

Efficient[®]

A Name You Can Trust

EFFICIENT E-SOLUTIONS BERHAD

ANNUAL REPORT 2025

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OUR VISION

To be a trusted and preferred business process outsourcing (BPO) service provider to organisations in key segments of economies in the region and beyond



OUR MISSION

We endeavour to delight our customers with BPO services that use cutting edge technologies and best practices, enabled by committed people and innovative processes that protect the integrity and security of our customer's data and documents



CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Abdul Latif Bin Abdullah
*Chairman / Non-Independent
Non-Executive Director*

Cheah Chee Kong
Managing Director

Victor Cheah Chee Wai
Executive Director

**Tuan Haji Mokhtar Ahmad
Bin Jamalain**
Independent Non-Executive Director

Dato' Robiah Binti Abdul Ghani
Independent Non-Executive Director

Voong Kian Yee
*Non-Independent Non-Executive
Director*

AUDIT COMMITTEE

**Tuan Haji Mokhtar Ahmad
Bin Jamalain**
Chairman

Dato' Robiah Binti Abdul Ghani

Voong Kian Yee

NOMINATION & REMUNERATION COMMITTEE

Dato' Robiah Binti Abdul Ghani
Chairman

**Tuan Haji Mokhtar Ahmad
Bin Jamalain**

Voong Kian Yee

COMPANY SECRETARY

Tan Kean Wai
*(MAICSA 7056310)
(SSM PC No. 202008000801)*

REGISTERED OFFICE

No. 3, Jalan Astaka U8/82
Taman Perindustrian Bukit Jelutong
Seksyen U8, Bukit Jelutong
40150 Shah Alam
Selangor Darul Ehsan
Tel : 03-7847 2777
Fax : 03-7847 1777
Homepage: www.efficient.com.my

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-7890 4700
Fax : 03-7890 4670

AUDITORS

TGS TW PLT
202106000004 (LLP0026851-LCA)
& AF002345
Chartered Accountants
Unit E-16-2B, Level 16,
Icon Tower (East)
No. 1, Jalan 1/68F, Jalan Tun Razak
50400 Kuala Lumpur
Tel : 03-9771 4326
Fax : 03-9771 4327

SOLICITORS

Martin Cheah & Associates

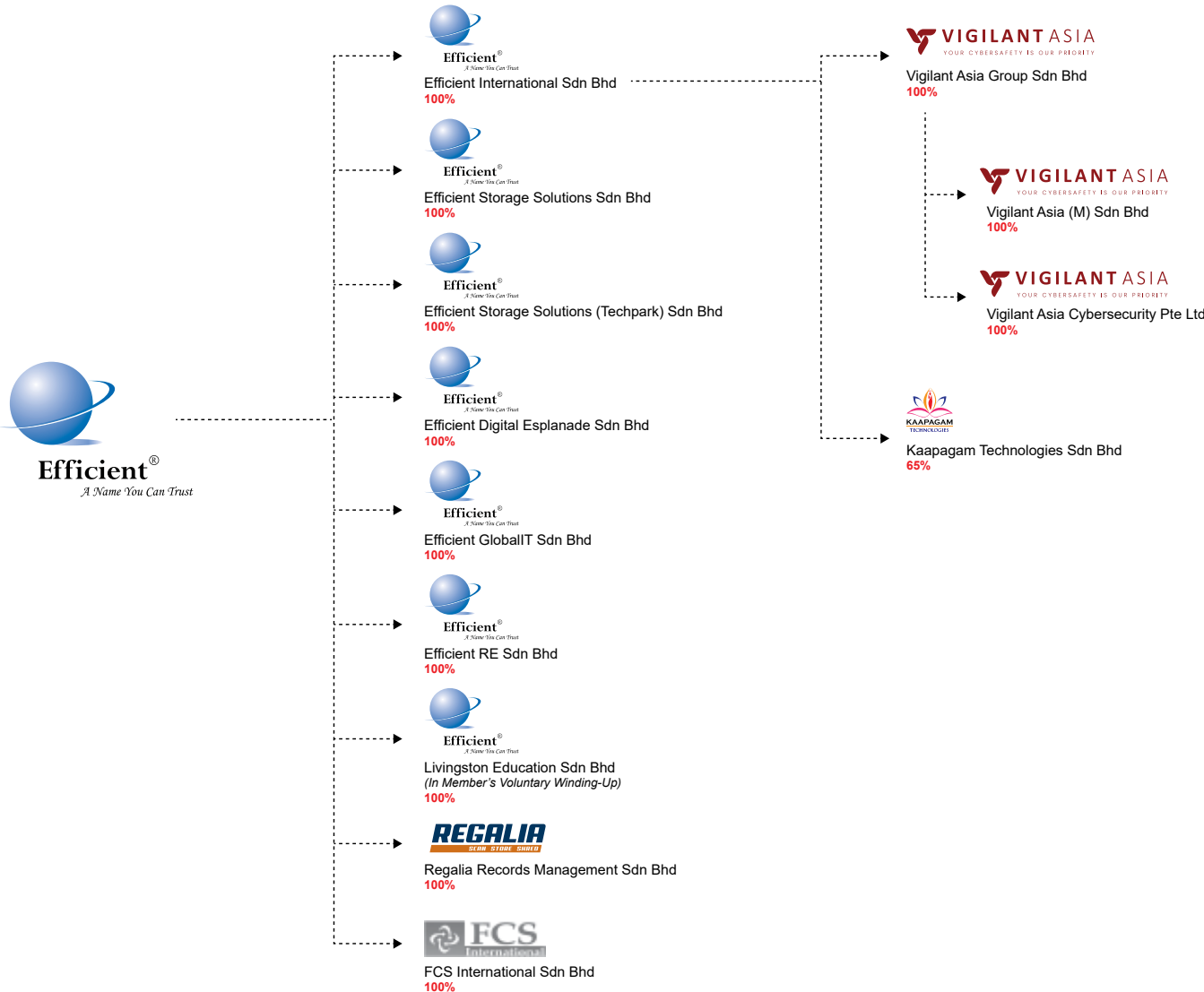
PRINCIPAL BANKERS

AmBank (M) Berhad
Alliance Bank Malaysia Berhad
CIMB Bank Berhad
Malayan Banking Berhad
United Overseas Bank (Malaysia) Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad
Stock Name: EFFICEN
Stock Code: 0064

CORPORATE STRUCTURE



BOARD OF DIRECTORS

DATO' ABDUL LATIF BIN ABDULLAH

 Malaysian AGE 76  Male

was appointed as the Chairman and Independent Non-Executive Director of EFFICIENT on 2 August 2004. He had re-designated as a Non-Independent Non-Executive Director on 31 May 2023. He gained his Bachelor of Arts (Hons) in International Relations from University Malaya in 1975, Master of Science (Marine Law & Policy) from University of Wales (UWIST) in 1981, Senior Management Development Program from Harvard Business School in 1992 and a member of Chartered Institute of Logistics & Transport, UK in 1990.

He started his career in 1975 with the Ministry of Foreign Affairs attached to West Asian Desk. He then joined the Malaysian International Shipping Corporation Berhad as an Executive, Liner Division. From 1982 to 1992, he was with Perbadanan Nasional Shipping Line Berhad (“PNSL”) and was instrumental in the formation and heading a number of subsidiaries and joint venture companies with the PNSL Group. He was the General Manager, Business and Corporate Division before opting to join Mitsui OSK Lines (M) Sdn Bhd in 1990 as a founder Director and remains as Chairman after his retirement in 2005.

Presently, Dato' Abdul Latif serves as Chairman of Ancom Logistics Berhad. He also holds various private limited company directorships in Malaysia.

CHEAH CHEE KONG

 Malaysian AGE 67  Male

was appointed as the Managing Director of EFFICIENT on 21 January 2004. He holds a Bachelor of Arts (General Political Science) from the University of Waterloo, Canada. He has over 30 years of experience as an entrepreneur in various industry such as outsourcing services, information technology, security systems, garment manufacturing, food & beverage and government supplies.

He is responsible for formulating and implementing business policies and corporate strategies of the Group and has been instrumental in spearheading the progress and development of the Group to ensure organizational effectiveness.

BOARD OF DIRECTORS (Cont'd)

VICTOR CHEAH CHEE WAI

 Malaysian AGE 56  Male

was appointed as an Executive Director and served as CEO of EFFICIENT from year 2003. He graduated from the University of Newcastle, Sydney in 1992 with a Bachelor of Commerce degree majoring in Accounting and Marketing. In May 2008, he attended the Owner / President Management Programme at Harvard Business School, Boston, U.S.A.

He started his career in Sime Darby Berhad in 1992, promoted as Head of Project Sales in Chubb (M) Sdn Bhd, a subsidiary of Sime Darby Bhd in 1994. In 1997, he joined Efficient MailCom Sdn Bhd (now known as Canon MailCom Malaysia Sdn Bhd) as a Director until 2016.

He is responsible for the business strategy, corporate affairs, marketing and operations of the Group. As a leader who is result oriented and focused, he spearheaded and implemented various processes for major Group projects in the areas of financial statement printing, policy printing for insurance companies and scanning and archiving of security documents for both private and public sector companies. He was instrumental in the setting up of the Bukit Jelutong facilities in Shah Alam, which incorporated the requirements of financial institutions and insurance companies especially in the area of data security.

He currently sits on the boards of several other private limited companies and always seeks to invest in the future by providing various business opportunities for the Group.

TUAN HAJI MOKHTAR AHMAD BIN JAMALDIN

 Malaysian AGE 68  Male

was appointed as an Independent Non-Executive Director of EFFICIENT on 17 November 2023. He was also appointed as Chairman of the Audit Committee and member of the Nomination & Remuneration Committee.

His first involvement in commercial activities was upon completing his secondary education. He is currently the Director and major shareholder of Chemsle Sdn. Bhd., a bumiputra company who registered as a supplier with the Ministry of Finance, Malaysia who supply uniform, garment and accessories for various government departmental such as Royal Malaysian Police, Ministry of Defence of Malaysia, Fire Department of Malaysia, local municipal councils etc. and other government agencies such as EPF and Tabung Haji as well as general industrial.

Tuan Haji Mokhtar Ahmad has been involved in the garment industry for over 40 years. Drawing on his in-depth knowledge and industry experience, he continues to spearhead business development of Chemsle Sdn. Bhd. while overseeing corporate strategy, plans and policies.

He does not have any other directorships of public companies.

BOARD OF DIRECTORS (Cont'd)

DATO' ROBIAH BINTI ABDUL GHANI

 Malaysian AGE 72  Female

was appointed as an Independent Non-Executive Director of EFFICIENT on 3 September 2019. She was also appointed as Chairman of the Nomination & Remuneration Committee and member of the Audit Committee.

Dato' Robiah obtained her Diploma majoring in Police Science from Universiti Kebangsaan Malaysia and Certificate in Police Executive Leadership from Australian Institute of Police Management. She was an ex-Director of Management for the Royal Malaysian Police (RMP). She joined the force since December 1971 and had served the force for 40 years.

When she was in the RMP, she held various other positions including as the Assistant Director of the Criminal Investigation Department or JSJ D6 (Technical Aids), Assistant Director for JSJ D9 (Special Investigation Unit), Assistant Director for Public Affairs for PDRM, Deputy Director (Disciplinary Division Bukit Aman), Deputy Director for the Management Department Bukit Aman, as Deputy Chief, and Chief of Police for the state of Pahang.

Presently, Dato' Robiah serves as member of Board of Trustees, Yayasan Pengaman Malaysia.

VOONG KIAN YEE

 Malaysian AGE 59  Male

was appointed as an Independent Non-Executive Director of EFFICIENT on 27 April 2011. He had re-designated as a Non-Independent Non-Executive Director on 31 May 2023. He was also appointed as member of the Audit Committee and member of the Nomination & Remuneration Committee.

He is a member of the Malaysian Institute of Accountants (MIA), member of Malaysian Institute of Certified Public Accountants (MICPA) and member of Chartered Tax Institute of Malaysia (CTIM). He started his career with public accounting firms. In 1998, he joined a group of companies principally involved in telecommunication and online ventures, as Finance Manager. Subsequently in 2001, he extended his career as Finance Manager of a bottling plant overseas. He joined Efficient E-Solutions Berhad as Finance and Administration Manager in 2004. He was a branch manager of a public accounting firm which he joined since 2006.

Presently, he operates his own company as income tax agent.

BOARD OF DIRECTORS (Cont'd)

Family relationships

None of the directors of the Company have any family relationship with any other directors and / or major shareholders of the Company except Mr Cheah Chee Kong who is the brother of Mr Victor Cheah Chee Wai.

Conflict of interests

None of the directors of the Company have any conflict of interest with the Group.

Conviction for offences

None of the directors has been convicted of any offences (excluding traffic offences, if any) within the last 5 years.

Board Meetings

A total of four (4) Board Meetings were held during the financial year ended 31 December 2025. The record of attendance is as follows:-

	No. of meetings attended
Dato' Abdul Latif Bin Abdullah	4/4
Cheah Chee Kong	3/4
Victor Cheah Chee Wai	4/4
Tuan Haji Mokhtar Ahmad Bin Jamaludin	4/4
Dato' Robiah Binti Abdul Ghani	4/4
Voong Kian Yee	4/4

KEY MANAGEMENT PROFILE

All the Executive Directors of Efficient E-Solutions Berhad are part of the Key Management of the Group and their profiles are listed in the Board of Directors section of this Annual Report.

OTHER KEY MANAGEMENT

TAN CHIEW LAN
Chief Financial Officer

 Malaysian  47  Female

Ms. Tan joined the Company as Chief Financial Officer on 14 March 2016.

She graduated from the University of Adelaide, South Australia in 2001 with a Bachelor of Commerce degree majoring in Corporate Finance. She is a member of Malaysia Institute of Accountants (MIA) and Chartered Institute of Management Accountants (CIMA).

She has over 20 years of working experience in accounting, finance, tax and corporate governance in various industries which include business process outsourcing, warehousing and distribution, pharmaceutical and audio industry.

Declaration:

No directorship in other public companies and listed issuers

No conflict of interest with EFFICEN

No family relationship with any director and/or major shareholder of the listed issuer

No conviction of offences, other than traffic offences (if any) within the past 5 years

SAIFUDDIN BIN SAJAD HUSSEIN
Head of Strategy

 Malaysian  52  Male

Mr. Saifuddin joined the Company as Head of Strategy on 1 July 2018.

He graduated from the University of Malaya in 1998 with a Bachelor of Economics degree majoring in Analytical Economics. He has also passed the Chartered Financial Analyst (CFA) exams in 2000.

He has more than 20 years of working experience in corporate finance, operations and corporate strategy in various industries which include business process outsourcing, stockbroking and investment banking.

Declaration:

No directorship in other public companies and listed issuers

No conflict of interest with EFFICEN

No family relationship with any director and/or major shareholder of the listed issuer

No conviction of offences, other than traffic offences (if any) within the past 5 years

KEY MANAGEMENT PROFILE (Cont'd)

RAMESH NAIDU A/L RAJU NAIDU

Chief Information Officer



Malaysian

AGE

49



Male

Mr. Ramesh joined the Company as Chief Information Officer on 13 May 2013.

He has Diploma majoring in Computer Systems Engineering from Swansea Institute of Higher Education. He has over 20 years of working experience in Information Technology, in various industries which include businesses such as E-Commerce, Micro Financing, System Integration, Data Center Operations, Software Development & Document Management Solutions.

Declaration:

No directorship in other public companies and listed issuers

No conflict of interest with EFFICEN

No family relationship with any director and/or major shareholder of the listed issuer

No conviction of offences, other than traffic offences (if any) within the past 5 years

MANAGEMENT DISCUSSION & ANALYSIS

Overview

Efficient E-Solutions Berhad (“EFFICEN” or “the Group”) is a well-established Business Process Outsourcing (“BPO”) provider, leveraging over two decades of expertise to deliver comprehensive outsourced solutions. The Group specializes in serving a diverse customer base span of various industries, including financial institutions, large corporations, small and medium-sized enterprises (SMEs), GLCs, government agencies, and hospitals. Our core competencies are concentrated within two main BPO segments:

- 1) Document storage: This segment provides secure physical document storage and scanning services, along with value-added services such as repacking and indexing and secured destruction. It enables our customers to reduce storage costs and enhance information accessibility.
- 2) Information Technology (“IT”) services: This segment offers a comprehensive suite of IT solutions and services, with a primary focus on cybersecurity. Our offer encompasses managed security service providers (“MSSP”), incident response, penetration testing, vulnerability assessment, compromise assessment, consultancy services and training; IT outsourcing services, provision of scanning and digitizing hardware and solutions as well as information and content management solutions.



MANAGEMENT DISCUSSION & ANALYSIS (Cont'd)

Five Years Financial Overview

The key financial performance of the Group for the past five financial years is summarized below:

	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000	2021 RM'000
Revenue	39,193	35,658	20,010	18,892	9,647
Gross profit	19,827	18,511	10,084	6,850	4,561
(Loss) / Profit before tax	(464)	4,810	115	(3,097)	(3,257)
(Loss) / Profit after tax	(1,668)	3,069	(481)	(1,247)	(3,346)
Loss attributable to:					
Equity holders of the parent	(1,666)	3,072	(477)	(1,245)	(3,379)
Non-controlling interests	(2)	(3)	(4)	(2)	33
	(1,668)	3,069	(481)	(1,247)	(3,346)
Total equity attributable to the parent	167,078	167,651	121,584	120,502	121,734
Total assets	179,807	182,421	135,398	128,769	127,666
Total liabilities	(12,560)	(14,599)	(13,640)	(8,088)	(5,751)
Basic earning/(loss) per share (sen)	(0.18)	0.35	(0.07)	(0.17)	(0.48)
Net assets per share (sen)	0.18	0.18	0.17	0.17	0.17
Current ratio	5.15	4.53	3.96	6.62	9.88
Debt/Equity ratio	0.002	0.002	0.002	0.002	0.001

The Group financial performance for 2025 presents a narrative of stable operational growth contrasted by a decline in bottom-line profitability. While revenue climbed by 9.9% to RM39.19 million and gross profit improved to RM19.83 million, the Group swung from a profit position in 2024 to a loss after tax of RM1.67 million. The growth in revenue was primarily attributable to the full 12 months revenue consolidation of subsidiary, Regalia Records Management Sdn Bhd ("Regalia") in the financial year ended ("FYE") 2025 as compared to 10 months revenue contribution in FYE 2024 and coupled with organic growth in both Document Storage and IT Services segments.

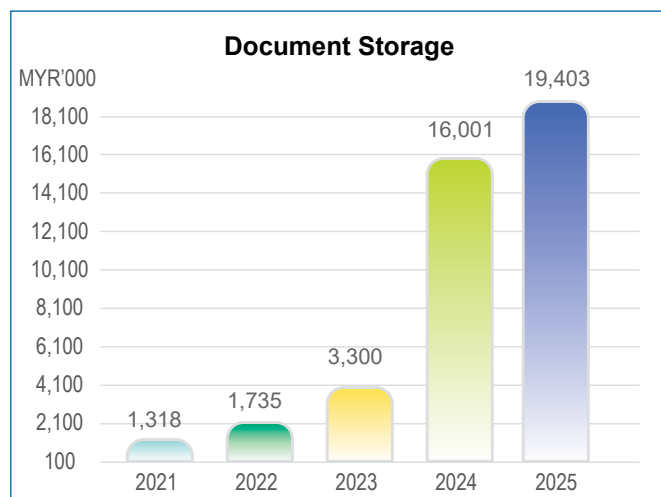
The growth was primarily offset by non-recurrence of a significant remeasurement gain arising from prior investment in Regalia when it was an associate company, which positively impacted other operating income in FYE 2024 and recognition of employees shares option scheme expenses during the financial year.

MANAGEMENT DISCUSSION & ANALYSIS (Cont'd)

The substantial revenue trajectory over the last five years suggests business in a scaling phase, though immediate focus is likely required on cost optimization to return to the profitability levels seen in the previous year.

The Group financial position remained stable in 2025, though profitability faced some pressure compared to the previous year. While total assets and total equity saw marginal contractions of 1.4% and 0.3% respectively, the balance sheet remains lean with a Debt/Equity ratio maintained at a negligible 0.002. Notably, liquidity improved as the current ratio rose to 5.15, demonstrating a strong ability to meet short-term obligation. However, performance moved into a slight deficit with a Basic Loss Per Share of 0.18 sen, down from the 0.35 sen earnings recorded in 2024, despite the Net Assets Per Share holding steady at 0.18 sen.

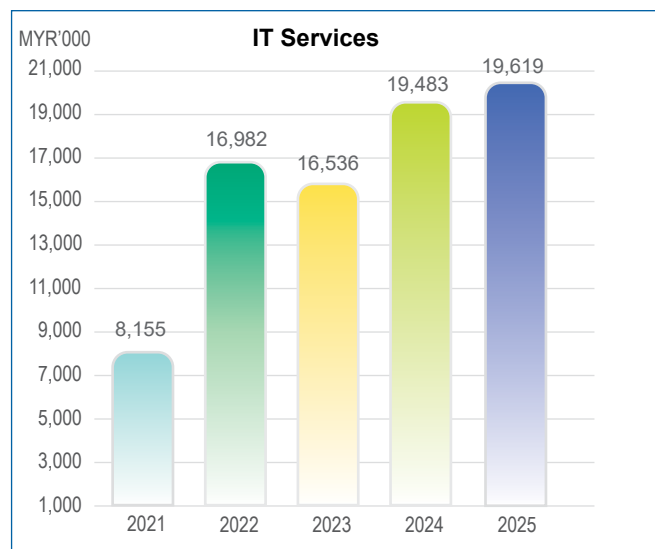
Document Storage



The Document Storage segment emerged as the primary growth driver with revenue surging by 21.3% to RM19.40 million in FYE 2025, primarily driven by the full 12 months consolidation of Regalia's revenue as compared to 10 months consolidation in FYE 2024 following its integration in March 2024 and coupled with its organic growth.

Document storage segment demonstrates a consistent recurring revenue stream and provides a stable and predictable income base for the Group.

IT Services



The IT Services segment maintained its position as the largest revenue contributor, generating revenue of RM19.62 million in FYE 2025, an increase from RM19.48 million in FYE 2024. The marginal increase was driven by successful deployment of cybersecurity products and services onboard by customers. However, it was partially offset by lower performance in the EDMS services.

MANAGEMENT DISCUSSION & ANALYSIS (Cont'd)

Risks and challenges

The Group remains vigilant regarding the inherent risks and challenges present in its operating environment:

Document Storage

(i) Competitive Pricing and rising operating costs

To navigate intense market price competition and rising operating costs, the Group employs a dual-focus strategy: cost optimization to protect profitability through operational efficiency, and a value-differentiation model. We mitigate pricing risk by continuously streamlining internal operations to maintain healthy margins while emphasizing our integrated solution suite. This approach de-commoditizes our offerings, positioning our services as a strategic investment in data integrity rather than a simple overhead cost, effectively reducing customer churn and price-based attrition.

(ii) Evolving Customer Demands

The landscape of document storage has shifted from simple warehousing to a demand for high-integrity, value-added ecosystems. Modern clients now prioritize advanced security protocols and a resilient IT infrastructure that ensures seamless document management. Furthermore, there is an increasing expectation for globally recognized certifications, such as ISO standards and PCI DSS compliance, as benchmarks for data integrity and operational trust.

To stay ahead of these evolving needs, the Group is executing a multi-pronged strategy:

- **Global Compliance Standards:** We are proactively securing key certifications, including ISO 9001, ISO 27001, and PCI DSS, to provide third-party validation of our commitment to security.
- **Technological Advancement:** We continue to invest in state-of-the-art infrastructure and IT solutions to modernize the document lifecycle.
- **Integrated Security:** By enhancing both physical security protocols and specialized staff training, we ensure a holistic approach to risk mitigation.
- **Strategic Partnerships:** We are strengthening customer engagement to better anticipate market shifts and tailor our services to specific customer workflows.

IT Segment

(i) Talent Acquisition & Retention

The cybersecurity talent shortage, both globally and in Malaysia, continues to exert pressure on hiring, retention and cost of specialized skills, particularly for senior SOC analysts, threat hunters and incident responders. This intensifies competition for talent with both global service providers and in-house security teams and may constrain the pace at the Group can scale its managed SOC and incident response offerings if not carefully managed. To address this, the Group implemented a hiring and internal development program, accepting internships to students from universities, provides required industrial/field training and offering permanent positions to potential candidates.

MANAGEMENT DISCUSSION & ANALYSIS (Cont'd)

(ii) Foreign Exchange Fluctuations

The Group is exposed to foreign currency risk in sales and purchases and it is hedged through forward foreign currency purchased.

(iii) Evolving compliance and regulatory requirements

The regulatory environment is also becoming more complex and demanding, with the Cyber Security Act 2024 introducing licensing, supervision and incident reporting obligations for operators of critical infrastructure entities, as well as other sector regulators steadily tightening expectations on cyber risk management, technology resilience and third-party oversight. Failure to keep pace with these evolving standards, or delays in obtaining and maintaining relevant licenses and certifications, could limit the Group's ability to serve certain customer segments or increase compliance-related costs.

To effectively manage this risk and demonstrate our commitment to security and best practices, our relevant subsidiaries use industry-standard framework to validate our resilience. Continuous accreditation of obtaining ISO and CREST accreditations and institutionalized these standards into core Standard Operating Procedures ("SOPs"). This ensures that stringent security controls are not just periodic benchmarks but are embedded in our daily operational DNA and to make sure we comply with regulatory requirements.

(iv) Dynamic and competitive business environment

As a managed security service provider, we face dual risk of market commoditization and margin erosion as competitors increasingly engage in aggressive price-cutting to capture market share. This "price-war" environment is exacerbated by the rising costs of specialized cybersecurity talent and the continuous need for expensive AI-driven tool upgrades, creating a "squeeze" where customers expectations for advanced protection rise while their willingness to pay a premium diminishes. To address this, we continually enhance our detection content, runbooks and playbooks, and strengthen our own internal security and governance to maintain trust as a critical security partner to our customers. By acting as a strategic partner rather than just a low-cost provider, we protect our profitability and build stronger, long-term relationships with our customers.

Trends and Outlook

Malaysia's document storage and Managed Security Service Provider ("MSSP") sectors are converging into a unified "Digital Trust" market, driven by the full operationalization of the Cyber Security Act 2024. Traditional document storage is evolving from simple physical and cloud archiving into secure, AI-ready data repositories.

MANAGEMENT DISCUSSION & ANALYSIS (Cont'd)

The "Legacy Paradox" remains a defining characteristic of the Malaysian market; despite rapid digitization, the volume of physical archives continues to grow within the Legal, Construction, and Government sectors. This demand is primarily anchored by rigid statutory requirements. Under the Income Tax Act 1967, businesses must retain records for seven years, and while the Inland Revenue Board (LHDN) accepts digital formats, a significant number of firms maintain physical backups as fail-safe for audits. Similarly, under the Companies Act 2016, companies are required to maintain statutory records, with increasing regulatory expectations following recent amendments and enhanced enforcement by the Registrar of Companies (ROC). On-going amendments to the Personal Data Protection Act 2010 are expected to strengthen regulatory requirements, including data breach notification and enhanced data protection obligations, thereby increasing compliance expectations for data handling, storage, and chain-of-custody controls.

To navigate this evolving landscape, our core strategy centers on providing secure, cost-effective, and fully compliant document management. We are strategically investing in physical infrastructure while exploring the synergy between traditional storage and digital transitions. A key pillar of this growth is the development of affordable, accessible digital solutions specifically tailored for SMEs. While the increasingly complex regulatory environment ensures a stable baseline for professional physical storage, the overarching trend toward digital transformation provides a growth lever for our scanning and indexing capabilities.

Malaysia's ongoing digital transformation, including accelerated adoption of cloud, mobile and fintech solutions, continues to expand the addressable cybersecurity market, especially in financial services, government-linked entities and mid-market enterprises. The implementation of the Cyber Security Act 2024 and the PDPA (amendment 2024), including mandatory breach notification and higher expectations on incident preparedness, are expected to reinforce demand for managed Security Operation Centre, incident response retainers and continuous monitoring services among critical and important entities. At the same time, the growing use of mobile applications, super-apps and digital wallets creates strong opportunities for mobile threat defence, mobile application protection and secure code practices, positioning Vigilant Asia's mobile security offerings as a core enabler for customers seeking to protect high-risk mobile channels. Additionally, due to the complexity of managing increase adaptation of technology, cyber threat intelligence and threat exposure management are another focus areas.

In alignment with the mandates of the Cyber Security Act 2024, which requires Critical National Information Infrastructure (NCII) sectors to adhere to stringent incident reporting timelines, the Group is pivoting toward a continuous readiness model designed to ensure regulatory resilience. This transition moves beyond traditional ad-hoc recovery toward "Active Retainers" that integrate proactive environment hardening and baseline Compromise Assessments to identify vulnerabilities before they are exploited. To further support compliance, we deliver specialized Tabletop Exercises tailored to test organizational responses against National Cyber Security Agency (NACSA) reporting requirements and PDPA data breach notification regimes.

MANAGEMENT DISCUSSION & ANALYSIS (Cont'd)

Recognizing the shift toward "Mobile-first strategy" in banking and e-commerce, the Group has enhanced its offerings to align with the BNM RMIIT (March 2026 update). Our specialized mobile security suite includes advanced In-App Shielding and environmental checks to prevent credential theft, directly supporting the "one device per user" default security posture. We have also expanded our Mobile Threat Defense (MTD) capabilities to address SMS-phishing (Smishing) and rogue WiFi detection, which are critical vulnerabilities for Malaysia's high BYOD (Bring Your Own Device) workforce. By collaborating with global mobile security leaders, we provide a unified "Single Pane of Glass" that allows for the seamless management of mobile app risks alongside traditional endpoints.

Finally, acknowledging that traditional annual testing is no longer sufficient for modern risk profiles, the Group is leveraging its CREST-accredited status to pioneer Penetration Testing as a Service (PTaaS). This model replaces static reporting with real-time dashboards that reflect the continuous security posture of cloud workloads and APIs—the primary attack vectors in 2026. Our approach incorporates scenario-based "Adversary Simulations" modeled on actual Tactics, Techniques, and Procedures (TTPs) currently targeting the ASEAN region. Crucially, all testing methodologies are synchronized with the mandatory licensing requirements under Act 854, positioning us as a "pre-qualified partner" that assists clients in navigating regulatory complexities and avoiding penalties.

While mindful of global economic uncertainties, the Group is strategically positioned to capitalize on opportunities within its core business segments. Continuously enhancing our service portfolio, broadening our market presence, and adapting to industry trends will be instrumental in securing sustained growth and creating long-term value for our stakeholders.

SUSTAINABILITY STATEMENT

Introduction

EFFICEN, a business process outsourcing (“BPO”) company specializing in information technology (“IT”) and document storage business segments, publishes its sustainability statement for 2025, which provides an overview of the Group’s sustainability efforts and initiatives. The Group incorporates responsible business practices, good environmental practices, and takes into consideration the social interests of its stakeholders. The Group believes in promoting Environmental, Social and Governance (“ESG”) alongside financial objectives to achieve its long-term goals.

Scope and boundary of reporting

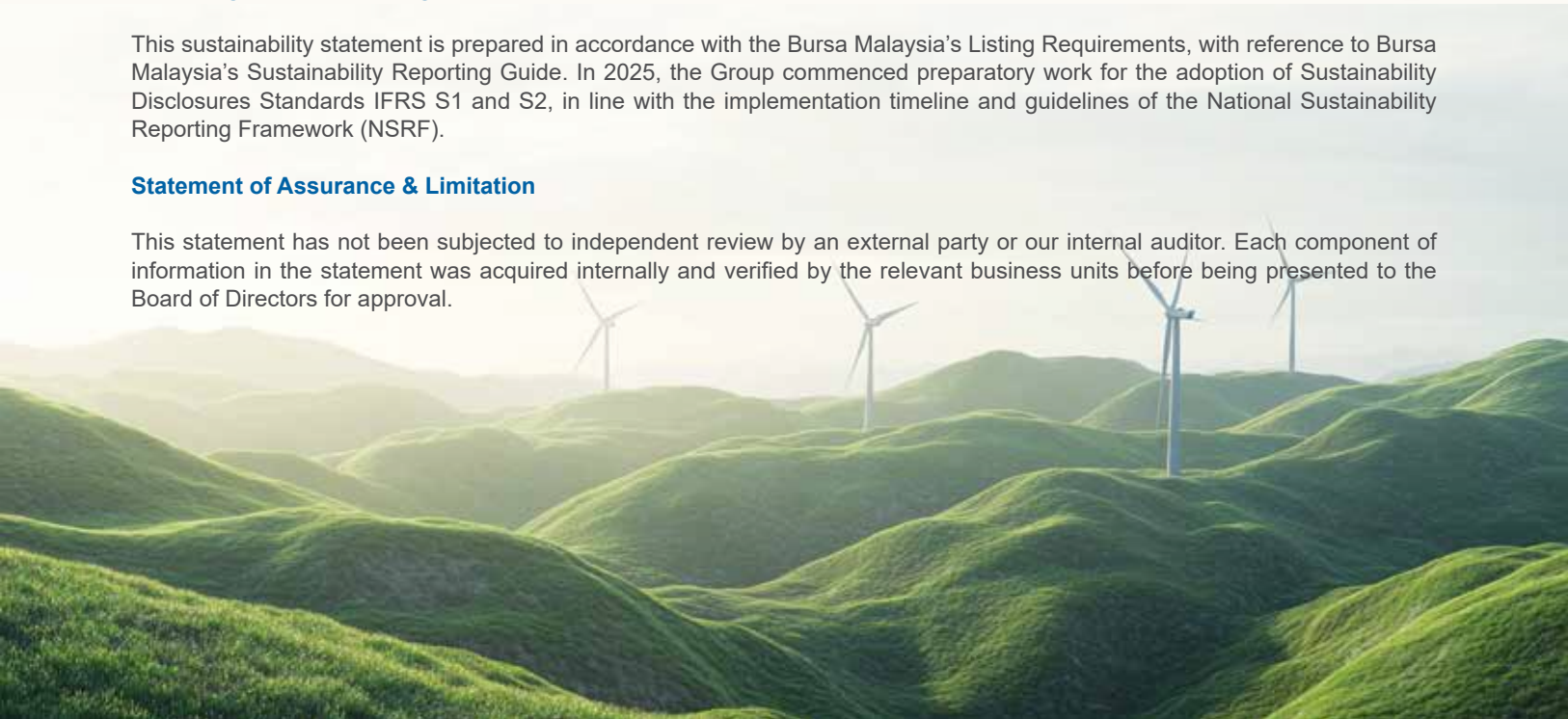
This statement covers the Group’s sustainability strategy, initiatives and performance for its subsidiaries and principal business operations in Malaysia, which are the main revenue generators and performance contributors of the Group. Specifically, it covers 12 subsidiaries across two principal business segments: IT and document storage. It provides a depiction and narration of the Group’s annual sustainability matters from 1 January 2025 to 31 December 2025.

Reporting framework and guidelines

This sustainability statement is prepared in accordance with the Bursa Malaysia’s Listing Requirements, with reference to Bursa Malaysia’s Sustainability Reporting Guide. In 2025, the Group commenced preparatory work for the adoption of Sustainability Disclosures Standards IFRS S1 and S2, in line with the implementation timeline and guidelines of the National Sustainability Reporting Framework (NSRF).

Statement of Assurance & Limitation

This statement has not been subjected to independent review by an external party or our internal auditor. Each component of information in the statement was acquired internally and verified by the relevant business units before being presented to the Board of Directors for approval.



SUSTAINABILITY STATEMENT (Cont'd)

THE GROUP'S SUSTAINABILITY STRATEGY

Governance Structure

The Board of Directors is responsible for the Group's sustainability matters and is supported by the Sustainability Management Committee which is headed by the Executive Directors. The Sustainability Management Committee comprises the Executive Directors and the Heads of Division across the Group, and it is further supported by the Sustainability Working Group. The table below outlines the governance structure for the oversight and management of sustainability matters of the Group:

	Board of Directors	Sustainability Management Committee	Sustainability Working Group
Sustainability matters	Oversight	Strategic management	Day-to-day implementation
Composition	Board members	Executive directors, Heads of division	Representatives of each division
Responsibilities	Oversight of sustainability strategies and initiatives, and accountable for strategic sustainability management. Identify and approve material sustainability matters, their goals and action plans.	Responsible for overseeing, monitoring & strategic management of sustainability strategies and initiatives, which align with the Group's long-term business strategies & goals	Responsible for executing, monitoring & reporting sustainability matters

Stakeholder Identification and Engagement

The Group identifies both internal and external stakeholders, including investors and shareholders, business partners, principals and suppliers, employees, customers, regulatory bodies, and the local communities in which we operate.

In line with Bursa Malaysia's Sustainability Reporting Guide, the Group considers its operating context and the significance of each stakeholder group to its business. This includes investors and shareholders who provide financial resources; business partners, principals and suppliers who provide inputs to our operations; employees who support day-to-day operations; customers who rely on our products and services; as well as regulatory bodies and the community.

SUSTAINABILITY STATEMENT (Cont'd)

The Group engages with these stakeholders through various channels to understand their key concerns and expectations, and to ensure that their feedback is appropriately considered. This engagement provides the Group with insights into stakeholder expectations and sustainability priorities. The summary of the Group's stakeholder engagement approach, key topics of interest, and resulting actions is presented below.

Stakeholder Groups	Engagement Approach	Key Topics of Interest	Resulting Actions
Investors & Shareholders	<ul style="list-style-type: none"> Annual General Meeting Company announcements Press releases Financial statements 	<ul style="list-style-type: none"> Group performance Business strategy and direction Return on Investment (ROI)/ Return on Equity (ROE) 	<ul style="list-style-type: none"> Refinement of disclosure practices Consideration of shareholder expectations Review of financial reporting
Business Partners, Principals & Suppliers	<ul style="list-style-type: none"> Meetings Focus group discussions Supplier annual evaluations Price negotiations 	<ul style="list-style-type: none"> Product quality and capabilities Licensing and certifications Services and support Business opportunities Procurement practices 	<ul style="list-style-type: none"> Review of supplier evaluation processes Review of procurement practices Ongoing engagement on service quality
Employees	<ul style="list-style-type: none"> Induction Programs Internal policies and procedures Performance appraisals Corporate activities and gatherings Departmental Meetings Workplace safety audits Town hall meetings 	<ul style="list-style-type: none"> Workplace safety Diversity and equality Career development and opportunities Remuneration policies 	<ul style="list-style-type: none"> Workplace safety review Employee training initiatives Review of HR policies
Customers	<ul style="list-style-type: none"> Face-to-face interactions Exhibitions and roadshows Surveys Website and social media 	<ul style="list-style-type: none"> Reliable service and timely delivery Innovative products and solutions Customer satisfaction 	<ul style="list-style-type: none"> Service delivery improvements Incorporation of customer feedback Ongoing customer engagement

SUSTAINABILITY STATEMENT (Cont'd)

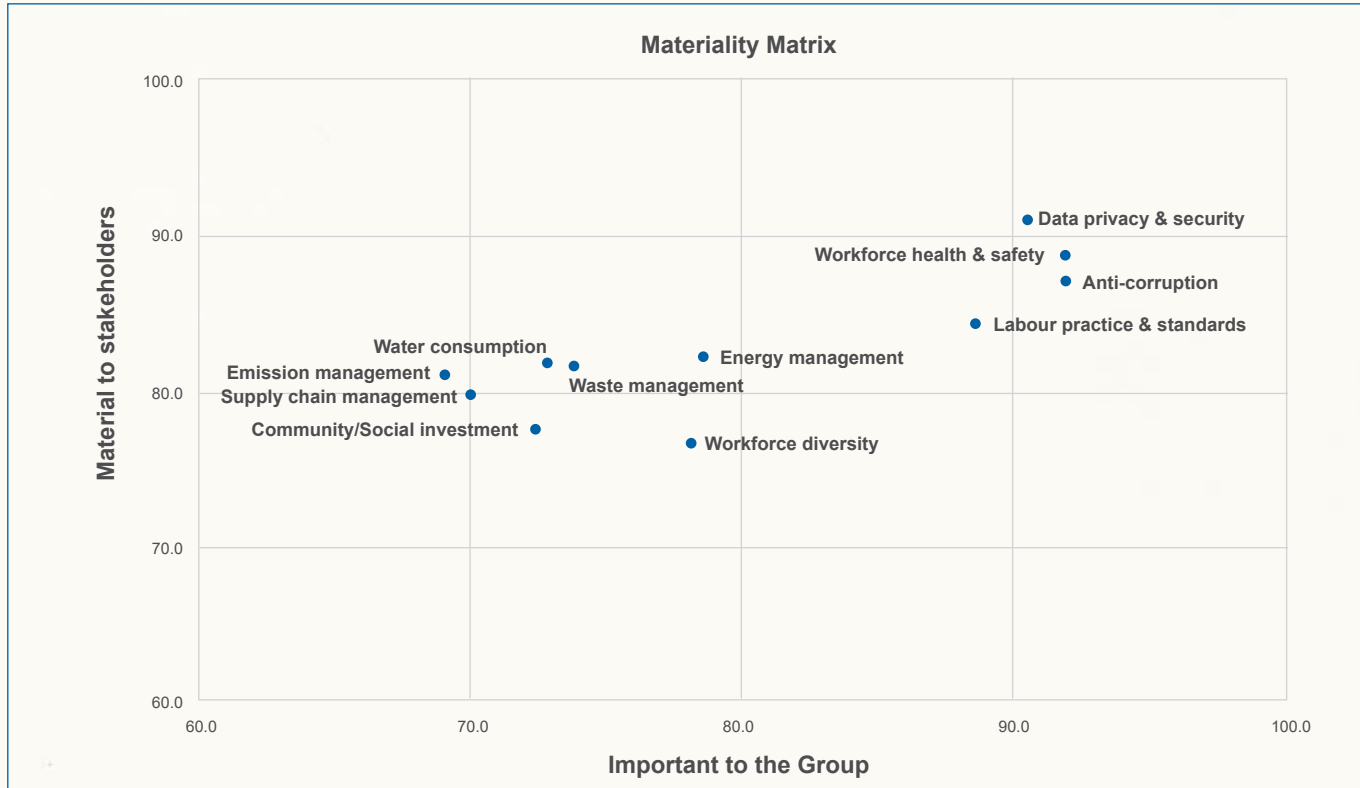
Stakeholder Groups	Engagement Approach	Key Topics of Interest	Resulting Actions
Regulatory Bodies	<ul style="list-style-type: none"> Workshops and training Dialogues Facility visits 	<ul style="list-style-type: none"> Regulatory compliance Corporate governance 	<ul style="list-style-type: none"> Review of compliance framework Alignment with regulatory requirements
Community	<ul style="list-style-type: none"> Community engagement programs Website and social media Provision of employment, including internships 	<ul style="list-style-type: none"> Impact of operations on the surrounding environment Community engagement and initiatives 	<ul style="list-style-type: none"> Community engagement activities Provision of employment opportunities

Identification and Prioritization of Material Sustainability Matters

The Group identifies material sustainability matters for management if they are important to the Group as well as its stakeholders in accordance with Bursa Malaysia's Sustainability Reporting Guide. We assess whether a particular sustainability matter is significant to our operations and performance. Additionally, we engage our stakeholders to identify and assess if a particular sustainability matter is influential to their assessment and decisions. In this respect, we refer to Bursa Malaysia's Listing Requirements (September 2022) to identify sustainability matters which could be material to us as a starting point of materiality assessment.

In prior years, the Group identified its sustainability matters based on Bursa Malaysia's recommended common sustainability matters. In 2024, the Group undertook a more structured stakeholder engagement exercise to assess the significance of these matters in determining stakeholder perspectives and decisions. The engagement involved key stakeholders, including major suppliers and customers representing a significant portion of the Group's procurement and revenue. All feedback received was duly considered in the Group's materiality assessment. The outcomes of this process inform the Group's identification of material sustainability matters and related disclosures.

SUSTAINABILITY STATEMENT (Cont'd)



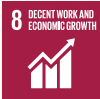










Our Sustainability Strategy









The Group formulates its sustainability strategy to effectively manage the material sustainability matters. We identify and assess the sustainability matters which are important to our operations and performance, in line with the required disclosures and sustainability reporting framework. We also engage our stakeholders to identify and prioritize sustainability matters which are significant to them in dealing with the Group. We incorporate the sustainability risks (and opportunities) into our risk management framework and manage these risks and leverage the opportunities hand-in-hand with our business risks and business opportunities in creating value for shareholders and stakeholders. We consider and adopt indicators relevant to our material sustainability matters to measure how we have managed these matters. This year we continue to track and manage the progress of our targets. We continuously introduce actions and initiatives, where needed, in pursuing our targets or adjust our targets when needed. These efforts are implemented progressively to ensure sustainable and practical outcomes. The sustainability strategy has been embedded into our business strategy - while we pursue our business goals, we move forward in a sustainable and responsible manner.

SUSTAINABILITY STATEMENT (Cont'd)

The table below presents the highlights of the Group’s performance in managing material sustainability matters. Detailed discussions pertaining to the management of material sustainability matters are presented in the following sections: Economic, Environmental, Social and Governance.

	Materiality sustainability matters	FY 2025 Performance Highlights	UN’s SDG
Economic 	Supply chain	The Group will continue to source from local suppliers where feasible and seek to increase the proportion of local spending over the longer term.	   
Environmental 	Energy consumption	Electricity consumption decreased by 6.2% in FY 2025 despite increased operational activities.	 
	Water consumption	Water consumption was monitored and managed based on operational needs during the year.	  

SUSTAINABILITY STATEMENT (Cont'd)

	Materiality sustainability matters	FY 2025 Performance Highlights	UN's SDG
Social 	Community/society	Contributions to the underprivileged community and provision of job opportunities to the local community.	    
	Workforce diversity	Maintain equal employment opportunities.	
	Workforce health/safety	Zero work-related fatalities	
	Labor practices/standards	Compliance with labor laws and implementation of employee training and development initiatives. Total employee training hours of 2,751.5, with an average of 14.41 hours per employee (FY 2024: 14.77 hours).	
Governance 	Anti-corruption	Zero confirmed incidents of corruption.	
	Data privacy/security	Zero complaints concerning breaches of customer privacy and loss of customer data.	

The way forward, the Group has started formulating its climate strategy and establishing processes to collect data for emission indicators in preparing to adopt IFRS S2 Climate-related Disclosures for the year ended 31 December 2026 as required by the amended listing requirements.

United Nations Sustainable Development Goals (“SDGs”)

In 2015, the United Nations introduced the 17 Sustainable Development Goals (“SDGs”). The SDGs are essential roadmaps that help the Group envision and realize a more sustainable future that takes social, environmental, and economic factors into account. The above table demonstrates how our business sustainability initiatives in managing the material sustainability matters contribute to the relevant SDGs. By means of our continuing sustainability activities, EFFICEN endeavors to support and contribute to the achievement of relevant SDGs, which are reviewed on a regular basis by the Group.

SUSTAINABILITY STATEMENT (Cont'd)

ECONOMIC

Supply Chain Management

The Group is committed to promoting responsible procurement practices and strengthening the resilience of our supply chain by integrating sustainability components through the procurement process. The Group prioritizes the proportion of spending on local suppliers to the best extent possible considering operational requirements as a key factor in supporting regional economies and fostering sustainable development. By sourcing goods and services locally, we contribute to job creation and economic growth within our communities. Additionally, working closely with local suppliers allows us to build strong relationships and gain a deeper understanding of local market conditions and cultural nuances.

Since 2024, the Group has monitored the proportion of local spending relative to its total spending. In 2025, local spending accounted for 71.39% of total spending, compared to 77.57% in 2024. The Group will continue to source from local suppliers where feasible and seek to increase the proportion of local spending over the longer term. The Group remains committed to supporting local economic growth and prosperity. This includes reducing reliance on foreign currency transactions and supporting the local currency. These efforts also help to mitigate foreign exchange risk while enhancing cost efficiency.

The Group, as a business process outsourcing (BPO) provider with operations in information technology and cybersecurity, continues to explore relevant technologies and solutions to meet evolving business requirements and safeguard against cyber threats. The Group engages with industry participants to stay informed of emerging trends and potential risks. The Group applies evaluation criteria, including proof-of-concept assessments, prior to introducing solutions to customers. The Group has established procurement selection criteria and policies to identify the most suitable technologies and suppliers, which include, but are not limited to, suppliers' business ethics and the continuous improvement of products and services. The Group also conducts ongoing assessments of its supply chain practices to promote fair and transparent processes, in line with its commitment to responsible business conduct and long-term sustainability.

ENVIRONMENTAL

Energy Management

EFFICEN is not a manufacturer; its primary sources of energy consumption come from offices and warehouse facilities. Nonetheless, the Group recognizes that effective energy management plays a vital role in sustainability, as it directly influences both environmental impact and operational efficiency. Proper energy management can lead to cost savings, reduced carbon footprints and minimized overall environmental impact.

The key initiatives identified and implemented by the Group are:

- 1) Conducting energy audits progressively to identify high-consumption areas and address inefficiencies.
- 2) Using light-emitting diodes (LEDs) to reduce energy consumption.
- 3) Encouraging staff to practice energy-saving measures, such as switching off lights and air-conditioners when not in use.

SUSTAINABILITY STATEMENT (Cont'd)

Through these conservation initiatives, we are committed to the prudent management of energy usage with the goal of lowering operating costs and decreasing our environmental impact.

Total electricity usage for FYE 2025 (as compared to the preceding two years) across the Group is based on electricity bills, as presented in the table below. The increase in electricity consumption over the years was primarily due to the higher business activities, mainly arising from the acquisition of RRM by the Group in 2024. However, consumption decreased by 6.2% in 2025 despite increased operational activities. Moving forward, in preparation for the adoption of IFRS S2, the Group will continue to enhance its monitoring of energy consumption and assess appropriate metrics for future target setting.

Electricity Consumption (kWh)			
Year	2023	2024	2025
kWh	536,459.90	894,934.40	839,517.11

Water

Sustainable water management involves the responsible use of water resources to meet current needs while safeguarding availability for future use. It encompasses practices that ensure access to clean water for drinking, sanitation, and operational needs, while protecting water sources and the surrounding ecosystem. The Group is not a manufacturing entity; water usage is primarily for drinking, sanitation, and cleaning purposes. To support sustainable practices, the Group has implemented a groundwater extraction system supported by a reverse osmosis (RO) treatment process to provide clean drinking water for employees.

During FYE 2025 (as compared to 2023 and 2024), total water usage across the Group is based on the water bills, as presented in the table below. Water usage increased marginally, in line with higher activity levels. The increase remains modest, indicating that water usage continues to be well managed. The Group will continue to implement sustainable water management initiatives.

Water Consumption (m³)			
Year	2023	2024	2025
m³	6,587.02	6,720.01	6,800.95

SOCIAL

Community/Society

The Group is committed to serving and contributing to the local community. Where possible, we offer employment opportunities to the local community and provide internship placement for college and university students. The Group recognizes the importance of giving back to society. As part of our social responsibility efforts, the Group supports an autism center by easing its financial burden, enabling it to accommodate more children with autism spectrum disorder and provide them with equal access to education. During FYE 2023, the Group contributed RM108,000 to Yayasan Pengaman Malaysia in support of the Pusat Autisme PDRM-MAIWP-Pengaman initiative. The Group provides donations to the community as needs arise. Hence, the donation amounts and number of beneficiaries may vary over time depending on the needs of donation recipients.

SUSTAINABILITY STATEMENT (Cont'd)

In addition to financial support, the Group also participates in other corporate social responsibility initiatives. For instance, we involved our employees in a Groom CSR project at Zoo Negara Malaysia. Such participation also nurtures a strong culture of care and community spirit within our organization.

	2023	2024	2025
Total amount invested in the community to external target beneficiaries	MYR108,000	MYR6,000	MYR6,000
Total number of beneficiaries of the investment in communities	1	1	1

Building a Sustainable Workforce

The Group acknowledges that employee sustainability is a critical component of organizational success, representing the ability of the Group to attract, and develop our workforce over the long term. It encompasses various factors, including job satisfaction, professional growth opportunities, work-life balance, and a supportive organizational culture.

Besides regularly seeking feedback from employees to understand their concerns and preferences, we create open communication channels to identify potential issues and address them proactively. These initiatives must be driven by the unit head and head of department (“HODs”).

As for the management, we prioritize employee well-being by offering initiatives and programs that promote a healthy work-life balance.

The Group fosters an inclusive workplace culture through diversity and inclusion programs. This will encourage a sense of belonging for our people from all backgrounds and age groups. The HODs and leaders are constantly reminded to actively demonstrate inclusive and supportive behavior, ensuring all employees feel welcomed, valued and respected regardless of their race, gender or age.

Finally, the Group continues to invest in and implement robust career development programs that provide employees with opportunities to enhance their skills and advance within the organization. The provision of internship programs for pre-graduates is also an area of focus for the Group.

a) Diversity & Inclusion

In support of this continuous commitment of the Group, it is important to foster an inclusive work environment in which all employees are given the opportunity to contribute fully and achieve professional growth. The Group employed 175 personnel (inclusive of 2 Executive Directors) in total as of 31 December 2025, of which 57 or 32.6% (2023 was 22.5% and 2024 was 35.3%) were females and 118 or 67.4% (2023 was 77.5% and 2024 was 64.7%) males.

The Group believes in equitable gender representation on our Board and in management. There is one female director at the Board level and four female representatives at the management level. We conduct our hiring process fairly and in accordance with labor law. We value every person equally and support them in realizing their full potential, regardless of their gender, race, religion, age, physical ability, or country of origin. For instance, 62 employees (34.6%) are below 30 years of age, 90 employees (50.3%) are between 30 to 50 (both inclusive), and 27 employees (15.1%) are above 50 years of age. We will continue to enhance the balance of age group representation in our workforce.

SUSTAINABILITY STATEMENT (Cont'd)

Number of Employees, by Employee Category and Gender

Employee Category	Gender	2023		2024		2025	
BOD	Male	5	83.3%	5	83.3%	5	83.3%
	Female	1	16.7%	1	16.7%	1	16.7%
		6	100%	6	100%	6	100%
Management	Male	8	11.3%	11	6.6%	11	6.4%
	Female	3	4.2%	4	2.4%	4	2.3%
Executive	Male	39	54.9%	56	33.3%	64	37.0%
	Female	12	16.9%	42	25.0%	40	23.1%
Non-Executive	Male	8	11.3%	41	24.4%	41	23.7%
	Female	1	1.4%	14	8.3%	13	7.5%
		71	100%	168	100%	173	100%

Number of Employees, by Employee Category and Age Group

Age Group	2023				
	BOD	Management	Executive	Non-Executive	Total
< 30 years	0	0	24	5	29
30 - 50 years	0	7	21	2	30
Above 50 years	6	4	6	2	18
	6	11	51	9	77
Age Group	2024				
	BOD	Management	Executive	Non-Executive	Total
< 30 years	0	0	38	26	64
30 - 50 years	0	9	49	26	84
Above 50 years	6	6	11	3	26
	6	15	98	55	174

SUSTAINABILITY STATEMENT (Cont'd)

Age Group	2025				
	BOD	Management	Executive	Non-Executive	Total
< 30 years	0	0	40	22	62
30 - 50 years	0	9	53	28	90
Above 50 years	6	6	11	4	27
	6	15	104	54	179

Employee Category

BOD - Board of Directors

Management - Head of Business unit, Head of Department/Division, Senior Managers

Executive - Managers, Assistant Managers, Executives

Non-Executive - Clerical, operations crew, drivers

Employee Turnover

Employee turnover statistics below indicate higher turnover rates within the executive and non-executive categories compared to the management category. This is primarily due to greater workforce mobility. Operational and entry-level roles tend to experience more frequent movement driven by career progression, while management positions are generally more stable with longer tenure.

In the coming years, the Group will continue to analyze employee sustainability which includes understanding patterns of retention and turnover, identifying potential challenges, and implementing strategies to foster a more stable and committed workforce.

Number of Employees left, by Job Category and Gender

Employee Category	Gender	2023		2024		2025	
Management	Male	0	0%	0	0%	0	0%
	Female	0	0%	0	0%	0	0%
Executive	Male	9	56.25%	11	29.73%	13	30.2%
	Female	3	18.75%	7	18.91%	16	37.2%
Non Executive	Male	4	25.00%	8	21.63%	10	23.3%
	Female	0	0%	11	29.73%	4	9.3%
		16	100%	37	100%	43	100%

SUSTAINABILITY STATEMENT (Cont'd)

Number of Employees left by Age Group

Employee Category	Age	2023		2024		2025	
Management	< 30	0	0%	0	0%	0	0%
	30 - 50	0	0%	0	0%	0	0%
	> 50	0	0%	0	0%	0	0%
Executive	< 30	4	25%	7	19%	14	33%
	30 - 50	8	50%	10	27%	13	30%
	> 50	0	0%	1	3%	2	5%
Non Executive	< 30	4	25%	16	43%	8	19%
	30 - 50	0	0%	2	5%	5	12%
	> 50	0	0%	1	3%	1	2%
		16	100%	37	100%	43	100%

Employee Category

- Management - Head of Business unit, Head of Department/Division, Senior Managers
- Executive - Managers, Assistant Managers, Executives
- Non-Executive - Clerical, operations crew, drivers

b) Employees Training and Development

The Group views that employee training and development are essential for an organization that wants to stay competitive and thrive in today's ever-changing business landscape. It's about equipping our workforce with the knowledge, skills, and attitudes they need to perform their jobs effectively and contribute to the Group's success. The Group provides technical skill training, soft skill training, leadership and compliance training. The training can be formal, like instructor-led classes, or informal, like mentoring programs. Every new member of the Group will be required to attend staff orientation before beginning work. The orientation welcomes new employees and helps them quickly become acquainted with their new workplace and subsequently with on-the-job training. Reviews of the specialized training that each employee needs to upskill for enhanced efficiency and organizational growth will be conducted on a regular basis by their immediate superior.

During FYE 2025, the Group recorded a total of 2,751.5 employee training hours. Compared to the past two years, this increase was driven not only by a higher headcount following the acquisition of RRM in 2024, but also by increased training efforts across existing Group entities. The average training hours per employee remained relatively stable at 14.41 hours (FYE 2024: 14.77 hours). The average training hours for executive employees increased from 16.69 hours in FYE 2024 to 17.65 hours in FYE 2025, partly driven by Group-wide training initiatives to support compliance with the e-invoicing implementation effective 1 July 2025, while that for the non-executive category recorded a slight decrease during the year.

SUSTAINABILITY STATEMENT (Cont'd)

The Group believes that both the business and its employees benefit from continuous training and development. By investing in our workforce, the Group aims to drive innovation and sustain a strong competitive advantage.

Total Hours of Training by Employee Category

Employee Category	2023		
	Total Hours	Total Person	Avg Hours/ Person
Management	206	11	18.73
Executive	520	51	10.20
Non-Executive	4	9	0.45
	730	71	10.28
2024			
Employee Category	Total Hours	Total Person	Avg Hours/ Person
Management	293.25	16	18.33
Executive	1,818.6	109	16.69
Non-Executive	546.8	55	9.95
	2,658.65	*180	14.77
2025			
Employee Category	Total Hours	Total Person	Avg Hours/ Person
Management	298	17	17.53
Executive	2,189	124	17.65
Non-Executive	264.5	50	5.29
	2,751.5	191*	14.41

* The total number of employees includes staff who resigned during the year

Percentage of Employees who have received training on anti-corruption by Employee Category

Employee Category	2023		
	Total Person	Persons Trained	%
Management	11	11	100.00
Executive	51	44	86.28
Non-Executive	9	5	55.56
	71	60	84.51
2024			
Employee Category	Total Person	Persons Trained	%
Management	16	15	93.75
Executive	99	96	96.97
Non-Executive	47	45	95.75
	162	156	96.30
2025			
Employee Category	Total Person	Persons Trained	%
Management	17	16	94.11
Executive	108	95	87.96
Non-Executive	45	34	75.55
	170	145	85.29

Employee Category

- Management - Head of Business unit, Head of Department/Division, Senior Managers
- Executive - Managers, Assistant Managers, Executives
- Non-Executive - Clerical, operations crew, drivers

SUSTAINABILITY STATEMENT (Cont'd)

c) Occupational Safety & Health

The health and well-being of employees remain a key priority for the Group. The Group has established an Occupational Safety and Health (OSH) committee to oversee its health and safety requirements. The committee meets quarterly to discuss and address health and safety matters, conducts an annual OSH audit, an annual fire drill, first aid and CPR training, and provides guidelines to promote a safe working environment. In 2025, a total of 50 employees received health and safety training, compared to 67 and 7 employees in the preceding two years, respectively. The Group will continue to maintain a safe working environment for its employees and aim to achieve zero work-related accidents.

Indicators	2023	2024	2025
Work Related Accident with Fatality	0	0	0
Work Related Accident with Lost Work Days	0	0	0
Work Related Accident without Lost Work Days	0	0	0
Total Number of Accidents	0	0	0
Total Work Days Lost	0	0	0
Fatality rate	0	0	0
Number of Employees Trained on Safety and Health	7	67	50

GOVERNANCE

Anti-Corruption

Anti-corruption is a fundamental component of ethical business conduct and corporate sustainability. Upholding strong principles of integrity and transparency is vital to preserving our reputation, fostering trust with stakeholders, and ensuring compliance with legal and regulatory standards. By actively addressing and mitigating corruption risks, we contribute to a fair and equitable business environment.

Every employee of the Group is expected to adhere to laws and regulations and uphold a high standard of personal conduct while dealing with various stakeholders. Non-compliance may lead to an impaired reputation and unnecessary penalties imposed. The Group has established a proper channel for communication with all employees as well as stakeholders through our Group whistleblowing policy. In addition, the Group has strengthened its anti-bribery policy to ensure every stakeholder is aware of the Group standpoint of zero tolerance to bribery and corruption.

SUSTAINABILITY STATEMENT (Cont'd)

In 2025, the Group continued to provide annual Anti-Bribery and Corruption training to all employees to reinforce the importance of ethical conduct and strengthen our anti-corruption practices. Training coverage remained high across employee categories, as presented in the table below, reflecting the Group's continued commitment to this area. The Group remains committed to ensuring that all employees receive this training. Continuous assessment and enhancement of our anti-corruption framework will enable us to uphold stakeholder trust and support the long-term sustainability and success of the organization. We will continue to ensure that employees at all levels undergo anti-corruption training as part of our ongoing commitment.

From FYE 2023 to 2025, no confirmed incidents of corruption were recorded.

	2023	2024	2025
Employees who have received training on anti-corruption			
Management	100.00%	93.75%	94.11%
Executive	86.28%	96.97%	87.96%
Non-executive/technical staff	55.56%	95.75%	75.55%
Operations assessed for corruption-related risks	100.0%	100.0%	100.0%
Confirmed incidents of corruption and action taken	0	0	0

Data Security & Privacy

In this new age of technology, the Group and its supply chain are impacted and need to adapt to ongoing technological changes. The Group considers data privacy, security breaches and cyber threats as high-risk areas and treats them with utmost importance. To address these risks, the Group continuously enhances its controls for both internal and external users in relation to data and information sharing. In this regard, appropriate information security measures have been implemented in accordance with ISO 27001:2022.

The Group has implemented around-the-clock security monitoring within its environment to ensure that cyber-related activities are detected and responded to in a timely manner. The Group has also invested in multiple cybersecurity measures, including managed detection and response, vulnerability management, cyber threat intelligence, and cybersecurity awareness programs. These initiatives support the reduction of cyber risk exposure and enhance detection capabilities, strengthening the Group's overall cyber resilience in an evolving threat landscape.

From FYE 2023 to 2025, the Group recorded zero complaints concerning breaches of customer privacy and losses of customer data. The Group will continue to monitor and manage these areas, with a target of zero complaints, as presented in the table below.

	2023	2024	2025
Substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0

Moving forward, the Group will continue to enhance its cyber resilience by implementing appropriate preventive measures to mitigate the risk of cybersecurity incidents.

SUSTAINABILITY STATEMENT (Cont'd)

Efficient E-Solutions Berhad

IFRS S1

Date & Time: 2026-04-16 15:54:48

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Supply chain	Proportion of local spending (%) 2023: 62.86% 2024: 77.57% 2025: 71.39%	Percentage	71.39%	The Group continues to increase the proportion of local spending over the longer term.	No assurance
Energy consumption	Total electricity consumption (kWh) 2023: 536,493.90 2024: 599,914.40 2025: 839,572.11	kWh	839,572.11 kWh	The Group continues to monitor energy consumption and enhance data tracking to support future target setting.	No assurance
Water consumption	Total water consumption (m ³) 2023: 6,587.02 2024: 6,720.01 2025: 6,800.95	m ³	6,800.95 m ³	The Group continues to manage water consumption in line with operational requirements.	No assurance
Community/society	Total amount invested in the community to external target beneficiaries 2023: MYR 0/0,000.00 2024: MYR 0/0,000.00 2025: MYR 0/0,000.00 Total number of beneficiaries of the investment in communities 2023: 1 2024: 1 2025: 1	MYR	MYR 6,000.00	The Group continues to undertake community engagement and social contribution activities as needs arise.	No assurance

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SUSTAINABILITY STATEMENT (Cont'd)

Efficient E-Solutions Berhad

IFRS S1

Date & Time: 2026-04-16J15:54:48

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Workforce diversity	Total number of employees, by employee category and gender 2023:- BOD (Male): 5 BOD (Female): 1 Management (Male): 8 Management (Female): 3 Executive (Male): 19 Executive (Female): 12 Non-Executive (Male): 8 Non-Executive (Female): 1 2024:- BOD (Male): 5 BOD (Female): 1 Management (Male): 11 Management (Female): 4 Executive (Male): 18 Executive (Female): 42 Non-Executive (Male): 41 Non-Executive (Female): 14 2025:- BOD (Male): 5 BOD (Female): 1 Management (Male): 11 Management (Female): 4 Executive (Male): 18 Executive (Female): 40 Non-Executive (Male): 41 Non-Executive (Female): 13	Headcount	Total 2025: 173 BOD (Male): 5 BOD (Female): 1 Management (Male): 11 Management (Female): 4 Executive (Male): 64 Executive (Female): 18 Non-Executive (Male): 41 Non-Executive (Female): 13	The Group continues to enhance the balance of age group representation in our workforce	No assurance

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SUSTAINABILITY STATEMENT (Cont'd)

Efficient E-Solutions Berhad

IFRS S1

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FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Workforce health/safety	Total work related accident with fatality	Case	0	The Group maintains zero work-related accidents.	No assurance
	2023: 0				
	2024: 0				
Total work related accident with lost work days	Total work related accident with lost work days				No assurance
	2023: 0				
	2024: 0				
Total work related accident without lost work days	Total work related accident without lost work days				No assurance
	2023: 0				
	2024: 0				
Labor practices/standards	Total hours of Training by Employee Category	Hour	Total 2025: 2,751.5 hours	The Group continues to implement employee training and development initiatives to support workforce capability.	No assurance
	2023: Management: 206 hours		Management: 298 hours		
	Executive: 520 hours		Executive: 2,189 hours		
	Non-Executive: 4 hours		Non-Executive: 264.5 hours		
	2024: Management: 293.25 hours				
	Executive: 1,818 hours				
	Non-Executive: 548.9 hours				
	2025: Management: 298 hours				
	Executive: 2,189 hours				
	Non-Executive: 264.5 hours				
Anti-corruption	Total confirmed incidents of corruption and action taken	Case	0	The Group maintains zero confirmed incidents of corruption and continue employee training.	No assurance
	2023: 0				
	2024: 0				
	2025: 0				

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SUSTAINABILITY STATEMENT (Cont'd)

Efficient E-Solutions Berhad

IFRS S1

Date & Time: 2026-04-16 15:54:48

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Data privacy/security	Total substantiated complaints concerning breaches of customer privacy and losses of customer data 2023: 0 2024: 0 2025: 0	Number	0	The Group maintains zero complaints concerning breaches of customer privacy and loss of customer data.	No assurance

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AUDIT COMMITTEE REPORT

The Audit Committee of Efficient E-Solutions Berhad (“Company”) comprises the following directors:

Chairman

Tuan Haji Mokhtar Ahmad Bin Jamaludin

Independent Non-Executive Director

Members

Dato’ Robiah Binti Abdul Ghani

Independent Non-Executive Director

Voong Kian Yee

Non-Independent Non-Executive Director

The composition of the Audit Committee is in compliance with paragraph 15.09 of the Main Market Listing Requirements.

Meetings

A total of four (4) Audit Committee Meetings were held during the financial year ended 31 December 2025. The record of attendance is as follows:-

	No. of meeting attended
Tuan Haji Mokhtar Ahmad Bin Jamaludin	4/4
Dato’ Robiah Binti Abdul Ghani	4/4
Voong Kian Yee	4/4

The Executive Directors, Senior Management, representatives from the Internal and External Auditors were also being invited to the Audit Committee Meetings to facilitate the discussions on the Group’s activities concerning them.

Functions and Duties

The Audit Committee carried out its duties in accordance with the Terms of Reference duly reviewed and approved by the Board.

The roles and responsibilities, amongst others, of the Audit Committee are as follows:-

- To review the audit plan with the external auditors;
- To review the evaluation of the systems of internal controls with the external auditors;
- To review the audit report with the external auditors;
- To review the assistance given by the Company’s and Group’s employees to the external auditors;
- To review the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
- To review the internal audit programmes, processes, the results of the internal audit programmes, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
- To review the quarterly results and year-end financial statements, prior to the approval of the Board of Directors, focusing particularly on:-
 - (i) changes in or implementation of major accounting policy changes;
 - (ii) significant and unusual events; and
 - (iii) compliance with accounting standards and other legal requirements.
- To review any related party transaction and conflicts of interest situation that may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- To review all areas of significant risk arrangements in place to contain those risks to acceptable levels;
- To verify that the allocation of options pursuant to the share scheme for employees complies with the criteria of allocation;

AUDIT COMMITTEE REPORT (Cont'd)

- To review the resignation or dismissal of the external auditors of the Company;
- To review whether there is reason (supported by grounds) to believe that the Group's external auditor is not suitable for re-appointment;
- To recommend the nomination of external auditors, the audit fees and any question of resignation or dismissal; and
- To promptly report to Bursa Malaysia Securities Berhad on matters which result in a breach of Listing Requirements.

Summary of Works of the Audit Committee

During the financial year ended 31 December 2025, the activities of the Audit Committee covered, amongst others, the following:

1. Quarterly and annual financial statements

The Audit Committee held its scheduled meetings to review and deliberate the Company's quarterly reports and annual financial statements as presented by the Management, focusing particularly on:

- the going concern assumption;
- the appropriateness of the Company's accounting policies and practices and whether the quality of financial reporting is adequate;
- significant audit adjustments as recommended by the Internal or External Auditors;
- major judgemental areas made by the Management;

and reported all its comments and concerns to the Board for their further consideration prior to releasing the same to the public.

2. External Audit

Before audit commenced, the Audit Committee had a detailed discussion with the External Auditors on their Audit Plan which specified the nature, scope and methodology of the audit including identified risk areas and any additional agreed upon procedures so to ensure the audit process is effective and efficient. Final audit plan was brought to the Board for approval.

The Audit Committee met with the External Auditors again after the completion of the audit and discussed with them, among others, problems and observation arising from the audit, assistance given by the Company's and Group's employees to the External Auditors during their course of audit, External Auditors' management letter and Management's response thereto as well as the appropriateness of the content of the audited financial statements. All the feedbacks from the External Auditors were reported to the Board for consideration.

Thereafter, the Audit Committee also reviewed the performance of the External Auditors, Messrs. TGS TW PLT, who due for re-appointment at the forthcoming AGM. After considering the independence, objectivity and the reasonableness of the proposed audit remuneration, the Audit Committee recommended to the Board on the re-appointment of Messrs. TGS TW PLT.

3. Internal Audit

The Audit Committee was assigned to oversee the performance and objectivity of the Internal Audit function of the Company. Throughout the financial year 2025, the Audit Committee sit down with the Internal Auditors to discuss and review their internal audit program, audit findings and management's responses to the control deficiencies duly identified by the Internal Auditors. Recommendations made by the Internal Auditors to address such deficiencies were reported to the Board for deliberation and implementation, if deemed appropriate. The Audit Committee also assisted to ensure that the Internal Audit Function is adequately resourced to carry out its duties and responsibilities.

AUDIT COMMITTEE REPORT (Cont'd)

4. Related Party Transactions (“RPTs”) and Conflict of Interest

All the Group's RPTs, whether the transaction was recurring or a one-off event, were identified, tracked, and monitored in accordance with the provisions in the Main Market Listing Requirements. The Audit Committee reviewed the Group's RPTs in the past financial year with the objective to ensure that such transactions were not detrimental to the minority shareholders of the Company and adequate disclosures were properly made by the Board.

The Audit Committee also reported to the Board that to the best of their knowledge, no conflicts of interest exist within the Group during the financial year ended 31 December 2025.

Internal Audit Function

The Company has engaged Sterling Business Alignment Consulting Sdn. Bhd., a risk consultancy specialist, as its internal auditors to assist the Audit Committee and the Board in the effective discharge of their responsibilities and functions for the financial year. The Internal Auditors reports to the Audit Committee and is guided by its Audit Charter in its independent appraisal function. The cost incurred for the internal audit function amounted to RM43,000 for the financial year ended 31 December 2025.

The Internal Auditors covered the following activities during the financial year ended 2025:

- Performed internal audit work on the key risk areas in accordance with the approved internal audit plan, including related follow-up activities.
- Reviewed the integrity and reliability of the system of internal controls of the Group.
- Reviewed and commented on the efficiency, effectiveness and adequacy of the existing control policies and procedures.
- Provided recommendations for the improvement of the control policies and procedures.

The Board is of the view that there are no significant breakdown or weaknesses in the systems of internal controls of the Group that may result in material losses incurred by the Group for the financial year ended 31 December 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

This Corporate Governance Overview Statement is presented pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and Notes 3.1A and 3.1B of the Practice Note 9 of the MMLR. The Board of Directors recognises and subscribes to the importance of the principles and practices (including intended outcomes) set out in the updated Malaysian Code on Corporate Governance (“MCCG”) issued by the Securities Commission which took effect on 28 April 2021. In providing this Statement, the Board is required to summarise its key corporate governance practices during the financial year with reference to the principles of (a) board leadership and effectiveness; (b) effective audit and risk management; (c) integrity in corporate reporting and meaningful relationship with stakeholders; and highlight the Board focus areas and future priorities in relation to its corporate governance practices.

The Board has also provided specific disclosures on the application of each Practice in its Corporate Governance Report (“CG Report”) together with the Annual Report of the Company on 30 April 2026. Shareholders may obtain the CG Report by accessing this link <https://www.efficient.com.my> for further details and are advised to read this CG Overview Statement together with the CG Report.

During the financial year ended 31 December 2025, the Board has applied the Practices relevant to the Company as set out in the MCCG in all material aspects except for the following practices. The reasons for these departures are explained in the respective practices of the CG Report:-

- Practice 5.2 on at least half of the board comprises independent directors;
- Practice 5.9 and 5.10 on gender diversity;
- Practice 8.2 on the disclosure of the top 5 Key Senior Management’s (a named basis) remuneration component in the band of RM50,000;
- Practice 13.2 on all directors attending General Meetings; and
- Practice 13.3 on the leverage of technology to facilitate voting in absentia and remote shareholders’ participation in general meetings.

Board Key Focus Areas

Over the past year, the Board’s oversight remained focus on long-term resilience and driving sustainable growth. A primary focus was refining the strategy to scale current business operations while addressing the operational and macroeconomic challenges faced in 2025, alongside deliberations on the Group’s financial performance.

During the year, the Board review the Enterprise Risk Management (ERM) framework, ensuring that emerging threats were identified and met with mitigation strategies. Furthermore, in alignment with the latest National Sustainability Reporting Framework (NSRF), the Board integrated sustainability-linked risks into the core risk registry, ensuring long-term resilience.

Principle A: Board Leadership and Effectiveness

Board Roles and Responsibilities

The Board has the overall governance responsibilities for the overall corporate governance of the Group and leading the Group towards achieving its objectives and targets. As of the date of this Annual Report, the Board is led by a Board Chairman, a Non-Independent Non-Executive Director. In carrying out its duties, the Board is guided by a formal Board Charter approved by the Board. The roles and responsibilities of the Board are set out in the Board Charter. To ensure that there is a balance of power and authority within the Board, the position of the Chairman and the Managing Director is separated and are held by two different individuals. The Board is assisted by suitably qualified and competent Secretaries in discharging duties efficiently and effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

Board Composition

The Group is headed by an effective Board with the right mixture of knowledge, expertise and diverse academic backgrounds to effectively discharge its stewardship responsibilities in spearheading the Group's growth and future direction. The present Board comprises 2 Executive Directors ("ED"), 2 Non-Independent Non-Executive Directors ("NINED") and 2 Independent Non-Executive Directors ("INED").

Board Diversity

The Board recognised the importance of diversity in the boardroom including gender diversity and appointed a female INED in 2019. The Company will endeavour to fulfil gender diversity in its future new director appointments and re-appointments without compromising on the meritocracy system to enhance the Board's value. When considering the appointment of a new Board member, the NRC will assess the mix of skills, experiences and other qualities of new candidates and existing members to ensure that the Board is able to function competently within the appropriate size and composition. The Board and NRC's review and assessment of potential candidates for new appointment as Directors as well as existing Directors who are seeking re-election, are guided by the Director's Fit and Proper Policy established by the Board.

The current age distribution and skillsets of the existing Board members are as follows:

Age Group	40-49 years	50-59 years	60-69 years	70-79 years
Executive Director	-	1	1	-
Non-Independent and Non-Executive Director	-	1	-	1
Independent and Non-Executive Director	-	-	1	1

Knowledge	Accounting, Finance & Corporate Governance Management	Shipping / Logistics	Corporate Planning & Development	Commercial / Marketing & Business Management	Enforcement
Executive Director	-	-	1	1	-
Non-Independent and Non-Executive Director	1	1	-	-	-
Independent and Non-Executive Director	-	-	-	1	1

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

Board Committees

The Board delegates certain functions to certain Committees, namely Audit Committee (“AC”) and Nomination & Remuneration Committee (“NRC”) with each operating within its clearly defined terms of reference. The Chairman of the various Committees reports to the Board on the outcome of the Committee meetings. The Chairman of the AC is not the Chairman of the Board. The AC comprises exclusively non-executive directors of which the majority are Independent Directors. The NRC is chaired by the Independent Director. The NRC assesses the effectiveness of the Board, Board Committees and the individual director annually.

Sustainability Oversight and Management

The Group recognises the importance of incorporating Environmental, Social and Government (ESG) and governance alongside financial goals to achieve its long-term objectives. Therefore, the Sustainability Management Committee (“SMC”) was established. This SMC comprises Heads of Division in the Group and is led by Executive Directors. The Group will conduct a study to enhance performance evaluations of the board and senior management in addressing sustainability risks and opportunities.

Board Meeting Attendance

The underlying factors of Directors’ commitment to the Group are devotion of time and continuous improvement of knowledge and skill set. All the Directors are notified of the Board meetings within the stipulated time prior to the date of the meeting. During the financial year under review, four (4) Board Meetings were held. The details of attendance of the members are shown on page 7 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

Directors' Training

The Board acknowledges that continuous training is essential for the Directors to equip themselves with up-to-date knowledge to discharge their responsibilities effectively. The trainings attended by Directors during the financial year were as below:

Director	Training Attended
Dato' Abdul Latif Bin Abdullah	<ul style="list-style-type: none"> i) Navigating The New Tech Risk Frontier: Essential Guidelines for Directors ii) Mandatory Accreditation Programme Part II: Leading for Impact iii) Building Integrity and Governance in Organizations
Mr. Cheah Chee Kong	<ul style="list-style-type: none"> i) Mandatory Accreditation Programme Part II: Leading for Impact ii) Building Integrity and Governance in Organizations
Mr. Victor Cheah Chee Wai	<ul style="list-style-type: none"> i) Mandatory Accreditation Programme Part II: Leading for Impact ii) Building Integrity and Governance in Organizations
Tuan Haji Mokhtar Ahmad Bin Jamaludin	<ul style="list-style-type: none"> i) Mandatory Accreditation Programme Part II: Leading for Impact ii) Building Integrity and Governance in Organizations
Dato' Robiah Binti Abdul Ghani	<ul style="list-style-type: none"> i) Mandatory Accreditation Programme Part II: Leading for Impact ii) Building Integrity and Governance in Organizations
Mr. Voong Kian Yee	<ul style="list-style-type: none"> i) Mandatory Accreditation Programme Part II: Leading for Impact ii) Critical tax issues in Malaysia iii) e-Invoice update and practices iv) Real Property Gains Tax and Capital Gains Tax in Malaysia v) Corporate Liability Awareness vi) 2025 Budget Seminar vii) Audit Oversight Board's Conversation with Audit Committee viii) Building Integrity and Governance in Organizations ix) Capital Gain Tax on Domestic and Cross Border Transactions

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

Director and Key Senior Management Remuneration

The NRC is responsible for recommending to the Board the remuneration packages of the members of the Board and Key Senior Management. The details of Directors' remuneration for the financial year ended 31 December 2025 are as follows:

	Fees (RM)	Salaries and Other Emoluments (RM)	Bonus (RM)	Benefits-in- Kind (RM)	EPF and SOCSSO (RM)	Total (RM)
Received from the Company						
Cheah Chee Kong	-	990,000	-	-	119,693	1,109,693
Victor Cheah Chee Wai	-	660,000	-	-	80,593	740,593
Dato' Abdul Latif Bin Abdullah	-	16,536	-	-	-	16,536
Voong Kian Yee	-	17,914	-	-	-	17,914
Dato' Robiah Binti Abdul Ghani	-	19,292	-	-	-	19,292
Tuan Haji Mokhtar Ahmad Bin Jamaludin	-	17,914	-	-	-	17,914
Received From Other Subsidiaries of the Group						
Cheah Chee Kong	-	-	-	20,800	-	20,800
Victor Cheah Chee Wai	-	120,000	-	19,500	14,400	153,900
Total	-	1,841,656	-	40,300	214,686	2,096,642

The disclosure on a named basis of the top 5 Key Senior Management's remuneration component in bands of RM50,000 is not adopted as the Board is of the view that such disclosure may affect talent retention due to the competitive environment for resources within the industries the Company and its subsidiaries operate in.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

Principle B: Effective Audit and Risk Management

The AC is responsible for overseeing and ensuring the integrity, clarity, and relevance of the information disclosed in the Annual Report. In this respect, the AC deliberated the quarterly and annual audited financial statements of the Group to ensure they give a fair and balanced view of the Group's financial position, performance and prospects as well as comply with the provisions of the Companies Act 2016 and the applicable approved accounting standards.

On the other hand, before finalising the various governance disclosures in the Annual Report, the AC, together with the Executive Board Members and management, reviewed the Corporate Governance ("CG") Report, CG Overview Statement, AC Report, Statement on Risk Management and Internal Control, Management Discussion and Analysis, Sustainability Statement and Directors' Responsibility Statement.

In identifying suitable investments, the AC and the Executive Board Members ensure adequate due diligence processes are carried out on the new business proposed by management. In addition, AC reviewed the performance of the current businesses and the related party transactions to ensure it is within arm's length and is entered into in the normal course of business. Other key details of the risk management and internal control systems overseen by the AC are presented in the Statement on Risk Management, and Internal Control set out on pages 47 to 52 of this Annual Report.

Annually, the AC holds discussions with the external auditors to review their audit plan covering the nature, scope and methodology of the audit, including identified risk areas, to ensure the audit process is effective and efficient. After the completion of the audit, the Audit Committee will meet with external auditors and review the performance of the external auditors by considering their independence, objectivity and reasonableness of the proposed audit remuneration before recommending their appointment to the Board.

The Board acknowledges its overall responsibility for maintaining a sound risk management and system of internal control to safeguard shareholders' investment and the Group's assets. The Board had outsourced the internal audit function to Sterling Business Alignment Consulting Sdn Bhd, an internal audit consulting firm. Functionally, the Internal Auditors report to the AC directly and are responsible for conducting reviews and appraisals on the governance, risk management and internal controls and processes within the Group.

The Internal Auditor team members are free from any relationships, conflicts of interest or conditions that may impair their objectivity and independence in conducting their internal audit functions. Details of the reviews and activities carried out by the Internal Auditors as well as the internal audit resources, are presented in the AC Report on page 39.

In pursuant to the introduction of corporate liability provision under Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Group has defined and formalised its Anti-Bribery and Corruption Policy ("ABC") and Whistleblowing Policy. The ABC describes the principles and guidelines to the employees and business associates with regard to procedures to deal with gift, entertainment, referral and facilitation payments, sponsorship and donation in the course of business, while the Whistleblowing Policy guides stakeholders to report any improper conduct and provide protection to the whistleblower. These policies are available on the Company's website.

Principle C: Integrity in Corporate Reporting and Meaningful Relationship With Stakeholders

(I) Communication with Stakeholders

The Board recognises the importance of keeping shareholders and investors informed of the Group's business and corporate developments. It is believed that clear and consistent communication with investors promotes a better appreciation of the Company's business and activities, reduces share price volatility, and allows the Company's business and prospects to be evaluated fairly.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

Presently, the main communication channels between the Company and the shareholders are the Bursa Securities and Company's websites. Information about the Company's annual reports, quarterly financial results and various announcements are disclosed and disseminated to the public and shareholders through these websites. Other information on the responsibilities of the Board, its board committees and policies in the Board Charter, Terms of Reference of AC and NRC, Code of Conduct, Anti-Bribery and Corruption Policy, and Whistleblowing Policy were also posted on the Company's website.

Separately, the Company has also reported its Sustainability Statement on pages 17 to 36 of this Annual Report covering the aspects of governance, environment and social responsibility for stakeholders' reference, the Group's sustainability strategies and priorities.

(II) General Meetings

The Board would ensure that the Notice of the Annual General Meeting ("AGM") is sent at least twenty-eight (28) days ahead of the date of the AGM. The Notice of the AGM will include the proposed resolution and explanation thereof. These resolutions will be subject to votes by poll during the AGM. All directors attended the 22nd AGM held on 26 June 2025 except the Managing Director who was absent due to a prior commitment which could not be re-scheduled. The Board addressed issues raised by the shareholders during the AGM. Shareholders were welcome to raise their questions and feedback during the deliberation of the respective resolutions in the AGM.

This Corporate Governance Overview Statement has been approved by the Board on 2 April 2026.

Directors' Responsibility Statement

The Directors are responsible for ensuring that:

- i. The annual audited financial statements of the Group and the Company are drawn up in accordance with applicable Financial Reporting Standards, and the provisions of the Companies Act 2016 so as to give an accurate and fair view of the state of affairs of the Group and of the Company for the financial year, and
- ii. Proper accounting and other records are kept, which enable the preparation of the financial statements with reasonable accuracy and taking reasonable steps to ensure that appropriate systems are in place to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

In the preparation of the financial statements for the financial year ended 31 December 2025, the Directors have adopted appropriate accounting policies and have applied them consistently in the financial statements with reasonable and prudent judgments and estimates. The Directors are also satisfied that all relevant approved accounting standards have been followed in the preparation of the financial statements.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“Board”) of Efficient E-Solutions Berhad (“Efficient” or “the Company”) is pleased to present its Statement on Risk Management and Internal Control (“the Statement”) for the financial year ended 31 December 2025. This Statement describing the state of risk management and internal control of the Company and its subsidiaries (“the Group”) is prepared and disclosed pursuant to paragraph 15.26(b) and Practice Note 9 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and is guided by the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers (“the Guidelines”) and the Malaysian Code on Corporate Governance 2021 (“MCCG”).

BOARD RESPONSIBILITIES

The Board acknowledges its overall responsibility for reviewing the adequacy and integrity of the Group’s risk management and internal control systems, identifying principal risks and establishing appropriate controls and frameworks to manage risks to safeguard shareholders’ interests and the Group’s assets. The Board has also established the Group’s risk appetite and tolerance levels and ensures that these are communicated to management and embedded in key decision-making processes.

The Board understands the principal risks of the business that the Group operates in. The Board also recognises that business decisions require the balancing of risk and return to reward the shareholders. Functionally, risk management is the responsibility of all Executive Directors and management staff members who manage the business risks in the Group and ensure that risks are managed within acceptable level.

RISK MANAGEMENT

The Board has put in place a Risk Management Policy as the governance structure and processes for risk management enterprise-wide, in order to embed the risk management practice into all levels of the Group and to manage key business risks faced by the Group as well as to continuously explore new business opportunities available to the Group.

The Group has established an Enterprise Risk Management (“ERM”) framework which includes systematic processes for the identification, assessment, evaluation, monitoring and mitigation of risks. The Group maintains a risk register which identifies the Group’s key strategic, operational, financial and compliance risks, including mitigation strategies and designated risk owners responsible for managing such risks. There is an ongoing process for identifying, evaluating and managing significant risks faced by the Group, which has been in place throughout the financial year and up to the date of approval of this Statement.

The Board confirms that there is an ongoing process for identifying, evaluating and managing significant risks faced by the Group, which has been in place throughout the financial year under review and up to the date of approval of this Statement. The Group focuses on expanding its two main business segments, namely document storage and IT services.

In alignment with the COSO ERM framework the Group employs a methodology to evaluate its unique dual-industry risk profile:

- **Integrated Assurance Mapping:** We align our ISO 27001 (Information Security Management System) and ISO 9001 (Quality Management System) controls within our active subsidiaries to create a unified risk-control matrix.
- **Risk Identification & Assessment:** A Risk Register is maintained to identify key strategic, operational, financial, and compliance risks. This register includes mitigation strategies and designated risk owners.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

- Quarterly Reporting: Management reports to the Board and Audit Committee ("AC") every quarter on the financial performance, and prospects of our two main segments: Document Storage and IT Services.
- Continuous review: The Group continuously identifies and assesses existing, new, and emerging risks to evaluate their potential impact on financial performance and operational stability.

KEY RISK

The Group reviews its key enterprise risks annually. Through risk and control self-assessment, the Group identifies material and emerging risks, assess the effectiveness of current controls to ensure our strategic goals remain on track. The following represent the principal risks identified by the Group that may affect the achievement of its business objectives.

Financial Risk

The Group is exposed to credit, liquidity and foreign currency risks. To mitigate potential payment defaults, we perform periodic credit reviews. These assessments are governed by established evaluation guidelines and a standardized credit control policy to ensure limits remain aligned with current risk profiles. In alignment with our financial risk management protocols, the Group monitors cash flow liquidity closely. This disciplined approach ensures the maintenance of positive net working capital and enables the timely activation of banking facilities, ensuring operational continuity and capital resilience. To mitigate foreign currency volatility affecting foreign purchases, the Group utilizes foreign exchange facilities and continuous monitoring to minimize the impact of exchange rate fluctuations on operating costs.

Human Resources Risk

Intellectual capital and retention of key management personnel is one of the contributors to the Group long-term success. To mitigate the risk of losing critical talent or facing leadership gaps, the Group has continuously invested in human capital through on-the-job training, coaching, and bond agreements for specialized training. We maintain a resilient workforce by providing objective, timely feedback and improvement actions for staff to ensure a resilient and skilled workforce. Furthermore, to minimize operational disruption during transitions, we systematize the documentation of critical processes and strategic stakeholder relationships.

Intellectual Technology & Information System Risk

To counter the risk of technological obsolescence, the Group periodically review its IT infrastructures and systematically upgrades its computer systems. In response to the evolving cybersecurity landscape, the Group deployed multiple cyber security solutions and subscribed to proactive brand intelligence management services to prevent and detect breaches that may result in system failures. Furthermore, we are actively updating our Standard Operating Procedures (SOPs) to ensure alignment with the Cybersecurity Act 2024. These initiatives are designed to mitigate risks relating to cybersecurity and support business continuity.

Business Development Risk

We manage the risk of customer loss and market competition by prioritizing "Customer Retention Management" through consistent service quality and reliable delivery timeline. We regularly review our business performance, recalibrate strategies to maintain a competitive balance between pricing and service excellence.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

Health, Safety & Environment Risk

The Group recognises Health, Safety and Environment (HSE) as an operational risk and is committed to maintaining a safe and healthy workplace, with the objective of zero work-related fatalities.

To manage this risk, the Group has established policies and procedures to ensure compliance with the Occupational Safety and Health Act (OSHA). Safety performance is monitored through periodic audits and inspections conducted by internal OSHA committees and external auditors, where applicable.

Key controls include regular safety audits, emergency preparedness drills, and continuous identification and mitigation of workplace risks, supported by ongoing employee training to promote a safety-first culture.

Corporate Liability Risk

The Group recognises bribery and corruption as a compliance risk and is committed to compliance with Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act.

To manage this risk, anti-bribery and corruption controls are embedded within the Group's core SOPs. The Group conducts annual corporate liability training and refresher courses for all employees to reinforce ethical conduct and ensure ongoing vigilance and compliance with regulatory and ethical requirements.

KEY ELEMENTS OF INTERNAL CONTROL

Fundamentally, the key internal control procedures and processes in the Group are as follows:

- (i) Delegation and separation of responsibilities between the Board and management. The Executive Directors are responsible and report to the Board on operational performance and management while the Board scrutinises the management performance to ensure their effectiveness;
- (ii) Management organisation structure defining the management responsibilities and hierarchical structure of monitoring, reporting and accountability;
- (iii) Management monitoring and review of financial and operational performance of the present Group's activities;
- (iv) The Audit Committee ("AC") reviews in consultation with management, the unaudited quarterly financial results and the Group's progress towards achieving the desired financial performance;
- (v) An internal audit function to assist the AC and the Board in conducting an independent assessment on the systems of internal control and the governance practices;
- (vi) The AC overseeing management implementation of remedial action for findings identified by the Internal Auditors;
- (vii) The internal and external physical security controls installed in the premises to prevent unauthorized access to the building and customers' details and information.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

- (viii) Standard operating procedures under the ISO 27001: 2022 on Security Operations Centre and Cyber Security Consulting are applied to the operational procedures in the provision of vendor management, measurement of control, project management of information security services, incident management on issues arising from customer, change management of information security services, system planning and acceptance policy.
- (ix) Potential financial risk exposure resulting from IT Security Operation and data centre activities, fire, professional indemnity, product liability machines equipment and public liability are insured to minimise Group's financial exposures and losses; and
- (x) Anti-Bribery and Corruption ("ABC") Policy and Whistleblowing Policy are defined and formalised pursuant to the introduction of corporate liability provision under Section 17A of the Malaysian Anti-Corruption Commission Act 2009. The ABC Policy describes the principles and guidelines to employees and business associates with regards to potential exposure to corruption in the course of business.
- (xi) Management provides periodic risk management reports to the Board and Audit Committee highlighting significant risks, mitigation actions and changes in the Group's risk profile on 27 August 2025 during the financial year.
- (xii) the Group's internal control system covers financial, operational and compliance controls and is applied across all significant subsidiaries of the Group.
- (xiii) Policies and procedures are in place to ensure compliance with applicable laws, regulations and Bursa Malaysia Listing Requirements.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to an independent professional firm, namely, Sterling Business Alignment Consulting Sdn. Bhd., to provide the Board with the assurance required regarding the adequacy and effectiveness of the Group's risk management and internal control system. The outsourced internal audit function reports directly to the AC.

The internal audits are carried out, in all material aspects, in accordance with the Committee of Sponsoring Organisation of the Treadway Commission (COSO) internal Control-Integrated Framework and the International Standards for the Professional Practice of Internal Auditing. The Board is satisfied that the outsourced internal audit function has adequate resources, competency and independence to carry out its responsibilities effectively.

The audit engagement of the outsourced internal audit function is governed by the engagement letter with key terms including purpose and scope of works, accountability, independence, the outsourced internal audit function's responsibilities, the management's responsibilities, the authority accorded to the outsourced internal audit function, limitation of the scope of works, confidentiality, proposed fees and engagement team. The appointment and resignation of the outsourced internal audit function as well as the proposed audit fees are subject to review by the AC and for its reporting to the Board for ultimate approval.

During the financial year under review, the resources allocated to the fieldwork of the internal audit by the outsourced internal audit function were one (1) manager and assisted by at least one (1) consultant per audit review with oversight performed by the principal consultant.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

The internal audit plan is prepared using a risk-based approach and approved by the Audit Committee. During the financial year ended 31 December 2025, in accordance with the risk-based internal audit plan approved by AC, the outsourced internal audit function has conducted reviews for safety and health function and sustainability framework of the Group as well as follow up review on previously reported issues.

Upon the completion of the internal audit field works during the financial year, the internal audit reports were presented to AC during its scheduled meetings. During the presentation, the internal audit findings, risk implication, recommendations as well as management responses/action plans and person-in-charge together with date of implementation were presented and deliberated with AC. This enables the AC to form an opinion on the adequacy and/or effectiveness of the governance, risks and controls of the business processes under review. Progress follow ups were performed by the outsourced internal audit function on the management action plans that were not implemented in the previous internal audit fieldworks by way of verification via observation or through verification of samples provided by person-in-charge to substantiate the implementation of the management action plan. The updates on the implementation progress of action plans formulated per previous internal audit reports via the Follow up Status Report were also presented to AC during the financial year for review and deliberation.

The cost incurred in maintaining the outsourced internal audit function for the financial year ended 31 December 2025 was amounted to RM43,000.

BOARD REVIEW

Presently, the Board collectively oversees the risk management in the Group and derives its comfort on the adequacy and the effectiveness of the Group's systems of risk management and internal control from the following processes and information:

- Periodic review of financial information covering financial performance and quarterly financial results;
- Board discussions with management during the Board Meetings on business ventures and operational issues as well as the measures taken by management to mitigate and manage business and operation issues;
- AC's review and consultation with management on the integrity of the financial results, annual report and audited financial statements;
- Audit findings and reports on the review of the systems of internal control from the Internal Auditors; and
- Management assurance that the Group's risk management and internal control systems have been operating adequately under the current operating environment in all material respects.

In reviewing the adequacy and effectiveness of the Group's systems of risk management and internal control, the Board has considered, inter alia, reports from management, internal audit findings, Audit Committee deliberations, and the adequacy of actions taken to address identified control weaknesses. The Board has reviewed the adequacy and effectiveness of the Group's risk management and internal control systems during the financial year and is satisfied that the systems are operating adequately and effectively in all material respects.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

MANAGEMENT RESPONSIBILITIES AND ASSURANCE

In accordance with the Bursa Securities' Guidelines, management is responsible for identifying risks relevant to the business of the Group's objectives and strategies; implementing and maintaining sound systems of risk management and internal control; and monitoring and reporting to the Board of significant control deficiencies and changes in risks that could significantly affect the Group achievement of its objectives and performance.

In making this Statement, the Group Managing Director, the Group CEO and CFO have represented to the Board that, to the best of their knowledge the Group's systems of risk management and internal control system in all material aspects are adequate and effective, based on the current operating environment.

BOARD ASSURANCE AND LIMITATION

For the financial year under review, the Board is satisfied that the existing level of systems of risk management and internal control of the Group are adequate for its current level of operations. The Board confirms that there were no material losses resulting from significant control weaknesses that would require additional disclosure in the Annual Report in reporting this Statement.

The Board recognises that the systems of risk management and internal control should be continuously improved in line with the evolving business environment. Nonetheless, it should be noted that all systems of risk management and systems of internal control are only able to manage rather than eliminate risks of failure to achieve business objectives. Accordingly, all systems of risk management and internal control can only provide reasonable but not absolute assurance against material misstatements, frauds and losses. No significant control weaknesses or unresolved risks as of this statement approved date.

REVIEW BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the MMLR, the External Auditors have reviewed this Statement. Their review was in accordance with the Audit and Assurance Practice Guides 3 ("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 Malaysian Institute of Accountants ("MIA"). Based on their review, nothing has come to their attention that causes them to believe that this Statement is neither prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Guidelines and Practice 10.1 and 10.2 of the MCGG to be set out, nor factually incorrect.

This Statement is made in accordance with the resolution and approval of the Board.

ADDITIONAL COMPLIANCE INFORMATION

Disclosure pursuant to Paragraph 9.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

(i) Utilisation of Proceeds

During the financial year ended 31 December 2024, 47,302,000 Placement Shares and 170,000,000 new Efficient Shares had been issued pursuant to the Private Placement and Acquisition respectively, were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 07 March 2024, which marked the completion of the Regularisation Plan (“RP”).

The status of utilisation of proceeds during the financial year ended 31 December 2025 were as below:

Purpose	Proposed Utilisation RM' million	Actual Utilisation RM' million	Intended Timeframe for Utilisation
Capital expenditure	7.93	4.3	Within 24 months from the completion of RP
Estimated expenses in relation to the RP	1.2	1.2	Upon the completion of RP

(ii) Material Contracts

There was no material contracts entered into by the Group since the end of the preceding year which are still subsisting.

(iii) Audit and Non-Audit Fees

Audit and non-audit fees paid or payable to external auditors for the financial year ended 31 December 2025 were as follows:

	Group RM'000	Company RM'000
Audit Fee	188.51	60
Non-Audit Fee	1.5	-

(iv) Employee Share Options Scheme (“ESOS”)

At an Extraordinary General Meeting held on 23 January 2025, the Company’s shareholders approved the establishment of an ESOS of up to ten percent (10%) of the issued and paid-up capital of the Company. The ESOS was implemented on 10 March 2025.

ADDITIONAL COMPLIANCE INFORMATION (Cont'd)

Disclosure pursuant to Paragraph 9.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

The number of options outstanding as at the end of the financial year were as follows:

Option Grant date	Option Expiry date	Exercise price	Number of options over ordinary shares			As at 31.12.2025
			Granted	Exercised	Forfeited	
27.08.2025	09.03.2030	RM0.0900	73,743,200	-	-	73,743,200

(v) Recurrent Related Party Transactions (“RRPT”) of Revenue Nature

The aggregate value of the RRPT conducted between the Company’s subsidiaries with the related parties during the financial year were as follows:

Related Transacting Parties	Related Parties
Olive Tree Concepts Sdn Bhd (“OTC”)	Cheah Chee Kong and Victor Cheah Chee Wai and person connected with them.
Efficient Protection Services Sdn Bhd (“EPS”)	Dato’ Robiah Binti Abdul Ghani and person connected with her.
The Third Letter Sdn Bhd (“TTL”)	Cheah Chee Kong and person connected with him.
Garuda Delights Sdn Bhd (“GD”)	Cheah Chee Kong and Victor Cheah Chee Wai and/or person connected with them.
Lim Choon Chai (“LCC”)	LCC is a Director cum Chief Executive Officer of a subsidiary of the Company.

No.	Nature of Transactions	Amount transacted (RM)
1	IT Services provided to OTC	17,305
2	Provision of security services by EPS	809,904
3	Renting of shoplot to TTL	92,400
4	IT Services provided to TTL	2,560
5	Renting of office from LCC	32,400
6	Renting of office from GD	72,000
	Total	1,026,569



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DIRECTORS' REPORT

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are disclosed in Note 7 to the financial statements.

There have been no significant changes in the nature of these activities of the Company and of its subsidiaries during the financial year.

FINANCIAL RESULTS

	Group RM	Company RM
Loss for the financial year	(1,667,552)	(1,365,077)
Attributable to:		
Owners of the Company	(1,665,304)	(1,365,077)
Non-controlling interests	(2,248)	-
	(1,667,552)	(1,365,077)

Reserves and provisions

There were no material transfers to or from reserves or provisions during the financial year other than the following:

	Employee share option scheme reserves RM
Group/Company	
Share options expenses	1,120,944

DIRECTORS' REPORT (Cont'd)

DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year. The Board of Directors do not recommend any dividend in respect of the current financial year.

ISSUANCE OF SHARES AND DEBENTURES

There was no issuance of shares or debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year except for the share options granted pursuant to the Company's employee share option scheme.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

At an extraordinary general meeting held on 23 January 2025, the Company's shareholders approved the establishment of an ESOS of not more than 10% of the issued share capital of the Company or 92,643,210 new ordinary shares, whichever is higher, to eligible Directors and employees of the Company and its subsidiaries under proposed ESOS.

The Company had on 27 August 2025 granted a total of 73,743,200 ESOS Options to the eligible Executive and Non-Executive Directors, Directors of the subsidiaries and employees of the Company and its subsidiaries ("the Group").

The salient features and other terms of the ESOS are disclosed in the Note 17 to the financial statements.

Details of ESOS Options outstanding at end of the financial year are as follows:

Date of offer	Exercise price	Number of options over ordinary shares			
		At 1.1.2025	Granted	Exercised/ Forfeited	At 31.12.2025
27 August 2025	RM0.09	-	73,743,200	-	73,743,200

Details of ESOS granted to the Directors are disclosed in the "Directors' interests in shares" section of this report.

DIRECTORS' REPORT (Cont'd)

DIRECTORS

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

Cheah Chee Kong
Dato' Abdul Latif Bin Abdullah
Dato' Robiah Binti Abdul Ghani
Tuan Haji Mokhtar Ahmad Bin Jamaldin
Victor Cheah Chee Wai
Voong Kian Yee

The Directors who held office in the subsidiaries (excluding Directors who are also Directors of the Company) during the financial year up to date of this report:

Clement Arul Jeeva Susai Arul
Edward Cheah Wern Harn
Elliza Bin Abdul Malek
Lawrence Rehmen Lee Seng Hock
Lim Choon Chai
Ramesh Naidu A/L Raju Naidu
Tan Chiew Lan

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 is deemed incorporated herein by such reference to the financial statements of the respective subsidiary companies and made a part hereof.

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the shares of the Company and of its related corporations of those who were Directors at financial year end (including their spouses or children) according to the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2025	Bought	(Sold)	At 31.12.2025
Interests in the Company				
Direct interests				
Cheah Chee Kong	9,734,500	-	-	9,734,500
Victor Cheah Chee Wai	6,000,000	-	-	6,000,000

DIRECTORS' REPORT (Cont'd)

DIRECTORS' INTERESTS IN SHARES (CONT'D)

The interests and deemed interests in the shares of the Company and of its related corporations of those who were Directors at financial year end (including their spouses or children) according to the Register of Directors' Shareholdings are as follows: (Cont'd)

	Number of ordinary shares			
	At 1.1.2025	Bought	(Sold)	At 31.12.2025
Indirect interest				
Cheah Chee Kong*	213,995,000	-	-	213,995,000
Victor Cheah Chee Wai*	213,995,000	-	-	213,995,000

	Number of options over ordinary shares			
	At 1.1.2025	Granted	Exercised/ Forfeited	At 31.12.2025
Interests in the Company				
Direct interests				
Cheah Chee Kong	-	7,811,500	-	7,811,500
Victor Cheah Chee Wai	-	7,811,500	-	7,811,500
Dato' Abdul Latif Bin Abdullah	-	1,750,000	-	1,750,000
Dato' Robiah Binti Abdul Ghani	-	800,000	-	800,000
Voong Kian Yee	-	1,600,000	-	1,600,000

* Deemed interest by virtue of his/her shareholdings in Cheah Chee Kong Sdn. Bhd. ("CCKSB") and CCKSB's shareholdings in Cheah Swee Sin Sdn. Bhd.

By virtue of their interests in the shares of the Company, Cheah Chee Kong and Victor Cheah Chee Wai are also deemed interests in the shares of all the subsidiaries during the financial year to the extent that the Company has an interest under Section 8 of the Companies Act 2016 in Malaysia.

Other than as disclosed above, none of the other Directors in office at the end of the financial year have any interest in shares in the Company or its related corporations during the financial year.

DIRECTORS' REPORT (Cont'd)

DIRECTORS' BENEFITS

Since the end of previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by 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 Directors who have significant interests in companies which traded with certain companies in the Group in the ordinary course of business. The Directors' remuneration of the Group and of the Company were as follows:

	Group RM	Company RM
Salaries, bonus and allowance	2,135,438	1,764,038
Directors' fees	48,600	-
Defined contribution plan	242,208	198,000
Social security contributions	3,678	2,285
Share options expenses	451,614	305,860
	<hr/>	<hr/>
	2,881,538	2,270,183
	<hr/>	<hr/>

The estimated monetary value of benefits-in-kind provided by the Group to the Directors of the Group was RM44,300.

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object was 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.

INDEMNITY AND INSURANCE COSTS

There was no indemnity given to or insurance effected for any Directors, officers and auditors of the Company in accordance with Section 289 of the Companies Act 2016.

DIRECTORS' REPORT (Cont'd)

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
- (i) 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 satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their value as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
- (i) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading; or
 - (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

DIRECTORS' REPORT (Cont'd)

OTHER STATUTORY INFORMATION (CONT'D)

(d) In the opinion of the Directors:

- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
- (ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

SUBSIDIARIES

The details of the subsidiaries are disclosed in Note 7 to the financial statements.

AUDITORS

The Auditors, TGS TW PLT (202106000004 (LLP0026851-LCA) & AF002345), have expressed their willingness to continue in office.

Auditors' remuneration for the Group and the Company for the financial year ended 31 December 2025 amounted to RM167,000 and RM60,000 respectively.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 2 April 2026.

CHEAH CHEE KONG

VICTOR CHEAH CHEE WAI

KUALA LUMPUR

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 71 to 156 are drawn up in accordance with 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 year ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 2 April 2026.

CHEAH CHEE KONG
Director

VICTOR CHEAH CHEE WAI
Director

KUALA LUMPUR

STATUTORY DECLARATION

Pursuant to Section 251(1) of the Companies Act 2016

I, Tan Chiew Lan, being the Officer primarily responsible for the financial management of Efficient E-Solutions Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 71 to 156 are 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.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
the Federal Territory on 2 April 2026)

TAN CHIEW LAN
(MIA No.: 40149)

Before me,

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EFFICIENT E-SOLUTIONS BERHAD

Registration No.: 200301030059 (632479-H) (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Efficient E-Solutions 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 year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 71 to 156.

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 of their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards 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. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' 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.

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 year. 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EFFICIENT E-SOLUTIONS BERHAD (Cont'd)

Registration No.: 200301030059 (632479-H) (Incorporated in Malaysia)

Report on the Audit of the Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

(i) Impairment assessment of investment in subsidiaries

Key audit matters	How we addressed the key audit matters
<p>Refer to Note 7 to the financial statements, the Company hold significant amounts of investment in subsidiaries amounting to RM182,878,247 which representing 89% of the Company's total assets. The determination of recoverable amounts of subsidiaries based on value-in-use calculations by management involved a significant degree of judgements and assumptions.</p>	<p>We performed the following audit procedures, amongst others:</p> <ul style="list-style-type: none"> • We enquired and discussed with management on latest development and performance of the subsidiaries; • We assessed the reasonableness of projected cash flows forecast by reviewing approved budgets, business plans and appropriateness of discount rates used; • We reviewed the adequacy of disclosure in the financial statements.

(ii) Impairment assessment of goodwill

Key audit matters	How we addressed the key audit matters
<p>Refer to Note 8 to the financial statements, the Group hold significant amounts of goodwill amounting to RM35,699,307 which representing 20% of the Group's total assets. The determination of recoverable amounts of subsidiaries based on value-in-use calculations by management involved a significant degree of judgements and assumptions.</p>	<p>We performed the following audit procedures, amongst others:</p> <ul style="list-style-type: none"> • We evaluated the model used to determine the value in use of the cash-generating units and examine the reasonableness of key assumptions by comparing them against historical results as well as economic and industry forecasts; • We reviewed future cash flows projections prepared by management, and the process of which they were drawn up, including testing the underlying calculations; • We evaluated the appropriateness and reasonableness of cash flows forecast and projections by comparing them to the future outlook and engaging in discussion with management;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EFFICIENT E-SOLUTIONS BERHAD (Cont'd)

Registration No.: 200301030059 (632479-H) (Incorporated in Malaysia)

Report on the Audit of the Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

(ii) Impairment assessment of goodwill (Cont'd)

Key audit matters	How we addressed the key audit matters
Refer to Note 8 to the financial statements, the Group hold significant amounts of goodwill amounting to RM35,699,307 which representing 20% of the Group's total assets. The determination of recoverable amounts of subsidiaries based on value-in-use calculations by management involved a significant degree of judgements and assumptions.	<p>We performed the following audit procedures, amongst others: (Cont'd)</p> <ul style="list-style-type: none"> We validated the management's key assumption for long term growth rates applied in the projections by comparing them to the historical results as well as economics and industry forecasts, and the discount rate used by assessing the cost of capital for the Group. We also assessed the adequacy of disclosures in the financial statements.

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.

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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EFFICIENT E-SOLUTIONS BERHAD (Cont'd)

Registration No.: 200301030059 (632479-H) (Incorporated in Malaysia)

Report on the Audit of the Financial Statements (Cont'd)

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with 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 and the Company or to cease operations, or have no realistic alternative but to do so.

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 of 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EFFICIENT E-SOLUTIONS BERHAD (Cont'd)

Registration No.: 200301030059 (632479-H) (Incorporated in Malaysia)

Report on the Audit of the Financial Statements (Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

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: (Cont'd)

- Conclude on the appropriateness of the Director's 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 and 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 and 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 activities 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 review of the audit work performed for purpose of the group audit. We remain solely responsible for our audit opinion.

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 year 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 requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, as disclosed in Note 7 to the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EFFICIENT E-SOLUTIONS BERHAD (Cont'd)

Registration No.: 200301030059 (632479-H) (Incorporated in Malaysia)

Other Matter

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 content of this report.

TGS TW PLT
202106000004 (LLP0026851-LCA) & AF002345
Chartered Accountants

TEOH CHEY YEAT
03447/08/2027 J
Chartered Accountant

KUALA LUMPUR
2 April 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	55,427,051	56,724,362	5,040	3,285
Right-of-use assets	4	959,413	602,781	-	-
Investment properties	5	38,656,014	39,272,798	-	-
Intangible assets	6	2,479,428	2,796,866	150,000	150,000
Investment in subsidiaries	7	-	-	182,878,247	182,876,665
Goodwill on consolidation	8	35,699,307	35,503,491	-	-
Deferred tax assets	9	899,531	993,205	-	-
		134,120,744	135,893,503	183,033,287	183,029,950
Current assets					
Inventories	10	425,765	425,105	-	-
Trade receivables	11	5,601,842	6,984,982	-	-
Other receivables	12	3,138,956	2,286,371	8,897,715	8,523,896
Contract assets	13	566,682	3,687,398	-	-
Tax recoverable		117,346	79,099	101,832	22,261
Other investments	14	8,412,330	8,200,453	8,412,330	8,200,453
Fixed deposits with licensed banks	15	16,726,077	8,072,485	3,595,245	4,012,051
Cash and bank balances	15	10,697,520	16,791,836	2,271,823	4,571,054
		45,686,518	46,527,729	23,278,945	25,329,715
Total assets		179,807,262	182,421,232	206,312,232	208,359,665

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

STATEMENTS OF FINANCIAL POSITION (Cont'd)

AS AT 31 DECEMBER 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	16	118,581,954	118,581,954	118,581,954	118,581,954
Reserves	17	2,623,204	1,530,808	1,120,944	-
Retained earnings		45,873,052	47,538,356	85,013,159	86,378,236
Equity attributable to Owners		167,078,210	167,651,118	204,716,057	204,960,190
Non-controlling interests ("NCI")	7	169,366	171,614	-	-
Total equity		167,247,576	167,822,732	204,716,057	204,960,190
LIABILITIES					
Non-current liabilities					
Lease liabilities	18	370,309	140,230	-	-
Other payables	19	-	1,262,983	-	1,262,983
Deferred tax liabilities	9	3,322,836	2,930,873	1,215	790
		3,693,145	4,334,086	1,215	1,263,773
Current liabilities					
Lease liabilities	18	230,802	215,740	-	-
Trade payables	20	413,947	658,314	-	-
Other payables	19	3,875,125	4,409,525	1,594,960	2,135,702
Contract liabilities	13	4,244,245	4,905,817	-	-
Tax payable		102,422	75,018	-	-
		8,866,541	10,264,414	1,594,960	2,135,702
Total liabilities		12,559,686	14,598,500	1,596,175	3,399,475
Total equity and liabilities		179,807,262	182,421,232	206,312,232	208,359,665

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	21	39,193,278	35,658,172	1,027,047	255,273
Cost of sales		(19,366,560)	(17,146,938)	-	-
Gross profit		19,826,718	18,511,234	1,027,047	255,273
Other income		1,828,118	5,859,668	240,122	8,426,465
Administrative and operating expenses		(22,695,638)	(20,211,298)	(2,870,886)	(3,870,728)
Net impairment of financial assets		(40,750)	-	-	-
(Loss)/Profit from operations		(1,081,552)	4,159,604	(1,603,717)	4,811,010
Finance income	22	646,244	614,934	172,826	349,356
Finance costs	22	(29,151)	(24,542)	-	-
Share of results of associates		-	60,309	-	-
(Loss)/Profit before tax	23	(464,459)	4,810,305	(1,430,891)	5,160,366
Tax (expenses)/income	24	(1,203,093)	(1,740,927)	65,814	(64,330)
(Loss)/Profit for the financial year		(1,667,552)	3,069,378	(1,365,077)	5,096,036
Other comprehensive (loss)/income Item that will not be reclassified to profit or loss					
Foreign currency translation		(28,548)	(40,439)	-	-
Total comprehensive (loss)/income for the financial year, net of tax		(1,696,100)	3,028,939	(1,365,077)	5,096,036

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

STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME (Cont'd)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	2025 RM	Group 2024 RM	2025 RM	Company 2024 RM
(Loss)/Profit for the financial year attributable to:					
Owners of the Company		(1,665,304)	3,071,914		
Non-controlling interests		(2,248)	(2,536)		
		(1,667,552)	3,069,378		
Total comprehensive (loss)/income for the financial year attributable to:					
Owners of the Company		(1,693,852)	3,031,475		
Non-controlling interests		(2,248)	(2,536)		
		(1,696,100)	3,028,939		
(Loss)/Earnings per share:					
Basic (sen)	25	(0.18)	0.35		
Diluted (sen)	25	(0.18)	0.35		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Attributable to owners of the Company			Total RM	NCI RM	Total equity RM
		Non-distributable		Distributable			
		Share capital RM	Reserves RM	Retained earnings RM			
Group							
At 1 January 2024		75,546,598	1,571,247	44,466,442	121,584,287	174,150	121,758,437
Profit for the financial year		-	-	3,071,914	3,071,914	(2,536)	3,069,378
Foreign exchange translation		-	(40,439)	-	(40,439)	-	(40,439)
Total comprehensive income for the financial year		-	(40,439)	3,071,914	3,031,475	(2,536)	3,028,939
Transactions with owners:							
Issuance of ordinary shares	16	43,129,286	-	-	43,129,286	-	43,129,286
Share issuance expenses	16	(93,930)	-	-	(93,930)	-	(93,930)
At 31 December 2024		118,581,954	1,530,808	47,538,356	167,651,118	171,614	167,822,732
At 1 January 2025		118,581,954	1,530,808	47,538,356	167,651,118	171,614	167,822,732
Loss for the financial year		-	-	(1,665,304)	(1,665,304)	(2,248)	(1,667,552)
Foreign exchange translation		-	(28,548)	-	(28,548)	-	(28,548)
Total comprehensive loss for the financial year		-	(28,548)	(1,665,304)	(1,693,852)	(2,248)	(1,696,100)
Transactions with owners:							
Employee share options	17	-	1,120,944	-	1,120,944	-	1,120,944
At 31 December 2025		118,581,954	2,623,204	45,873,052	167,078,210	169,366	167,247,576

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

STATEMENTS OF CHANGES IN EQUITY (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Share capital RM	Reserves RM	Retained earnings RM	Total equity RM
Company					
At 1 January 2024		75,546,598	-	81,282,200	156,828,798
Profit for the financial year, representing total comprehensive income for the financial year		-	-	5,096,036	5,096,036
Transaction with owners:					
Issuance of ordinary shares	16	43,129,286	-	-	43,129,286
Share issuance expenses	16	(93,930)	-	-	(93,930)
At 31 December 2024		118,581,954	-	86,378,236	204,960,190
At 1 January 2025		118,581,954	-	86,378,236	204,960,190
Loss for the financial year, representing total comprehensive loss for the financial year		-	-	(1,365,077)	(1,365,077)
Transaction with owners:					
Employee share options	17	-	1,120,944	-	1,120,944
At 31 December 2025		118,581,954	1,120,944	85,013,159	204,716,057

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from operating activities					
(Loss)/Profit before tax		(464,459)	4,810,305	(1,430,891)	5,160,366
Adjustments for:					
Amortisation of intangible assets	6	637,598	576,289	-	-
Bad debts written off	23	40,650	-	-	-
Depreciation of investment properties	5	656,784	672,905	-	-
Depreciation of property, plant and equipment	3	2,068,507	1,849,832	3,128	32,358
Depreciation of right-of-use assets	4	339,059	397,645	-	-
Distribution income from unquoted money market funds	14	(60,542)	(40,460)	(60,542)	(40,460)
Dividend income	21	(26,847)	(30,273)	(1,027,047)	(255,273)
Fair value gain on financial assets at fair value through profit or loss	14	(122,682)	(174,596)	(122,682)	(174,596)
Finance costs	22	29,151	24,542	-	-
Finance income	22	(646,244)	(614,934)	(172,826)	(349,356)
Gain on disposal of property, plant and equipment	23	(79,958)	(58,240)	-	(50,000)
Gain on remeasurement of previously held equity interest in former associate	23	-	(3,615,227)	-	(7,926,680)
Impairment losses on investment in subsidiaries	7	-	-	66,116	480,390
Loss on deregistration of a subsidiary	23	-	-	53,540	-
Net allowance for ECLs on trade receivables	11	40,750	-	-	-
Property, plant and equipment written off	23	83	2,647	-	-
Reversal of impairment loss on investment in a subsidiary	7	-	-	(56,798)	-
Share of results of associate	23	-	(60,309)	-	-
Share options expenses	26	1,120,944	-	305,860	-
Unrealised loss on foreign exchange	23	30,907	30,584	101,888	31,053
Operating profit/(loss) before working capital changes		3,563,701	3,770,710	(2,340,254)	(3,092,198)

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

STATEMENTS OF CASH FLOWS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	2025 RM	Group 2024 RM	2025 RM	Company 2024 RM
Cash flows from operating activities (Cont'd)					
Changes in working capital:					
Inventories		(660)	(193,518)	-	-
Receivables	A	499,848	5,974,588	(469,331)	(1,394,525)
Payables		(1,237,566)	(3,331,076)	(999,541)	1,153,601
Contracts		2,459,144	(2,687,318)	-	-
		1,720,766	(237,324)	(1,468,872)	(240,924)
Cash generated from/(used in) operations		5,284,467	3,533,386	(3,809,126)	(3,333,122)
Tax paid		(948,153)	(1,047,966)	(69,332)	(32,500)
Tax refund		219,854	-	56,000	-
Net cash from/(used in) operating activities		4,556,168	2,485,420	(3,822,458)	(3,365,622)
Cash flows from investing activities					
Acquisition of subsidiary companies, net of cash acquired		(1,000,000)	(16,452,376)	(1,000,000)	(18,180,583)
Acquisition of property, plant and equipment		(797,196)	(3,595,041)	(4,883)	(3,150)
Acquisition of investment properties		(40,000)	(2,780)	-	-
Additional of intangible assets		(320,160)	(320,160)	-	-
Acquisition of right-of-use assets	B	(200,000)	-	-	-
Distribution income from unquoted money market funds		60,542	40,460	60,542	40,460
Dividend received		26,847	30,273	1,027,047	30,273
Dividend received from associate		-	225,000	-	225,000
Increase investment in unquoted money market funds		(60,478)	(41,744)	(89,195)	(82,329)
Interest received		595,551	593,667	166,450	338,703
Placement of bank balances pledged with a licensed bank		(201,718)	-	-	-
Proceeds from deregistration of a subsidiary		-	-	946,460	-
Proceeds from disposal of property, plant and equipment		160,000	135,000	-	50,000
Placement of fixed deposits with licensed banks		(5,002,836)	(207,992)	-	-
Net cash (used in)/from investing activities		(6,779,448)	(19,595,693)	1,106,421	(17,581,626)

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

STATEMENTS OF CASH FLOWS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from financing activities					
Interest paid		(29,151)	(24,542)	-	-
Proceeds from issue of share capital		-	9,035,356	-	9,035,356
Repayment of lease liabilities	C/D	(304,675)	(493,092)	-	-
Net cash (used in)/from financing activities		(333,826)	8,517,722	-	9,035,356
Net cash decrease in cash and cash equivalents					
		(2,557,106)	(8,592,551)	(2,716,037)	(11,911,892)
Effect of exchange translation differences on cash and cash equivalents		(88,172)	(81,020)	-	-
Cash and cash equivalents at beginning of the financial year		24,539,846	33,213,417	8,583,105	20,494,997
Cash and cash equivalents at end of the financial year		21,894,568	24,539,846	5,867,068	8,583,105
Cash and cash equivalents at end of the financial year comprises:					
Cash and bank balances	15	10,697,520	16,791,836	2,271,823	4,571,054
Fixed deposits with licensed banks	15	16,726,077	8,072,485	3,595,245	4,012,051
		27,423,597	24,864,321	5,867,068	8,583,105
Less: Fixed deposits pledged with licensed banks	15	(327,311)	(324,475)	-	-
Less: Fixed deposits with maturity of more than 3 months		(5,000,000)	-	-	-
Less: Bank balances pledged with a licensed bank	15	(201,718)	-	-	-
		21,894,568	24,539,846	5,867,068	8,583,105

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

STATEMENTS OF CASH FLOWS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

NOTES TO STATEMENTS OF CASH FLOWS

A. Changes in receivables

	Note	2025 RM	Group 2024 RM	2025 RM	Company 2024 RM
Changes in receivables		530,555	1,890,721	(373,819)	(1,374,125)
Add: Acquisition of a subsidiary		-	4,093,184	-	-
Add: Accrued interests	12	50,693	21,267	6,376	10,653
Less: Unrealised loss on foreign exchange	23	-	(30,584)	(101,888)	(31,053)
Less: Net allowances for ECLs on trade receivables	11	(40,750)	-	-	-
Less: Bad debts written off	23	(40,650)	-	-	-
		499,848	5,974,588	(469,331)	(1,394,525)

B. Acquisition of right-of-use assets

	Note	2025 RM	Group 2024 RM
Total additions	4	749,816	177,460
Less: Acquisition by lease liabilities arrangement		(549,816)	(177,460)
Total cash payment		200,000	-

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

STATEMENTS OF CASH FLOWS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

NOTES TO STATEMENTS OF CASH FLOWS (CONT'D)

C. Reconciliation of liabilities arising from financing activities

	Lease liabilities RM
Group	
Balance at 1 January 2024	204,254
Acquisition of a subsidiary	467,348
Drawdown	177,460
Repayment	(493,092)
	355,970
Balance at 31 December 2024	355,970
Drawdown	549,816
Repayment	(304,675)
	601,111
Balance at 31 December 2025	601,111

D. Cash outflows for leases as a lessee

	Note	2025 RM	Group 2024 RM
<u>Included in net cash from/(used in) operating activities</u>			
Payment relating to low value assets	23	323	4,940
Payment relating to short-term leases	23	128,625	-
		128,948	4,940
<u>Included in net cash (used in)/from financing activities</u>			
Payment of lease liabilities		304,675	493,092
Payment on interest of lease liabilities		29,151	24,542
		333,826	517,634
		462,774	522,574

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

1. Corporate information

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company are located at No. 3, Jalan Astaka U8/82, Taman Perindustrian Bukit Jelutong, Seksyen U8, Bukit Jelutong, 40150 Shah Alam, Selangor Darul Ehsan.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are disclosed in Note 7 to the financial statements.

There have been no significant changes in the nature of these activities of the Company and of its subsidiaries during the financial year.

2. Basis of preparation

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

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the material accounting policy information in the respective notes.

The Group and the Company have consistently applied the accounting policies throughout all periods presented in the financial statements unless otherwise stated.

(a) Adoption of new and amended standards

The Group and the Company adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Amendments to MFRS 121	Lack of Exchangeability
------------------------	-------------------------

The adoption of the amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

2. Basis of preparation (Cont'd)

(b) Standard issued but not yet effective

The Group and the Company have not applied the following new and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and the Company:

		Effective dates for financial periods beginning on or after
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 1 Amendments to MFRS 7 Amendments to MFRS 9 Amendments to MFRS 10 Amendments to MFRS 107	Annual Improvements - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature - dependent Electricity	1 January 2026
MFRS 18	Presentation and Disclosure of Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above new and amendments to MFRSs when they become effective.

The initial application of the above-mentioned new and amendments to MFRSs are not expected to have any significant impacts on the financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

2. Basis of preparation (Cont'd)

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

(d) Significant accounting judgements, estimates and assumptions

The preparation of the Group's and of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgements

The following are the judgements made by management in the process of applying the Group's and the Company's accounting policies that have the most significant effect on the amount recognised in the financial statements:

Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 *Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes.

If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are significant that a property does not qualify as investment property.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

2. Basis of preparation (Cont'd)

(d) Significant accounting judgements, estimates and assumptions (Cont'd)

Judgements (Cont'd)

Determining the lease term of contracts with termination options - Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease, if they are reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if they are reasonably certain not to be exercised.

The Group have several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether they are reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it consider all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The Group includes the renewal period as part of the lease term for leases of freehold buildings and motor vehicles with non-cancellable period included as part of the lease term as these are reasonably certain to be exercised because there will be a significant negative effect on operation if a replacement asset is not readily available. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Satisfaction of performance obligations in relation to contracts with customers

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts and the provisions of relevant laws and regulations.

The Group recognises revenue over time in the following circumstances:

- (a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; and
- (b) the Group does not create an asset with an alternative use to the Group and has an enforceable right to payment for performance completed to date; and
- (c) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the Group assesses each contract with customers to determine when the performance obligation of the Group under the contract is satisfied.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

2. Basis of preparation (Cont'd)

(d) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

Deferred tax assets

Deferred tax assets are recognised for all unutilised business losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unutilised business losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Useful life of depreciable assets

The Group and the Company regularly review the estimated useful life of depreciable assets based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful life of depreciable assets would increase the recorded depreciation and decrease the value of depreciable assets.

Amortisation of intangible assets

The costs of intangible assets are amortised on a straight-line basis over the asset's estimated economic useful life. Management estimates the useful life of these intangible assets to be not exceeding 5 years begin from the period when the intangible assets are available for use. These are common life expectancies applied in this industry.

Changes in the expected level of usage and technological developments could impact the economic useful life and the residual values of these assets and therefore future amortisation charges could be revised.

Impairment of goodwill on consolidation

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use amount requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

2. Basis of preparation (Cont'd)

(d) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Group estimate the net realisable value of inventories based on an assessment of expected selling prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories.

Provision for expected credit loss of financial assets

The Group and the Company review the recoverability of their receivables, include trade and other receivables and contract assets at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and the Company's past history, existing market conditions at the end of each reporting period.

The Group and the Company use a provision matrix to calculate expected credit loss for trade and other receivables. The provision rates are based on number of days past due.

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credits loss experience. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate.

Impairment of investment in subsidiaries

The Company reviews its investments in subsidiaries when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant judgement is required in determining the recoverable amount.

Estimating the recoverable amount requires the Company to make an estimate of the expected future cash flows from the cash-generating units and to determine a suitable discount rate in order to calculate the present value of those cash flows.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

2. Basis of preparation (Cont'd)

(d) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Discount rate used in leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

Determination of transaction prices

The Group are required to determine the transaction price in respect of each of their contract with customers. In making such judgement the assess the impact of any variable consideration in the contract due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

There is no significant financing as the period between the transfer of control of good or service to a customer and the payment date is always less than one year, and no non-cash consideration noted in the contracts with customers.

Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting period.

(e) Material accounting policy information

The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

3. Property, plant and equipment

	Freehold land RM	Freehold buildings RM	Computer and office equipment RM	Electrical and furniture fittings RM	Plant and machinery RM	Motor vehicles RM	Renovation and signboard RM	Warehouse and security equipment RM	Total RM
Group Cost									
At 1 January 2024	5,870,392	18,380,266	4,928,270	101,692	7,482,752	2,270,714	868,059	-	39,902,145
Acquisition of a subsidiary	13,838,879	8,920,086	3,166,629	106,068	6,943,697	2,796,107	695,198	1,009,629	37,476,293
Additions	-	458,917	183,326	13,072	2,903,300	-	-	36,426	3,595,041
Disposals	-	-	(8,338)	-	-	(426,325)	-	-	(434,663)
Written off	-	-	(10,988)	-	-	-	-	(18,574)	(29,562)
Transfer from right-of-use assets	-	-	-	-	-	915,918	-	-	915,918
At 31 December 2024	19,709,271	27,759,269	8,258,899	220,832	17,329,749	5,556,414	1,563,257	1,027,481	81,425,172
Additions	-	78,000	593,515	4,800	-	-	100,000	20,881	797,196
Disposals	-	-	-	-	-	(265,180)	-	-	(265,180)
Written off	-	-	(1,974,998)	-	-	-	-	(184)	(1,975,182)
Transfer from right-of-use assets	-	-	-	-	-	111,981	-	-	111,981
At 31 December 2025	19,709,271	27,837,269	6,877,416	225,632	17,329,749	5,403,215	1,663,257	1,048,178	80,093,987

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

3. Property, plant and equipment (Cont'd)

	Freehold land RM	Freehold buildings RM	Computer and office equipment RM	Electrical and furniture fittings RM	Plant and machinery RM	Motor vehicles RM	Renovation and signboard RM	Warehouse and security equipment RM	Total RM
Group (Cont'd)									
Accumulated depreciation									
At 1 January 2024	-	2,796,605	3,759,586	96,555	1,813,319	1,897,947	614,389	-	10,978,401
Acquisition of a subsidiary	-	2,198,226	2,939,713	95,786	1,979,663	1,731,361	557,963	924,858	10,427,570
Charge for the financial year	-	524,949	375,327	6,614	425,574	380,565	111,578	25,225	1,849,832
Disposals	-	-	(8,338)	-	-	(349,565)	-	-	(357,903)
Written off	-	-	(9,118)	-	-	-	-	(16,162)	(25,280)
Transfer from right-of-use assets	-	-	-	-	-	457,959	-	-	457,959
At 31 December 2024	-	5,519,780	7,057,170	198,955	4,218,556	4,118,267	1,283,930	933,921	23,330,579
Charge for the financial year	-	554,221	477,431	7,422	449,448	420,133	127,768	32,084	2,068,507
Disposals	-	-	-	-	-	(185,138)	-	-	(185,138)
Written off	-	-	(1,951,856)	-	-	-	-	(101)	(1,951,957)
Transfer from right-of-use assets	-	-	-	-	-	57,856	-	-	57,856
At 31 December 2025	-	6,074,001	5,582,745	206,377	4,668,004	4,411,118	1,411,698	965,904	23,319,847

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
31 DECEMBER 2025

3. Property, plant and equipment (Cont'd)

	Freehold land RM	Freehold buildings RM	Computer and office equipment RM	Electrical and furniture fittings RM	Plant and machinery RM	Motor vehicles RM	Renovation and signboard RM	Warehouse and security equipment RM	Total RM
Group (Cont'd)									
Accumulated impairment losses									
At 1 January 2024	-	94,215	668,702	-	608,949	-	-	-	1,371,866
Written off	-	-	(1,635)	-	-	-	-	-	(1,635)
At 31 December 2024	-	94,215	667,067	-	608,949	-	-	-	1,370,231
Written off	-	-	(23,142)	-	-	-	-	-	(23,142)
At 31 December 2025	-	94,215	643,925	-	608,949	-	-	-	1,347,089
Carrying amount									
At 31 December 2025	19,709,271	21,669,053	650,746	19,255	12,052,796	992,097	251,559	82,274	55,427,051
At 31 December 2024	19,709,271	22,145,274	534,662	21,877	12,502,244	1,438,147	279,327	93,560	56,724,362

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

3. Property, plant and equipment (Cont'd)

	Computer and office equipment RM	Motor vehicles RM	Total RM
Company Cost			
At 1 January 2024	15,020	504,554	519,574
Additions	3,150	-	3,150
Disposals	-	(242,100)	(242,100)
At 31 December 2024	18,170	262,454	280,624
Additions	4,883	-	4,883
At 31 December 2025	23,053	262,454	285,507
Accumulated depreciation			
At 1 January 2024	8,773	478,308	487,081
Charge for the financial year	6,113	26,245	32,358
Disposals	-	(242,100)	(242,100)
At 31 December 2024	14,886	262,453	277,339
Charge for the financial year	3,128	-	3,128
At 31 December 2025	18,014	262,453	280,467
Carrying amount			
At 31 December 2025	5,039	1	5,040
At 31 December 2024	3,284	1	3,285

Material accounting policy information

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, except for freehold land are stated at cost not depreciated.

Depreciation of property, plant and equipment is recognised in the profit or loss on straight-line basis to write off the cost of each asset to its residual value over its estimated useful life. Freehold land with indefinite useful life is not depreciated.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

3. Property, plant and equipment (Cont'd)

The estimated useful life for the current and comparative periods are as follows:

Freehold buildings	2%
Computer and office equipment	10% - 40%
Electrical and furniture fittings	10% - 20%
Plant and machinery	10%
Motor vehicles	10%
Renovation and signboard	10% - 20%
Warehouse and security equipment	20%

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its used or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount recognised in profit or loss.

4. Right-of-use assets

	Freehold buildings RM	Motor vehicles RM	Total RM
Group			
Cost			
At 1 January 2024	62,664	318,817	381,481
Acquisition of a subsidiary	509,034	1,409,521	1,918,555
Additions	177,460	-	177,460
Expiration of lease contract	(164,038)	-	(164,038)
Transfer to property, plant and equipment	-	(915,918)	(915,918)
At 31 December 2024	585,120	812,420	1,397,540
Additions	349,816	400,000	749,816
Expiration of lease contract	(358,989)	-	(358,989)
Transfer to property, plant and equipment	-	(111,981)	(111,981)
At 31 December 2025	575,947	1,100,439	1,676,386

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
31 DECEMBER 2025

4. Right-of-use assets (Cont'd)

	Freehold buildings RM	Motor vehicles RM	Total RM
Accumulated depreciation			
At 1 January 2024	44,387	123,483	167,870
Acquisition of a subsidiary	359,519	491,722	851,241
Charge for the financial year	200,562	197,083	397,645
Expiration of lease contract	(164,038)	-	(164,038)
Transfer to property, plant and equipment	-	(457,959)	(457,959)
At 31 December 2024	440,430	354,329	794,759
Charge for the financial year	185,936	153,123	339,059
Expiration of lease contract	(358,989)	-	(358,989)
Transfer to property, plant and equipment	-	(57,856)	(57,856)
At 31 December 2025	267,377	449,596	716,973
Carrying amount			
At 31 December 2025	308,570	650,843	959,413
At 31 December 2024	144,690	458,091	602,781

- (a) The Group lease several assets including office, buildings and motor vehicles. The lease term ranges from 2 to 5 years (2024: 2 to 5 years), with no renewal option upon expiry.
- (b) Assets pledged as securities to financial institutions

The motor vehicles of the Group are pledged as securities for the related lease liabilities as disclosed in Note 18 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

4. Right-of-use assets (Cont'd)

(c) Material accounting policy information

The Group recognises right-of-use assets at the commencement date of the leases (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the earlier of their estimated useful life or the end of the lease term.

The estimated useful life for the current and comparative periods are as follows:

Freehold buildings	Over the lease term
Motor vehicles	20%

5. Investment properties

	Freehold land RM	Freehold building RM	Total RM
Group Cost			
At 1 January 2024	18,462,791	33,460,352	51,923,143
Acquisition of a subsidiary	-	1,611,000	1,611,000
Additions	-	2,780	2,780
At 31 December 2024	18,462,791	35,074,132	53,536,923
Additions	-	40,000	40,000
At 31 December 2025	18,462,791	35,114,132	53,576,923

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
31 DECEMBER 2025

5. Investment properties (Cont'd)

	Freehold land RM	Freehold building RM	Total RM
Group (Cont'd)			
Accumulated depreciation			
At 1 January 2024	-	13,317,350	13,317,350
Acquisition of a subsidiary	-	273,870	273,870
Charge for the financial year	-	672,905	672,905
At 31 December 2024	-	14,264,125	14,264,125
Charge for the financial year	-	656,784	656,784
At 31 December 2025	-	14,920,909	14,920,909
Carrying amount			
At 31 December 2025	18,462,791	20,193,223	38,656,014
At 31 December 2024	18,462,791	20,810,007	39,272,798

(a) Investment properties under leases

Investment properties comprise of freehold lands and buildings that are leased to third parties. The lease contains a cancellable period ranging from 1 to 3 years (2024: 1 to 3 years).

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

5. Investment properties (Cont'd)

(b) Income and expenses recognised in profit or loss

The following are recognised in profit or loss in respect of investment properties:

	Group	
	2025 RM	2024 RM
Rental income	1,517,344	1,518,534
Direct operating expenses:		
- Income generating investment properties	(305,421)	(304,775)
- Non-income generating investment properties	(716,577)	(724,416)
	<hr/>	<hr/>

- (c) The fair value of the investment properties of the Group were estimated by the Directors based on the recent transacted prices in the market of properties with similar condition and location. In estimating the fair value of the investment properties, the highest and best use of the investment properties are its current use. The fair values are within Level 3 of the fair value hierarchy. There was no transfer between levels during the current financial year.

Fair value of the investment properties was as follows:

	Group	
	2025 RM	2024 RM
Freehold lands	40,909,295	46,495,713
Freehold buildings	54,313,241	59,064,398
	<hr/>	<hr/>

d) Material accounting policy information

Investment properties are properties held either to earn rental income or for capital appreciation, or for both. Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and impairment losses except for freehold lands are stated at cost not depreciated.

Investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful life. Freehold lands with indefinite useful life are not depreciated. The principal annual depreciation rate is:

Freehold buildings	2%
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NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
31 DECEMBER 2025

6. Intangible assets

	Customer contracts RM	Golf and country club membership RM	Intellectual property RM	Total RM
Group				
Cost				
At 1 January 2024	1,348,674	150,000	787,481	2,286,155
Acquisition of a subsidiary	1,471,457	-	-	1,471,457
Additions	-	-	320,160	320,160
At 31 December 2024	2,820,131	150,000	1,107,641	4,077,772
Additions	-	-	320,160	320,160
At 31 December 2025	2,820,131	150,000	1,427,801	4,397,932
Accumulated amortisation				
At 1 January 2024	224,779	-	337,969	562,748
Charge for the financial year	576,289	-	-	576,289
At 31 December 2024	801,068	-	337,969	1,139,037
Charge for the financial year	637,598	-	-	637,598
At 31 December 2025	1,438,666	-	337,969	1,776,635
Accumulated impairment losses				
At 1 January 2024/ 31 December 2024/ 31 December 2025	-	-	141,869	141,869
Carrying amount				
At 31 December 2025	1,381,465	150,000	947,963	2,479,428
At 31 December 2024	2,019,063	150,000	627,803	2,796,866

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

6. Intangible assets (Cont'd)

Golf and country club membership	RM
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Company

Cost

At 1 January 2024/31 December 2024/31 December 2025	150,000
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(a) Customer contracts

Customer contracts are recognised as intangible assets when the Group acquires through business combinations and acquisitions. These contracts represent the right to receive economic benefits from existing agreements with customers, such as long-term service contracts and service supply arrangements.

The costs of customer contracts acquired represent the fair value of the record management and storage service contract agreement as at the date of acquisition. The useful life of the customer contracts is estimated ranged 4 to 5 years. Fair value of customer contracts is stated at cost less accumulated amortisation and any accumulated impairment loss.

The carrying amount of customer contract is amortised over the useful life and adjusted for impairment when they are considered necessary.

(b) Golf and country club membership

Golf and country club membership acquired separately which are determined to have an indefinite life are not amortised as management believes there is no foreseeable limit to the period over which their benefits can be utilised.

(c) Intellectual property

Intellectual property include development cost, the development cost comprise internally generated expenditure on development costs on software development projects where it is reasonably anticipated that the costs will be recovered through future commercial activity.

- (i) Included in the net carrying amount of intellectual property of the Group at the end of the financial year were staff costs capitalised for the development of iFCS Manage and iFCS Capture software, amounting to RM925,365 (2024: RM605,205).
- (ii) As at the end of the financial year, the intellectual property of the Group included an amount of RM947,963 (2024: RM627,803), which was not yet available for use. Consequently, no amortisation was charged during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

6. Intangible assets (Cont'd)

Material accounting policy information

Research costs are recognised as expense when incurred. Intangible assets are initially measured at cost. Subsequent to the initial recognition, the intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embedded in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

The useful life of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite life are amortised from the point at which the asset is available for use using the straight-line method over the estimated economic useful life and assessed for impairment whether there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are measured at least at each reporting date.

Intangible assets are amortised on a straight-line basis over its finite useful life of 3 to 5 years commencing from the period when the intangible assets are available for use.

7. Investment in subsidiaries

	Company	
	2025 RM	2024 RM
Investment costs:		
At cost		
Unquoted shares	187,722,085	188,526,269
Allocation ESOS charge in respect of share options granted to the employees of subsidiaries	815,084	-
Less: Accumulated impairment losses	(5,658,922)	(5,649,604)
	182,878,247	182,876,665

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

7. Investment in subsidiaries (Cont'd)

The movement of accumulated impairment losses during the financial year is as follows:

	Company	
	2025 RM	2024 RM
At beginning of the financial year	5,649,604	5,169,214
Impairment loss during the financial year	66,116	480,390
Written off during the financial year	(56,798)	-
At end of the financial year	5,658,922	5,649,604

Details of the subsidiaries are as follows:

Name of companies	Place of business/ Country of incorporation	Effective interest (%)		Principal activities
		2025	2024	
Efficient International Sdn. Bhd. ("EISB")	Malaysia	100%	100%	Investment holding company and outsourcing services in the area of payroll and programme management.
Efficient Storage Solutions Sdn. Bhd. ("ESS")	Malaysia	100%	100%	Property investment and document archiving and related services.
Efficient Storage Solutions (Techpark) Sdn. Bhd. ("ESST")	Malaysia	100%	100%	Property investment and document archiving and related ancillary services.
Livingston Education Sdn. Bhd. ("LESB")#	Malaysia	-	100%	Dormant.
Efficient Digital Esplanade Sdn. Bhd. ("EDE")	Malaysia	100%	100%	Dormant.
Efficient GlobalIT Sdn. Bhd. ("EGIT")	Malaysia	100%	100%	IT system integration, shared and support and any other IT related services.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

7. Investment in subsidiaries (Cont'd)

Details of the subsidiaries are as follows: (Cont'd)

Name of companies	Place of business/ Country of incorporation	Effective interest (%)		Principal activities
		2025	2024	
Efficient RE Sdn. Bhd. ("ERE")	Malaysia	100%	100%	Property investment and document archiving and related services.
FCS International Sdn. Bhd. ("FCS")	Malaysia	100%	100%	Business of system integrator, trading and marketing in IT products.
Regalia Records Management Sdn. Bhd. ("RRM")	Malaysia	100%	100%	Provider of documents archiving and related services.
Subsidiaries of EISB				
Vigilant Asia Group Sdn. Bhd. ("VAG")	Malaysia	100%	100%	Investment holding company.
Kaapagam Technologies Sdn. Bhd. ("KTSB")	Malaysia	65%	65%	Computer and information technology related business including consultancy, penetration test on server and web applications, vulnerability assessment.
Subsidiaries of VAG				
Vigilant Asia (M) Sdn. Bhd. ("VAM")	Malaysia	100%	100%	Information technology and digital services including Managed Cybersecurity Services, cybersecurity consultation services, cybersecurity solutions, cloud security, software development, IT and cybersecurity related training.
Vigilant Asia Cybersecurity Pte Ltd ("VASG") *	Singapore	100%	100%	Provision of information technology cybersecurity consultancy and wholesale of cybersecurity software, hardware and peripheral equipment.

* Audited by auditors other than TGS TW PLT.

Struck off during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

7. Investment in subsidiaries (Cont'd)

(a) Acquisition of a subsidiary

2025

Included in the investment in subsidiaries is an amount of RM195,816, representing the deferred consideration for the acquisition of RRM arising from the time value of money.

2024

The Company previously held a 30% equity interest in Regalia Records Management Sdn. Bhd. ("RRM"), classified as an associate. On 7 March 2024, the Company acquired the remaining 70% equity interest in RRM for a total fair value consideration of RM61,907,263. As result, the Group' equity interest in RRM increased from 30% to 100% making it a wholly-owned subsidiary.

	RRM RM
Fair value of consideration transferred:	
(a) Cash consideration at present value	18,180,583
(b) 170,000,000 ordinary shares of the Company at fair value of RM0.20 per share on the acquisition date	34,000,000
(c) Fair value of previous stake at associates	9,726,680
	61,907,263

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
31 DECEMBER 2025

7. Investment in subsidiaries (Cont'd)

	RRM RM
<u>Fair value of identifiable assets acquired and liabilities assumed</u>	
Property, plant and equipment	27,048,723
Right-of-use assets	1,067,314
Investment properties	1,337,130
Intangible asset	1,471,457
Inventories	70,639
Trade receivables	3,373,402
Other receivables	719,782
Fixed deposit with licensed bank	1,400,000
Cash and bank balances	328,207
Tax recoverable	139,349
Trade payables	(74,846)
Other payables	(1,199,906)
Lease liabilities	(467,348)
Deferred tax liabilities	(2,791,636)
	<hr/>
Total identifiable net asset	32,422,267
	<hr/>
Goodwill	29,484,996
	<hr/>
<u>Net cash outflows arising from acquisition of subsidiary</u>	
Purchase consideration paid in cash	18,180,583
Less: Cash and cash equivalents acquired	(1,728,207)
	<hr/>
	16,452,376
	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

7. Investment in subsidiaries (Cont'd)

(b) Strike-off of a subsidiary

During the financial year, the Company's wholly-owned dormant subsidiary, Livingston Education Sdn. Bhd., was placed under members' voluntary winding-up, which has been completed as at the reporting date. The exercise was undertaken as part of the Group's initiative to streamline its corporate structure and is not expected to have any material impact on the Group's financial position.

(c) Non-controlling interest

The non-controlling interest at the end of the financial year comprise of the followings:

	2025	Group	2024
NCI percentage of ownership interest and voting interest (%):	35%		35%
Carrying amount of NCI (RM)	(169,366)		(171,614)
Loss allocated to NCI (RM)	(2,248)		(2,536)

The summarised financial information of non-controlling interest is not presented as the non-controlling interest of the subsidiary are not individually material to the Group.

(d) Material accounting policy information

Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

Management reviews the investments in subsidiaries for impairment when there is an indication of impairment. Recoverable amounts of the investments in subsidiaries are assessed by reference to the value-in-use of the respective subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

7. Investment in subsidiaries (Cont'd)

(d) Material accounting policy information (Cont'd)

Value in-use is the net present value of the projected future cash flows derived from business operations of the respective subsidiaries discounted at an appropriate pre-tax discount rate. This discounted cash flows method involves the use of estimated future results and a set of assumptions to support their income and cash flows.

Significant judgements and estimates were used to determine the key assumptions applied to the cash flow projections, which includes the growth rates and the appropriate pre-tax discount rates used for each of the subsidiary.

Impairment losses are made when the carrying amount of the investments in subsidiaries exceed its recoverable amount.

8. Goodwill on consolidation

	Group	
	2025 RM	2024 RM
At beginning of the financial year	35,503,491	6,018,495
Addition	195,816	29,484,996
At end of the financial year	35,699,307	35,503,491

Goodwill has been allocated to the Group's cash generating unit ("CGU"). The Group undertakes an annual test for impairment evaluation. No impairment loss was required for the goodwill on consolidation as its recoverable amount was in excess of its carrying value.

Impairment test for goodwill

The recoverable amount of CGU is determined based on the value-in-use calculations using cash flow projections based on financial budgets approved by management covering a five-year period. The values assigned to key assumptions is in respect of management's assessment of future trends in the industry.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

8. Goodwill on consolidation (Cont'd)

Impairment test on goodwill (Cont'd)

The key assumptions used for value-in-use calculations are as follows:

(i) Budgeted gross margin

The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budgeted year. The average gross margin applied ranged from 28.00% to 99.00% (2024: 51.00% to 79.00%).

(ii) Growth rate

The weighted average growth rates used are consistent with the long-term average growth rate anticipated for the entities based on its past performance and industry demand. The average growth rate applied was 5.00% (2024: 5.00%) per annum.

(iii) Discount rate

The discount rate used are pre-tax and reflect management's estimate of the risk specific to the CGU at the date of assessment. The average discount rate applied was 8.40% (2024: 8.80%) per annum.

Sensitivity to changes in assumptions

With regard to the assessment of the value-in-use of the CGU, management believes that any changes to the key assumptions above would not result in the carrying values of the CGU to materially exceed their recoverable amount.

Material accounting policy information

Goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying value may be impaired.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

9. Deferred tax assets/(liabilities)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At beginning of the financial year	(1,937,668)	1,476,905	(790)	(2,699)
Recognised in profit or loss	(485,637)	(622,937)	(425)	1,909
Acquisition of subsidiary	-	(2,791,636)	-	-
At end of the financial year	(2,423,305)	(1,937,668)	(1,215)	(790)

The net deferred tax assets and liabilities shown on the statements of financial position after appropriate offsetting are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Deferred tax assets	899,531	993,205	-	-
Deferred tax liabilities	(3,322,836)	(2,930,873)	(1,215)	(790)
	(2,423,305)	(1,937,668)	(1,215)	(790)

The balance of deferred tax assets/(liabilities) are made up of tax effect on temporary differences arising from:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Property, plant and equipment	(4,071,584)	(3,907,638)	(1,215)	(790)
Contract liabilities	881,280	1,030,069	-	-
Provision	18,000	-	-	-
Unutilised capital allowances	664,886	915,377	-	-
Unabsorbed business losses	84,113	24,524	-	-
	(2,423,305)	(1,937,668)	(1,215)	(790)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

9. Deferred tax assets/(liabilities) (Cont'd)

In accordance with the provisions of the Finance Act 2021, the unabsorbed business losses are available for utilisation in the next ten consecutive years from when it was incurred, for which, any excess at the end of the tenth year, shall be disregarded. The other temporary difference do not expire under current tax legislation.

The unutilised capital allowances do not expire under current tax legislation of Malaysia. Unabsorbed business losses will expire at the following year of assessment ("YA"):

	Group	
	2025 RM	2024 RM
YA 2028	102,186	102,186
YA 2030	248,286	-
	350,472	102,186

Material accounting policy information

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rate enacted or substantively at the reporting date. Determined tax assets and liabilities are not discounted.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
31 DECEMBER 2025

10. Inventories

	Group	
	2025 RM	2024 RM
At cost		
Trading goods	425,765	425,105
Recognised in profit or loss		
Inventories recognised as cost of sales	635,875	625,463

Material accounting policy information

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

11. Trade receivables

	Group	
	2025 RM	2024 RM
Trade receivables	5,684,557	7,055,971
Less: Allowance for expected credit losses (“ECLs”)	(82,715)	(70,989)
	5,601,842	6,984,982

Trade receivables are non-interest bearing and the credit term are generally on 30 to 90 days (2024: 30 to 90 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition. Other credit terms are assessed and approved by the management on case-by-case basis.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

11. Trade receivables (Cont'd)

The movements in allowance for ECLs are as follows:

	2025 RM	Group 2024 RM
At beginning of the financial year	70,989	8,442
Acquisition of a subsidiary	-	62,547
Addition during the financial year	47,455	-
Reversal of allowance for ECLs	(6,705)	-
Written off during the financial year	(29,024)	-
	<hr/>	<hr/>
At end of the financial year	82,715	70,989

The loss allowance account in respect of trade receivables is used to record loss allowance unless the Group is satisfied that recovery of the amount is possible. The amount considered irrecoverable is written off against the receivables directly.

The foreign currency exposure profile of trade receivables are as follows:

	2025 RM	Group 2024 RM
Singapore Dollar ("SGD")	15,554	38,247
United States Dollar ("USD")	108,879	-
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

11. Trade receivables (Cont'd)

The following table provide information about the exposure to credit risk and allowance for ECLs for trade receivables:

	Gross amount RM	Group ECLs RM	Net amount RM
2025			
Not past due	2,498,647	(8,032)	2,490,615
Past due:			
Less than 30 days	1,670,518	(10,945)	1,659,573
31 to 60 days	660,423	(6,665)	653,758
61 to 90 days	219,452	(2,927)	216,525
More than 90 days	635,517	(54,146)	581,371
	5,684,557	(82,715)	5,601,842
2024			
Not past due	2,170,882	-	2,170,882
Past due:			
Less than 30 days	3,504,799	-	3,504,799
31 to 60 days	428,890	-	428,890
61 to 90 days	174,305	-	174,305
More than 90 days	777,095	(70,989)	706,106
	7,055,971	(70,989)	6,984,982

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

12. Other receivables

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Accrued interests	50,693	21,267	6,376	10,653
Non-trade receivables	401,134	15,537	8,865,048	8,466,936
Deposits	328,142	496,978	8,571	8,571
Sales and service tax/Goods and service tax receivable	2,928	2,928	-	-
Prepayments	2,356,059	1,749,661	17,720	37,736
	3,138,956	2,286,371	8,897,715	8,523,896

Non-trade receivables are unsecured, non-interest bearing and repayable on demand.

Included in deposit of the Group is an amount of RM8,100 (2024: RM8,100) refundable deposit paid to a Director of a subsidiary.

Included in deposits of the Group are amount of RM57,177 (2024: RM57,177) pledged to a bank for bank guarantee facilities granted to the Group.

Included in prepayments of the Group is an amount of RM750,000 (2024: RMNil) relating to downpayment for construction of racking system. The construction of racking system was completed in February 2026.

Included in non-trade receivables of the Company are an amount of RM8,865,048 (2024: RM8,466,936) due from subsidiaries.

The movements in allowance for ECLs are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At beginning of the financial year	-	4,512,500	-	4,512,500
Written off	-	(4,512,500)	-	(4,512,500)
At end of the financial year	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

12. Other receivables (Cont'd)

The loss allowance account in respect of other receivables is used to record loss allowance unless the Group is satisfied that recovery of the amount is possible. The amount considered irrecoverable is written off against the receivables directly.

The foreign currency exposure profile of other receivables are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
USD	-	-	1,002,048	1,103,936

13. Contract assets/(Contract liabilities)

	Group	
	2025 RM	2024 RM
At beginning of the financial year	(1,218,419)	(3,905,737)
Acquisition of a subsidiary	-	110,115
Billing issued during the financial year	(28,159,160)	(19,496,218)
Revenue recognised during the financial year	25,685,455	22,071,627
Exchange differences	14,561	1,794
At end of the financial year	(3,677,563)	(1,218,419)
Presented as:		
Contract assets	566,682	3,687,398
Contract liabilities	(4,244,245)	(4,905,817)
	(3,677,563)	(1,218,419)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

13. Contract assets/(Contract liabilities) (Cont'd)

Contract assets represent the Group's rights to consideration for work performed but not yet billed as of the reporting date. Contract assets will be reclassified to trade receivables once the rights become unconditional, typically upon issue of billing to the customers.

Contract liabilities represent advance consideration received from customers or amounts billed in advance, where the Group has yet to fulfil its performance obligations. Revenue associated with these contract liabilities will be recognised over time as the Group satisfies its contractual obligations in accordance with the agreed terms.

Unsatisfied performance obligations

The following table presents revenue from performance obligations that remain unsatisfied or partially unsatisfied as of the reporting date. The revenue related to these performance obligations is expected to be recognised in future periods as the Group fulfils its contractual obligations.

	Group	
	2025 RM	2024 RM
Revenue is expected to be recognised from contracts with customers:		
Within 1 year	4,173,713	7,354,016
Between 1 to 5 years	55,252	68,879
More than 5 years	15,280	-
	4,244,245	7,422,895

Impairment for contract assets are recognised based on the simplified approach of MFRS 9. No expected credit loss is recognised arising from contract assets as the amount is negligible.

Financing components

The Group's contracts do not contain a significant financing component, as the period between the transfer of promised goods or services to customers and the receipt of payment does not differ substantially. Any time lag between revenue recognition and payment collection is considered to be in line with normal commercial terms.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

14. Other investments

	Group and Company	
	2025	2024
	RM	RM
Non-current		
Financial assets at fair value through profit or loss:		
Unquoted equity investment in Malaysia	5,000,000	5,000,000
Less: Accumulated fair value impairment loss	(5,000,000)	(5,000,000)
	-	-
Current		
Financial assets at fair value through profit or loss:		
Foreign quoted equity investment	346,154	291,200
Unquoted money market funds in Malaysia	8,066,176	7,909,253
Total other investments at fair value	8,412,330	8,200,453

The Group's and the Company's financial assets at fair value through profit or loss comprise investments in foreign listed equity shares and unquoted money market funds. The unquoted money market funds represent a portfolio of investments placed with a licensed financial institution, aimed at providing a regular stream of monthly income through direct investment in short-term money market instruments and other fixed income instruments. These investments are redeemable for cash within a short notice period.

The fair value of foreign listed equity shares is determined based on quoted market prices in an active market as at the reporting date.

During the financial year, the Group and the Company have recognised RM122,682 (2024: RM174,596) of fair value gain through profit or loss.

During the financial year, the Group and the Company have received RM60,542 (2024: RM40,460) of distribution income from unquoted money market funds.

Details of valuation techniques and inputs are disclosed in Note 29(c).

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

14. Other investments (Cont'd)

The foreign currency exposure profile of other investments are as follows:

	Group and Company	
	2025	2024
	RM	RM
USD	1,549,578	1,562,636

15. Fixed deposits with licensed banks, Cash and bank balances

The interest rate of deposits with licensed banks of the Group and of the Company ranged from 1.75% to 3.80% (2024: 2.00% to 3.85%) per annum. The maturity period of fixed deposits of the Group and of the Company from 1 to 12 months (2024: 1 to 12 months).

The fixed deposits with a licensed bank of the Group amounting RM327,311 (2024: RM324,475) are pledged as securities for banking facilities granted to the Group.

Bank balance of the Group amounting to RM201,718 (2024: RM Nil) are pledged as security for bank guarantee as disclosed in Note 30 to the financial statements.

The foreign currency exposure profile of cash and bank balances are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
USD	2,149,819	2,415,281	-	-
SGD	977,985	890,061	703,689	705,665

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

16. Share capital

	Group and Company			
	Number of ordinary shares		Amount	
	2025 Units	2024 Units	2025 RM	2024 RM
Issued and fully paid:				
At beginning of the financial year	926,432,100	709,130,100	118,581,954	75,546,598
Issuance of ordinary shares	-	217,302,000	-	43,129,286
Share issuance expenses	-	-	-	(93,930)
At end of the financial year	926,432,100	926,432,100	118,581,954	118,581,954

In previous financial year, the Group and the Company issued 47,302,000 new ordinary shares at an issue price of RM0.193 per ordinary share for a cash consideration of RM9,129,286 as part of Regularisation Plan.

In previous financial year, the Group and the Company issued 170,000,000 new ordinary shares at an issue price of RM0.200 per ordinary share for consideration of RM34,000,000 for acquired of subsidiary.

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

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.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

17. Reserves

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non distributable:				
Foreign exchange translation reserve	(35,505)	(6,957)	-	-
Contingent consideration	1,537,765	1,537,765	-	-
Employee share option scheme reserves	1,120,944	-	1,120,944	-
	2,623,204	1,530,808	1,120,944	-

Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Contingent consideration

On 28 February 2023, the Company entered into Share Sale Agreement ("SSA") to acquire 100% equity interest in FCS International Sdn. Bhd. ("FCS") from Lim Choon Chai and Lim Kui Tze ("the Vendors") for a purchase consideration of RM8,000,000 which is satisfied by a combination of cash amounting to RM5,000,000 and RM3,000,000 via cash and/or the issuance of new ordinary shares of the Company at an issue price to be determined later.

On 29 February 2024, the Company and the vendors have mutually agreed that the settlement of the RM3,000,000 to be paid in shares only upon meeting the condition stated in the SSA ("FCS Profit Guarantee").

The issuance of the ordinary shares is contingent on FCS meeting a maximum profit-after-tax ("PAT") of RM5,000,000 over 5 years from the acquisition date ("Profit Guarantee Period"). In the event the maximum PAT is not achieved and provided that the minimum PAT of RM2,500,000 is achieved, the balance consideration of RM3,000,000 will be payable on a pro-rated basis. In the event if the minimum PAT is not achieved, the Vendors will not receive any portion of the balance consideration.

The Group has provided for a contingent consideration in relation to the FCS Profit Guarantee pursuant to the FCS Acquisition, whereby the Group has the obligation to pay the Vendors a maximum of RM3,000,000 if the maximum level of the FCS Profit Guarantee is achieved within the Profit Guarantee Period. The contingent consideration is discounted to its present value on the acquisition date at a discount rate of 14.30%.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

17. Reserves (Cont'd)

Employee share option scheme reserves

At an extraordinary general meeting held on 23 January 2025, the Company's shareholders approved the establishment of an ESOS of not more than 10% of the issued share capital of the Company or 92,643,210 new ordinary shares, whichever is higher, to eligible Directors and employees of the Company and its subsidiaries under proposed ESOS.

The Company had on 27 August 2025 granted a total of 73,743,200 ESOS Options to the eligible Executive and Non-Executive Directors, Directors of the subsidiaries and employees of the Company and its subsidiaries ("the Group").

The salient features of ESOS are as follows:

- (a) The total number of shares to be offered under ESOS shall not exceed 10% of the issued and paid-up share capital of the Company at any point in time during the existence of the ESOS; and
- (b) Eligible person per By-Laws are those employees (including Directors) of the Group who amongst others, employed on a full time basis, has attained the age of eighteen years and is on the payroll of either the Company or any of its subsidiaries (excluding dormant subsidiaries) for such period determined by the ESOS Committee and has not served a notice to resign nor received a notice of termination; and
- (c) The allocation to an Eligible person, who either singly or collectively, through persons connected with the Eligible person, holds 20% or more of the total number of issued shares (excluding treasury shares, if any), must not exceed 10% of the total number of shares to be made available under the ESOS; and
- (d) Not more than 60% of the total number of shares to be made available under the ESOS shall be allocated, in aggregate, to the Directors and senior management of the Group (excluding dormant subsidiaries), on the basis that they are crucial to the performance of the Group as determined by the ESOS Committee at their sole and absolute discretion; and
- (e) The option price for each ordinary share shall be at a discount of not more than 10% of the 5-day volume weighted average market price of the shares, as quoted on Bursa Malaysia Securities Berhad ("Bursa") immediately preceding the date of offer; and
- (f) The options granted do not confer any dividend or other distribution declared to the shareholders as at a date precedes the date of exercise of the option.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

17. Reserves (Cont'd)

Employee share option scheme reserves (Cont'd)

The Company had granted a total of 73,743,200 ESOS of the Company as follows:

	Vesting period	Exercise price (RM)	Number of options (unit)
Tranche 1	27 August 2025	0.09	25,065,900
Tranche 2	27 August 2027	0.09	23,144,100
Tranche 3	27 August 2029	0.09	25,533,200

The fair value of services received in return for share options granted during the financial year is based on the fair value of share options granted, estimated by the independent valuer, taking into account the terms and conditions upon which the ESOS were granted. The fair value measured at grant date and the assumptions are as follows:

	ESOS
Fair value at grant date (RM)	
- Tranche 1	0.0361
- Tranche 2	0.0361
- Tranche 3	0.0361
Weighted average share price at grant date (RM)	RM0.09
Weighted average volatility (%)	
- Tranche 1	45.04
- Tranche 2	45.04
- Tranche 3	45.04
Expected weighted average option life (months)	
- Tranche 1	Immediate
- Tranche 2	24
- Tranche 3	48
Risk-free interest rate per annum (%)	
- Tranche 1	3.06
- Tranche 2	3.06
- Tranche 3	3.06

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

17. Reserves (Cont'd)

Employee share option scheme reserves (Cont'd)

The expected life of the share options is based on the ESOS duration and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends.

Details of ESOS Options outstanding at end of the financial year are as follows:

Date of Offer	Exercise price	Number of share options over ordinary shares			
		At 1.1.2025	Granted	Exercised/ Forfeited	At 31.12.2025
27 August 2025	RM0.09	-	73,743,200	-	73,743,200

During the financial year, ESOS of 25,065,900 units were vested and share option expenses of RM1,120,944 were recognised. Accordingly, the ESOS options reserves were recognised in statements of financial position. The total expenses of ESOS were recognised in statements of profit or loss as disclosed in Note 26 to the financial statements.

18. Lease liabilities

	Group	
	2025 RM	2024 RM
Non-current	370,309	140,230
Current	230,802	215,740
	601,111	355,970

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

18. Lease liabilities (Cont'd)

The maturity analysis of lease liabilities at the end of the reporting period:

	Group	
	2025 RM	2024 RM
Within 1 year	257,569	228,058
Between 1 - 5 years	390,199	149,998
	647,768	378,056
Less: Future finance charges	(46,657)	(22,086)
Present value of lease liabilities	601,111	355,970

The Group leases freehold buildings and motor vehicles. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Materiality accounting policy information

(i) Lease and non-lease component

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of freehold buildings and motor vehicles in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(ii) Recognition exemption

All leases are accounted for by recognising right-of-use assets and lease liabilities except for:

- (a) Lease of low value assets; and
- (b) Lease with a duration of twelve (12) months or less.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

19. Other payables

		Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Non-current					
Non-trade payables	(a)	-	1,262,983	-	1,262,983
Current					
Accruals		1,302,947	1,111,796	128,332	129,056
Deposit received		79,492	85,762	-	-
Non-trade payables	(a)	1,657,473	2,100,187	1,466,628	2,006,646
Sales and service tax/Goods and service tax payable		835,213	1,111,780	-	-
		3,875,125	4,409,525	1,594,960	2,135,702
		3,875,125	5,672,508	1,594,960	3,398,685

Included in non-trade payables of the Company are an amount of RM89,870 (2024: RM89,046) due to subsidiaries. Amount due to subsidiaries are unsecured, non-interest bearing and repayable on demand.

- (a) Non-trade payables amounting to RM1,376,399 (2024: RM2,180,583) represent the outstanding consideration payable to the vendors for the acquisition of a subsidiary, which is scheduled to be settled in the financial year 2026 (2024: year 2025 and 2026).

20. Trade payables

The normal trade credit terms granted to the Group ranged from 30 to 120 days (2024: 30 to 120 days) depending on the term of the contracts.

The foreign currency exposure profile of trade payables are as follows:

	Group	
	2025 RM	2024 RM
USD	47,417	379,233

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
31 DECEMBER 2025

21. Revenue

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contracts with customers:				
- Storage records management	19,403,277	16,000,859	-	-
- Sales of computer hardware and software licenses	9,452,498	9,496,224	-	-
- IT services	10,166,656	9,986,816	-	-
- Disaster recovery services	144,000	144,000	-	-
	39,166,431	35,627,899	-	-
Other revenue:				
- Dividend income	26,847	30,273	1,027,047	255,273
	39,193,278	35,658,172	1,027,047	255,273
Timing of revenue recognition:				
- At a point in time	16,172,533	15,221,601	-	-
- Over time	22,993,898	20,406,298	-	-
	39,166,431	35,627,899	-	-
Geographical market:				
- Malaysia	38,212,781	34,621,712	-	-
- Singapore	953,650	1,006,187	-	-
	39,166,431	35,627,899	-	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

21. Revenue (Cont'd)

The Group recognises revenue from various business segments in accordance with the principles of MFRS 15 – *Revenue from Contracts with Customers*, based on the transfer of control of goods or services to customers.

Revenue from storage record management

Revenue from contract with customers is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Group transfer control of the goods and services promised in a contract and the customer obtains control of the goods and services.

Revenue from contract with customers is measured at its transaction price, being the amount of consideration, the Group expects to be entitled in exchange for transferring promised goods or services to a customer, and service tax (if any), returns, rebates and discounts. Depending on the contract terms of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

Revenue from storage records management is recognised over time as the customer simultaneously receives and consumes the benefits of the services provided. The Group also derives revenue from the sale of materials and services, which is recognised at a point in time upon the delivery of goods to customers. Payment for these services is generally due within 30 days from the invoice date.

Revenue from sales of computer hardware and software licenses

Revenue from sales of computer hardware and software licenses is recognised at a point in time upon delivery of goods to customers.

Revenue from IT service

For IT-related business activities, Revenue from IT services, including cybersecurity assessments, vulnerability testing, and other professional IT services, is recognised at a point in time upon the rendering of services.

Meanwhile, IT security monitoring services are recognised over time as customers simultaneously receive and consume the benefits. The payment terms for IT-related services are assessed and approved on a case-by-case basis.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

21. Revenue (Cont'd)

Revenue from disaster recovery services

Revenue from disaster recovery services is recognised over time as customers simultaneously receive and consume the benefits of the services rendered. Payment for these services is generally due within 30 days from the invoice date.

Dividend income

Dividend income from investment is recognised in profit or loss on the date that the Company's right to receive payment is established which is in the case of quoted securities is the ex-dividend date.

22. Finance income/(Finance costs)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Finance income				
Fixed deposits with licensed banks	475,221	401,143	131,377	285,700
Interest income from bank balances	171,023	213,791	41,449	63,656
	646,244	614,934	172,826	349,356
Finance costs				
Lease liabilities	(29,151)	(24,542)	-	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

23. (Loss)/Profit before tax

(Loss)/Profit before tax is determined after charging/(crediting), amongst others, the following items:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<u>After charging:</u>				
Auditors' remuneration				
- Statutory	167,000	170,000	60,000	60,000
- Statutory (other auditor)	21,512	25,740	-	-
- Non-audits services	1,500	36,000	-	36,000
Allowance for Non-executive Director	71,656	97,838	71,656	97,838
Amortisation of intangible assets	637,598	576,289	-	-
Bad debts written off	40,650	-	-	-
Depreciation of investment properties	656,784	672,905	-	-
Depreciation of property, plant and equipment	2,068,507	1,849,832	3,128	32,358
Depreciation of right-of-use assets	339,059	397,645	-	-
Impairment losses on investment in subsidiaries	-	-	66,116	480,390
Lease expenses relating to:				
- Low value assets (a)	323	4,940	-	-
- Short-term leases (b)	128,625	-	-	-
Loss on deregistration of a subsidiary	-	-	53,540	-
Net allowance of ECLs on trade receivables	40,750	-	-	-
Property, plant and equipment written off	83	2,647	-	-
Realised loss on foreign exchange	75,800	25,085	-	-
Unrealised loss on foreign exchange	30,907	30,584	101,888	31,053

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

23. (Loss)/Profit before tax (Cont'd)

(Loss)/Profit before tax is determined after charging/(crediting), amongst others, the following items: (Cont'd)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<u>After crediting:</u>				
Distribution income from unquoted money market funds	(60,542)	(40,460)	(60,542)	(40,460)
Fair value gain of financial assets at fair value through profit or loss	(122,682)	(174,596)	(122,682)	(174,596)
Gain on disposal of property, plant and equipment	(79,958)	(58,240)	-	(50,000)
Gain on remeasurement of previously held equity interest in former associate	-	(3,615,227)	-	(7,926,680)
Rental income	(1,517,344)	(1,518,534)	-	-
Reversal of impairment loss on investment in a subsidiary	-	-	(56,798)	-
Share of results of associate	-	(60,309)	-	-

- (a) The Group leases office equipments with small value. These leases are low value assets. The Group has elected not to recognise right-of-use assets and lease liability for these leases.
- (b) The Group leases building with contract terms of not more than one year. These leases are short-term leases. The Group has elected not to recognise right-of-use assets and lease liability for these leases.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
31 DECEMBER 2025

24. Tax expenses/(income)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Tax expenses recognised in profit or loss				
<u>Current tax</u>				
Current financial year provision				
- Malaysian income tax	803,864	898,196	-	66,239
- Foreign income tax	4,275	14,571	-	-
	808,139	912,767	-	66,239
(Over)/Under provision in prior financial year				
- Malaysian income tax	(86,007)	250,723	(66,239)	-
- Foreign income tax	(4,676)	(45,500)	-	-
	(90,683)	205,223	(66,239)	-
	717,456	1,117,990	(66,239)	66,239
<u>Deferred tax</u>				
Origination and reversal of temporary differences	507,525	690,660	425	(1,909)
Over provision in prior financial year	(21,888)	(67,723)	-	-
	485,637	622,937	425	(1,909)
Total tax expenses/(income)	1,203,093	1,740,927	(65,814)	64,330

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

24. Tax expenses/(income) (Cont'd)

A reconciliation of income tax expenses applicable to (loss)/profit before tax at the statutory tax rate to income tax expenses at the effective income tax of the Group and of the Company are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
(Loss)/Profit before tax	(464,459)	4,810,305	(1,430,891)	5,160,366
At Malaysian statutory tax rate of 24% (2024: 24%)	(111,470)	1,154,473	(343,414)	1,238,488
Expenses not deductible for tax purposes	1,325,982	1,033,782	634,304	882,741
Income not subject to tax	(98,047)	(981,611)	(290,465)	(2,056,899)
Movement of deferred tax assets not recognised	199,199	396,783	-	-
(Over)/Under provision of current tax in prior financial year	(90,683)	205,223	(66,239)	-
Over provision of deferred tax in prior financial year	(21,888)	(67,723)	-	-
	1,203,093	1,740,927	(65,814)	64,330

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (gross amount) due to their uncertainty of its recoverability:

	Group	
	2025 RM	2024 RM
Unutilised capital allowances	5,986,012	5,739,076
Unabsorbed business losses	14,207,594	13,672,743
Property, plant and equipment	(21,143)	(71,759)
Investment properties	(3,883,178)	(3,866,699)
Contract liabilities	287,217	273,142
	16,576,502	15,746,503

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

24. Tax expenses/(income) (Cont'd)

Unrecognised deferred tax assets (Cont'd)

In accordance with the provisions of the Finance Act 2021, the unabsorbed business losses are available for utilisation in the next ten consecutive years from when it was incurred, for which, any excess at the end of the tenth consecutive year, shall be disregarded. The other temporary differences do not expire under current tax legislation.

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset.

The unutilised capital allowances do not expire under current tax legislation of Malaysia. Unabsorbed business losses will expire at the following year of assessment ("YA"):

	2025 RM	Group 2024 RM
YA 2028	8,213,982	8,213,982
YA 2029	642,583	642,583
YA 2030	1,292,123	1,292,123
YA 2031	1,400,530	1,400,530
YA 2032	902,623	902,623
YA 2033	524,810	524,810
YA 2034	696,092	696,092
YA 2035	534,851	-
	14,207,594	13,672,743

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

25. (Loss)/Earnings per share

(a) Basic (loss)/earnings per share

The basic (loss)/earnings per share are calculated based on the consolidated (loss)/profit for the financial year attributable to owners of the parent and the weighted average number of ordinary shares in issue during the financial year are as follows:

	2025 RM	Group 2024 RM
(Loss)/Profit for the year attributable to owners of the Company	(1,665,304)	3,071,914
Weighted average number of ordinary shares (unit)	926,432,100	886,652,772
Basic (loss)/earnings per ordinary shares (sen)	(0.18)	0.35

(b) Diluted loss per share

The diluted loss per share is equal to the basic loss per share as the potential ordinary shares arising from ESOS are anti-dilutive.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

26. Staff costs

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Salaries, bonus and allowance	15,050,785	12,766,529	1,764,038	1,767,966
Directors' fees	48,600	40,500	-	-
Defined contribution plan	1,512,460	1,325,489	198,000	198,000
Social security contributions	161,636	130,687	2,285	1,998
Share options expenses	1,120,944	-	305,860	-
	17,894,425	14,263,205	2,270,183	1,967,964

Included in staff costs is aggregate amount of remuneration received and receivable by the Directors of the Group and of the Company during the financial year as below:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Salaries, bonus and allowance	2,135,438	1,921,528	1,764,038	1,670,128
Directors' fees	48,600	40,500	-	-
Defined contribution plan	242,208	227,808	198,000	198,000
Social security contributions	3,678	3,215	2,285	1,998
Share options expenses	451,614	-	305,860	-
	2,881,538	2,193,051	2,270,183	1,870,126

The estimated monetary value of benefits-in-kind provided by the Group to the Directors of the Group was RM44,300 (2024: RM36,300).

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

27. Related party disclosures

(a) Identifying related parties

For the purposes of these financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group and of the Company, having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company directly or indirectly.

(b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group is as follows:

	Group	
	2025 RM	2024 RM
Transactions with companies in which Directors have interests		
- Sales to	19,865	592
- Purchase from	(809,904)	(763,513)
- Rental income	92,400	92,400
- Rental paid	(72,000)	(60,000)
	19,865	(60,000)
Transactions with a Director of a subsidiary		
- Rental paid	(32,400)	(32,400)
	(32,400)	(32,400)

(c) Remuneration of key management personnel

The remuneration of the Directors are disclosed in Note 26 to the financial statements.

The Group and the Company does not have other members of key management personnel other than Board of Directors.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

28. Segment information

For management purposes, the Group is organised into business units based on their products and services, and has three reportable segments as follows:

Business segments	Business activities
Records management	Provide records management storage and documents archiving
IT Services	Computer and information technology related business including IT security and consultancy services, software development and IT related training
Others	Investment holding and provision of management services

Management monitors the operating results of its business units separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
31 DECEMBER 2025

28. Segment information (Cont'd)

Group 2025	Note	Records management RM	IT services RM	Others RM	Total segments RM	Adjustment and eliminations RM	Consolidated RM
External revenue		19,403,278	19,619,153	170,847	39,193,278	-	39,193,278
Inter-segment revenue	A	-	609,397	-	609,397	(609,397)	-
Total revenue		19,403,278	20,228,550	170,847	39,802,675	(609,397)	39,193,278
Results							
Other non-cash expenses	B	(475,156)	(227,146)	(267,850)	(970,152)	-	(970,152)
Segment profit/(loss)	C	2,997,300	1,279,746	(4,342,883)	(65,837)	(1,015,715)	(1,081,552)
Finance income		207,688	223,368	215,188	646,244	-	646,244
Finance costs		(27,580)	(734)	(2,220)	(30,534)	1,383	(29,151)
Depreciation and amortisation		(2,409,227)	(297,637)	(523,282)	(3,230,146)	(471,802)	(3,701,948)
Tax expenses		(1,164,251)	(191,882)	35,406	(1,320,727)	117,634	(1,203,093)
Assets							
Additions to non-current assets	D	1,404,832	454,980	47,360	1,907,172	-	1,907,172
Segment assets	E	67,438,294	19,715,068	227,432,118	314,585,480	(135,795,095)	178,790,385
Goodwill on consolidation		-	-	-	-	35,699,307	35,699,307
Liabilities							
Segment liabilities	F	8,079,348	6,838,844	3,429,667	18,347,859	(9,814,542)	8,533,317

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
31 DECEMBER 2025

28. Segment information (Cont'd)

Group 2024	Note	Records management RM	IT services RM	Others RM	Total segments RM	Adjustment and eliminations RM	Consolidated RM
Revenue							
External revenue		16,000,859	19,483,040	174,273	35,658,172	-	35,658,172
Inter-segment revenue	A	-	522,812	-	522,812	(522,812)	-
Total revenue		16,000,859	20,005,852	174,273	36,180,984	(522,812)	35,658,172
Results							
Other non-cash income	B	5,593	-	3,849,699	3,855,292	-	3,855,292
Segment profit	C	2,872,693	2,090,444	4,062,240	9,025,377	(4,865,773)	4,159,604
Finance income		87,722	129,725	404,354	621,801	(6,867)	614,934
Finance costs		(22,452)	(2,520)	(3,432)	(28,404)	3,862	(24,542)
Depreciation and amortisation		(2,226,455)	(571,656)	(537,042)	(3,335,153)	(161,518)	(3,496,671)
Share of results of associate		-	-	60,309	60,309	-	60,309
Tax expenses		(955,111)	(845,758)	(90,637)	(1,891,506)	150,579	(1,740,927)
Assets							
Additions to non-current assets	D	3,608,531	483,760	3,150	4,095,441	-	4,095,441
Segment assets	E	64,957,399	20,538,288	230,455,418	315,951,105	(134,602,177)	181,348,928
Goodwill on consolidation		-	-	-	-	35,503,491	35,503,491
Liabilities							
Segment liabilities	F	7,106,880	8,024,836	4,958,151	20,089,867	(8,853,228)	11,236,639

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

28. Segment information (Cont'd)

Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

- A. Inter-segment transactions are eliminated on consolidation.
- B. Other material non-cash (expenses)/income consist of the following items as presented in the respective notes to the financial statements:

	Group	
	2025 RM	2024 RM
Bad debts written off	(40,650)	-
Distribution income from unquoted money market funds	60,542	40,460
Fair value gain on financial assets at fair value through profit and loss	122,682	174,596
Gain on disposal of plant and equipment	79,958	58,240
Gain on remeasurement of previously held equity interest in former associate	-	3,615,227
Net allowance of ECLs on trade receivables	(40,750)	-
Property, plant and equipment written off	(83)	(2,647)
Share options expenses	(1,120,944)	-
Unrealised loss on foreign exchange	(30,907)	(30,584)
	(970,152)	3,855,292

- C. The following items are added to/(deducted from) segment profit to arrive at “(loss)/profit after tax” presented in the consolidated statements of profit or loss and other comprehensive income:

	Group	
	2025 RM	2024 RM
Segment (loss)/profit	(1,081,552)	4,159,604
Finance income	646,244	614,934
Finance costs	(29,151)	(24,542)
Tax expenses	(1,203,093)	(1,740,927)
Share of results of associates	-	60,309
(Loss)/Profit after tax	(1,667,552)	3,069,378

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

28. Segment information (Cont'd)

Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements (Cont'd)

D. Additions to non-current assets other than financial instruments consist of:

	2025 RM	Group 2024 RM
Property, plant and equipment	797,196	3,595,041
Intangible assets	320,160	320,160
Right-of-use assets	749,816	177,460
Investment properties	40,000	2,780
	1,907,172	4,095,441

E. The following items are adjusted to segment assets to arrive at total assets reported in the consolidated statements of financial position.

	2025 RM	Group 2024 RM
Segment assets	178,790,385	181,348,928
Deferred tax assets	899,531	993,205
Tax recoverable	117,346	79,099
	179,807,262	182,421,232

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

28. Segment information (Cont'd)

Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements (Cont'd)

- F. The following items are adjusted to segment liabilities to arrive at total liabilities reported in the consolidated statements of financial position.

	Group	
	2025 RM	2024 RM
Segment liabilities	8,533,317	11,236,639
Deferred tax liabilities	3,322,836	2,930,873
Lease liabilities	601,111	355,970
Tax payable	102,422	75,018
	<hr/>	<hr/>
Total liabilities	12,559,686	14,598,500
	<hr/>	<hr/>

Geographical information

Revenue and non-current assets information based on the geographical location of customers assets are as follow:

	Revenue		Non-current assets	
	2025 RM	2024 RM	2025 RM	2024 RM
Malaysia	38,239,628	34,651,985	134,120,744	135,893,503
Singapore	953,650	1,006,187	-	-
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	39,193,278	35,658,172	134,120,744	135,893,503
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NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

28. Segment information (Cont'd)

Non-current assets information presented above consists of the following items as presented in the consolidated statements of financial position:

	2025 RM	Group 2024 RM
Property, plant and equipment	55,427,051	56,724,362
Right-of-use assets	959,413	602,781
Investment properties	38,656,014	39,272,798
Intangible assets	2,479,428	2,796,866
Goodwill on consolidation	35,699,307	35,503,491
Deferred tax assets	899,531	993,205
	134,120,744	135,893,503

Major customers

The following is the major customers with revenue more than ten percent of Group's revenue:

	2025 RM	Group 2024 RM
Customer A	4,907,108	4,382,822
Customer B	4,631,721	4,710,900

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

29. Financial instruments

(a) Categories of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost.

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At FVTPL				
Financial asset				
Other investments	8,412,330	8,200,453	8,412,330	8,200,453
At amortised cost				
Financial assets				
Trade receivables	5,601,842	6,984,982	-	-
Other receivables	779,969	533,782	8,879,995	8,486,160
Fixed deposits with licensed banks	16,726,077	8,072,485	3,595,245	4,012,051
Cash and bank balances	10,697,520	16,791,836	2,271,823	4,571,054
	33,805,408	32,383,085	14,747,063	17,069,265
	42,217,738	40,583,538	23,159,393	25,269,718
At amortised cost				
Financial liabilities				
Lease liabilities	289,282	269,460	-	-
Trade payables	413,947	658,314	-	-
Other payables	3,039,912	4,560,728	1,594,960	3,398,685
	3,743,141	5,488,502	1,594,960	3,398,685

29. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and of the Company's operation whilst managing their credit, liquidity and market risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies, and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its trade and other receivables, fixed deposits with licensed banks and cash and bank balances. The Company's exposure to credit risk arises principally from other receivables, fixed deposit with licensed banks and cash and bank balances. There are no significant changes as compared to prior financial year.

The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks and financial institutions with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The Company provides unsecured advances to subsidiaries. It also provides secured financial guarantees to banks for banking facilities granted to subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

At each reporting date, the Group and the Company assess whether any of the trade and other receivables are credit impaired.

The gross carrying amounts of credit impaired receivables and contract assets are written off (either partially or full) when there is no prospect of recovery. This is generally the case when the Group or the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, receivables and contract assets that are written off could still be subject to enforcement activities.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

29. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the financial year represent the Group's and the Company's maximum exposure to credit risk except for financial guarantees provided to banks for banking facilities granted to certain subsidiaries.

There are no significant changes as compared to previous financial year.

Credit risk concentration

As at the end of the financial year, the Group had Nil (2024: 1) customer that owed the Group more than 10% each and accounted for approximately Nil (2024: 26%) of the receivables outstanding.

(ii) Liquidity risk

Liquidity risk refers to the risk that the Group and the Company will encounter difficulty in meeting their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's funding requirement and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group and the Company finance their liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

29. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

	On demand or within 1 year RM	1 to 5 years RM	Total contractual cash flows RM	Total carrying amount RM
Group				
2025				
<u>Non-derivative financial liabilities</u>				
Lease liabilities	257,569	390,199	647,768	601,111
Trade payables	413,947	-	413,947	413,947
Other payables	3,163,513	-	3,163,513	3,039,912
	3,835,029	390,199	4,225,228	4,054,970
Financial guarantee*	341,541	-	341,541	-
2024				
<u>Non-derivative financial liabilities</u>				
Lease liabilities	228,058	149,998	378,056	355,970
Trade payables	658,314	-	658,314	658,314
Other payables	3,380,145	1,500,000	4,880,145	4,560,728
	4,266,517	1,649,998	5,916,515	5,575,012
Financial guarantee*	607,203	-	607,203	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

29. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. (Cont'd)

	On demand or within 1 year RM	1 to 5 years RM	Total contractual cash flows RM	Total carrying amount RM
Company				
2025				
<u>Non-derivative financial liabilities</u>				
Other payables	1,718,561	-	1,718,561	1,594,960
2024				
<u>Non-derivative financial liabilities</u>				
Other payables	2,218,102	1,500,000	3,718,102	3,398,685

* Based on the maximum amount that could be called for under the financial guarantee.

(iii) Market risk

(a) Foreign currency risk

The Group and the Company are exposed to foreign currency risk on transactions that are denominated in currencies other than the functional currency of the Group entities. The currencies giving rise to this risk are United States Dollar ("USD") and Singapore Dollar ("SGD").

The Group and the Company have not entered into any derivative instruments for hedging or trading purposes. Where possible, the Group and the Company would apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

29. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(a) Foreign currency risk (Cont'd)

The carrying amounts of the Group's and the Company's foreign currency denominated financial assets and financial liabilities at the end of the financial year are as follows:

	Group		Denominated in	
	USD RM	SGD RM	USD RM	SGD RM
2025				
Financial assets				
Other investments	1,549,578	-	1,549,578	-
Trade receivables	108,879	15,554	-	-
Other receivables	-	-	1,002,048	-
Cash and bank balances	2,149,819	977,985	-	703,689
	3,808,276	993,539	2,551,626	703,689
Financial liability				
Trade payables	(47,417)	-	-	-
Net exposure	3,760,859	993,539	2,551,626	703,689

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

29. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(a) Foreign currency risk (Cont'd)

The carrying amounts of the Group's and the Company's foreign currency denominated financial assets and financial liabilities at the end of the financial year are as follows: (Cont'd)

	Group		Denominated in	
	USD RM	SGD RM	USD RM	SGD RM
2024				
Financial assets				
Other investments	1,562,636	-	1,562,636	-
Trade receivables	-	38,247	-	-
Other receivables	-	-	1,103,936	-
Cash and bank balances	2,415,281	890,061	-	705,665
	3,977,917	928,308	2,666,572	705,665
Financial liability				
Trade payables	(379,233)	-	-	-
Net exposure	3,598,684	928,308	2,666,572	705,665

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

29. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(a) Foreign currency risk (Cont'd)

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity of the Group's and the Company's (loss)/profit before tax for the financial year to a reasonably possible change in the USD and SGD exchange rates against RM, with all other variables held constant.

		Group	
		2025 RM	2024 RM
Effect on (loss)/profit before tax			
USD	Strengthened 1% (2024:1%)	37,609	35,987
	Weakened 1% (2024:1%)	(37,609)	(35,987)
SGD	Strengthened 1% (2024:1%)	9,935	9,283
	Weakened 1% (2024:1%)	(9,935)	(9,283)
		<hr/>	
		Company	
		2025 RM	2024 RM
Effect on (loss)/profit before tax			
USD	Strengthened 1% (2024:1%)	25,516	26,666
	Weakened 1% (2024:1%)	(25,516)	(26,666)
SGD	Strengthened 1% (2024:1%)	7,037	7,057
	Weakened 1% (2024:1%)	(7,037)	(7,057)
		<hr/>	

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

29. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(b) Interest rate risk

The Group's and the Company's fixed deposits with licensed banks and lease liabilities are exposed to a risk of change in their fair value due to changes in interest rates.

The Group and the Company manage the interest rate risk of their fixed deposits with licensed banks by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long-term deposits.

The Group and the Company manages its interest rate risk exposure from interest bearing lease liabilities by obtaining financing with the most favourable interest rates in the market. The Group and the Company constantly monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group and the Company does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	2025 RM	2024 RM
Group		
Fixed rate instruments		
<u>Financial asset</u>		
Fixed deposits with licensed banks	16,726,077	8,072,485
<u>Financial liability</u>		
Lease liabilities	(289,282)	(269,460)
Net financial assets	16,436,795	7,803,025

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

29. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(b) Interest rate risk (Cont'd)

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was: (Cont'd)

	2025 RM	2024 RM
Company		
Fixed rate instruments		
<u>Financial asset</u>		
Fixed deposits with licensed banks	3,595,245	4,012,051
Net financial assets	3,595,245	4,012,051

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

29. Financial instruments (Cont'd)

(c) Fair value information

The carrying amounts of short-term receivables and payables and cash and cash equivalents approximate their fair value due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

The table below analyses financial instruments carried at fair value:

	Fair value of financial instruments carried at FVTPL		
	Level 1 RM	Level 3 RM	Total RM
Group and Company			
2025			
<u>Financial assets</u>			
Other investments			
- Foreign quoted equity investment	346,154	-	346,154
- Unquoted money market funds in Malaysia	-	8,066,176	8,066,176
<hr/>			
2024			
<u>Financial assets</u>			
Other investments			
- Foreign quoted equity investment	291,200	-	291,200
- Unquoted money market funds in Malaysia	-	7,909,253	7,909,253
<hr/>			

There were no transfers between levels during current and previous financial years.

(i) Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

There were no transfers between levels during current financial year and previous financial years.

(ii) Level 1 fair value

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

29. Financial instruments (Cont'd)

(c) Fair value information (Cont'd)

(iii) Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Non-derivative financial instruments

Fair value, which is determined for disclosures purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the financial year end.

(iv) Level 3 fair value

Level 3 fair value for the financial assets and liabilities are estimated using unobservable inputs.

30. Capital commitment

	Group	
	2025 RM	2024 RM
Contracted but not provided for:		
Construction of racking system	1,113,300	-
	1,113,300	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

31. Financial guarantee

	Group	
	2025 RM	2024 RM
<u>Secured</u>		
Bank guarantee for the purpose of contracts with customers	136,541	402,203
Financial guarantee for the purpose of electrical supply	205,000	205,000
	341,541	607,203

32. Capital management

The Group's and the Company's objective when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31 DECEMBER 2025

32. Capital management (Cont'd)

The Group and the Company monitor capital using a gearing ratio. The Group's and the Company's policy is to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements. The gearing ratios at end of the reporting period are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Lease liabilities	289,282	269,460	-	-
Less: Fixed deposits with licensed banks	(16,726,077)	(8,072,485)	(3,595,245)	(4,012,051)
Cash and bank balances	(10,697,520)	(16,791,836)	(2,271,823)	(4,571,054)
Net cash	(27,134,315)	(24,594,861)	(5,867,068)	(8,583,105)
Owner's equity	167,078,210	167,651,118	204,716,057	204,960,190
Gearing ratio (times)	N/A	N/A	N/A	N/A

N/A - the gearing ratio may not provide a meaningful indicator of the risk of borrowings.

There were no changes in the Group's and the Company's approach to capital management during the financial year.

33. Significant event during financial year

On 8 August 2025, the Company's wholly-owned dormant subsidiary, Livingston Education Sdn. Bhd., was placed under members' voluntary winding-up, which has been completed as at the reporting date.

34. Date of authorisation for issue

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 2 April 2026.

LIST OF PROPERTIES

AS AT 31 DECEMBER 2025

Title / location	Description / existing use	Tenure/ date of expiry of lease	Date of acquisition by the Company	Approximate age of building (years)	Total land areas (sq. m)	Total built-up area (sq. m)	Net book value as at 31.12.2025 (RM)
HS (D) 142710, PT No. 17655, Mukim Damansara, Daerah Petaling, Negeri Selangor	Industrial land –3 storey industrial building with 4 storey office building / production facility and administration office	Freehold land and building	30.06.2008	17	8,152.24	12,040.25	19,916,633
Parcel No. 2A-21-1, Level 21, Block 2A, Plaza Sentral Phase II, Jalan Stesen Sentral, 50470 Kuala Lumpur	Commercial office lot / Administration office	Freehold Office Lot	11.07.2006	19	N/A	252.56	860,070
HS (D) 259792, PT 35062, Mukim Damansara, Daerah Petaling, Negeri Selangor No. 2, Jalan N U8/N, Seksyen U8/N, Bukit Jelutong, 40150 Shah Alam	Double storey shop office	Freehold double storey shop office	15.06.2016	9	N/A	253.96	2,267,585
Parcel No. C1-22, Level 22, Olive Tree Residences, Mukim 12, Daerah Barat Jaya, Penang	Condominium	Freehold Condominium	25.01.2013	10	N/A	148.09	720,129
Parcel No. 11-01, Level 11, Seaview Tower, Ocean Palms Condominium, KM9 Batang Tiga, Tanjong Kling, 76400 Melaka	Condominium / Staff Accommodation	Freehold Condominium	08.10.2013	29	N/A	131.00	206,913
GRN245261, Lot 34650, Daerah Seremban, Bandar Baru Enstek, Negeri Sembilan	Industrial land	Freehold land and building	21.02.2014	11	9,796.00	11,501.94	17,705,400
GRN245262, Lot 34651, Daerah Seremban, Bandar Baru Enstek, Negeri Sembilan	Industrial land	Freehold land	21.02.2014	11	12,168.00	N/A	3,232,343
GRN245268, Lot 34658, Daerah Seremban, Bandar Baru Enstek, Negeri Sembilan	Industrial land	Freehold land	08.07.2014	11	11,735.00	N/A	3,399,624
GRN245269, Lot 34659, Daerah Seremban, Bandar Baru Enstek, Negeri Sembilan	Industrial land	Freehold land	08.07.2014	11	11,566.00	N/A	3,350,665

LIST OF PROPERTIES (Cont'd)

AS AT 31 DECEMBER 2025

Title / location	Description / existing use	Tenure/ date of expiry of lease	Date of acquisition by the Company	Approximate age of building (years)	Total land areas (sq. m)	Total built-up area (sq. m)	Net book value as at 31.12.2025 (RM)
GRN245270, Lot 34660, Daerah Seremban, Bandar Baru Enstek, Negeri Sembilan	Industrial land	Freehold land	10.03.2015	11	18,928.00	N/A	6,863,242
Parcel No. B2-09, Level 9, Olive Tree Residences, Mukim 12, Daerah Barat Jaya, Penang	Condominium	Freehold Condominium	21.01.2013	13	N/A	150.22	661,640
Parcel No. C1-09, Level 9, Olive Tree Residences, Mukim 12, Daerah Barat Jaya, Penang	Condominium	Freehold Condominium	21.01.2013	13	N/A	148.09	616,420
GRN58822, Lot 64236, Mukim Damansara, Daerah Petaling, Negeri Selangor	Single storey detached factory with an integral five storey office building / Industrial premise	Freehold land and building	01.04.2006	20	5,844.00	4,193.46	20,233,674

ANALYSIS OF SHAREHOLDINGS

AS AT 24 MARCH 2026

Substantial Shareholders

Name	Direct Shareholdings	%	Indirect Shareholdings	%
Cheah Chee Kong Sdn Bhd	107,795,000	11.64	106,200,000 ¹	11.46
Cheah Chee Kong	9,734,500	1.05	213,995,000 ²	23.10
Victor Cheah Chee Wai	6,000,000	0.65	213,995,000 ²	23.10
Cheah Swee Sin Sdn Bhd	106,200,000	11.46	-	-
Soon Yoke Leng	-	-	106,200,000 ³	11.46
Lim Hooi Teik	66,690,200	7.20	-	-
Beaufort International Equities Inc.	63,896,600	6.90	-	-
Singapore Post Enterprise Private Limited	147,529,100	15.92	-	-
Singapore Post Limited	-	-	147,529,100 ⁴	15.92
Singapore Telecommunications Limited	-	-	147,529,100 ⁴	15.92
Temasek Holdings (Private) Limited	-	-	147,529,100 ⁴	15.92
Spektrum Sejahtera Sdn Bhd	170,000,000	18.35	-	-
Azizah Binti Nizar	-	-	170,000,000 ⁵	18.35
Lim Chong Liang	3,836,000	0.41	170,000,000 ⁵	18.35

Notes:

1. Deemed interested by virtue of its shareholdings in Cheah Swee Sin Sdn Bhd ("CSSSB") pursuant to Section 8 of the Companies Act 2016
2. Deemed interested by virtue of his shareholdings in Cheah Chee Kong Sdn Bhd ("CCKSB") and CCKSB's shareholdings in CSSSB pursuant to Section 8 of the Companies Act 2016
3. Deemed interested by virtue of her shareholdings in CSSSB pursuant to Section 8 of the Companies Act 2016
4. Deemed interested in the shareholdings held by Singapore Post Enterprise Private Limited ("SPE") by virtue of Section 8 of the Companies Act 2016
5. Deemed interested by virtue of his/her shareholdings in Spektrum Sejahtera Sdn Bhd ("SSSB") pursuant to Section 8 of the Companies Act 2016

ANALYSIS OF SHAREHOLDINGS (Cont'd)

AS AT 24 MARCH 2026

Directors' Shareholdings

Name	Direct Shareholdings	%	Indirect Shareholdings	%
Dato' Abdul Latif Bin Abdullah	-	-	-	-
Cheah Chee Kong	9,734,500	1.05	213,995,000 ¹	23.10
Victor Cheah Chee Wai	6,000,000	0.65	213,995,000 ¹	23.10
Tuan Haji Mokhtar Ahmad Bin Jamaludin	-	-	-	-
Dato' Robiah Binti Abdul Ghani	-	-	-	-
Voong Kian Yee	-	-	-	-

Notes:

- ¹ Deemed interested by virtue of his shareholdings in Cheah Chee Kong Sdn Bhd ("CCKSB") and CCKSB's shareholdings in Cheah Swee Sin Sdn Bhd ("CSSSB") pursuant to Section 8 of the Companies Act 2016

Class of Equity Security

Issued & fully paid-up capital	: RM118,675,884.00
Class of shares	: Ordinary shares
Voting rights	: One vote per ordinary share

Distribution of Shareholdings

Holdings	No. of Holders	Total Holdings	%
Less than 100 shares	7	378	0.00
100 to 1,000 shares	351	100,349	0.01
1,001 to 10,000 shares	544	3,675,173	0.40
10,001 to 100,000 shares	844	33,861,500	3.66
100,001 to less than 5% of issued shares	266	238,683,800	25.76
5% and above of issued shares	6	650,110,900	70.17
Total	2,018	926,432,100	100.00

ANALYSIS OF SHAREHOLDINGS (Cont'd)

AS AT 24 MARCH 2026

Thirty Largest Shareholders

NO.	NAME	HOLDINGS	%
1	SPEKTRUM SEJAHTERA SDN BHD	170,000,000	18.35
2	AFFIN HWANG NOMINEES (ASING) SDN BHD DBS VICKERS SECS (S) PTE LTD FOR SINGAPORE POST ENTERPRISE PRIVATE LIMITED	147,529,100	15.92
3	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEGDED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR CHEAH CHEE KONG SDN BHD	106,500,000	11.50
4	CHEAH SWEE SIN SDN BHD	106,200,000	11.46
5	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (SINGAPOREJPMPB)	51,896,600	5.60
6	LIM HOOI TEIK	34,145,000	3.69
7	HOR ING NOAR	33,970,300	3.67
8	LIM HOOI TEIK	32,545,200	3.51
9	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR UBS AG SINGAPORE (FOREIGN)	23,943,600	2.58
10	HIEW CHANG CHUN	15,650,000	1.69
11	CHEAH CHEE KONG	9,734,500	1.05
12	AMBROSE SHIM YI	7,140,000	0.77
13	TAN LAY HOOI	6,473,100	0.70
14	VICTOR CHEAH CHEE WAI	5,000,000	0.54
15	TAN LAY HOOI	4,500,200	0.49

ANALYSIS OF SHAREHOLDINGS (Cont'd) AS AT 24 MARCH 2026

NO.	NAME	HOLDINGS	%
16	LIM CHOON CHAI	4,371,500	0.47
17	ZHAN YIHUI	4,311,600	0.47
18	TAN KOI ONG	4,057,000	0.44
19	LIM CHONG LIANG	3,836,000	0.41
20	ENG BACK SONG	3,531,800	0.38
21	LOWRENCE TAN CHENG JIN	3,174,300	0.34
22	TAN SOON PHENG	3,000,000	0.32
23	LIM KOK WYE	2,400,000	0.26
24	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MOHD BASAR BIN PARNGON (MM0914)	2,279,300	0.25
25	NG BUN BU	2,000,000	0.22
26	JAMES TAN CHENG YEW	1,881,400	0.20
27	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAI CHIE KING	1,700,000	0.18
28	LIM HUI HUAT @ LIM HOOI CHANG	1,698,000	0.18
29	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ZIKRI KADER BIN ABD RASHID	1,584,800	0.17
30	LEE KE KONG	1,468,000	0.16
Total		796,521,300	85.98

OTHER INFORMATION

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(a) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2025 (RM)	2024 (RM)
Revenue		39,193,278	35,658,172
Other income		1,828,118	5,859,668
Interest/Finance income		646,244	614,934
Total		41,667,640	42,132,774
Total Assets		179,807,262	182,421,232

(b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2025 (RM)	2024 (RM)
Interest income	Conventional	594,846	493,966
Dividend income received from conventional instruments	Conventional	26,847	30,273
Rental income received from tenant involved in Shariah non-compliant activities		1,544,932	1,540,659
Total		2,166,625	2,064,897

OTHER INFORMATION (Cont'd)

(c) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group	
		2025 (RM)	2024 (RM)
Cash and bank balances (exclude cash in hand)		886,607	768,583
Deposits with licensed bank		500,000	2,000,000
Total Cash		1,386,607	2,768,583
Conventional Account/Instruments			
Cash and bank balances (exclude cash in hand)		9,798,829	16,013,314
Deposits with licensed bank		16,226,077	6,072,485
Money market instruments		8,066,176	7,909,253
Other cash equivalents (please specify in the remarks column)	Foreign stock	346,154	291,200
Total Cash		34,437,237	30,286,253

OTHER INFORMATION (Cont'd)

(ii) Debt Component

Islamic Financing	Remarks	Group	
		2025 (RM)	2024 (RM)
Current		N/A	N/A
Non-Current		N/A	N/A
Total Financing		N/A	N/A

Conventional Borrowing	Remarks	Group	
		2025 (RM)	2024 (RM)
Current			
Hire purchase payables		100,133	147,015
Non-Current			
Hire purchase payables		189,149	122,444
Total Debt		289,282	269,460

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 23rd Annual General Meeting (“23rd AGM”) of the Company will be held at Auditorium, Efficient Building, No. 3 Jalan Astaka U8/82, Taman Perindustrian Bukit Jelutong, Seksyen U8 Bukit Jelutong, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 25 June 2026 at 10:00 a.m. to transact the following businesses:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the reports of the Directors and Auditors thereon. *To refer to Explanatory Note 2*
2. To approve the payment of Directors’ benefits by the Company of up to RM200,000.00 with effect from 26 June 2026 until the conclusion of the next Annual General Meeting of the Company. *Ordinary Resolution 1*
3. To re-elect the following Directors who retire pursuant to the Constitution of the Company and being eligible, have offered themselves for re-election:
 - i) Cheah Chee Kong - Clause 86.1 *Ordinary Resolution 2*
 - ii) Dato’ Robiah Binti Abdul Ghani - Clause 86.1 *Ordinary Resolution 3*
4. To re-appoint Messrs. TGS TW PLT as Auditors of the Company for the ensuing year and to authorise the Directors to determine their remuneration. *Ordinary Resolution 4*

Special Business:

To consider and if thought fit, pass with or without modification, the following resolutions:

5. **Approval for Allotment of shares or Grant of rights** *Ordinary Resolution 5*

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (“CA2016”), Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and the approval(s) of the relevant regulatory authorities, where such approval(s) is required, the Directors of the Company be and are hereby empowered to allot and issue shares in the Company, grant rights to subscribe for shares in the Company, convert any security into shares in the Company, or allot and issue shares in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force, and to make or grant offers, agreements or options which would or might require shares to be allotted and issued, after the expiration of the approval hereof, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such additional shares to be allotted and issued pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being.

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so allotted and issued on the Bursa Malaysia Securities Berhad.

AND THAT the Directors be and are hereby authorised to do all such acts and things (including executing such documents as may be required) in the said connection and to delegate all or any of the powers herein vested in them to any Director(s) or any officer(s) of the Company to give effect to the transactions contemplated and/or authorised by this resolution.”

6. **Proposed Renewal of Shareholders’ Mandate to enable Efficient E-Solutions Berhad to purchase up to 10% of its issued and paid-up share capital (“Proposed Share Buy-Back”)**

Ordinary Resolution 6

“THAT subject to all the applicable laws and regulations, the Directors be and are hereby authorised to purchase the ordinary shares of the Company through the stock exchange of Bursa Malaysia Securities Berhad at any time upon such terms and conditions as the Directors in their absolute discretion deem fit provided that the aggregate number of shares purchased (which are to be treated as treasury shares) does not exceed 10% of the issued and paid-up share capital of the Company; and the funds allocated for the purchase of shares shall not exceed its retained profits for the time being.

THAT the Directors be and are hereby further authorised to deal with the treasury shares in their absolute discretion (which may be distributed as dividends, resold and/or cancelled).

THAT such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company following the general meeting at which the Proposed Share Buy-Back was passed at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions; or the expiration of the period within which the next annual general meeting after that date is required by law to be held; or the revocation or variation by ordinary resolution passed by the shareholders of the Company in a general meeting, whichever occurs first.

AND THAT the Directors be and are hereby authorised to do all such acts and things (including executing such documents as may be required) in the said connection and to delegate all or any of the powers herein vested in them to any Director(s) or any officer(s) of the Company to give effect to the aforesaid share buy-back in the best interest of the Company.”

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

7. To transact any other ordinary business for which due notice shall has been given.

By Order of the Board

TAN KEAN WAI (MAICSA 7056310) (SSM PC No. 202008000801)
Company Secretary

Selangor Darul Ehsan
30 April 2026

Notes:

1. Only members registered in the Record of Depositors as at 18 June 2026 shall be eligible to attend, speak and vote at this meeting or appoint proxy to attend and vote for his/her behalf.
2. A member entitled to attend and vote at the Meeting is entitled to appoint one (1) or two (2) proxies to attend and vote on his behalf.
3. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualifications of the proxy.
4. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.
5. Where a member is an exempt authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991 that holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”) there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.
6. If the appointer is a corporation, the proxy form should be executed under its common seal or under the hand of an officer or attorney duly authorised. The corporation may by its resolution of its Board or a certificate of authorization by the corporation to appoint a person or persons to act as its representative or representatives to attend and vote on their behalf.
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting or any adjournment thereof at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. An instrument appointing a proxy to vote at this Meeting shall be deemed to include the power to demand, or join in demanding a poll on behalf of the appointor. **Faxed and photocopied copies of the duly executed Form of Proxy are not acceptable.**

Explanatory Notes:

1. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice will be put to vote by poll.
2. **Item 1 of the Agenda**

This item is meant for discussion only as the provision of Section 248(2) and 340(1)(a) of the Companies Act 2016 does not require shareholders' approval for the Audited Financial Statements. Henceforth, this item is not put forward for voting by shareholders of the Company.

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

3. Ordinary Resolution 1

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors, and any benefits payable to the directors including compensation for loss of employment of a director or former director of a listed company and its subsidiaries, shall be approved at a general meeting.

In this respect, the Board wishes to seek shareholders' approval for payment of Directors' benefits payable up to RM200,000.00 for the period from 26 June 2026 until the next AGM to be held in year 2027.

In determining the estimated total amount of Directors' benefits payable for the Directors of the Company, the Board has considered various factors including usage of Company's vehicles, the number of scheduled meetings for the Board and Board Committees of the Company as well as the number of Directors involved in these meetings based on the current number of Directors.

In the event, the proposed amount is insufficient, e.g. due to enlarged Board size, approval will be sought at the next AGM for the shortfall.

4. Ordinary Resolutions 2 & 3

The resolutions, if approved, will authorise the continuity in office of the Directors. An annual assessment on the performance and effectiveness of the Directors (including the independence of Independent Non-Executive Director(s) for the financial year ended 31 December 2025 has been undertaken, and the results were satisfactory to the Board.

5. Ordinary Resolution 4

TGS TW PLT (202106000004 (LLP0026851-LCA) & AF002345), being the Auditors of the Company for the financial year ended 31 December 2025, have expressed their willingness to continue in office.

6. Ordinary Resolution 5

The resolution, if approved, will renew the existing general mandate given to the Directors of the Company at the preceding AGM held on 26 June 2025 to allot and issue ordinary shares of the Company from time to time, and expand the mandate to grant rights to subscribe for shares in the Company, convert any security into shares in the Company, or allot shares under an agreement or option or offer, PROVIDED that the aggregate number of shares allotted and issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares, if any) of the Company for the time being ("Renewed General Mandate"). In computing the aforesaid 10% limit, shares issued or agreed to be issued or subscribed pursuant to the approval of shareholders in a general meeting where precise terms and conditions are approved shall not be counted. The Renewed General Mandate, unless revoked or varied by a resolution of the Company, will expire at the conclusion of the annual general meeting held next after the approval was given; or at the expiry of the period within which the next annual general meeting is required by law to be held after the approval was given, whichever is the earlier.

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

6. **Ordinary Resolution 5 (Cont'd)**

The Board of Directors is of the view that the Renewed General Mandate is in the best interest of the Company and its shareholders due to the rising risk from the uncertain global and domestic economic environment, coupled with weak Ringgit performance, and this measure could give access to additional fundraising flexibility for the Company to ensure its long-term sustainability and to meet its funding requirements such as funding current and/or future investment project(s), working capital, operational expenditure, repayment of bank borrowings and/or strategic opportunities involving equity deals and/or so forth which may require issuance of new shares, expeditiously and efficiently, during this challenging time. In addition, any delay arising from and cost involved in convening a general meeting to approve such issuance and allotment of new shares could be eliminated.

As at the date of this Notice, no new shares in the Company were issued pursuant to the existing mandate which will lapse at the conclusion of the forthcoming AGM of the Company.

7. **Ordinary Resolution 6**

The proposed resolution 6, if passed, will empower the Directors of the Company to purchase the Company's shares up to ten percent (10%) of the issued and paid-up share capital of the Company. Please refer to the Statement to Shareholders dated 30 April 2026 in relation to the Proposed Share Buy-Back for further details.

8. **Personal data privacy**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING (“23RD AGM”)

Pursuant to paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“MMLR”)

- **Details of individuals who are standing for election as Directors**

No individual is seeking election as Director (other than those Directors standing for re-election) at the forthcoming 23rd AGM of the Company.

- **Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the MMLR**

The details of the general mandate are set out in item 6 of the Explanatory Note of the Notice of 23rd AGM dated 30 April 2026.

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PROXY FORM

CDS Account No.:
Number of shares held:

I/We,NRIC/ Passport No. / Company No.
(FULL NAME IN BLOCK LETTERS)

Of
(FULL ADDRESS)

being *a member/ members of **EFFICIENT E-SOLUTIONS BERHAD**, hereby appoint

.....NRIC/ Passport No.
(FULL NAME IN BLOCK LETTERS)

Of
(FULL ADDRESS)

*and/ or failing him/ her,NRIC/ Passport No.
(FULL NAME IN BLOCK LETTERS)

Of
(FULL ADDRESS)

or the Chairman of the Meeting as *my/ our proxy to vote for *me/ us on *my/ our behalf at the 23rd Annual General Meeting (“23rd AGM”) of the Company to be held at Auditorium, Efficient Building, No. 3 Jalan Astaka U8/82, Taman Perindustrian Bukit Jelutong, Seksyen U8 Bukit Jelutong, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 25 June 2026 at 10:00 a.m. or any adjournment thereof and to vote as indicated below:

No.	Resolutions		For	Against
1.	Ordinary Resolution 1	Approval for Directors' Benefits		
2.	Ordinary Resolution 2	Re-election of Cheah Chee Kong as Director		
3.	Ordinary Resolution 3	Re-election of Dato' Robiah Binti Abdul Ghani as Director		
4.	Ordinary Resolution 4	Re-appointment of Messrs. TGS TW PLT as Auditors		
5.	Ordinary Resolution 5	Approval for Allotment of shares or Grant of rights		
6.	Ordinary Resolution 6	Proposed Share Buy-Back		

Please indicate with an “X” or “✓” in the space provided above how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.

Date:
 Signature/ Common Seal of Shareholder

* Delete if inapplicable

NOTES:

- Only members registered in the Record of Depositors as at 18 June 2026 shall be eligible to attend, speak and vote at this meeting or appoint proxy to attend and vote for his/her behalf.
- A member entitled to attend and vote at the Meeting is entitled to appoint one (1) or two (2) proxies to attend and vote on his behalf.
- A proxy may but need not be a member of the Company and there shall be no restriction as to the qualifications of the proxy.
- Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.
- Where a member is an exempt authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991 that holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”) there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.
- If the appointer is a corporation, the proxy form should be executed under its common seal or under the hand of an officer or attorney duly authorised. The corporation may by its resolution of its Board or a certificate of authorization by the corporation to appoint a person or persons to act as its representative or representatives to attend and vote on their behalf.
- The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notorially certified copy of that power or authority shall be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting or any adjournment thereof at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. An instrument appointing a proxy to vote at this Meeting shall be deemed to include the power to demand, or join in demanding a poll on behalf of the appointor. **Faxed and photocopied copies of the duly executed Form of Proxy are not acceptable.**

Postage

The Company Secretary

EFFICIENT E-SOLUTIONS BERHAD

Registration No. 200301030059 (632479-H)

No. 3 Jalan Astaka U8/82
Taman Perindustrian Bukit Jelutong
Seksyen U8, Bukit Jelutong
40150 Shah Alam
Selangor Darul Ehsan

EFFICIENT E-SOLUTIONS BERHAD

200301030059 (632479-H)

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