group minimises credit risk by dealing exclusively with high credit rating counterparties.

#### **Trade receivables and contract asset**

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by their carrying amount in the statements of financial position.

Save for the carrying amount of a trade receivable from financial solutions business, the remaining carrying amount of trade receivables and contract assets is not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables and contract assets, the Group considers any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

# Notes to the Financial Statements

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## 31. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (i) Credit risk (continued)

#### Credit risk concentration profile

The Group determines the credit risk concentration of its trade receivables and contract assets by industry sector profile on an ongoing basis. At the end of the reporting period, approximately 83% (30.09.2024: 89%) of the Group's trade receivables was due from three (30.09.2024: three) major customers.

The Group applies the simplified approach to provide for impairment losses prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected credit losses provision for all trade receivables. To measure the impairment losses, trade receivables and contract assets have been grouped based on shared credit risks characteristics and days past due.

Certain significant receivables are assessed individually due to their size and specific credit characteristics. In estimating the related loss allowances, management considers repayment history, revised repayment arrangements where applicable, subsequent collections after the reporting date and other debtor-specific factors. The remaining receivables are assessed collectively based on shared credit risk characteristics, historical loss experience and forward-looking information.

The information about the credit risk exposure on the Group's trade receivables and contract assets is as follows:

	Group	
	31.12.2025	30.09.2024
	RM	RM
Current	125,248,555	27,669,456
1 to 30 days past due	3,748,193	7,545,736
31 to 60 days past due	952,434	82,095,493
61 to 90 days past due	909,460	1,142,879
91 to 120 days past due	332,738	920,387
More than 120 days past due	6,844,373	10,551,594
	<u>138,035,753</u>	<u>129,925,545</u>
Impaired - individually assessed ECL	(3,617,776)	(1,144,151)
Impaired - collectively ECL	(95,886)	-
Trade receivables, net	<u>134,322,091</u>	<u>128,781,394</u>
Contract assets	<u>17,684,025</u>	<u>25,475,926</u>
	<u>152,006,116</u>	<u>154,257,320</u>

The comparative ageing analysis of trade receivables has been re-presented for consistency with the current year's ageing basis. The re-presentation affects only the ageing analysis disclosure and does not affect the carrying amount of trade receivables, expected credit loss allowance, profit or loss, equity or cash flows of the Group and of the Company.

# Notes to the Financial Statements

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## 31. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (i) Credit risk (continued)

#### Other receivables and other financial assets (continued)

For other receivables and other financial assets (including deposits, cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets are represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. The following indicators are incorporated:

- internal credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- actual or expected significant changes in the operating results of the counterparty
- significant increases in credit risk on other financial instruments of the same counterparty

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group will consider the expected manner of recovery and recovery period of the intercompany loan.

As at the end of the reporting date, the Group and the Company consider the other receivables and other financial assets as low credit risk and any loss allowance would be negligible.

#### Financial guarantee contracts

The Group and the Company are exposed to credit risk in relation to performance guarantee given to third parties and corporate guarantee given to banks for certain subsidiaries. The Group and the Company monitor the work delivery of subsidiaries and their repayment to banks on an on-going basis. The maximum exposure to credit risks of the Group and the Company amounted to RM14,266,873 (30.09.2024: RM21,331,761) and RM190,831,765 (30.09.2024: RM100,169,646) respectively, representing the maximum amount the Group and the Company could pay if the guarantee is called on as disclosed in Note 31(iv). As at the reporting date, there was no loss allowance for impairment as determined by the Group and the Company for the financial guarantee.

The financial guarantee contracts have not been recognised since the fair value on initial recognition was not material as the guarantee is provided as credit enhancement for subsidiaries' bank facilities.

# Notes to the Financial Statements

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## 31. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (ii) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when sales and purchases that are denominated in a foreign currency).

The Group has transactional currency exposures arising from sales and purchases that are denominated in currencies other than the functional currency of the Group entities, primarily in United States Dollar ("USD"). The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

The Group's unhedged financial assets and liabilities that are not denominated in their functional currencies are as follows:

	USD	
	31.12.2025	30.09.2024
	RM	RM
<b>Group</b>		
<b>Financial assets</b>		
Trade receivables	20,955	891,571
Other receivables	2,521	-
Deposits, cash and cash balances	173,724	763,352
	<u>197,200</u>	<u>1,654,923</u>
<b>Financial liabilities</b>		
Trade payables	<u>(2,831,042)</u>	<u>(1,265,611)</u>
Net exposure	<u>(2,633,842)</u>	<u>389,312</u>

### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the USD, with all other variables held constant on the Group's profit for the financial period/year.

	Effect on profit or loss for the financial period/year Group	
	01.10.2024 to 31.12.2025	01.10.2023 to 30.09.2024
	RM	RM
USD/RM		
- strengthened by 5%	(100,086)	14,794
- weakened by 5%	100,086	(14,794)
	<u>100,086</u>	<u>(14,794)</u>

# Notes to the Financial Statements

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## 31. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk relates to interest bearing financial liabilities and financial asset. Interest bearing financial liabilities includes bank borrowings. Interest-bearing financial asset includes short-term deposits placed with licensed banks at fixed rate.

#### *Exposure to interest rate risk*

The interest rate risk of the Group's and the Company's signification interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	31.12.2025 RM	30.09.2024 RM	31.12.2025 RM	30.09.2024 RM
<b>Fixed rate instruments</b>				
Financial assets	6,289,638	11,703,664	86,153,915	24,000,000
Financial liabilities	<u>(260,672)</u>	<u>(296,554)</u>	<u>-</u>	<u>-</u>
	<u>6,028,966</u>	<u>11,407,110</u>	<u>86,153,915</u>	<u>24,000,000</u>
<b>Floating rate instruments</b>				
Financial liabilities	<u>(77,588,391)</u>	<u>(78,837,885)</u>	<u>(24,833,327)</u>	<u>(26,204,832)</u>

A change of 50 basis points in interest rates at the end of the reporting period would have increased/(decreased) profit/(loss) after tax by the amounts shown below. The analysis assumes that all other variables remain constant.

Notes to the **Financial Statements**

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**31. FINANCIAL RISK MANAGEMENT (CONTINUED)****(iii) Interest rate risk (continued)**

	Profit/(Loss)	
	01.10.2024 to 31.12.2025 RM	01.10.2023 to 30.09.2024 RM
<b>Group</b>		
<b>Floating rate instruments</b>		
Increase by 50 basis points	(27,521)	(12,036)
Decrease by 50 basis points	<u>27,521</u>	<u>12,036</u>
<b>Company</b>		
<b>Floating rate instruments</b>		
Increase by 50 basis points	(10,865)	(2,229)
Decrease by 50 basis points	<u>10,865</u>	<u>2,229</u>

Sensitivity analysis on fixed rate instruments is not disclosed as they are not exposed to interest fluctuation during the term of the instruments.

**(iv) Liquidity risk**

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade payables, other payables and loans and borrowings. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through certain committed credit facilities.

The Group and the Company actively manage their operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met. As part of its overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash to meet their working capital requirements.

# Notes to the Financial Statements

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## 31. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (iv) Liquidity risk (continued)

#### Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows:

	Carrying amount RM	Contractual undiscounted cash flows			Total RM
		On demand or within 1 year RM	Between 1 and 5 years RM	More than 5 years RM	
<b>31.12.2025</b>					
<b>Group</b>					
<b>Financial liabilities</b>					
Trade payables	14,275,789	14,275,789	-	-	14,275,789
Other payables and accruals	26,264,546	26,264,546	-	-	26,264,546
Loan and borrowings	77,849,063	34,072,170	51,344,076	-	85,416,246
Performance guarantee given to third parties*	-	14,266,873	-	-	14,266,873
	118,389,398	88,879,378	51,344,076	-	140,223,454
<b>Company</b>					
<b>Financial liabilities</b>					
Other payables and accruals	15,480,157	15,480,157	-	-	15,480,157
Loan and borrowings	24,833,327	20,308,250	5,135,611	-	25,443,861
Corporate guarantee provided to banks on subsidiaries' facilities*	-	190,831,765	-	-	190,831,765
	40,313,484	226,620,172	5,135,611	-	231,755,783

## Notes to the Financial Statements

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## 31. FINANCIAL RISK MANAGEMENT (CONTINUED)

## (iv) Liquidity risk (continued)

Maturity analysis (continued)

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows (continued):

	Carrying amount RM	Contractual undiscounted cash flows				Total RM
		On demand or within 1 year RM	Between 1 and 5 years RM	More than 5 years RM		
<b>30.09.2024</b>						
<b>Group</b>						
<b>Financial liabilities</b>						
Trade payables	13,603,254	13,603,254	-	-	-	13,603,254
Other payables and accruals	78,223,902	66,065,163	14,230,523	-	-	80,295,686
Loan and borrowings	79,134,439	40,446,472	46,935,598	-	-	87,382,070
Performance guarantee given to third parties*	-	21,331,761	-	-	-	21,331,761
	<b>170,961,595</b>	<b>141,446,650</b>	<b>61,166,121</b>	<b>-</b>	<b>-</b>	<b>202,612,771</b>
<b>Company</b>						
<b>Financial liabilities</b>						
Other payables and accruals	73,548,304	61,389,565	14,230,523	-	-	75,620,088
Loan and borrowings	26,204,832	19,346,314	8,158,617	-	-	27,504,931
Corporate guarantee provided to banks on subsidiaries' facilities*	-	100,169,646	-	-	-	100,169,646
	<b>99,753,136</b>	<b>180,905,525</b>	<b>22,389,140</b>	<b>-</b>	<b>-</b>	<b>203,294,665</b>

# Notes to the Financial Statements

Cont'd

## 31. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (iv) Liquidity risk (continued)

#### Maturity analysis (continued)

- \* The potential exposure of the financial guarantee is equivalent to the amount of the bank facilities being utilised by certain subsidiaries. The exposure for financial guarantee is for illustration only. No financial guarantee was called upon by the holder as at the end of financial period/year.

## 32. LEASE COMMITMENTS

### Operating lease commitments – The Company as lessor

The investment properties of the Company are leased to subsidiaries, related parties and third-party customers under operating leases with rental payable monthly. The leases contain initial non-cancellable periods ranging from 1.5 to 30 years and an option that is exercisable by the subsidiaries to extend their leases for 1 to 5 years.

The maturity analysis of the Company's lease rental, showing the undiscounted lease payments to be received after the reporting date are as follows:

	<b>Company</b>	
	<b>31.12.2025</b>	<b>30.09.2024</b>
	<b>RM</b>	<b>RM</b>
Within 1 year	2,346,072	1,851,072
Between 1 and 2 years	612,672	719,472
Between 2 and 3 years	46,872	46,872
Between 3 and 4 years	46,872	46,872
Between 4 and 5 years	46,872	46,872
Later than 5 years	382,788	464,814
	<u>3,482,148</u>	<u>3,175,974</u>

# Notes to the Financial Statements

Cont'd

## 33. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholders' value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the financial period/year ended 31 December 2025 and 30 September 2024.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory requirements, if any. The debt-to-equity ratio is calculated as total debt less deposits, cash and bank balances divided by total equity. The Group includes within total debts, loans and borrowings from financial institutions. Capital includes equity attributable to the owners of the Company and non-controlling interest. The debt-to-equity ratio of the Group at the end of the financial period/year is as follows:

	Group	
	31.12.2025	30.09.2024
	RM	RM
Total debt	77,849,063	79,134,439
Less: Deposits, cash and bank balances	(20,294,152)	(31,629,683)
Net debt	57,554,911	47,504,756
Total equity	<u>271,731,604</u>	<u>216,322,147</u>
Debt-to-equity ratio	<u>0.21</u>	<u>0.22</u>

There was no change in the Group's approach to capital management during the financial period/year.

## 34. SIGNIFICANT EVENT SUBSEQUENT TO THE FINANCIAL PERIOD

On 16 March 2026, the Company entered into a Sales and Purchase Agreement with a third party for the disposal of 1,200,000 ordinary shares in LCSB for a total cash consideration of RM1,200,000. Upon completion of the disposal, the Company's equity interest in LCSB will be reduced from 100% to 60%, resulting in a dilution of interest in a subsidiary while retaining control.

The financial effects of the disposal, including any resulting gain or loss and the impact on non-controlling interests, will be recognised in the financial statements for the financial year ending after the completion date.

## 35. COMPARATIVE FIGURES

The Company has changed its financial year end from 30 September to 31 December for better alignment of the Company's financial reporting cycle with its associates. Consequently, the comparative figures for the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and their related notes are not comparable to that for the current 15-month period ended 31 December 2025.

# STATEMENT BY DIRECTORS

We, **Chang Kian Seong** and **Gwi Fei Yi**, being two of the Directors of **Hextar Capital Berhad**, do hereby state that in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and cash flows for the financial period then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors.

.....  
**Chang Kian Seong**  
Director

.....  
**Gwi Fei Yi**  
Director

Kuala Lumpur

Date: 22 April 2026

# STATUTORY DECLARATION

I, **Fong Wai Yi**, being the officer primarily responsible for the financial management of **Hextar Capital Berhad**, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

.....  
**Fong Wai Yi**  
**(MIA Membership No: CA 38140)**

Subscribed and solemnly declared by the abovenamed at Petaling Jaya in the state of Selangor Darul Ehsan on 22 April 2026

Before me,

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF HEXTAR CAPITAL BERHAD

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **Hextar Capital Berhad**, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial period then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 87 to 167.

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

#### Basis for Opinion

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

#### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

# Independent Auditors' Report

## To The Members Of Hextar Capital Berhad

Cont'd

### Key Audit Matters

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

### Group

#### 1. Recoverability of investment in an associate

*Refer to Note 4(a) and Note 10 to the financial statements*

As at 31 December 2025, the carrying amount of the Group's investment in Binacommunications Berhad ("Binacom") amounted to RM50,264,318.

Management performed an impairment assessment of the investment in Binacom due to impairment indicators identified as at the reporting date, including the carrying amount of the investment exceeding the quoted market value of Binacom shares of RM18,018,394.

The assessment involved significant judgement, particularly in view of Binacom's loss-making position during the current financial period and the estimation uncertainty involved in determining the recoverable amount based on value-in-use calculations. The value-in-use assessment required management to apply significant assumptions, including forecast revenue, profit margins, growth rate and discount rate.

Given the magnitude of the balance and the significant judgement and estimates involved in determining the recoverable amount of the investment, we considered this area to be a key audit matter.

Our audit procedures included, among others, the following:

- tested management's computation of the carrying amount of the investment in the associate;
- considered matters arising from the audit of Binacom's financial statements that were relevant to the financial information used in management's impairment assessment;
- obtained an understanding of management's impairment assessment methodology and evaluated the value-in-use model used in determining the recoverable amount;
- assessed the reasonableness of the key assumptions applied in the cash flow forecasts, including forecast revenue, profit margins, growth rate and discount rate, with reference to past performance and customer contracts.
- considered the adequacy of the related disclosures in the financial statements.

# Independent Auditors' Report

## To The Members Of Hextar Capital Berhad

Cont'd

### Key Audit Matters (continued)

#### Group (continued)

#### 2. Recoverability of trade receivables

*Refer to Note 4(c), Note 11 and Note 31(i) to the financial statements*

As at 31 December 2025, the Group's trade receivables amounted to RM152,006,116, representing 38.9% of the Group's total assets.

The assessment of the recoverability of these receivables involved significant judgement and consideration of a range of factors, including ageing profiles, historical and recent repayment patterns, subsequent collections, available supporting arrangements, and other relevant information, including forward-looking information, used in the expected credit loss assessment.

This assessment involved inherent uncertainty, particularly where recovery depended on future repayment performance or continued adherence to agreed arrangements. Given the magnitude of the balance and the significant judgement required in assessing recoverability and expected credit losses, we considered this area to be a key audit matter.

#### **Our audit procedures included, among others, the following:**

- reviewed the ageing analysis of trade receivables and tested the accuracy of the underlying data on a sample basis;
- obtained confirmations from selected trade receivables and, where replies were not received, performed alternative audit procedures;
- discussed with management the status of selected receivable balances and evaluated the basis of management's recoverability assessment;
- reviewed relevant agreements, correspondence, repayment arrangements and other supporting documents in relation to selected receivable balances;
- reviewed collections received during and subsequent to the financial period end and assessed their impact on the recoverability of the outstanding balances;
- assessed the reasonableness of management's assumptions and judgements applied in the expected credit loss assessment, including historical payment records, subsequent receipts and forward-looking information; and
- evaluated the adequacy of the related disclosures in the financial statements.

# Independent Auditors' Report

## To The Members Of Hextar Capital Berhad

Cont'd

### Key Audit Matters (continued)

#### Group (continued)

#### **3. Revenue recognition for construction contracts**

*Refer to Note 4(d) and Note 22 to the financial statements*

Revenue from construction contracts amounted to RM34,690,719, representing 40.9% of the Group's total revenue for the financial period ended 31 December 2025.

Revenue from construction contracts is recognised over time using the input method, based on costs incurred relative to total estimated costs to complete. The recognition of such revenue involved significant judgement, particularly in estimating total costs to complete, determining the stage of completion, and assessing revisions to project budgets, variation orders, claims and liquidated ascertained damages arising from project delays, if any.

Given the significance of the revenue recognised and the degree of judgement involved in determining the stage of completion of construction contracts, we considered this area to be a key audit matter.

Our audit procedures included, among others, the following:

- obtained an understanding of, and evaluated, the Group's project costing process for determining contract costs and the amount of revenue recognised from construction contracts;
- for selected contracts, agreed the contract sums to the underlying contracts and relevant supporting documents;
- assessed the stage of completion by comparing costs incurred to date against total estimated costs to complete, and evaluated the reasonableness of estimated costs to complete by reference to approved budgets and actual costs incurred;
- tested selected contract costs incurred during the financial period to supporting documents, including payroll records and subcontractor invoices;
- discussed with management and relevant project personnel the basis for significant revisions to project budgets, variation orders, claims and the assessment of liquidated ascertained damages, and considered whether any provision for foreseeable losses was required; and
- considered the adequacy of the related disclosures in the financial statements.

#### Company

We have determined that there are no key audit matters to be communicated in our report which arose from the audit of the financial statements of the Company.

# Independent Auditors' Report

## To The Members Of Hextar Capital Berhad

Cont'd

### Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report and the remaining parts of the annual report, which are expected to be made available to us after the date of auditors' report.

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

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

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

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate action in accordance with approved standards on auditing in Malaysia and ISAs.

### Responsibilities of the Directors for the Financial Statements

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

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

# Independent Auditors' Report

## To The Members Of Hextar Capital Berhad

Cont'd

### Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

# Independent Auditors' Report

## To The Members Of Hextar Capital Berhad

Cont'd

### **Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

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

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

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

### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirement of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as the auditors are disclosed in Note 9 to the financial statements.

### **Other Matters**

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

**ECOVIS MALAYSIA PLT**  
AF 001825  
Chartered Accountants

Kuala Lumpur  
22 April 2026

**YONG HUI NEE**  
03283/09/2026 J  
Chartered Accountant

# DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Rule 9.25A of the ACE 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) Group Total Income and Total Assets

	Group	
	2025 RM	2024 RM
<b>Total Income</b>		
Revenue	84,782,296	117,653,139
Other income	12,012,575	10,327,946
Share of profit of associates	18,429,197	7,301,978
<b>Total</b>	<b>115,224,068</b>	<b>135,283,063</b>
<b>Total Assets</b>	<b>390,695,633</b>	<b>387,963,900</b>

## (b) Business Activities

	Group	
	2025 RM	2024 RM
<b>Shariah Non-Compliant Activities</b>		
Banking & finance and related services	3,147,279	1,116,066
Interest income	10,840,378	2,666,506
<b>Total</b>	<b>13,987,657</b>	<b>3,782,572</b>

## (c) Component of Financial Position

### (i) Cash Component

	Group	
	2025 RM	2024 RM
<b>Islamic Account/Instruments</b>		
Cash and bank balances (exclude cash in hand)	12,673,122	13,060,313
Deposits with licensed bank	5,482,638	10,856,664
Cash in hand (to be placed under Islamic Account/Instruments only)	18,726	71,174
<b>Total Cash</b>	<b>18,174,486</b>	<b>23,988,151</b>
<b>Conventional Account/Instruments</b>		
Cash and bank balances (exclude cash in hand)	1,312,666	6,794,532
Deposits with licensed bank	807,000	847,000
<b>Total Cash</b>	<b>2,119,666</b>	<b>7,641,532</b>

# Disclosure Of Financial Data For Shariah Screening

Cont'd

## (c) Component of Financial Position

### (ii) Debt Component

Islamic Financing	Group	
	2025 RM	2024 RM
<b>Current</b>		
Term loans	2,166,671	2,000,004
Revolving credit and loans	18,000,000	16,871,500
Bank Overdrafts	-	6,354,087
<b>Non-Current</b>		
Term loans	4,666,656	7,333,328
<b>Total Debt</b>	<b>24,833,327</b>	<b>32,558,919</b>

Conventional Borrowing	Group	
	2025 RM	2024 RM
<b>Current</b>		
Term loans	7,200,000	5,172,896
Trade financing	5,669,351	4,117,407
Hire purchase payables	91,520	72,413
Bank Overdrafts	758,248	854,094
<b>Non-Current</b>		
Term loans	39,127,465	36,134,569
Hire Purchase payables	93,262	215,175
<b>Total Debt</b>	<b>52,939,846</b>	<b>46,566,554</b>

# LIST OF PROPERTY

Registered owner	Location / Tenure	Description/ Existing Use	Land Area/ Built Up Area (sqm)	Date of Acquisition / [Revaluation]	Approximate Age of Building	NBV / Group Carrying Amount @ 31 December 2025
Hextar Capital Berhad	No. 98721, Lot 331, Seksyen 15 Industrial Site Shah Alam, Shah Alam City District of Petaling and State of Selangor being land, factories and office buildings bearing the address of No. 11, Jalan Utas 15/7, 40200 Shah Alam, Selangor Darul Ehsan  Leasehold, 99 years, expiring on 18 April 2074	<ul style="list-style-type: none"> <li>• Manufacturing blocks</li> <li>• Office building</li> <li>• Warehouses</li> <li>• Open storage yards</li> <li>• Car parks</li> <li>• Guardhouse</li> </ul>	29,450/ 15,282	Land 10.07.2012  Building 16.05.2014 (Acquisition)	Age of manufacturing blocks approximately 20 years and less  Age of other buildings/ structures: no more than 30 years	RM21,852,288

# ANALYSIS OF SHAREHOLDINGS

## AS AT 31 MARCH 2026

Total Number of Issued Shares : 581,053,222 ordinary shares  
 Class of Equity Securities : Ordinary shares  
 Voting Rights : One (1) vote per ordinary share

### 1. DISTRIBUTION SCHEDULE OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100 shares	343	5.239	10,584	0.002
100 - 1,000 shares	834	12.739	473,336	0.081
1,001 - 10,000 shares	2,786	42.554	15,559,794	2.678
10,001 - 100,000 shares	2,045	31.236	73,417,510	12.635
100,001 - less than 5% of issued shares	537	8.202	413,270,744	71.124
5% and above of issued shares	2	0.031	78,321,254	13.479
<b>TOTAL</b>	<b>6,547</b>	<b>100.000</b>	<b>581,053,222</b>	<b>100.000</b>

### 2. LIST OF SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Dato' Ong Choo Meng	129,008,600	22.203	–	–
Datin Sri M. Saraswathy A/P Manikum	42,877,354	7.379	–	–
Dato Sri J.O. Nantha Kumar A/L J.C. Ramalu	–	–	42,877,354 <sup>(i)</sup>	7.379

Note:-

(i) Indirect interest by virtue of his spouse's direct shareholdings, pursuant to Section 59(11)(c) of the Companies Act 2016.

### 3. LIST OF DIRECTORS' SHAREHOLDINGS

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Dato' Mazlin Bin MD Junid	–	–	–	–
Dato' Haji Mohd Yazid Bin Haji Mustafa	–	–	–	–
Chang Kian Seong	–	–	–	–
Gwi Fei Yi	–	–	–	–
Er Kian Hong	–	–	–	–

# Analysis of Shareholdings

## As at 31 March 2026

Cont'd

#### 4. LIST OF THIRTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1.	M. Saraswathy A/P Manikum	42,877,354	7.379
2.	Amsec Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account - Ambank (M) Berhad for Dato' Ong Choo Meng (Smart)	35,443,900	6.100
3.	Kejaya Kaya Sdn. Bhd. Pledged Securities Account for Ng Vic Ca	25,700,000	4.423
4.	City Exotic Sdn. Bhd. Pledged Securities Account for Tan Pei Shiun	25,300,000	4.354
5.	Bimsec Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ong Choo Meng (MGNM88030)	23,109,100	3.977
6.	City Exotic Sdn. Bhd. Pledged Securities Account for Liaw Ling Syin	21,000,000	3.614
7.	Kejaya Kaya Sdn. Bhd.	20,400,000	3.511
8.	Kejaya Kaya Sdn. Bhd. Pledged Securities Account for Pu Seong En	19,289,200	3.320
9.	Apex Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Dato' Ong Choo Meng (Margin)	16,500,000	2.840
10.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Dato' Ong Choo Meng (6000478)	15,481,800	2.664
11.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ong Choo Meng (Dato')	14,079,400	2.423
12.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Dato Ong Choo Meng	10,894,400	1.875
13.	Mok Yau Choy	7,300,000	1.256
14.	Amsec Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Clement Wong Teck Hoo	7,200,000	1.239
15.	Ta Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Dato' Ong Choo Meng	7,000,000	1.205
16.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Ong Choo Meng (Dato') (MY3918)	6,500,000	1.119
17.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Andy Lai Wee Young (M18)	4,319,200	0.743
18.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chin Chin Seong (7014455)	3,000,000	0.516
19.	English Hotbreads (Sel.) Sdn. Bhd.	3,000,000	0.516
20.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim Chin Siu (7010857)	2,850,000	0.490
21.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Seah Yik Hong (MY3269)	2,825,900	0.486
22.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Liew Ban Lee (MF00755)	2,500,000	0.430
23.	Liew Chee Ing	2,500,000	0.430
24.	Bimsec Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chai Chan Ping (MGNM88086)	2,483,900	0.427
25.	Chong Yoke Sim	2,012,500	0.346
26.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Andy Lai Wee Young (MF00612)	2,000,000	0.344
27.	Lee Chooi Keng	1,920,000	0.330
28.	Kenanga Nominees (Tempatan) Sdn. Bhd. Yong Heng Loong	1,880,000	0.324
29.	Yasotha A/P Nairainon	1,880,000	0.324
30.	Low Soew Weng	1,854,600	0.319

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Thirtieth Annual General Meeting (“**30TH AGM**”) of Hextar Capital Berhad (“**HCB**” or “**the Company**”) will be held at Hextar Hall, Level 17, Hextar Centre, Hextar Tower, No. 8, Jalan Damansara, Empire City, PJU 8, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan Malaysia on Friday, 19 June 2026 at 10:00 a.m. or at any adjournment thereof, to transact the following businesses:-

## AGENDA

### As Ordinary Business

- |  |   |
|--|---|
| 1. To receive the Audited Financial Statements for the financial period ended 31 December 2025 and the Reports of Directors and Auditors thereon.                                      | <b>Please refer to Explanatory Note 1</b>   |
| 2. To approve the payment of Directors’ fees to the Directors up to an amount of RM350,000.00 from 20 June 2026 until the next Annual General Meeting (“ <b>AGM</b> ”) of the Company. | <b>Ordinary Resolution 1</b><br><i>(Please refer to Explanatory Note 2)</i>                                 |
| 3. To approve the payment of Directors’ benefits to the Directors up to an amount of RM350,000.00 from 20 June 2026 until the next AGM of the Company.                                 | <b>Ordinary Resolution 2</b><br><i>(Please refer to Explanatory Note 2)</i>                                 |
| 4. To re-elect Dato’ Mazlin Bin MD Junid who retires by rotation in accordance with Article 90(1) of the Company’s Constitution.   | <b>Ordinary Resolution 3</b><br><i>(Please refer to Explanatory Note 3)</i>                                 |
| 5. To re-elect the following Directors who retire pursuant to Article 83 of the Company’s Constitution:-<br><br>i. Gwi Fei Yi<br>ii. Dato’ Haji Mohd Yazid Bin Haji Mustafa            | <b>Ordinary Resolution 4</b><br><b>Ordinary Resolution 5</b><br><i>(Please refer to Explanatory Note 3)</i> |
| 6. To re-appoint Messrs. Ecovis Malaysia PLT as Auditors of the Company for the ensuing financial year and to authorise the Directors to determine their remuneration.                 | <b>Ordinary Resolution 6</b>  |

### As Special Business

To consider and, if thought fit, to pass the following Ordinary Resolutions, with or without modifications:-

- |   |   |
|---|---|
| 7. <b>Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.</b> | <b>Ordinary Resolution 7</b><br><i>(Please refer to Explanatory Note 4)</i> |
|---|---|

“**THAT** pursuant to Sections 75 and 76 of the Companies Act 2016 (“**the Act**”), the Constitution of the Company, ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and approval from Bursa Securities and any other relevant governmental and/or regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised and empowered to issue and allot shares (“**New Shares**”) in the capital of the Company from time to time, at such price, and upon such terms and conditions, for such purposes, and to such person or persons as the Directors may in their absolute discretion deem fit, provided always that the aggregate number of such New Shares to be issued and allotted, pursuant to this resolution, aggregated with the total number of any such shares issued during the preceding twelve (12) months does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares, if any) of the Company for the time being as stipulated under Rule 6.04(1) of ACE Market Listing Requirements of the Bursa Securities (“**Proposed Mandate**”); **AND THAT** the Directors be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the ACE Market of Bursa Securities.

# Notice Of Annual General Meeting

Cont'd

**THAT** authority be and is hereby given to the Directors of the Company, to give effect to the Proposed Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

**THAT** the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed Mandate.

**THAT** such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting ("**AGM**") of the Company.

**THAT** pursuant to Section 85 of the Act read together with Article 54 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company and to offer New Shares arising from the issuance and allotment of the New Shares pursuant to Sections 75 and 76 of the Act, the Constitution of the Company and the approvals from Bursa Securities and any other relevant governmental and/or regulatory authorities, where such approval is required; **AND THAT** such New Shares when allotted shall rank pari passu in all respects with the existing class of ordinary shares.

**FURTHER THAT** the Board of Directors of the Company is exempted from the obligation to offer such New Shares to the existing shareholders of the Company."

8. **Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed RRPT Mandate")**

**Ordinary Resolution 8**  
(Please refer to Explanatory Note 5)

"**THAT** subject to the provisions of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), approval be and is hereby given to the Company and/or its subsidiary(ies) ("**HCB Group**") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.3 of the Circular to the Shareholders dated 30 April 2026 in relation to the Proposed RRPT Mandate which are necessary for the day-to-day operations of HCB Group, and are carried out in the ordinary course of business, the transactions are undertaken at an arm's length basis and are on normal commercial terms which are not more favourable to the related parties than those generally available to third party and on terms not detrimental to the minority shareholders of the Company.

**AND THAT** such authority shall continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting ("**AGM**") of the Company at which time it will lapse, unless the authority is renewed by a resolution passed at the next AGM;
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held pursuant to Section 340(2) of the Companies Act 2016 ("**the Act**") [but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act]; or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier.

# Notice Of Annual General Meeting

Cont'd

**AND FURTHER THAT** the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including, without limitation, to execute all such documents and to assent to any conditions, variations and/or amendments) as they may consider expedient or necessary in the best interest of the Company to give effect to the Proposed RRPT Mandate.”

## 9. Proposed Renewal of Share Buy-Back Authority

### Ordinary Resolution 9

*(Please refer to  
Explanatory Note 6)*

“**THAT** subject always to compliance with the Companies Act 2016 (“**the Act**”), the Constitution of the Company, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Listing Requirements of Bursa Securities**”) and all other applicable laws, rules, regulations, guidelines for the time being in force or as may be amended from time to time or approval of all relevant governmental and/or regulatory authorities, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company, provided that:-

- (i) the aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares shall not exceed ten per centum (10%) of the total number of issued shares of the Company at the time of purchase;
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing such number of ordinary shares shall not exceed the total retained earnings of the Company at the time of the said purchase(s); and
- (iii) the authority conferred by this resolution shall commence immediately upon the passing of this ordinary resolution and shall continue to be in force until:-
  - a) the conclusion of the next Annual General Meeting (“**AGM**”) of the Company at which time it will lapse, unless the authority is renewed by a resolution passed at the next AGM;
  - b) the expiration of the period within which the next AGM after that date is required by law to be held pursuant to Section 340(2) of the Companies Act 2016 (“**the Act**”) [but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act]; or
  - c) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements of Bursa Securities and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities;

# Notice Of Annual General Meeting

Cont'd

**AND THAT** upon completion of the purchase by the Company of its own shares, the Directors be and are hereby authorised to deal with the shares purchased in their absolute discretion in the following manner:-

- (i) cancel the HCB shares so purchased; and/or
- (ii) retain the HCB shares so purchased as Treasury Shares; and/or
- (iii) retain part of the HCB Shares so purchased as Treasury Shares and cancel the remainder;
- (iv) distribute the Treasury Shares as share dividends to Shareholders;
- (v) resell the Treasury Shares or any of the said shares in accordance with the Listing Requirements of Bursa Securities;
- (vi) transfer the Treasury Shares or any of the said shares as purchase consideration;
- (vii) transfer the Treasury Shares or any of the said shares for the purposes of or under an employee's share scheme or such other purpose as allowed under the Act;
- (viii) cancel the Treasury Shares or any of the said shares; and/or
- (ix) sell, transfer or otherwise use the HCB shares for such other purposes as the Minister may by order prescribe,

and/or in any other manner as prescribed by the Act, rules and regulations made pursuant to the Act and Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force;

**AND THAT** authority be and is hereby given to the Directors to complete and to do all such acts and things as they may consider necessary or expedient in the best interest of the Company, including executing all such documents as may be required or necessary and with full powers to assent to any modifications, variations and/or amendments as the Directors in their discretion deem fit and expedient to give effect to the aforesaid purchase(s) contemplated and/or authorised by this Ordinary Resolution."

10. To transact any other business for which due notice shall have been received.

## BY ORDER OF THE BOARD

**LIM LI HEONG (SSM PC No. 202008001981) (MAICSA 7054716)**  
**WONG MEE KIAT (SSM PC No. 202008001958) (MAICSA 7058813)**

Company Secretaries

Kuala Lumpur

Date: 30 April 2026

# Notice Of Annual General Meeting

Cont'd

## Notes:

1. A member who is entitled to attend, participate, speak and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
2. A proxy may, but need not, be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
6. For the purpose of determining a member who shall be entitled to attend the Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 12 June 2026. Only a depositor whose name appears on the Record of Depositors as at 12 June 2026 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.
7. The Form of Proxy must be deposited at the Administrator's office at Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than 48 hours before the time appointed for the holding of the 30TH AGM or any adjournment thereof.
8. Pursuant to Rule 8.31A of the ACE Market Listing Requirements issued by Bursa Malaysia Securities Berhad ("**Bursa Securities**"), all resolutions set out in this Notice of Meeting will be put to vote by poll.

## Explanatory Notes:

### 1. Audited Financial Statements

Item 1 of the Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.

### 2. Ordinary Resolutions 1 and 2

#### Proposed payment of Directors' Fees and Benefits to the Directors

Pursuant to Section 230(1) of the Act, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved by the shareholders at a general meeting. In this respect, the Board of Directors of the Company ("the Board") agreed that the shareholders' approval shall be sought at the 30TH AGM on the Directors' Fees and Benefits in two (2) separate resolutions as below:-

- Ordinary Resolution 1 on payment of Directors' fees to the Directors up to an amount of RM350,000.00 from 20 June 2026 until the next AGM; and
- Ordinary Resolution 2 on payment of Directors' benefits to the Directors up to an amount of RM350,000.00 from 20 June 2026 until the next AGM.

# Notice Of Annual General Meeting

Cont'd

The Directors' benefits of the Company basically the meeting allowances for Board/Board Committee meetings to be attended for the period from 20 June 2026 until the conclusion of the next AGM. The Board has taken into account various factors, including the number of scheduled and ad-hoc meetings of the Board and Board Committees.

In the event the proposed amount is insufficient due to an increase in Board/Board Committee meetings and/or an enlarged Board size, approval will be sought at the next AGM for such shortfall.

The Ordinary Resolutions 1 and 2, if passed, will facilitate the payment of Directors' fees and benefits on a monthly basis and/or as and when required. The Board is of the view that Directors should be paid such fees and meeting allowances upon them discharging their responsibilities and rendering their services to the Company.

### 3. **Ordinary Resolutions 3 to 5** **Re-election of Directors**

In accordance with Article 83 of the Company's Constitution, any Director appointed during the year shall hold office only until the next AGM and shall be eligible for re-election. Mr. Gwi Fei Yi and Dato' Haji Mohd Yazid Bin Haji Mustafa were appointed as the Executive Director and Independent Non-Executive Director of the Company on 26 February 2025 and 15 January 2026 respectively, and have offered themselves for re-election at the 30TH AGM. The retiring Directors have abstained from deliberations and decision on their re-election at the relevant meetings of the Board and the NRC.

The profile of the retiring Directors are set out in the Profile of the Board of Directors in the Annual Report 2025.

### 4. **Ordinary Resolution 7** **Authority to issue and allot shares Pursuant to Sections 75 and 76 of the Companies Act 2016**

The proposed Ordinary Resolution 7, if passed, will empower the Directors of the Company to issue and allot ordinary shares of the Company from time to time and to grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer, provided that the aggregate number of shares allotted pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being ("Proposed Mandate").

The previous mandate granted by the shareholders had not been utilized and hence, no proceed was raised therefrom. Accordingly, this proposed Resolution is a renewal of the previous year's mandate. The Proposed Mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time.

The purpose of this Proposed Mandate, if passed, will enable the Directors to take swift action in case of a need to issue and allot new shares in the Company for any possible fund raising activities, including but not limited to further placing of shares, repayment of bank borrowing(s), if any, for purpose of funding future investment project(s), working capital and/or acquisitions. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

The approval of the issuance and allotment of the new shares under Sections 75 and 76 of the Companies Act 2016 shall have the effect of the shareholders having agreed to irrevocably waive their statutory pre-emptive rights pursuant to Section 85 of the Act and Article 54 of the Constitution of the Company, pertaining to the issuance and allotment of new shares under Sections 75 and 76 of the Companies Act 2016, which will result in a dilution to their shareholding percentage in the Company.

# Notice Of Annual General Meeting

Cont'd

5. **Ordinary Resolution 8**  
**Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed RRPT Mandate")**

The proposed Ordinary Resolution 8 in respect of the Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("**Proposed RRPT Mandate**") are intended to facilitate transactions in the normal course of business of the Group which are transacted from time to time with the specified classes of related parties, provided that they are carried out on an arm's length basis and on the Group's normal commercial terms and are not prejudicial to the shareholders on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the interest of the minority shareholders.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

Please refer to the Circular to Shareholders in relation to the Proposed RRPT Mandate dated 30 April 2026 for further details.

6. **Ordinary Resolution 9**  
**Proposed Renewal of Share Buy-Back Authority**

The proposed Ordinary Resolution 9, if passed, will empower the Directors to purchase the Company's shares of up to ten per centum (10%) of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the total retained earnings of the Company. Please refer to the Share Buy-Back Statement in relation to the Proposed Renewal of Share Buy-Back Authority dated 30 April 2026 for further details.

# STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

*Statement Accompanying Notice of Annual General Meeting pursuant to Rule 8.29(2), Appendix 8A of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad*

## 1. Details of individuals who are standing for election as Directors (excluding Director for re-election)

As at the date of this notice, there are no individuals who are standing for election as Directors (excluding the Directors who are standing for re-election).

Dato' Mazlin Bin MD Junid, Gwi Fei Yi and Dato' Haji Mohd Yazid Bin Haji Mustafa are standing for re-election as Directors and they expressed their willingness by offering themselves for re-election.

The detail of the retiring Directors are set out in the Board of Directors' Profile in the Annual Report 2025 and their information on securities holdings is set out in the Analysis of Shareholdings in the Annual Report 2025.

## 2. Statement relating to general mandate for issue of securities in accordance with Rule 6.04(1) of AMLR of Bursa Securities

The general mandate to be sought is a renewal mandate and the previous mandate granted by the shareholders to the Directors of the Company had not been utilized and hence, no proceed was raised therefrom.

Details of the general mandate pertaining to the authority to issue and allot shares pursuant to Sections 75 and 76 of Companies Act 2016 are set out in the Explanatory Note 4 of the Notice of 30TH AGM of the Company.

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## FORM OF PROXY

### HEXTAR CAPITAL BERHAD

Registration No.: 199401036979 (322661-W)  
(Incorporated in Malaysia)

No. of shares held	CDS Account No.

I / We\* \_\_\_\_\_  
*(Full Name as per NRIC/Passport/Certificate of Incorporation in capital letters)*

NRIC/Registration/Passport No.\* \_\_\_\_\_

of \_\_\_\_\_  
*(Full address)*

being a member/members of HEXSTAR CAPITAL BERHAD, hereby appoint the following person(s):-

Full Name (in Block)	NRIC / Passport No.*	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

and/or\*

Full Name (in Block)	NRIC / Passport No.*	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

or failing him/her\*, the Chairman of the meeting as my/our\* proxy/proxies\* to vote for me/us\* on my/our\* behalf as indicated below, at the Thirtieth Annual General Meeting ("30TH AGM") of the Company to be held at Hextar Hall, Level 17, Hextar Centre, Hextar Tower, No. 8, Jalan Damansara, Empire City, PJU 8, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Friday, 19 June 2026 at 10:00 a.m. or at any adjournment thereof:-

NO.	RESOLUTIONS	FOR	AGAINST
<b>AS ORDINARY BUSINESS</b>			
1.	To approve the payment of Directors' fees to the Directors up to an amount of RM350,000.00 from 20 June 2026 until the next Annual General Meeting ("AGM") of the Company.		
2.	To approve the payment of Directors' benefits to the Directors up to an amount of RM350,000.00 from 20 June 2026 until the next AGM of the Company.		
3.	To re-elect Dato' Mazlin Bin MD Junid who retires pursuant to Article 90(1) of the Company's Constitution, as a Director of the Company.		
4.	To re-elect Gwi Fei Yi who retires pursuant to Article 83 the Company's Constitution, as a Director of the Company.		
5.	To re-elect Dato' Haji Mohd Yazid Bin Haji Mustafa who retires pursuant to Article 83 the Company's Constitution, as a Director of the Company.		
6.	To re-appoint Messrs. Ecovis Malaysia PLT, the retiring auditors as auditors of the Company for the ensuing financial year and to authorise the Directors to determine their remuneration.		
<b>AS SPECIAL BUSINESS</b>			
7.	To approve the general authority for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
8.	To approve the proposed renewal of existing shareholders' mandate and proposed new shareholders' mandate for Recurrent Related Party Transactions of a revenue or trading nature.		
9.	To approve the proposed renewal of share buy-back authority.		

Please indicate with an "X" in the appropriate space how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he/she thinks fit, or at his/her discretion, abstain from voting.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Signature/Common Seal of Member^

\* delete whichever is not applicable

^ Manner of execution:

- (a) If you are an individual member, please sign where indicated.
- (b) If you are a corporate member which has a common seal, this Form of Proxy should be executed under seal in accordance with the Constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this Form of Proxy should be affixed with the rubber stamp of your Company (if any) and executed by:
  - (i) at least two (2) authorised officers, of whom one shall be a director; or
  - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

**Notes:**

1. A member who is entitled to attend, participate, speak and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
2. A proxy may, but need not, be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
6. For the purpose of determining a member who shall be entitled to attend the Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 12 June 2026. Only a depositor whose name appears on the Record of Depositors as at 12 June 2026 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.
7. The Form of Proxy must be deposited at the Administrator's office at Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than 48 hours before the time appointed for the holding of the 30TH AGM or any adjournment thereof.
8. Pursuant to Rule 8.31A of the ACE Market Listing Requirements issued by Bursa Malaysia Securities Berhad ("**Bursa Securities**"), all resolutions set out in this Notice of Meeting will be put to vote by poll.

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AFFIX  
STAMP

**HEXTAR CAPITAL BERHAD**

Registration No. 199401036979 (322661-W)

**Boardroom Share Registrars Sdn. Bhd.**

11th Floor, Menara Symphony,  
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,  
46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia

2nd Fold Here

**Personal Data Privacy:**

By registering for the Meeting and/or submitting the instrument appointing proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company consents to the collection, use and disclose of member's personal data by the Company (or its agents) for the purposes of processing and administration by the Company (or its agents) of proxies and representatives appointed for the Meeting (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournments 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**"). The member of the Company also warrants that he/she has obtained such proxy(ies)' and/or representative(s)' prior consent for the Company's (or its agents') processing of such proxy(ies)' and/or representative(s)' personal data for the Purposes, and 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.

Fold This Flap For Sealing