

SCANWOLF®

**Scanwolf Corporation Berhad**
(Company No: 200601021156 (740909-T)
(Incorporated in Malaysia)

# ANNUAL REPORT 2026

BUILDING
POTENTIAL
FOR A BRIGHTER
TOMORROW

# Inside This Annual Report


## OUR BUSINESS

02 Corporate Information

03 Corporate Structure

## OUR LEADERSHIP

04 Profile of Directors

08 Profile of Key Senior Management

## OUR STRATEGY & PERFORMANCE REVIEW

09 Five Years Group Financial Highlights

10 Management Discussion & Analysis

## OUR SUSTAINABILITY PERFORMANCE

13 Sustainability Statement

## OUR CORPORATE GOVERNANCE STRUCTURE

47 Corporate Governance Overview Statement

63 Statement on Risk Management & Internal Control

66 Audit and Risk Management Committee Report

## OUR FINANCIAL PERFORMANCE

70 Financial Statements

## OTHER INFORMATION

174 Statement of Directors' Responsibility for preparing Financial Statements

175 List of Properties Held by The Group

176 Additional Compliance Information

179 Analysis of Shareholdings

182 Notice of Annual General Meeting

192 Statement Accompanying Notice of Annual General Meeting

193 Administrative Guide For The Twentieth Annual General Meeting ("20th AGM")

Form of Proxy

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**DATO' IR HAJI CHEREMI BIN HAJI TARMAN**
Independent Non-Executive Chairman

**DATO' SEAH LEY HONG**
Managing Director

**NG CHEE WAI**
Executive Director

**KHOO KIEN HOE**
Independent Non-Executive Director

**LEE PEI FEN**
Independent Non-Executive Director

**TEOH WEI LOONG**
Independent Non-Executive Director

**FONG KENG MUN**
Independent Non-Executive Director

## AUDIT AND RISK MANAGEMENT COMMITTEE

**Khoo Kien Hoe**
*Chairman*

**Teoh Wei Loong**
*Member*

**Lee Pei Fen**
*Member*

## REMUNERATION COMMITTEE

**Lee Pei Fen**
*Chairperson*

**Khoo Kien Hoe**
*Member*

**Teoh Wei Loong**
*Member*

## NOMINATION COMMITTEE

**Teoh Wei Loong**
*Chairman*

**Khoo Kien Hoe**
*Member*

**Lee Pei Fen**
*Member*

## COMPANY SECRETARIES

**Tai Yit Chan** (MAICSA 7009143)
(SSM PC No. 202008001023)

**Lim Wei Xiong** (MAICSA 7074639)
(SSM PC No. 202508000299)

## AUDITORS

**PKF PLT**
No. 62, Persiaran Greentown 2
Pusat Perdagangan Greentown
30350 Ipoh, Perak
Tel No. : +605 241 1770

## REGISTERED OFFICE

55A, Medan Ipoh 1A
Medan Ipoh Bistari
31400 Ipoh, Perak
Tel No. : +60 5 547 4833
Fax No. : +60 5 547 4363
Email : BCSIpoh@boardroomlimited.com

## SHARE REGISTRAR

**Vistra Investor & Issuing House Services Sdn. Bhd.**
*(formerly known as Tricor Investor & Issuing House Services Sdn. Bhd.)*

Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8 Jalan Kerinchi
59200 Kuala Lumpur
Tel No. : +603 2783 9299
Email : is.enquiry@vistra.com

## CORPORATE OFFICE

No. 19, 19A, 19B & 19C
Jalan Pusat Perniagaan Falim
Pusat Perniagaan Falim
30200 Ipoh, Perak
Tel No. : +605 285 0063

## PRINCIPAL BANKERS

Al Rahji Bank & Investment Corporation (Malaysia) Berhad
Ambank (M) Berhad

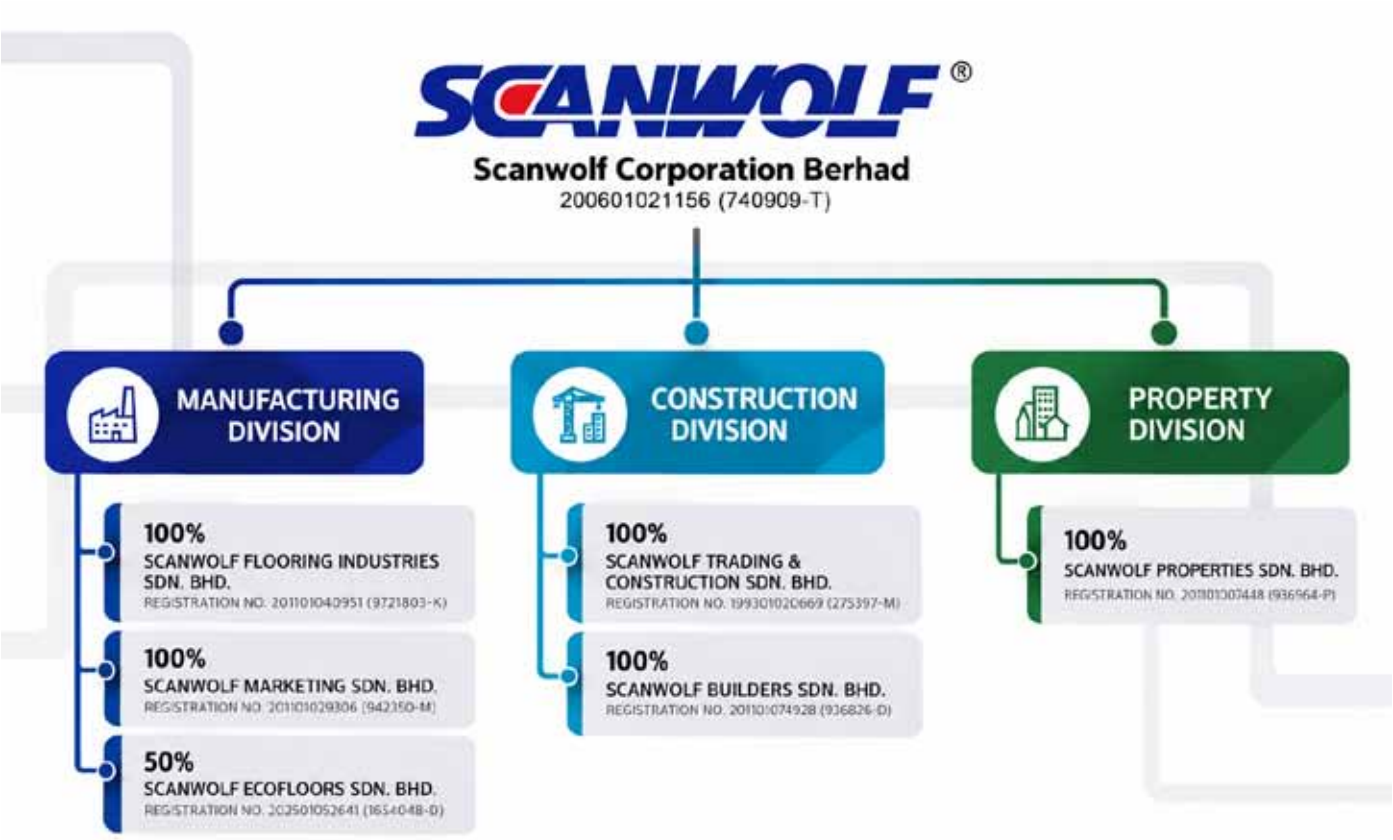
## STOCK EXCHANGE LISTING

Main Market
Bursa Malaysia Securities Berhad
Stock Name : SCNWOLF
Stock Code : 7239

## CORPORATE WEBSITE

**www.scanwolf.com**

# CORPORATE STRUCTURE



# DIRECTORS' PROFILE

## DATO' IR HAJI CHEREMI BIN HAJI TARMAN

**Chairman**

Dato' Ir. Haji Cheremi bin Haji Tarman ("Dato' Cheremi"), aged 62, is a Malaysian and was appointed as Chairman of the Company on 16 October 2025. He is a registered Professional Engineer with the Board of Engineers Malaysia (BEM) and a member of the Institution of Engineers Malaysia (IEM).

Dato' Cheremi graduated with a Bachelor of Science in Civil Engineering from Louisiana State University, USA, in 1987 and subsequently obtained a Master of Business Administration from the University of Selangor (UNISEL) in 2012.

He has extensive experience in engineering, infrastructure development and public administration. He served in senior positions with major local authorities, including as Engineering Director of the Shah Alam City Council (MBSA) and Petaling Jaya City Council (MBPJ), where he was involved in overseeing infrastructure projects and policy planning from 1996 to 2018. In recognition of his contributions, he was appointed The Honourable Dato Orang Kaya Maha Bijaya, a senior official of the Gombak District, a position he will hold until April 2028.

Dato' Cheremi currently serves as a Commissioner of the Selangor State Public Service Commission and a member of the Menteri Besar Selangor Tender Board. With decades of experience in engineering and public administration, he brings strong technical expertise, strategic leadership and policy insight to the Company.

He does not hold any directorship in any other public companies or listed issuers.

## DATO' SEAH LEY HONG

**Managing Director**

Dato' Seah Ley Hong ("Dato' Seah"), Malaysian, age 37, male, was appointed as Managing Director on 16 April 2024.

Dato' Seah is an accomplished business leader with a Degree of Bachelor of Engineering in Civil and Structural Engineering from the University of Leeds, U.K. He returned to Malaysia in 2013, bringing with him a wealth of knowledge and international perspective.

His early career highlights a pivotal role as a Director at Speed Concrete Industries Sdn. Bhd., a premier pre-cast concrete manufacturer in Malaysia. In this capacity, which he has held since May 2013, Dato' Seah demonstrated exemplary leadership, significantly elevating the company's performance and growing the company revenue and profit.

In November 2015, Dato' Seah demonstrated remarkable entrepreneurial prowess with the establishment of Hallson Construction Sdn Bhd (*formerly known as Fixus Construction Sdn. Bhd.*), a dynamic entity specializing in building and infrastructure construction, as well as the maintenance of buildings and infrastructure throughout Malaysia. Several successful flood mitigation projects were also completed under his leadership.

Dato' Seah entrepreneurial vision has also led him to expand his business interests into diverse industries including manufacturing of purification products, training, and food and beverages.

Dato' Seah is the Managing Director of Magna Prima Berhad.

DIRECTORS' PROFILE
(CONT'D)

## MR. NG CHEE WAI

**Executive Director**

Mr. Ng Chee Wai ("Mr. Ng"), aged 51, a Malaysian, was appointed to the Board as an Executive Director on 1 July 2019. He is a Chartered Accountant and a member of the Malaysian Institute of Accountants and a Certified Public Accountant of the Malaysian Institute of Certified Public Accountants.

Mr. Ng holds a Bachelor of Management Studies, majoring in Accounting, from the University of Waikato, New Zealand. He commenced his professional career with PricewaterhouseCoopers, where he gained experience in professional accounting and related corporate matters.

Mr. Ng does not hold any directorship in other public companies or listed issuers.

## MR. KHOO KIEN HOE

**Independent Non-Executive Director**

Mr. Khoo Kien Hoe ("Mr. Khoo"), aged 56, is a Malaysian and was appointed as an independent Non-Executive Director of the Company on 5 November 2021.

Mr. Khoo graduated with a Diploma in Commerce (Financial Accounting) from Tunku Abdul Rahman College in 1995 and subsequently obtained his professional accounting qualification from the Association of Chartered Certified Accountants ("ACCA"). He is a Fellow Member of ACCA and a member of the Malaysian Institute of Accountants ("MIA").

With over 25 years of experience in corporate advisory, audit, accounting, taxation and company secretarial matters, Mr. Khoo began his career as an Audit Senior at Peter Chong & Co. from December 1995 to March 1997, followed by a position as Audit Senior at KPMG from April 1997 to January 2000. He subsequently served as Finance Manager at Ins Enterprise Sdn. Bhd. from 2001 to 2003.

Mr. Khoo is currently the Managing Director of KH Advisory Sdn. Bhd., Bluetech Consultancy Sdn. Bhd., where he oversees tax compliance and accounting-related matters. He is also the Founder and Managing Director of Bizguide Corporate Services Sdn. Bhd., which specialises in company secretarial, corporate advisory and accounting services. Additionally, he also serve as a director in Legacy Trustee Berhad.

He currently serves as the Chairman of the Audit and Risk Management Committee and as a member of the Remuneration Committee and Nomination Committee.

DIRECTORS' PROFILE
(CONT'D)

## MS. LEE PEI FEN

Independent Non-Executive Director

Ms. Lee Pei Fen ("Ms. Lee"), aged 43, is a Malaysian and was appointed as an Independent Non-Executive Director of the Company on 31 May 2023. She holds a Master of Business Administration from the University of Sunderland, a Bachelor of Arts in Marketing from Abertay University of Scotland, and a Systematic Advanced Diploma in Marketing from SEGi College Kuala Lumpur.

Ms. Lee has 21 years of extensive experience in sales and marketing, as well as business development, with a strong background in the building construction trading industry. She is the founder and managing director of a privately held company, where she is responsible for overseeing strategic planning, operational management and market expansion initiatives. Her leadership focuses on innovation, sustainable growth and the development of long-term business partnerships to support organisational success.

In her capacity as an Independent Non-Executive Director of the Company, Ms. Lee serves as the Chairman of the Remuneration Committee and a member of the Audit and Risk Management Committee and the Nomination Committee.

She does not hold any directorship in any other public companies or listed issuers.

## MR. TEOH WEI LOONG

Independent Non-Executive Director

Mr. Teoh Wei Loong ("Mr. Teoh"), aged 42, is a Malaysian and was appointed as an Independent Non-Executive Director of the Company on 16 April 2024. He holds a Bachelor of Laws (Honours) from the University of Malaya. He was admitted and enrolled as an Advocate and Solicitor of the High Court of Malaya on 30 April 2010.

Mr. Teoh is the Managing Partner of Messrs. Victor Teoh & Chew. Throughout his legal practice, he has handled a wide range of contentious and non-contentious matters, including civil litigation, corporate conveyancing and real property transactions. He also has extensive experience in advising banks and financial institutions on loan and security documentation, as well as matters relating to real property transactions.

In 2018, Mr. Teoh served as the President of Junior Chamber International Kuala Lumpur Mandarin. In 2022, he was appointed as a Commissioner for Oaths by the Chief Justice of the Federal Court.

Mr. Teoh also serves as the legal advisor to various non-governmental organisations, including The Selangor & Kuala Lumpur Teo Chew Association, Chinese Entrepreneurs Association Kuala Lumpur and Selangor, and The Bird Nests Chamber of Commerce of Malaysia.

He is the Chairman of the Nomination Committee and a member of the Audit and Risk Management Committee and Remuneration Committee.

He does not hold any directorship in any other public companies or listed issuers.

## MR. FONG KENG MUN

**Independent Non-Executive Director**

Mr. Fong Keng Mun ("Mr. Fong"), aged 65, is a Malaysian and was appointed as an Independent Non-Executive Director of the Company on 16 October 2025. He holds a Bachelor of Economics (Accounting) from La Trobe University, Melbourne, Australia.

Mr. Fong has 37 years of extensive experience in the banking and finance industry, with expertise in credit evaluation, business planning and performance management. Throughout his banking career, he has held various positions across different functions, gaining broad exposure to banking operations, credit management and business management.

His experience as a Branch Manager and Regional Manager has further developed his leadership and management capabilities, enabling him to work effectively with personnel at various levels of an organisation. He is proficient in English, Bahasa Malaysia, Cantonese, Hokkien and Mandarin, which enables him to communicate effectively with people from diverse backgrounds.

He does not hold any directorship in any other public companies or listed issuers.

**Other Information**:-

- **Directors' Shareholdings**
  Details of Directors' shareholdings in the Company are as disclosed on page 179 of the Annual Report 2026.

- **Family relationship with Directors and Major Shareholders**
  None of the Directors of the Company have any family relationship with any Director and/or major shareholder of the Company.

- **Conflict of interest**
  None of the Directors of the Company have any conflict of interest or potential conflict of interest, including any interest in a competing business with the Company or its subsidiaries, other than Dato' Seah Ley Hong's conflict of interest arising from the RRPTs with Hallson Construction Sdn Bhd (*formerly known as Fixus Construction Sdn Bhd*) and Speed Concrete Industries Sdn Bhd.

- **Conviction of Offences or public sanction or penalty imposed by the relevant regulatory bodies**
  None of the Directors of the Company have any convictions for offences (other than traffic offences) within the past 5 years or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

  Save for Dato' Seah Ley Hong, none of the Directors of the Company has penalty imposed by the regulatory bodies within the past five (5) year.

  On 30 May 2025, Dato' Seah Ley Hong entered into an agreement with Inland Revenue Board of Malaysia pursuant to Section 96A(1) of the Income Tax Act (ITA), 1967 to pay the amount of tax for the years of assessment 2022 to 2024 and the amount of penalty which is required to pay for the said years of assessment pursuant to Section 113(2) of the ITA. The tax and penalty payable had been fully settled by Dato' Seah Ley Hong.

- **Attendance of the Board Meetings**
  The attendance of the Directors is disclosed in the Corporate Governance Overview Statement of this Annual Report.

# PROFILE OF KEY SENIOR MANAGEMENT

## DATO' SEAH LEY HONG

**Age**: 37 **Gender**: Male **Nationality**: Malaysian

The profile of Dato' Seah Ley Hong is listed in the Profile of Directors.

## MR. NG CHEE WAI

**Age**: 51 **Gender**: Male **Nationality**: Malaysian

The profile of Mr Ng Chee Wai is listed in the Profile of Directors.

# GROUP FINANCIAL HIGHLIGHT

## FIVE YEARS GROUP FINANCIAL REVIEW

| | 2022 RM'000 | 2023 RM'000 | 2024 RM'000 | 2025 RM'000 | 2026 RM'000 |
|---|---|---|---|---|---|
| Revenue | 39,217 | 36,550 | 32,801 | 91,145 | **101,008** |
| Interest Expense | (1,609) | (1,558) | (1,578) | (1,803) | **(2,612)** |
| Depreciation and amortisation | (3,522) | (3,880) | (4,060) | (3,221) | **(2,409)** |
| Share of loss of joint venture | - | - | - | - | **(500)** |
| Loss Before Taxation | (17,101) | (10,408) | (6,715) | (10,515) | **(19,784)** |
| Tax Expense/(Income) | 27 | 17 | 210 | (666) | **684** |
| Loss after taxation | (17,074) | (10,391) | (6,505) | (11,181) | **(19,100)** |



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS OVERVIEW

Scanwolf Corporation Bhd. ("Scanwolf" or "the Company") and its subsidiaries (collectively referred to as "the Group") are principally engaged in three core business segments, namely:

a) **Construction and Construction-Related Activities** – Undertaking construction works and related activities to support the Group's business operations and growth.

b) **Property Development** – Engaging in property development activities, focusing on the development of properties to meet market demand and create sustainable value.

c) **Manufacturing of Flooring Products** – Manufacturing flooring products to serve the needs of customers across various market segments.

Through these diversified business activities, the Group aims to strengthen its market presence, enhance operational capabilities and pursue sustainable growth across its core business segments.

## REVIEW OF FINANCIAL RESULTS

| | 30.06.2026 RM'000 | 30.06.2025 RM'000 | Variance RM'000 | Variance % |
|---|---|---|---|---|
| **Revenue** | | | | |
| Construction | **69,769** | 55,199 | 14,570 | 26% |
| Property | **–** | 952 | (952) | (100%) |
| Manufacturing | **8,456** | 34,994 | (26,538) | (76%) |
| Trading | **22,783** | **–** | 22,783 | 100% |
| Group | **101,008** | 91,145 | 9,863 | 11% |
| **Profit/(loss) after tax** | | | | |
| Construction | **7,411** | 5,162 | 2,249 | 44% |
| Property | **(259)** | (994) | 735 | (74%) |
| Manufacturing | **(25,781)** | (13,929) | (11,852) | 85% |
| Trading | **29** | - | 29 | 100% |
| Others | **(500)** | (1,420) | 920 | (65%) |
| Group | **(19,100)** | (11,181) | (7,919) | 71% |

## Revenue

The Group recorded revenue of RM101.0 million for the financial year ended 30 June 2026 ("FYE 2026"), representing an increase of RM9.9 million or 11% compared with RM91.1 million in the preceding financial year ("FYE 2025").

The increase was primarily driven by the strong performance of the Construction Division, which recorded revenue of RM69.8 million, an increase of RM14.6 million or 26 % from RM55.2 million in FYE 2025.

The Trading Division also contributed RM22.8 million to the Group's revenue during the year.

In contrast, revenue from the Manufacturing Division decreased by RM26.5 million or 76%, from RM35.0 million in FYE 2025 to RM8.5 million in FYE 2026, following the cessation of manufacturing activities.

The Property Division did not record any revenue during the year, compared with RM0.95 million in the preceding financial year.

Despite the lower revenue contributions from the Manufacturing and Property Divisions, the strong growth in the Construction Division, together with the contribution from the Trading Division, enabled the Group to achieve an overall increase in revenue for FYE 2026.

## Results

The Group recorded a loss after tax of RM19.1 million in FYE 2026, compared with RM11.2 million in FYE 2025, representing an increase in the loss of RM7.9 million or approximately 71%.

The Manufacturing Division remained the principal contributor to the Group's loss after tax, recording a loss of RM25.8 million in FYE 2026 compared with RM13.9 million in FYE 2025. The higher loss was mainly attributable to the impairment of property, plant and equipment and inventories, amounting to RM5.9 million and RM6.3 million, respectively. These items significantly affected the division's financial performance during the year.

Conversely, the Construction Division continued to deliver positive results, recording a profit after tax of RM7.4 million in FYE 2026, compared with RM5.2 million in FYE 2025, representing an improvement of RM2.2 million or approximately 44%.

The Property Division recorded a lower loss after tax of RM0.3 million, compared with RM1.0 million in the preceding year, representing an improvement of RM0.7 million.

The newly contributing Trading Division recorded a profit after tax of RM0.03 million in FYE 2026.

Overall, the improved results from the Construction and Property Divisions, together with the contributions from the Trading Division and the reduction in losses from other activities, partially offset the higher loss recorded by the Manufacturing Division.

## Anticipated Risks

Cost inflation remains a key risk that may affect the Group's profitability and its ability to sustain earnings growth. In addressing this risk, the Group will continue to adopt prudent cost management measures, strengthen cost controls and enhance operational efficiencies to mitigate the impact of rising costs and support sustainable business performance.

MANAGEMENT DISCUSSION AND ANALYSIS
(Cont'd)

## Dividend Policy

The declaration and payment of dividends are subject to various factors, including the Group's financial performance, earnings, cash flow position, capital commitments, working capital requirements, general financial conditions and other relevant considerations as determined by the Board of Directors.

Having considered the Group's financial performance and funding requirements for FYE 2026, the Board of Directors does not recommend any dividend payment for FYE 2026.

## Future Outlook and Prospects

As of 30 June 2026, the Group maintained construction order book of approximately RM159 million, providing a foundation for future revenue growth. The Group remains focused on ensuring the timely execution and steady progress of its existing projects, while continuing to explore and secure new tender opportunities to sustain and further expand its project pipeline.

The Group has expanded its presence in the property development sector in Klang Valley through a joint venture for a planned commercial development. The project is estimated to generate a gross development value of approximately RM135 million and is targeted to commence in the forthcoming financial year.

# SUSTAINABILITY STATEMENT

Sustainability remains a key part of our commitment to responsible business practices, operational resilience and long-term value creation. For the financial year ended 30 June 2026 ("FYE 2026"), we continued to strengthen our sustainability practices by integrating environmental, social and governance ("ESG") considerations into our business strategies and daily operations.

In FYE 2026, we continued to strengthen our sustainability reporting approach with reference to the Bursa Malaysia Sustainability Reporting Guide, while progressively incorporating the principles of IFRS S1 and IFRS S2. This reflects our commitment to improving the connection between sustainability-related matters and their potential impact on our operations, financial performance and long-term prospects.

A key priority for FYE 2026 is strengthening our climate and environmental management. We are establishing greenhouse gas emissions baseline and enhancing the collection of electricity, fuel and other relevant operational data. This will provide a stronger foundation for monitoring emissions and energy intensity, identifying efficiency opportunities and developing meaningful reduction targets over time.

Beyond climate action, our sustainability priorities encompass responsible resource use, waste management, occupational health and safety, fair labour practices, workforce development, ethical governance, product quality and responsible supply-chain management. These priorities are aligned with three Sustainable Development Goals that are particularly relevant to our operations: SDG 13 – Climate Action, SDG 12 – Responsible Consumption and Production, and SDG 8 – Decent Work and Economic Growth.

Strong governance and reliable information remain fundamental to our progress. The Board maintains oversight of sustainability and climate-related risks and opportunities, while Management and the relevant business functions are responsible for implementation, performance monitoring and ESG data management. We are also strengthening internal controls, and evidence records to improve the reliability of our disclosures and support future assurance readiness.

Looking ahead, we will continue to build on these foundations. Our financial year ending 30 June 2027 priorities include improving energy reduction target, enhancing waste and recycling data, expanding supplier ESG assessments and preparing selected ESG indicators for limited assurance.

We recognise that sustainability is a continuing journey. By strengthening our governance, data capabilities and operational practices, we aim to build a more resilient, efficient and responsible organisation that creates sustainable value for our stakeholders over the long term.

## ABOUT THIS SUSTAINABILITY STATEMENT

The Board of Directors ("Board") of Scanwolf is pleased to present the Group's Sustainability Statement ("Statement") for FYE 2026, covering the period from 1 July 2025 to 30 June 2026.

This Statement provides an overview of the Group's approach and performance in managing material economic, ESG matters. Scanwolf recognises that sustainability is integral to business resilience, operational efficiency, responsible business practices and long-term stakeholder value.

For FYE 2026, the Statement has been prepared with reference to the Bursa Malaysia Sustainability Reporting Guide and the applicable sustainability disclosure requirements of the Bursa Malaysia Main Market Listing Requirements. The Group is also progressively applying IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 – Climate-related Disclosures, adopting a climate-first approach structured around governance, strategy, risk management, and metrics and targets. The GHG Protocol or other recognised emissions methodologies are referenced for Scope 1 and Scope 2 greenhouse gas emissions accounting.

The Group's sustainability priorities are aligned with three United Nations Sustainable Development Goals ("SDGs"): SDG 13 – Climate Action, SDG 12 – Responsible Consumption and Production, and SDG 8 – Decent Work and Economic Growth, reflecting our focus on climate action, responsible resource use and workforce wellbeing and development.

SUSTAINABILITY STATEMENT
(CONT'D)

## SUSTAINABILITY GOVERNANCE STRUCTURE

Scanwolf recognises that effective sustainability governance is essential to integrating ESG considerations into the Group's business strategy, risk management and operations. The Group has established a governance structure that provides oversight, coordination and accountability for the management and implementation of sustainability and climate-related matters.

The Board has ultimate oversight of the Group's sustainability and climate-related risks and opportunities, supported by the Audit and Risk Management Committee, Sustainability Steering Committee, Management Team and relevant functional departments.

**Board of Directors**

The Board provides overall direction and oversight of the Group's sustainability agenda. Its responsibilities include reviewing material sustainability matters, climate-related risks and opportunities, carbon reporting progress, regulatory requirements, stakeholder expectations and relevant ESG performance indicators.

The Board also monitors the Group's sustainability targets and progress to ensure that material sustainability and climate-related considerations are appropriately addressed within the Group's strategic and governance processes.

**Audit and Risk Management Committee**

The Audit and Risk Management Committee supports the Board in its oversight responsibilities by reviewing ESG and climate-related risks, internal controls and the reliability of sustainability information. Its role supports the integration of material sustainability and climate-related considerations into the Group's broader risk management and internal control processes.

**Management Team**

The Management Team is responsible for implementing the Group's sustainability strategies and initiatives and monitoring relevant ESG performance indicators. Management also oversees the maintenance of ESG data and supporting records, supports carbon accounting activities and reports sustainability progress to the Board or relevant Board Committee.

**Functional Departments and ESG Data Owners**

Relevant functional departments support the day-to-day implementation and monitoring of sustainability matters within their respective areas of responsibility.

The Finance Department supports the linkage of ESG matters with financial planning, costs, capital expenditure and reporting controls. Operations and Facilities are responsible for collecting relevant operational data, including energy, fuel, water, waste, production and safety information. The Human Resources Department oversees labour practices, training, diversity, employee welfare and relevant safety indicators, while the Company Secretary and Reporting Team supports the alignment of sustainability disclosures with Bursa Malaysia and IFRS S1 and IFRS S2 reporting requirements.

## STAKEHOLDER ENGAGEMENT

Scanwolf recognises that effective stakeholder engagement is important in understanding the expectations and concerns of its stakeholders and identifying sustainability matters relevant to the Group. Through ongoing engagement across various channels, the Group seeks to maintain constructive relationships with its stakeholders and considers their interests in shaping its sustainability priorities and business practices.

The Group engages with key stakeholders through appropriate communication and engagement channels. The key areas of interest identified through these interactions are summarised below.

| Key Stakeholder | Engagement Platforms | Areas of Interest or Concern | Our Response |
|---|---|---|---|
| **Shareholders and Investors**<br> | **As needed**<br>• Press releases.<br>• One-on-one and group meetings.<br><br>**Quarterly**<br>• Financial reports and announcements.<br><br>**Annually**<br>• General Meetings.<br>• Annual Reports. | • Business strategies and future plans.<br>• Stable income distribution.<br>• Group's overall performance.<br>• Good management and corporate governance. | • Timely updates on the Group's strategy and financial performance via announcements in Bursa Malaysia.<br>• Uphold good governance practices across the Group, and supply chain.<br>• Monitor sustainability performance and targets. |
| **Government Agencies and Regulators**<br> | **Ongoing**<br>• Adhere to all applicable regulations and industry standards, including environmental and labor laws. | • Regulatory compliance including environmental and social compliance.<br>• Corporate governance practices.<br>• Sharing of best practices. | • Full compliance with regulatory requirements.<br>• Adoption of practices outlined in the Malaysian Code on Corporate Governance ("MCCG") 2021.<br>• Strengthen sustainability reporting, environmental management, ESG data controls and alignment with applicable Bursa Malaysia requirements. |
| **Customers**<br> | **Ongoing**<br>• Sales engagement and product quality feedback | • Quality, reliability, product safety and responsible production | • Adhere to the Personal Data Protection Act 2010.<br>• Maintain focus on product quality and customer satisfaction while promoting responsible production, resource efficiency and reliable business practices. |

SUSTAINABILITY STATEMENT
(CONT'D)

## STAKEHOLDER ENGAGEMENT (CONT'D)

| Key Stakeholder | Engagement Platforms | Areas of Interest or Concern | Our Response |
|---|---|---|---|
| **Employees** | **As needed**<br>• Corporate announcements<br>• Training.<br><br>**Annually**<br>• Employee appraisals.<br>• Employee engagement programmes and events.<br>• Monthly Management Meetings. | • Business growth and strategic direction.<br>• Inclusive workplace.<br>• Remuneration and benefits.<br>• Career development and upskilling opportunities.<br>• Health and safety at the workplace. | • Promote transparent communication with employees.<br>• Provide equal employment opportunities without discrimination.<br>• Offer employee benefits and remuneration packages.<br>• Provide relevant upskilling and development opportunities.<br>• Ensure compliance with Occupational Safety and Health Act 1994 ("OSHA"). |
| **Suppliers and Contractors** | **As needed**<br>• Meetings.<br><br>**Annually**<br>• Supplier assessment/ performance appraisals. | • Efficient procurement processes.<br>• Transparency in procurement processes. | • Promote responsible procurement and supply chain management and progressively strengthen supplier ESG assessment and screening. |
| **Financial Institutions** | **As needed**<br>• Credit and financing engagements. | • ESG risk, climate exposure and business resilience. | • Strengthen identification and disclosure of sustainability and climate-related risks and opportunities and improve the connection between ESG matters, financial planning and long-term business resilience. |
| **Local Communities** | **As needed**<br>• Community engagement and operational conduct | • Employment, safety and environmental responsibility. | • Support responsible operational practices with attention to employment, workplace and operational safety, resource management and environmental responsibility. |

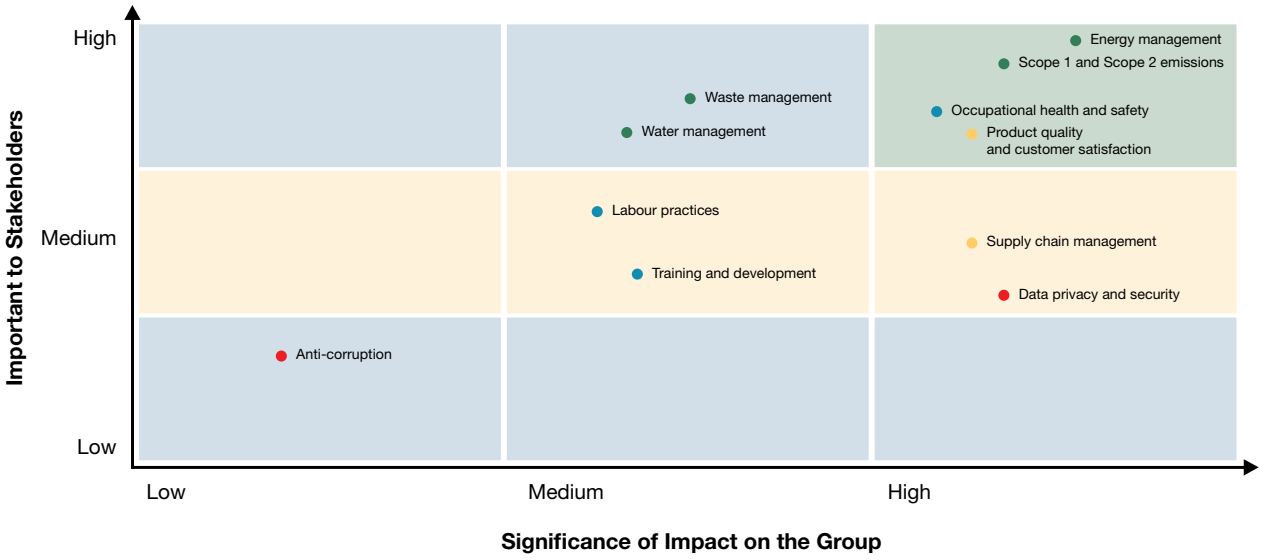
## MATERIALITY ASSESSMENT

An effective sustainability strategy begins with a clear understanding of the matters that are most relevant to the Group and its stakeholders. Scanwolf's materiality assessment provides a structured approach to identifying and prioritising environmental, social, governance and economic matters that may influence the Group's business operations, stakeholder interests and long-term resilience.

For FYE 2026, the Group reviewed the common sustainability matters prescribed by Bursa Malaysia together with the disclosure requirements of IFRS S1 and IFRS S2, the nature of the Group's business operations and matters raised through stakeholder engagement. Sustainability-related risks and opportunities were identified and prioritised based on their potential business impact and importance to stakeholders, with the resulting material matters validated by Management and the Board. Through this assessment, the Group identified material matters across the environmental, social, governance and economic dimensions. These include energy management, Scope 1 and Scope 2 emissions, waste and water management, occupational health and safety, labour practices, training and development, anti-corruption, data privacy and security, product quality and customer satisfaction, and supply chain management.

For FYE 2026, greater emphasis is placed on climate-related matters, particularly energy management and the establishment of the Group's Scope 1 and Scope 2 greenhouse gas emissions baseline. This supports Scanwolf's climate-first reporting approach and provides a foundation for carbon performance tracking, emissions intensity measurement and the progressive development of future reduction targets. The outcome of the materiality assessment provides the foundation for the Group's sustainability priorities and disclosures, enabling Scanwolf to focus its resources and initiatives on matters that are relevant to its operations, stakeholders and long-term value creation. The Group will continue to review its material sustainability matters as its business activities, stakeholder expectations, regulatory requirements and sustainability-related risks and opportunities evolve

**Materiality Matrix**




**Material Matters by ESG Classification**

| Economic | Environment | Social | Economic |
|---|---|---|---|
| • Energy management<br>• Scope 1 and Scope 2 emissions<br>• Waste management<br>• Water management | • Occupational health and safety<br>• Labour practices<br>• Training and development | • Anti-corruption<br>• Data privacy and security | • Product quality and customer satisfaction<br>• Supply chain management |

**Note**: The materiality matrix illustrates the relative importance of each material matter based on its significance of impact on the Group and its importance to stakeholders. Matters in the top right are considered the highest priorities for the Group.

SUSTAINABILITY STATEMENT
(CONT'D)

## SUSTAINABILITY FRAMEWORK

Scanwolf's sustainability framework has been refined to align with our business strategy and is guided by the Group's Vision and Mission. Through our framework, we aspire to meet the needs of our stakeholders, reduce our environmental impact as well as contribute positively to the local communities where we operate. We aim to deliver the objectives under each focus area by addressing the concerns related to each of our material matter. Accordingly, we have set targets to enable us to accelerate and monitor our sustainability performance. By linking these targets to a performance scorecard, we are able to track our progress and ensure that we are making continuous improvements towards these targets.

**Our Vision:**

Our vision is to build a resilient and sustainable business that creates long-term value for our stakeholders through responsible growth, operational excellence and sound governance.

**Our Mission:**

To integrate sustainability into our business by promoting responsible resource use, climate action, employee wellbeing, ethical practices and strong ESG governance.

| OUR FOCUS AREAS | | | |
|---|---|---|---|
| **ECONOMIC** | **ENVIRONMENT** | **SOCIAL** | **GOVERNANCE** |
| Create economic and shared value for the mutual benefit of all stakeholders. | Commit to environmental conservation by utilising resources wisely and maintaining ecological balance. | Conduct business with ethics and concern for social responsibility while participating in enhancing society's quality of life. | Ensure fairness, transparency and accountability are upheld in daily business conduct. |
| 1. Product Quality and Customer Satisfaction<br>2. Supply Chain Management | 1. Energy Management<br>2. Scope 1 and Scope 2 emissions<br>3. Waste Management<br>4. Water Management | 1. Occupational Health and Safety<br>2. Labour Practices<br>3. Training and Development | 1. Anti Corruption<br>2. Data privacy and security<br>3. Whistleblower |

The sustainability framework is supported by the following pillars of sustainability developed by UNSDG:-



**FYE 2026 Sustainability Performance and Short to Medium-Term Targets**

| Material Topics | FYE 2026 Results | Short- to Medium-Term Target |
|---|---|---|
| Anti-Bribery and Anti-Corruption | • Zero incidents of corruption recorded in FYE 2026.<br>• Anti-corruption training covered 20% of Management, 82% of Executives and 20% of Non-Executives; no General Workers were reported as trained. | • Maintain zero corruption incidents.<br>• Expand formal anti-corruption training.<br>• Conduct comprehensive corruption risk assessments. |
| Product Quality and Customer Satisfaction | • Customer privacy/data-loss substantiated complaints: Nil. | • Maintain focus on product quality and customer satisfaction. |
| Supply Chain Management | • Responsible procurement and supplier relationships continued. | • Strengthen supplier ESG assessment and screening.<br>• Expand supplier ESG assessments. |
| Environmental Compliance | • The Group reports commitment to full compliance with applicable laws and regulatory requirements. | • Maintain compliance with applicable environmental laws and regulations.<br>• Strengthen environmental management and ESG data controls. |
| Energy Management | • Total energy consumption decreased from 4,555.84 MWh in FYE 2025 to 3,023.64 MWh in FYE 2026 (approximately 33.6%). | • Strengthen energy-intensity monitoring.<br>• Set an energy reduction target.<br>• Continue energy-efficiency and transition initiatives. |
| Water Management | • Water consumption decreased from 23.07 ML in FYE 2025 to 21.16 ML in FYE 2026 (approximately 8.3%). | • Strengthen water monitoring by operational location.<br>• Establish a reliable baseline and develop measurable water-efficiency targets. |
| Occupational Health and Safety | • Zero work-related fatalities.<br>• LTIR increased to 4.53 in FYE 2026 from 0.45 in FYE 2025.<br>• 25 employees received health and safety training | • Maintain zero work-related fatalities.<br>• Continue reducing workplace incidents and LTIR.<br>• Employee health and safety awareness and training. |
| Labour Practices and Standards | • Zero substantiated human-rights complaints.<br>• Permanent employees represented 91.49% of the workforce.<br>• Employee turnover increased to 129 cases. | • Maintain fair labour practices and zero substantiated human-rights violations.<br>• Strengthen employee retention, welfare and workforce stability. |
| Training and Development | • Total training decreased from 863 hours in FYE 2025 to 347 hours in FYE 2026. | • Rebuild structured training programmes.<br>• Identify competency requirements.<br>• Improve training coverage across employee categories. |
| Scope 1 and Scope 2 Emissions | • Reported Scope 2 emissions decreased from 3,371.32 tCO2e in FYE 2025 to 2,237.49 tCO2e in FYE 2026 (approximately 33.6%). | • Strengthen the GHG emissions baseline.<br>• Improve carbon-intensity tracking.<br>• Progressively develop meaningful emissions reduction targets. |
| Waste Management | • Total waste generated: 281.01 metric tonnes.<br>• Waste diverted from disposal: 62.00 metric tonnes.<br>• Waste directed to disposal: 219.01 metric tonnes. | • Reduce waste generation at source.<br>• Increase reuse, recycling and recovery.<br>• Enhance waste and recycling data and develop a measurable waste-diversion target. |
| Data Privacy and Security | • Zero substantiated complaints concerning customer privacy breaches or loss of customer data. | • Maintain zero substantiated complaints.<br>• Continue strengthening data-security and privacy controls. |

SUSTAINABILITY STATEMENT
(CONT'D)

**FYE 2026 Sustainability Performance and Short to Medium-Term Targets**

| Material Topics | Risk | Opportunities | FYE 2026 Management Approach |
|---|---|---|---|
| Anti-Bribery and Anti-Corruption | Integrity, corruption, regulatory and reputational risk | Strengthening governance, transparency and stakeholder confidence | Maintain the Anti-Bribery and Anti-Corruption Policy, Code of Conduct and whistleblowing mechanisms; expand formal anti-corruption training and conduct comprehensive corruption risk assessments. |
| Product Quality and Customer Satisfaction | Product quality, safety, reliability, customer dissatisfaction and liability risk | Strengthening customer trust, satisfaction and product reliability | Maintain product quality controls and customer engagement/feedback while promoting responsible production and reliable business practices. |
| Supply Chain Management | Supplier non-performance, supply disruption, raw-material availability and ESG-related supplier risk | Build a more resilient supplier network and strengthen responsible sourcing | Maintain supplier assessments and responsible procurement practices; progressively strengthen supplier ESG assessment and screening. |
| Environmental Compliance | Regulatory non-compliance, environmental incidents, penalties and reputational risk | Improve environmental performance and regulatory readiness | Monitor compliance with applicable environmental requirements and strengthen environmental management, ESG data controls and reporting processes. |
| Energy Management | Energy cost volatility, inefficient energy use and climate-transition exposure | Energy efficiency, operating-cost savings and lower emissions | Monitor electricity and fuel consumption, improve energy-intensity tracking and develop an energy-reduction target. |
| Scope 1 and Scope 2 Emissions | Climate-transition, carbon-cost and regulatory/reporting risk | Reduce carbon intensity and improve climate resilience | Establish and strengthen Scope 1 and Scope 2 GHG baselines, improve carbon-intensity tracking and progressively develop reduction targets. |
| Waste Management | Improper waste handling, disposal costs, regulatory and environmental risk | Reduce material losses and improve recycling, recovery and resource efficiency | Improve waste data collection; prioritise reduction at source, reuse, recycling and recovery; develop measurable waste-diversion targets. |
| Water Management | Water availability, inefficient consumption, operational and environmental risk | Water efficiency and operating-cost savings | Monitor water consumption by operational location, strengthen baseline data and progressively establish water-efficiency targets. |
| Occupational Health and Safety | Workplace injuries, fatalities, lost-time incidents and inadequate safety awareness | Safer workplace, improved productivity and employee wellbeing | HSE Committee oversight; incident reporting, investigation and corrective action; expand safety training and continue reducing LTIR while maintaining zero fatalities. |
| Labour Practices | Labour/human-rights violations, employee turnover, workforce instability and reputational risk | Fair employment practices, stronger retention and employee wellbeing | Maintain fair labour and human-rights practices, monitor workforce indicators and strengthen employee welfare, engagement and retention. |
| Training and Development | Skills gaps, inadequate training coverage and reduced workforce capability | Upskilling, productivity improvement and stronger organisational capability | Rebuild structured training programmes, identify competency requirements and improve training coverage across employee categories. |
| Data Privacy and Security | Data breaches, loss of customer data, regulatory and reputational risk | Strengthening customer confidence and information governance | Maintain compliance with applicable data-protection requirements and strengthen data-security and privacy controls. |

## ECONOMIC PERFORMANCE

**RELATED UNSDGs:**




### OUR TARGET

Scanwolf's financial performance underpins the creation of lasting value while advancing the Group's sustainability agenda. We remain committed to fostering job creation and providing quality employment opportunities, recognising their critical role in economic resilience, social stability, and driving local community development. Our overarching objective is to ensure sustained resilience by optimising our assets and equitably sharing the wealth generated with our stakeholders.

### OUR APPROACH

Scanwolf's strategy for sustaining and achieving robust economic performance focuses on executing our business plan, staying attuned to market trends, maintaining a strong balance sheet and healthy cash flow, embracing technological advancements, addressing business-relevant risks, and driving market expansion.



### OUR PERFORMANCE

When assessing a company's financial performance, it is crucial to consider the economic value it generates and shares. At Scanwolf, we are committed to creating and distributing economic value to all stakeholders by prioritising efficiency and sustainability across our operations. Through ongoing investments in our people, processes, and technology, we consistently deliver high-quality products and services tailored to meet our customers' needs. Furthermore, we understand that fair and transparent distribution of economic value is essential for building trust and fostering enduring relationships with stakeholders. Accordingly, we aim to provide equitable compensation to our employees and suppliers, while ensuring fair returns to our shareholders.

Our direct economic impacts are reflected in the financial contributions arising directly from our business activities, including:

**Employee Wages**

Competitive salaries and benefits are vital for supporting the livelihoods of our employees and their families. By offering fair compensation, we not only enhance the economic well-being of our workforce but also contribute positively to the broader community.

**Group Revenues and Profits**

The revenues we generate and the profits we earn after expenses are critical indicators of our financial performance and long-term sustainability. They underscore the effectiveness of our business operations and our ability to deliver value to stakeholders.

SUSTAINABILITY STATEMENT
(CONT'D)

## ECONOMIC PERFORMANCE (Cont'd)

### OUR PERFORMANCE (Cont'd)

**Taxes Paid**

Taxes levied on our profits, income, and activities are paid to government authorities, funding essential public services and infrastructure such as education, healthcare, and transportation. These contributions benefit society at large and support national development. Together, these direct economic impacts demonstrate our substantial contributions to both local and national economies and reinforce our commitment to being a responsible corporate citizen.

## ENERGY MANAGEMENT

**RELATED UNSDGs:**




The Group recognises that energy consumption and greenhouse gas (GHG) emissions significantly contribute to climate change. In light of this, we have implemented various measures to minimise our environmental impact, including monitoring energy usage and adopting energy-efficient practices to reduce our carbon footprint. As a responsible corporate citizen, we are committed to mitigating our carbon impact while seizing opportunities that arise during the transition to a low-carbon economy.

### OUR APPROACH

In our commitment to fostering a sustainable future, we are focused on implementing comprehensive energy transition and efficiency initiatives. Our future sustainability plan emphasises reducing energy consumption, transitioning to renewable energy sources, and engaging employees in energy-saving efforts. Below are the core elements of our planned transition:

**Energy Conservation and Efficiency**

We continuously strive to optimise energy consumption and enhance operational efficiency through various energy-saving measures, including:

- **Air Conditioning and Lighting Optimisation**: Promoting the efficient use of air conditioning and lighting systems in office areas to minimise unnecessary electricity consumption.
- **Shutdown of Non-Critical Equipment**: Encouraging the shutdown of non-essential equipment when not in use to reduce energy wastage and improve overall energy efficiency.
- Encouraging employees to turn off equipment, such as computers, printers, and lights, when not in use.

**Solar Panel Installation**

As part of our efforts to adopt cleaner and more sustainable energy sources, Scanwolf has installed solar photovoltaic (PV) panels at its factories to reduce reliance on purchased grid electricity.

The solar panel installation project was successfully completed in April 2025, marking an important milestone in our sustainability journey. This initiative demonstrates our commitment to integrating renewable energy into our manufacturing operations while supporting efforts to reduce greenhouse gas emissions.

Moving forward, Scanwolf will continue to strengthen its energy management practices, enhance energy efficiency, and explore opportunities to further reduce its environmental impact in line with its long-term sustainability objectives.

## ENERGY MANAGEMENT (Cont'd)

### OUR PERFORMANCE

**Advancing Environmental Sustainability Through Renewable Energy and Energy Efficiency**

As part of its ongoing commitment to environmental sustainability and responsible resource management, the Group continues to strengthen its energy management practices through initiatives aimed at enhancing energy efficiency, optimising electricity consumption and promoting the adoption of renewable energy. These efforts reflect the Group's commitment to integrating sustainable practices into its operations while progressively reducing its reliance on conventional energy sources.

A significant milestone in the Group's sustainability journey was the successful installation of solar PV systems at its factories in April 2025. This strategic initiative represents an important step towards diversifying the Group's energy sources and incorporating renewable energy into its daily operations. By harnessing solar energy, the Group seeks to reduce its dependence on grid-supplied electricity, improve resource efficiency and support its long-term environmental sustainability objectives.

Building on this initiative, the Group continued to utilise solar energy throughout FYE 2026, generating approximately 1,147.87 MWh of renewable electricity, compared with 241.99 MWh recorded during the initial operating period from April 2025 to June 2025. The higher annual generation reflects the availability of solar energy over a full financial year, compared with the three-month period reported in FYE2025. This initiative reinforces the Group's efforts to incorporate cleaner energy solutions into its operations and manage its environmental footprint.

| Year | Reporting Period | Energy Generated from Solar PV System (MWh) |
|---|---|---|
| FYE 2025 | April 2025 to June 2025 | 241.99 |
| FYE 2026 | July 2025 to June 2026 | 1,147.87 |

In addition to its renewable energy initiatives, the Group continued to demonstrate progress in managing electricity consumption. During FYE 2026, the Group recorded total electricity consumption of 3,023.64 MWh, compared with 4,555.84 MWh in FYE 2025 and 5,852.34 MWh in FYE 2024. This represents a reduction of approximately 33.6% compared with FYE 2025 and 48.3% compared with FYE 2024, reflecting a consistent downward trend in reported electricity consumption over the three-year period.

The reduction in electricity consumption, alongside the Group's continued investment in renewable energy, reflects its focus on responsible energy management and resource optimisation. These developments support the Group's broader efforts to improve operational sustainability and manage its environmental impact.

| Year | Electricity Consumption (MWh) |
|---|---|
| FYE 2024 | 5,852.34 |
| FYE 2025 | 4,555.84 |
| FYE 2026 | 3,023.64 |

Moving forward, the Group remains committed to strengthening its energy management practices, monitoring electricity consumption and exploring further opportunities to improve energy efficiency and increase renewable energy utilisation. These efforts form part of the Group's broader sustainability agenda to promote resource efficiency, support climate change mitigation and contribute towards long-term environmental sustainability.

## ENERGY MANAGEMENT (Cont'd)

### OUR PERFORMANCE (Cont'd)

#### Climate Change and GHG Emissions

| Year | Carbon Emission ($tCO_2e$) |
|---|---|
| FYE 2024 | 4,330.73 |
| FYE 2025 | 3,371.32 |
| FYE 2026 | 2,237.49 |

As part of its ongoing commitment to environmental sustainability and responsible business practices, the Group recognises the importance of managing greenhouse gas ("GHG") emissions in mitigating climate-related impacts and supporting long-term sustainable development. The Group continues to incorporate environmentally responsible practices into its operations, with particular emphasis on improving energy efficiency, reducing electricity consumption and promoting the utilisation of renewable energy sources.

During FYE 2026, the Group achieved a significant improvement in its Scope 2 GHG emissions performance, with emissions declining to 2,237.49 tonnes of carbon dioxide equivalent ($tCO_2e$), compared with 3,371.32 $tCO_2e$ in FYE 2025 and 4,330.73 $tCO_2e$ in FYE 2024. This represents a reduction of approximately 33.6% compared with FYE 2025 and 48.3% compared with FYE 2024, reflecting a consistent downward trend in Scope 2 GHG emissions over the three-year reporting period.

The reduction in Scope 2 emissions is consistent with the Group's declining purchased electricity consumption, reflecting its ongoing focus on responsible energy management and operational resource efficiency. The Group's investment in solar photovoltaic ("PV") systems, completed in April 2025, further demonstrates its commitment to incorporating renewable energy into its operations and progressively reducing its reliance on conventional grid-supplied electricity. By increasing the utilisation of solar-generated electricity, the Group aims to support the transition towards cleaner energy sources while managing its exposure to indirect emissions associated with purchased electricity.

The Group views the reduction in reported Scope 2 emissions as an encouraging development in its environmental performance. These improvements reinforce the importance of integrating energy-conscious practices into daily operations and adopting practical measures to enhance resource efficiency. Nevertheless, the Group acknowledges that sustained environmental progress requires continuous monitoring, evaluation and improvement of its energy consumption patterns and associated carbon emissions.

With regard to other emission categories, Scope 1 and Scope 3 GHG emissions are currently disclosed as "Nil" in the Group's ESG performance table. The Group recognises the importance of comprehensive emissions accounting and will continue to review its emissions reporting practices, including the identification and assessment of relevant direct and value-chain emission sources, where applicable. This approach supports greater transparency and the progressive enhancement of its sustainability disclosures.

## ENERGY MANAGEMENT (Cont'd)

### OUR PERFORMANCE (Cont'd)

#### Water Management

| Year | Water Consumption (megalitres) |
|---|---|
| FYE 2024 | 20.91 |
| FYE 2025 | 23.07 |
| FYE 2026 | 21.16 |

Total water consumption decreased from 23.07 megalitres in FYE2025 to 21.16 megalitres in FYE 2026, representing an improvement of approximately 8.3%. FYE 2026 consumption nevertheless remained slightly above the 20.91 megalitres recorded in FYE 2024.

The year-on-year reduction is a positive development in resource management. However, as with energy, the available data does not identify whether the decrease resulted from conservation measures, changes in operational activity or other factors. The Group should therefore continue strengthening water monitoring by operational location and, where practicable, relate water consumption to relevant production or activity measures.

A more mature water-management approach would allow Scanwolf to identify unusually high consumption, investigate potential leakages or inefficiencies and evaluate opportunities for water conservation and reuse. Establishing a reliable baseline will also enable the Group to develop measurable water-efficiency targets in future reporting periods.

#### Waste Management

Waste performance presents both progress and an area requiring continued attention. Total waste generated increased from 268.77 metric tonnes in FYE 2025 to 281.01 metric tonnes in FYE 2026, an increase of approximately 4.6%. At the same time, the Group reported 62.00 metric tonnes of waste diverted from disposal during FYE 2026, while waste directed to disposal decreased from 268.77 metric tonnes to 219.01 metric tonnes.

Based on these figures, approximately 22.1% of total FYE2026 waste was diverted from disposal, while approximately 77.9% was directed to disposal. This represents an important development because the Group reported no waste diversion in FYE 2025.

The results therefore show two different dimensions of performance. Although overall waste generation increased, the introduction or reporting of waste diversion reduced the quantity ultimately directed to disposal. Future efforts should focus on reducing waste generation at source while simultaneously increasing reuse, recycling and recovery. Improving the classification of waste streams and maintaining supporting records will also strengthen the reliability of waste disclosures and allow the Group to establish a formal waste-diversion target.

SUSTAINABILITY STATEMENT
(CONT'D)

## LABOUR PRACTICE

**RELATED UNSDGs:**




Scanwolf firmly believes that our employees are our greatest assets and the key drivers of our success and growth. We are dedicated to attracting, developing, and retaining top talent while fostering a work environment that is supportive, empowering, and conducive to excellence. Additionally, we make significant investments in development programs to ensure our workforce remains competitive, forward-thinking, and prepared for future challenges. As a responsible organisation, Scanwolf is steadfast in its commitment to protecting and upholding human rights throughout all aspects of our business operations. We recognise that robust human rights practices, combined with fair and ethical treatment, enhance productivity and cultivate a positive, healthy workplace culture.

### OUR APPROACH

The Group recognises labour practices and human rights as material matters that directly support operational stability, innovation, and long-term sustainability. Upholding fair labour standards and respecting human rights are fundamental to fostering trust, strengthening organisational performance, and ensuring business continuity. The Group embraces workplace diversity across age, gender, ethnicity, and social background, enabling access to a broad pool of talent with varied perspectives and experiences that drive creativity and competitiveness. All employment decisions, including career advancement, recognition, and rewards, are made transparently and strictly based on merit and performance, reflecting the Group's commitment to fairness and inclusiveness. By embedding these principles into its policies and practices, the Group seeks to safeguard employee welfare, promote equal opportunity, and contribute positively to the broader community.

### OUR PERFORMANCE

**Total hours of training by employee category**

Employee development is one of the clearest areas requiring improvement in FYE 2026. The ESG data table records 4 training hours for Management and 141 hours for Executives, while 83 hours for Non-Executives and 119 for General Workers. Total reported training was therefore 347 hours. By comparison, total training amounted to 863 hours in FYE 2025 and 910 hours in FYE 2024.

Training and development performance moderated significantly during FYE 2026, with the Group recording 347 total training hours compared with 863 hours in FYE 2025. The Group recognises that continuous workforce development is important to maintaining employee capability, productivity and organisational resilience.

| Employee Category | Total Hours of Training | | |
|---|---|---|---|
| | FYE 2026 | FYE 2025 | FYE 2024 |
| Management | 4 | 28 | 140 |
| Executive | 141 | 179 | 133 |
| Non-executive | 83 | 123 | 462 |
| General Worker | 119 | 533 | 175 |
| **Total** | **347** | **863** | **910** |

## LABOUR PRACTICE (Cont'd)

### OUR PERFORMANCE (Cont'd)

**Total hours of training by employee category (Cont'd)**

| Employees | Percentage of employees | | |
|---|---|---|---|
| | FYE 2026 | FYE 2025 | FYE 2024 |
| Permanent | 91.49 | 97.00 | 96.44 |
| Contractual / Temporary | 8.51 | 3.00 | 3.56 |
| **Total** | **100.00** | **100.00** | **100.00** |

For both FYE 2025 and FYE 2026, the Group reported above 91% of its workforce comprised permanent employees. This consistent outcome reflects the Group's strong emphasis on workforce stability and long-term employment relationships, supporting employee retention, organisational commitment, and operational consistency. This indicates that permanent employees continue to constitute the substantial majority of the workforce, while a relatively small proportion of temporary or contractual personnel provides additional workforce flexibility.

**Total number of employee turnover by employee category**

Employee turnover is another material area requiring management attention. FYE 2026 recorded 5 Management, 12 Executive, 9 Non-Executive and 103 general worker turnover cases, giving a total of 129. This compares with 58 total cases in FYE 2025 and 23 in FYE 2024. The increase in employee turnover in FYE 2026 was primarily attributable to the restructuring of businesses within the Group's subsidiary companies, which resulted in workforce adjustments to align with the Group's operational and business requirements.

| Employees Category | Total Number of Resigned Employees | | |
|---|---|---|---|
| | FYE 2026 | FYE 2025 | FYE 2024 |
| Management | 5 | 0 | 2 |
| Executive | 12 | 16 | 4 |
| Non-executive | 9 | 4 | 9 |
| General Worker | 103 | 38 | 8 |
| **Total** | **129** | **58** | **23** |

**Number of substantiated complaints concerning human rights violations**

Scanwolf is proud to report that from FYE 2024 to FYE 2026, there were zero substantiated complaints concerning human rights violations across our operations. This achievement underscores our unwavering commitment to upholding and promoting human rights as a core principle of our business ethics and corporate governance.

| Employees Category | Total Number of Complaints concerning Human Rights | | |
|---|---|---|---|
| | FYE 2026 | FYE 2025 | FYE 2024 |
| Management | Nil | Nil | Nil |
| Executive | Nil | Nil | Nil |
| Non-executive | Nil | Nil | Nil |
| General Worker | Nil | Nil | Nil |
| **Total** | **Nil** | **Nil** | **Nil** |

SUSTAINABILITY STATEMENT
(CONT'D)

## LABOUR PRACTICE

**RELATED UNSDGs:**




The Group prioritise the health and safety of our employees and contractors across all operations and workplaces. By maintaining a healthy, safe, and conducive working environment, and to prevent work-related injuries and illnesses, thereby supporting operational efficiency and productivity. Our objective is to cultivate an injury-free workplace by minimising potential risks and hazards.

### OUR APPROACH

The Group places the health and safety of its employees as a top priority, recognising that a safe and healthy workplace is fundamental to organisational success, workforce satisfaction, and overall productivity. As part of this commitment, a dedicated Health, Safety and Environment (HSE) Committee oversees all matters related to occupational health and safety as well as environmental protection initiatives, ensuring that policies and practices are effectively implemented to safeguard employees and promote a responsible working environment.

### OUR PERFORMANCE

The Group maintained zero work-related fatalities for FYE 2026, continuing the nil-fatality record reported for FYE 2024 and FYE 2025. However, the reported Lost Time Incident Rate ("LTIR") increased from 0.79 in FYE 2024 to 0.45 in FYE 2025 and subsequently to 4.53 in FYE 2026. This represents an increase of approximately 906.7% compared with FYE 2025 and 473.4% compared with FYE 2024. The significant increase in LTIR during FYE 2026 indicates a deterioration in safety performance despite the Group maintaining its zero-fatality record, highlighting the need for continued attention to workplace safety measures and incident prevention. In FYE 2026, the Group recorded 25 employees trained on health and safety standards, compared with 64 employees in FYE 2025 and 72 employees in FYE 2024. This represents a decrease of approximately 60.9% compared with FYE 2025 and 65.3% compared with FYE 2024.

## PRODUCT QUALITY & CUSTOMER SATISFACTION

**RELATED UNSDGs:**




At Scanwolf, we understand that customer satisfaction and loyalty form the foundation of our sustained success and play a critical role in upholding our reputation in the consumer retail and lifestyle solutions industry. Our commitment to excellence drives us to place customers at the heart of everything we do. To achieve this, we actively seek and value customer feedback, using it as a vital tool to refine and improve our offerings. By listening to their needs and preferences, we can tailor our products and services to exceed expectations, ensuring that every customer interaction reflects our dedication to quality and innovation. Additionally, we continually review and enhance our operational standards to maintain a superior level of service, reinforcing trust and fostering long-term relationships with our customers. Through these efforts, we aim not only to meet but to surpass customer expectations, solidifying our position as a brand synonymous with reliability, excellence, and customer-centricity.

## PRODUCT QUALITY & CUSTOMER SATISFACTION (Cont'd)

### OUR APPROACH

Customer satisfaction remains a critical priority for the Group as it underpins business continuity, customer retention, and long-term profitability. In a highly competitive consumer market, meeting and exceeding customer expectations is essential to building loyalty, driving repeat business, and strengthening the Group's reputation while enabling effective adaptation to evolving market demands. The Group values customer feedback and actively engages through management visits, direct communication, and accessible channels such as email and phone to ensure needs and expectations are understood.

### OUR PERFORMANCE

At Scanwolf, we take the protection of customer privacy and data security as a top priority, recognising that safeguarding sensitive information is essential to building trust and maintaining strong customer relationships. Our commitment to maintaining the highest standards of cybersecurity practices has enabled us to uphold an exemplary track record.

| Year | Number of substantiated complaints concerning breaches of customer privacy and losses of customer data |
|---|---|
| FYE 2024 | Nil |
| FYE 2025 | Nil |
| FYE 2026 | Nil |

At Scanwolf, the protection of customer privacy and data security remains a top priority, as safeguarding sensitive information is fundamental to building trust and maintaining strong customer relationships. The Group's commitment to robust cybersecurity practices has enabled it to uphold an exemplary track record, with zero substantiated complaints concerning breaches of customer privacy or data losses recorded from FYE 2024 to FYE 2026. This achievement reflects the Group's unwavering focus on implementing preventive measures such as continuous system monitoring, deployment of advanced cybersecurity technologies, and adherence to industry best practices, while ensuring transparency through clear communication on data protection and usage guidelines. The proactive approach not only safeguards customer privacy but also enhances confidence in the Group's services, reinforcing Scanwolf's reputation as a trusted and reliable partner. Moving forward, the Group remains committed to strengthening its data security protocols to maintain this record and adapt to evolving technological challenges.

## DIVERSITY & INCLUSIVITY

### RELATED UNSDGs:







Diversity and inclusivity at workplace provide us with a competitive advantage by enabling access to a broad spectrum of knowledge, perspectives, and ideas. In alignment with this belief, we are committed to fostering equal employment opportunities and non-discrimination by actively embracing diversity in gender, race, religion, age, and nationality.

We strive to cultivate a culture that celebrates and respects differences, champions equality, and supports personal and professional growth, empowering individuals to achieve their fullest potential.

SUSTAINABILITY STATEMENT
(CONT'D)

## DIVERSITY & INCLUSIVITY (Cont'd)

### OUR APPROACH

At Scanwolf, we are committed to upholding fair employment practices and regularly assessing our recruitment processes to ensure equality at every stage, as outlined in our Recruitment Procedures. Employees are offered competitive wages, free from any form of gender-based discrimination. Career advancement, recognition, and rewards are determined fairly and objectively, with decisions based solely on performance and merit.

Aligned with our vision to promote female leadership within the organisation, we are dedicated to achieving equitable gender representation at all levels. We are committed to ensuring a minimum of 30% women's participation in leadership roles at the Management level, reflecting our strong advocacy for diversity in leadership.

Our commitment to providing a safe and inclusive work environment, free from discrimination based on backgrounds, beliefs, or abilities, is further reinforced through our adherence to Human Rights, Code of Conduct ("CoC"), and robust grievance mechanisms. These measures reflect our dedication to ensuring that every individual feels respected and protected from any form of harassment.

Our CoC outlines our expectations to all our employees and external stakeholders in approaching human rights matters while conducting business with Scanwolf. This code discloses fair labour practices, zero-tolerance for child labour and any form of forced labour, protection against discrimination and harassment, freedom of association and collective bargaining, and grievance mechanisms, among others.

We have communicated to all our employees and workers about our grievance handling process and whistleblowing policy. Our whistleblowing channels offer employees a safe and confidential way to report anonymously any violation of labour practices, disputes, and inappropriate behaviour. We guarantee the protection of the whistleblower's identity throughout investigation and all reports will be taken seriously.

### OUR PERFORMANCE

**Percentage of Board Diversity by Gender**

| Directors (Gender) | FYE 2026 | FYE 2025 | FYE 2024 |
|---|---|---|---|
| Male | 87% | 89% | 89% |
| Female | 13% | 11% | 11% |
| **Total** | **100%** | **100%** | **100%** |

**Percentage of Board Diversity by Age**

| Directors (Age) | FYE 2026 | FYE 2025 | FYE 2024 |
|---|---|---|---|
| Under 30 | 0% | 0% | 0% |
| 30 – 50 | 37% | 78% | 78% |
| Above 50 | 63% | 22% | 22% |
| **Total** | **100%** | **100%** | **100%** |

For FYE 2026, the Board comprised 87% male and 13% female Directors, compared with 89% male and 11% female Directors in both FYE 2025 and FYE 2024. The increase in female representation from 11% to 13% reflects a modest improvement in gender diversity at Board level. Nevertheless, the current composition indicates that there remains scope to enhance female representation as part of the Group's broader commitment to diversity and inclusion.

## DIVERSITY & INCLUSIVITY (Cont'd)

### OUR PERFORMANCE (Cont'd)

**Percentage of Employee Diversity by Gender**

| Employee Category | FYE 2026 | | FYE 2025 | | FYE 2024 | |
|---|---|---|---|---|---|---|
| | Male | Female | Male | Female | Male | Female |
| Management | 100% | 0% | 100% | 0% | 91% | 9% |
| Executive | 36% | 64% | 59% | 41% | 40% | 60% |
| Non-executive | 64% | 36% | 50% | 50% | 74% | 26% |
| General Worker | 100% | 0% | 99% | 1% | 99% | 1% |

**Percentage of Employee Diversity by Age**

| Employee Category | FYE 2026 | | | |
|---|---|---|---|---|
| | Under 30 | 30 - 50 | Above 50 | Total |
| Management | 0% | 80% | 20% | 100% |
| Executive | 27% | 64% | 9% | 100% |
| Non-executive | 8% | 80% | 12% | 100% |
| General Worker | 33% | 67% | 0% | 100% |

| Employee Category | FYE 2025 | | | |
|---|---|---|---|---|
| | Under 30 | 30 - 50 | Above 50 | Total |
| Management | 0% | 33% | 67% | 100% |
| Executive | 14% | 65% | 21% | 100% |
| Non-executive | 11% | 71% | 18% | 100% |
| General Worker | 35% | 59% | 6% | 100% |

| Employee Category | FYE 2024 | | | |
|---|---|---|---|---|
| | Under 30 | 30 - 50 | Above 50 | Total |
| Management | 0% | 57% | 43% | 100% |
| Executive | 10% | 80% | 10% | 100% |
| Non-executive | 16% | 68% | 16% | 100% |
| General Worker | 47% | 48% | 5% | 100% |

The Group recognises that gender diversity is an important component of an inclusive and resilient organisation and remains committed to promoting greater balance and representation across its workforce. Employees are structured across three designation levels, as presented in the table above, reflecting the Group's organisational structure and workforce composition.

Scanwolf values a diverse workforce comprising individuals with different backgrounds, experiences, genders and perspectives. The Group believes that diversity contributes positively to organisational effectiveness by encouraging a broader range of ideas, enhancing creativity and supporting more effective problem-solving and decision-making. Accordingly, the Group continues to foster an inclusive working environment in which employees are respected, supported and provided with fair opportunities to develop their capabilities and contribute to the Group's long-term growth.

SUSTAINABILITY STATEMENT
(CONT'D)

## COMMUNITY DEVELOPMENT

**RELATED UNSDGs:**




Scanwolf remains steadfast in driving positive social change within the greater community. Through our Corporate Social Responsibility ("CSR") initiatives, we contribute to the well-being of the communities where we operate. These encompass an array of programmes, including community engagement sessions, blood donations and charitable donations, to name a few. Scanwolf Board of Directors and Executive Committee spearhead our CSR-related endeavours, including setting the CSR Policy and objectives. We firmly believe that fostering a positive relationship between businesses and communities promotes better social inclusion and creates tangible and favourable outcomes in the long run.

### OUR APPROACH

**Promote involvement of employees and stakeholders to create sustainable value for society**

We advocate the active involvement of our employees and stakeholders in delivering sustainable value for society. We view our stakeholders, including the Group's employees, private sector partners, and government entities, as essential contributors to the welfare of the community. Together, we work hand in hand to promote social progress.

### OUR PERFORMANCE

For both FYE 2025 and FYE 2026, the Group did not record any investments directed towards external beneficiaries, nor were there any beneficiaries arising from community-related investments. Similarly, no employees participated in community impact programmes and no hours were spent on such activities during these periods. This outcome reflects a Nil position across all measured indicators, underscoring the Group's recognition of the need to revisit and strengthen its approach to community engagement in future reporting cycles.

| | FYE 2026 | FYE 2025 | FYE 2024 |
|---|---|---|---|
| Total amount invested where the target beneficiaries are external | Nil | Nil | Nil |
| Total number of beneficiaries of the investment in communities | Nil | Nil | Nil |
| Number of employees participated in community impact programmes | Nil | Nil | Nil |
| Total hours spent on community impact programmes | Nil | Nil | Nil |

## CORPORATE GOVERNANCE

**RELATED UNSDGs:**




Scanwolf is dedicated to maintaining high ethical standards, understanding their importance in securing long-term success. This dedication is reflected in the development of internal systems and corporate policies that comply with Bursa Malaysia's MCCG 2021, providing a robust foundation for effective corporate governance at Scanwolf.

### OUR APPROACH

**Strengthen corporate governance knowledge**

We believe that good governance begins with our Board, who plays a pivotal role in providing strategic oversight and setting the tone for ethical leadership. As stewards of shareholder interests, Scanwolf's Directors carry a fiduciary duty to act in the best interest of the shareholders. To fulfil this responsibility, it is crucial to keep the Board up to date with the latest developments in corporate governance and best practices. By continuously enhancing our Directors' knowledge and equipping them with the appropriate tools, we empower our Board to navigate complex matters and engage in insightful board deliberations.

**Formulate policies, code of conduct and guidelines for executives, employees, and suppliers**

The Group's policies and procedures serve as the guiding framework that shapes our operations and interactions with stakeholders. They are formulated to align with the current laws and regulations and are reviewed periodically to maintain relevancy. The Group's Code of Conduct sets forth a set of principles that define our organisational culture.

**Implement effective policies and guidelines**

To ensure the effectiveness of our policies, we take a diligent approach to enforcement. Central to this effort is our risk and compliance management system, involving internal audits and compliance checks to ensure adherence to applicable laws and regulatory requirements. This also helps us in assessing and mitigating potential challenges. As we move forward, we continually improve our processes towards of a sustainable future.

**Upholding good corporate governance in managing the organisation**

Scanwolf's Board stands as a cornerstone of the Group's ethical governance. They are responsible for ensuring that Scanwolf operates within the parameters of our Code of Conduct. Regular forums and executive sharing sessions are organised to foster robust discourse on relevant matters. These sessions provide a platform for candid discussions, strengthening the Board's ability to lead the business effectively.

**Adopt the Code of Conduct and guidelines for the management, employees and contractors**

We strive to design a work environment that prioritises transparency and accountability through the implementation of relevant policies and guidelines that apply to our management, employees, and contractors. The Group's Code of Conduct is a guiding compass providing clear expectations for ethical behaviours across the organisation.

SUSTAINABILITY STATEMENT
(CONT'D)

## CORPORATE GOVERNANCE (Cont'd)

### OUR PERFORMANCE

Across FYE 2024 to FYE 2026, the Group consistently upheld its commitment to sound corporate governance, ethical conduct, and regulatory compliance, recording zero incidents of corruption in across the years; this was demonstrated through full compliance with laws and regulations, employee sign-off on the Code of Conduct, Whistleblower Policy, and Anti-Bribery and Anti-Corruption Policy, the establishment of a dedicated whistleblowing channel accessible to employees and external stakeholders, and transparency ensured by making these policies publicly available, while the Group further reinforced governance practices by requiring all Directors and employees to adhere to the Code of Ethics and Conduct, which sets out guiding principles on confidentiality, misconduct, and conflict of interest and facilitates whistleblowing with independent reporting to the Audit Committee, maintaining the Anti-Bribery and Corruption Policy with reminders communicated through emails, meetings, and discussions, and setting future targets to expand formal training and conduct comprehensive corruption risk assessments, thereby underscoring its zero-tolerance stance and strengthening investor confidence, stakeholder trust, and transparent business operations year-on-year.

In FYE 2026, 20% of Management, 82% of Executives and 20% of Non-Executives received anti-corruption training, while no General Workers were reported as trained.

## SUPPLY CHAIN MANAGEMENT

### RELATED UNSDGs:




Scanwolf is committed to fostering responsible procurement practices and strengthening supply chain resilience by integrating sustainability principles at every stage of the procurement lifecycle. We are deeply dedicated to supporting local businesses and contributing to economic growth within the communities where we operate and ensure that our sustainability standards and expectations are communicated and upheld by all our suppliers throughout the procurement process.

### OUR APPROACH

All of our suppliers are required to adhere to Scanwolf's sourcing process, which encompasses our principles and guidance for sustainable procurement practices. This policy entails suppliers' adherence to Scanwolf's ethical business practices, including zero corruption, minimising environmental impacts and safeguarding employees' and workers' rights.

We are committed to ensuring that our procurement practices are fair and transparent in order to award tenders to the most credible suppliers while also collaborating with socially and environmentally conscious suppliers.

By implementing the following strategies, Scanwolf aims to create a more sustainable operational model that not only benefits the environment but also strengthens the company's long-term competitiveness and efficiency.

## SUPPLY CHAIN MANAGEMENT (Cont'd)

### OUR PERFORMANCE

Supply chain management remains a material matter to the Group as it underpins stable business operations and consistent product quality. Reliable supplier relationships are critical in managing costs, reducing risks of supply disruptions, and safeguarding the Group's reputation.

The Group is dedicated to promoting responsible procurement practices and enhancing its procurement cycle. Responsible sourcing is pursued by building strong and resilient partnerships with suppliers to safeguard the Group's reputation, ensure product quality, protect customer interests, and mitigate risks related to raw materials and product supply chain disruptions. The Group remains committed to acquiring quality supplies at fair and competitive prices.

In FYE 2026, Scanwolf demonstrated a strong commitment to supporting the local economy by allocating 95% of its procurement budget to local suppliers. This initiative reflects the Group's dedication to fostering local businesses, reducing the carbon footprint associated with long-distance supply chains, and reinforcing community economic growth. By prioritizing local suppliers, the Group not only contributes to sustainable practices but also strengthens relationships within the local supply network.

From an environmental perspective, procuring goods and services locally minimizes the carbon footprint associated with transportation and logistics. The reduction in long-distance shipping requirements translates to lower greenhouse gas emissions, aligning with the Group's sustainability objectives and commitment to reducing its ecological impact.

The Group's emphasis on local sourcing demonstrates its ability to integrate sustainability into operational decisions. This model sets an example for other businesses, showcasing that economic growth and environmental stewardship can coexist when local ecosystems are prioritized. Looking ahead, the Group remains committed to scaling this approach by further enhancing supplier engagement, supporting local innovations, and maintaining transparency in its procurement practices.

| | FYE 2026 | FYE 2025 | FYE 2024 |
|---|---|---|---|
| Proportion of spending on local suppliers | 95% | 82% | 29% |

## SCANWOLF CORPORATION BERHAD

BMLR Transition Period

Date & Time: 2026-10-23_00:00:43

Main Market | Group 2 | FYE 30/06/2026

| Sustainability Matter | Metric | Measurement Unit | 2025 | 2026 | Target | Assurance |
|---|---|---|---|---|---|---|
| Anti-Corruption | Bursa C1(a) Percentage of employees who have received Anti-Bribery and Anti-Corruption training, by employee category (Management) | Percentage % | 0 | 20 | N/A | External (Limited) |
| Anti-Corruption | Bursa C1(a) Percentage of employees who have received Anti-Bribery and Anti-Corruption training, by employee category (Executive) | Percentage % | 0 | 82 | N/A | External (Limited) |
| Anti-Corruption | Bursa C1(a) Percentage of employees who have received Anti-Bribery and Anti-Corruption training, by employee category (Non-Executive) | Percentage % | 0 | 20 | N/A | External (Limited) |
| Anti-Corruption | Bursa C1(a) Percentage of employees who have received Anti-Bribery and Anti-Corruption training, by employee category (General Workers) | Percentage % | 0 | 0 | N/A | External (Limited) |
| Anti-Corruption | Bursa C1(b) Percentage of operations assessed for corruption-related risks | Percentage % | 0 | 0 | N/A | External (Limited) |
| Anti-Corruption | Bursa C1(c) Confirmed incidents of corruption and action taken | Number | 0 | 0 | N/A | External (Limited) |
| Community/Society | Bursa C2(a) Total amount invested in the community where the target-beneficiaries are external to the listed issuer | RM | 0 | 0 | N/A | External (Limited) |

| Sustainability Matter | Metric | Measurement Unit | 2025 | 2026 | Target | Assurance |
|---|---|---|---|---|---|---|
| Community/Society | Bursa C2(b) Total number of beneficiaries of the investment in communities | Number | 0 | 0 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category - Management Under 30) | Percentage % | 0 | 0 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category - Management Between 30-50) | Percentage % | 33 | 80 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category - Management Above 50) | Percentage % | 67 | 20 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category - Executive Under 30) | Percentage % | 14 | 27 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category - Executive Between 30-50) | Percentage % | 65 | 64 | N/A | External (Limited) |

## SCANWOLF CORPORATION BERHAD

BMLR Transition Period

Date & Time: 2026-10-23_00:00:43

Main Market | Group 2 | FYE 30/06/2026

| Sustainability Matter | Metric | Measurement Unit | 2025 | 2026 | Target | Assurance |
|---|---|---|---|---|---|---|
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category - Executive Above 50) | Percentage % | 21 | 9 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category - Non-Executive Under 30) | Percentage % | 11 | 8 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category - Non-Executive Between 30-50) | Percentage % | 71 | 80 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category - Non-Executive Above 50) | Percentage % | 18 | 12 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category - General Workers Under 30) | Percentage % | 35 | 33 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category - General Workers Between 30-50) | Percentage % | 59 | 67 | N/A | External (Limited) |

| Sustainability Matter | Metric | Measurement Unit | 2025 | 2026 | Target | Assurance |
|---|---|---|---|---|---|---|
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category - General Workers Above 50) | Percentage % | 6 | 0 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Gender Group by Employee Category - Management Male) | Percentage % | 100 | 100 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Gender Group by Employee Category - Management Female) | Percentage % | 0 | 0 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Gender Group by Employee Category - Executive Male) | Percentage % | 59 | 36 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Gender Group by Employee Category - Executive Female) | Percentage % | 41 | 64 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Gender Group by Employee Category - Non-executive Male) | Percentage % | 50 | 64 | N/A | External (Limited) |

## SCANWOLF CORPORATION BERHAD

BMLR Transition Period

Date & Time: 2026-10-23_00:00:43

Main Market | Group 2 | FYE 30/06/2026

| Sustainability Matter | Metric | Measurement Unit | 2025 | 2026 | Target | Assurance |
|---|---|---|---|---|---|---|
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Gender Group by Employee Category - Non-executive Female) | Percentage % | 50 | 36 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Gender Group by Employee Category - General Worker Male) | Percentage % | 99 | 100 | N/A | External (Limited) |
| Diversity | Bursa C3(a) Percentage of employees by gender and age group, for each employee category (Gender Group by Employee Category - General Worker Female) | Percentage % | 1 | 0 | N/A | External (Limited) |
| Diversity | Bursa C3(b) Percentage of directors by gender and age group (Male) | Percentage % | 89 | 87 | N/A | External (Limited) |
| Diversity | Bursa C3(b) Percentage of directors by gender and age group (Female) | Percentage % | 11 | 13 | N/A | External (Limited) |
| Diversity | Bursa C3(b) Percentage of directors by gender and age group (Under 30) | Percentage % | 0 | 0 | N/A | External (Limited) |
| Diversity | Bursa C3(b) Percentage of directors by gender and age group (Between 30-50) | Percentage % | 78 | 37 | N/A | External (Limited) |
| Diversity | Bursa C3(b) Percentage of directors by gender and age group (Above 50) | Percentage % | 22 | 63 | N/A | External (Limited) |
| Energy Management | Bursa C4(a) Total energy consumption | Megawatt | 4555.84 | 3023.64 | N/A | External (Limited) |

| Sustainability Matter | Metric | Measurement Unit | 2025 | 2026 | Target | Assurance |
|---|---|---|---|---|---|---|
| Health and Safety | Bursa C5(a) Number of work-related fatalities | Number | 0 | 0 | N/A | External (Limited) |
| Health and Safety | Bursa C5(b) Lost time incident rate ("LTIR") | Rate | 0.45 | 4.53 | N/A | External (Limited) |
| Health and Safety | Bursa C5(c) Number of employees trained on health and safety standards | Number | 64 | 25 | N/A | External (Limited) |
| Labour practices and standards | Bursa C6(a) Total hours of training by employee category (Management) | Hours | 28 | 4 | N/A | External (Limited) |
| Labour practices and standards | Bursa C6(a) Total hours of training by employee category (Executive) | Hours | 179 | 141 | N/A | External (Limited) |
| Labour practices and standards | Bursa C6(a) Total hours of training by employee category (Non-executive) | Hours | 123 | 83 | N/A | External (Limited) |
| Labour practices and standards | Bursa C6(a) Total hours of training by employee category (General Workers) | Hours | 533 | 119 | N/A | External (Limited) |
| Labour practices and standards | Bursa C6(b) Percentage of employees that are contractors or temporary staff | Percentage % | 3.00 | 8.51 | N/A | External (Limited) |
| Labour practices and standards | Bursa C6(c) Total number of employee turnover by employee category (Management) | Number | 0 | 5 | N/A | External (Limited) |
| Labour practices and standards | Bursa C6(c) Total number of employee turnover by employee category (Executive) | Number | 16 | 12 | N/A | External (Limited) |

## SCANWOLF CORPORATION BERHAD

BMLR Transition Period

Date & Time: 2026-10-23_00:00:43

Main Market | Group 2 | FYE 30/06/2026

| Sustainability Matter | Metric | Measurement Unit | 2025 | 2026 | Target | Assurance |
|---|---|---|---|---|---|---|
| Labour practices and standards | Bursa C6(c) Total number of employee turnover by employee category (Non-executive) | Number | 4 | 9 | N/A | External (Limited) |
| Labour practices and standards | Bursa C6(c) Total number of employee turnover by employee category (General Workers) | Number | 38 | 103 | N/A | External (Limited) |
| Labour practices and standards | Bursa C6(d) Number of substantiated complaints concerning human rights violation | Number | 0 | 0 | N/A | External (Limited) |
| Supply Chain Management | Bursa C7(a) Proportion of spending on local suppliers | Percentage % | 82 | 95 | N/A | External (Limited) |
| Data Privacy and Security | Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer | Number | 0 | 0 | N/A | External (Limited) |
| Water Management | Bursa C9(a) Total volume of water used | Megalitres | 23.07 | 21.16 | N/A | External (Limited) |
| Waste Management | Bursa C10(a) Total waste generated | Metric tonnes | 268.77 | 281.01 | N/A | External (Limited) |
| Waste Management | Bursa C10(a)(i) Total waste diverted from disposal | Metric tonnes | 0 | 62 | N/A | External (Limited) |
| Waste Management | Bursa C10(a)(ii) Total waste directed to disposal | Metric tonnes | 268.77 | 219.01 | N/A | External (Limited) |
| Energy Management | Bursa C11(a) Scope 1 emissions in tonnes of CO2e | tCO2e | Nil | Nil | N/A | External (Limited) |

| Sustainability Matter | Metric | Measurement Unit | 2025 | 2026 | Target | Assurance |
|---|---|---|---|---|---|---|
| Energy Management | Bursa C11(b) Scope 2 emissions in tonnes of CO2e | tCO2e | 3371.32 (FY2025 Scope 2 GHG emissions have been calculated retrospectively for comparative purposes. These emissions were not previously disclosed in the FY2025 Sustainability Statement.) | 2237.49 | N/A | External (Limited) |
| Energy Management | Bursa C11(c) Scope 3 emissions in tonnes of CO2e | tCO2e | Nil | Nil | N/A | External (Limited) |

SUSTAINABILITY STATEMENT
(CONT'D)

VAERSA

23rd October 2026

**SCANWOLF CORPORATION BERHAD**
No. 19, 19A, 19B & 19C
Jalan Pusat Perniagaan Falim
Pusat Perniagaan Falim
30200 Ipoh, Perak.

***Attention: Dato' Seah Ley Hong (Managing Director)***

**INDEPENDENT LIMITED ASSURANCE REPORT ON SUBJECT MATTER INFORMATION IN SCANWOLF CORPORATION BERHAD'S SUSTAINABILITY REPORT 2026**

**To the Board of Directors of Scanwolf Corporation Berhad**

We, Vaersa Advisory Sdn. Bhd. have been engaged by Scanwolf Corporation Berhad to perform an independent limited assurance engagement on selected sustainability indicators (hereinafter referred to as the "Subject Matter Information") as reported by Scanwolf Corporation Berhad ("SCANWOLF") in its Sustainability Report for the financial year ended 30th June 2026 ("Sustainability Report 2026").

**Our Limited Assurance Conclusion**

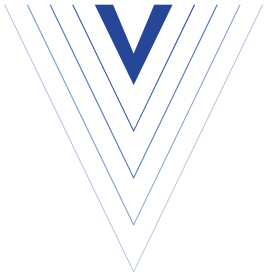
Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information contained in the SCANWOLF's Sustainability Report 2026 for the financial year ended 30th June 2026 has not been prepared, in all material respects, in accordance with the Reporting Criteria.

**Subject Matter Information**

In strengthening the credibility of our reporting, this Sustainability Statement have been subjected to independent assurance in accordance with recognised assurance standards for selected indicators and has been approved by the Company's Audit Committee.

The Scope, Subject Matter(s) covered, and Conclusion (where applicable) are provided below:

| Type of Assurance | Material Matters | Subject Matter | Scope | Conclusion |
|---|---|---|---|---|
| Independent Assurance | Energy Management | Total energy consumption | Operations assessed: Malaysia | Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to |
| | Emissions Management | Scope 1 emissions in tonnes of CO2e | | |
| | | Scope 2 emissions in tonnes of CO2e | | |
| | Water Management | Total volume of water used | | |
| | Waste Management | Total waste generated | | |
| | | Total waste diverted from disposal | | |
| | | Total waste directed to disposal | | |



VAERSA

| | | | | |
|---|---|---|---|---|
| | Labour Practices | Total hours of training by employee category | | believe that the Subject Matter as presented in SCANWOLF's Sustainability Statement have not been prepared and presented fairly, in all material respects, in accordance with the defined Criteria*. |
| | | Percentage of employees that are contractors or temporary staff | | |
| | | Total number of employee turnover by employee category | | |
| | | Number of substantiated complaints concerning human rights violations | | |
| | Diversity and Inclusivity | Percentage of employees by gender and age group, for each employee category | | |
| | | Percentage of directors by gender and age group | | |
| | Health and Safety | Number of work-related fatalities | | |
| | | Lost time incident rate ("LTIR") | | |
| | | Number of employees trained on health and safety standards | | |
| | Anti-Corruption | Percentage of employees who have received training on anti-corruption by employee category | | |
| | | Percentage of operations assessed for corruption-related risks | | |
| | | Confirmed incidents of corruption and action taken | | |
| | Community/Society | Total amount invested in the community where the target beneficiaries are external to the listed issuer | | |
| | | Total number of beneficiaries of the investment in communities | | |
| | Supply Chain Management | Proportion of spending on local suppliers | | |
| | Data Privacy and Security | Number of substantiated complaints concerning breaches of customer privacy and losses of customer data | | |

***Reporting Criteria**

The Subject Matter Information needs to be read and understood together with the Reporting Criteria, which SCANWOLF is solely responsible for selecting and applying. The Reporting Criteria used for the reporting of the Subject Matter Information are as follows:

- SCANWOLF's internal sustainability reporting guidelines and procedures by which the Selected Information is gathered, collated, and aggregated internally; and
- The Global Reporting Initiative's Sustainability Reporting Standards ("GRI standards") for disclosures. (collectively referred to as the "Reporting Criteria").

VAERSA

**Management's Responsibility**

Management of SCANWOLF is responsible for the preparation of the Subject Matter Information included in SCANWOLF's Sustainability Report 2026 in accordance with the Reporting Criteria. This responsibility includes the selection and application of appropriate methods to prepare the Subject Matter Information reported in SCANWOLF's Sustainability Report 2026 as well as the design, implementation, and maintenance of internal control relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error. Furthermore, the responsibility includes the use of assumptions and estimates for disclosures made by SCANWOLF which are reasonable in the circumstances.

**Our Responsibility**

Our responsibility is to express a limited assurance conclusion on the Subject Matter based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the approved standard for assurance engagements in Malaysia, International Standard on Assurance Engagements ("ISAE") 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". This standard requires that we plan and perform this engagement under consideration of materiality to express our conclusion with limited assurance about whether the Subject Matter Information is free from material misstatement. The accuracy of the Subject Matter Information is subject to inherent limitations given their nature and methods for determining, calculating, and estimating such data. Our limited assurance report should therefore be read in conjunction with the Reporting Criteria.

A limited assurance engagement involves assessing the suitability in the circumstances of SCANWOLF's use of the Reporting Criteria as the basis for the preparation of Subject Matter Information, assessing the risks of material misstatement of the Subject Matter Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

**Restriction on Distribution and Use and Disclaimer of Liability to Third Parties and For Any Other Purpose**

This report, including the conclusion, has been prepared solely for the Board of Directors of SCANWOLF in accordance with the agreement between us, in connection with the performance of an independent limited assurance engagement on the Subject Matter Information as reported by SCANWOLF in its Sustainability Report 2026 and should not be used or relied upon for any other purposes. We consent to the inclusion of this report in SCANWOLF's Sustainability Report 2026 to be disclosed on the website of SCANWOLF to assist the Directors in responding to their governance responsibilities by obtaining an independent limited assurance report on the Subject Matter Information in connection with the's Sustainability Report 2026. As a result, we will not accept any liability or responsibility to any other party to whom our report is shown or into whose hands it may come. Any reliance on this report by any third party is entirely at its own risk.

Yours faithfully,

**Quincy Gan Hoong Huat**
**Executive Director**

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**the Board**") of SCANWOLF Corporation Berhad ("**the Company**") and its subsidiaries ("**the Group**") is committed to upholding high standard of corporate governance in fulfilling its responsibilities to the Group stakeholders. This commitment aligns with the recommendations outlined in the Malaysian Code of Corporate Governance 2021 ("**MCCG**" or "**Code**").

The Corporate Governance Overview Statement provides a summary of the Group's corporate governance practices during the financial year ended 30 June 2026 ("**FYE 2026**") with reference to the three (3) key principles set out in the Code:

Principle A : Board leadership and effectiveness
Principle B : Effective audit and risk management
Principle C : Integrity in corporate reporting and meaningful relationship with stakeholder

This statement is to be read together with the Corporate Governance Report ("**CG Report**") FYE 2026, reported in the format prescribed under paragraph 15.25 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**MMLR**"). The CG Report is available for download on the Group's website at www.scanwolf.com or Bursa Securities' website.

The CG Report provides detailed insights into the Group's application of each practice under the Code, any departures from the recommendations, and the alternative measures implemented during the FYE 2026. The Board is of the view that the Group has substantially complied with the Code, except for certain areas, which are fully explained in the CG Report.

## PRINCIPLE A- BOARD LEADERSHIP AND EFFECTIVENESS

### 1. Board Responsibilities

#### 1.1 Strategic Aims, Values and Standards

The Board is responsible and retained full and effective control over the affairs of the Group. The Board is primarily focus on the overall strategic planning for the Group which includes reviewing the annual business plan and budget prepared by management. In addition, the Board performs quarterly review of business and financial performance and periodically review on the efficiency of internal controls and risk management ensuring any deficiency is promptly corrected.

The Board delegated and conferred some of its authorities and discretion on the Chairman, Board Committees, Executive Directors and Management as at FYE 2026. The role of Management is to support the Executive Directors and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

Notwithstanding the delegation of specific powers, the Board retains full responsibility for the direction and control of the Company and the Group. The roles and responsibilities of the Board are clearly set out in the Board Charter and is available on the Company's website at www.scanwolf.com.

The Board Committees are made up of the Audit and Risk Management Committee ("**ARMC**"), Nomination Committee ("**NC**") and Remuneration Committee ("**RC**"); and are entrusted with specific responsibilities to oversee the Group's affairs, with authority to act on behalf of the Board in accordance with their respective Terms of Reference ("**TOR**"). The TOR of the Board Committees are published on the corporate website at www.scanwolf.com.

The Chairman of each Board Committees reports to the Board on key matters deliberated at the respective Committee meetings, thereby ensuring that the Board is well informed on all significant issues and recommendations requiring its consideration or approval.

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

### 1. Board Responsibilities (Cont'd)

#### 1.1 Strategic Aims, Values and Standards (Cont'd)

In general, the roles of Independent Non-Executive Directors are to constructively challenge Management and monitor the success of Management in delivering the approved targets and business plans within the risk appetite set by the Board. They have free and open contact with Management at all levels, and they engage with the external and internal auditors to address matters concerning Management and oversight of the Company's business and operations.

Key matters reserved for the Board's approval include the annual business plan and budget, capital management and investment policies, authority limits/levels, risk management policies, declaration of dividends, business continuity plan, issuance of new securities, business restructuring, expenditure above a certain limit, material acquisitions and disposition of assets.

The Board is satisfied that each Director has devoted sufficient time and attention to the Company's affairs, enabling them to discharge their fiduciary duties effectively. This commitment is reflected in their attendance and active participation at Board and Board Committee meetings held during the financial year under review.

The details of the Board members and their attendance at Board and Board Committee meetings for the FYE 2026 are as follows:

| Name of Director | Board | ARMC | NC | RC |
|---|---|---|---|---|
| Dato' Dr Chew Chen Yee *(resigned on 15 October 2025)* | 1/1* | – | – | – |
| Dato' Tan Sin Keat *(retired on 30 June 2026)* | 5/5* | – | – | – |
| Dato' Cheong Chen Khan *(resigned on 1 October 2025)* | 1/1* | – | – | – |
| Mr. Lim Kian Huat *(resigned on 15 October 2025)* | 1/1* | 1/1* | 1/1* | 1/1* |
| Dato' Ir Haji Cheremi Bin Haji Tarman *(appointed on 16 October 2025)* | 4/4* | – | – | – |
| Mr. Fong Keng Mun *(appointed on 16 October 2025)* | 4/4* | – | – | – |
| Mr. Ng Chee Wai | 5/5 | – | – | – |
| Mr. Khoo Kien Hoe | 5/5 | 4/4 | 1/1 | 1/1 |
| Ms. Lee Pei Fen | 5/5 | 4/4 | 1/1 | 1/1 |
| Mr. Teoh Wei Loong | 5/5 | 3/3* | 1/1 | 1/1 |
| Dato' Seah Ley Hong | 5/5 | – | – | – |

*Note: * The number of meetings held during the time the Director held office*

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

### 1. Board Responsibilities (Cont'd)

#### 1.1 Strategic Aims, Values and Standards (Cont'd)

To ensure that the Directors are able to dedicate sufficient time and attention to effectively discharge their duties and responsibilities, a Director of the Company must not hold directorships of more than five (5) Public Listed Companies and must be able to commit sufficient time to the Company.

Each Director is required to notify the Company of any changes to his or her directorships in other companies. The Company Secretary maintains and monitors a record of such disclosures to ensure ongoing compliance and to facilitate timely notification to the Companies Commission of Malaysia and Bursa Malaysia Securities Berhad, where applicable.

The Board recognises the importance of continuous professional development in enabling Directors to effectively fulfil their fiduciary and oversight responsibilities. Directors are therefore encouraged to participate in training programmes, seminars, and industry briefings to enhance their knowledge and keep abreast of evolving regulatory, business, and corporate governance developments relevant to the Group's operations.

The training programmes and professional development activities attended by the Directors during the financial year under review are as follows:-

| Name of Director | Course Title | Date |
|---|---|---|
| Dato' Ir Haji Cheremi Bin Haji Tarman | - Bursa Malaysia Mandatory Accreditation Programme (MAP) | 4 – 5 March 2026 |
| Dato' Seah Ley Hong | - Project Management Essentials | 29 – 30 June 2026 |
| Mr. Ng Chee Wai | - Kursus Integriti Dan Kod Etika Kontraktor<br>- Virtual MIA International Accountants Conference 2026 | 4 March 2026<br>9 – 10 June 2026 |
| Mr. Khoo Kien Hoe | - Leading Governance for Sustainable Growth<br>- 2026 Budget Seminar<br>- Duties and Responsibilities of company secretaries as reporting institutions under AMLA 2001 | 19 – 20 August 2025<br>3 November 2025<br>23 June 2026 |
| Ms. Lee Pei Fen | - Critical Thinking & Decision-Making: A Future-Ready Driver of Competitive Advantage<br>- Project Management Essentials | 26 June 2026<br>29 – 30 Jun 2026 |
| Mr. Teoh Wei Loong | - Anti-Bribery & Corruption Awareness | 31 March 2026 |
| Mr Fong Keng Mun | - Bursa Malaysia Mandatory Accreditation Programme (MAP)<br>- Anti-Bribery & Corruption Awareness | 28 – 29 January 2026<br>31 March 2026 |

The NC will continue to assess and identify the training and development needs of the Directors to ensure that they are equipped with the necessary knowledge and skills to effectively discharge their fiduciary and leadership responsibilities.

For Directors who did not attend any formal training programmers during the financial year under review, ongoing knowledge enhancement was achieved through regular updates and briefings by the Internal Auditors, External Auditors and Company Secretaries at the ARMC and Board meetings. These sessions covered current developments in statutory and regulatory requirements, corporate governance practices, and financial reporting standards.

In addition, the Directors remained informed on key business, regulatory, and industry matters through continuous reading of relevant materials and publications, as well as by actively engaging with professional advisers and management personnel to seek guidance on specific technical or governance matters.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

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

### 1. Board Responsibilities (Cont'd)

#### 1.2 Chairman of the Board

The Non-Independent Non-Executive Deputy Chairman of the Board, Dato' Dr Chew Chen Yee resigned as Non-Independent Non-Executive Chairman on 15 October 2025. Following his departure, the Board is led by the Independent Non-Executive Chairman, Dato' Ir Haji Cheremi Bin Haji Tarman supported by an experienced Board, comprising members with wide ranging experience in relevant fields such as general management, accounting and finance industry.

The Chairman is responsible for leading the Board and ensures that all Directors are furnished with timely, accurate, and comprehensive information, both financial and non-financial matters, to facilitate informed and effective participation in Board deliberations and decision-making .

He provides strategic leadership and guidance to the Board to create a conducive environment that fosters open dialogue, constructive debate, and effective decision-making. In fulfilling this role, the Chairman ensures that Board meetings are conducted in an orderly and efficient manner, that no individual Director dominates discussions, and that differing views and perspectives are duly considered before decisions are made.

Other key responsibilities of the Chairman include leading the Board in the oversight of Management, ensuring the integrity and effectiveness of the Group's governance framework; promoting a culture of high standards of corporate conduct and ethical behaviour; maintaining regular engagement with senior management on operational and strategic matters; and consulting fellow Board members on significant issues or concerns that may affect the Group.

The Chairman is not a member of the ARMC, RC and NC, thereby ensuring a clear separation of responsibilities and preserving the independence of the respective Board Committees.

#### 1.3 Separation of the position of Chairman and the Managing Director

The Board has established clear roles and responsibilities in discharging its fiduciary and leadership functions. The roles of Chairman and Managing Director of the Company are separately held and each has clearly accepted division of responsibilities and accountability to ensure a balance of power and authority. This segregation of roles also facilitates a healthy open exchange of views between the Board and Management in their deliberation of the business, strategic and key activities of the Group.

The Non-Independent Non-Executive Deputy Chairman of the Board, Dato' Dr. Chew Chen Yee resigned on 15 October 2025. Following his departure, the Board is led by the Independent Non-Executive Chairman, Dato' Ir Haji Cheremi Bin Haji Tarman, whilst the executive management of the Group is headed by Dato' Seah Ley Hong, the Managing Director.

There is a distinct and well-defined separation between the roles of the Chairman and the Managing Director. The Chairman is responsible for leading the Board and ensuring that it functions effectively in the discharge of its governance responsibilities. In contrast, the Managing Director is responsible for the overall day-to-day management and operations of the Group, the execution of Board-approved strategies, and the achievement of the Group's business objectives.

This clear division of responsibilities helps to ensure that no individual has unfettered decision-making power and that appropriate checks and balances are in place between the Board's oversight role and Management's operational responsibilities.

The detailed responsibilities of the Chairman are set out in Practice 1.2 of the CG Report and further defined in the Board Charter, which is available on the Company's website at www.scanwolf.com.

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

### 1. Board Responsibilities (Cont'd)

#### 1.4 Qualified and competent Company Secretary

The Board is assisted by two (2) suitably qualified and competent Company Secretaries who play a vital role in advising the Board in relation to the Group's constitution, policies, procedures and compliance with the relevant regulatory requirements, codes, guidance and legislations.

The Company Secretaries support the Board by ensuring that all Board and Board Committee meetings are properly conducted and deliberations are well captured and recorded. The Company Secretaries also keep the Board updated on changes in the MMLR of Bursa Securities and directives issued by the regulatory authorities, and the resultant implications to the Company and the Directors in relation to their duties and responsibilities.

All Directors have unrestricted and independent access to the professional advice and support services of the Company Secretaries, who play a vital role in ensuring the effective functioning and integrity of the Board's governance processes.

#### 1.5 Access to information and advice

The Board has full and unrestricted access to all information pertaining to the Group's businesses affairs, whether as a full Board or in their individual capacity, to enable them to discharge their duties effectively. Prior to each board meeting, board members receive the meeting agenda and a comprehensive set of board papers including supporting documents related to the matters for discussion. These are provided at least one (1) week in advance, ensuring sufficient time for review and evaluation. The matters include, among others, the Group quarterly and annual financial results of the Group, annual budget, reports on market updates and development, corporate dealings and proposals.

The Board's deliberations and decisions are duly recorded in the minutes. The Chairman of the respective Committees brief the Board on key discussions and outcomes from their committee meetings. While the committee recommendations are considered, the final decision rests with the Board.

The Directors, whether acting as a full Board or in their individual capacity, may seek independent professional advice on matters within the scope of their duties, where necessary, and at the Group's expense, subject to prior approval of the Board. The right ensures that Directors are equipped with the appropriate resources to make well-informed and objective decisions in the best interests of the Company.

### 2. Demarcation of responsibilities

#### 2.1 Board Charter

The Board Charter outlines the roles, responsibilities, and authorities of the Board and its Committees, providing clarity on the governance structure and processes to ensure accountability and effective oversight.

It serves as a reference for Directors in carrying out their fiduciary duties and promoting good corporate governance practices within the Group. The Board reviews the Charter periodically to ensure its continued relevance and alignment with regulatory requirements and best practices.

The Board Charter of the Company is available at the Company's website at www.scanwolf.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

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

### 3. Good business conduct and corporate culture

#### 3.1 Code of Ethics and Conduct

The Company's Code of Conduct and Ethics serve as a guiding framework for the Directors of the Group in upholding the highest standards of integrity, professionalism and ethical behaviour standards in discharging their duties.

The Code of Conduct and Ethics address key principles such as corporate governance; conflict of interest; relationship with employees, shareholders and business partners; social responsibilities and environmental commitment; compliance with laws, rules and regulations; and insider dealings in securities.

The Company's Code of Conduct and Ethics is available at the Company's website at www.scanwolf.com.

#### 3.2 Whistleblowing Policy

The Group is committed to promoting a culture of honesty, ethical behavior and good corporate governance within the Group where the Directors, employees or any persons are encouraged to raise genuine concerns regarding suspected fraud, illegal conduct, wrongdoing and other malpractices at the earliest opportunity, and in an appropriate way.

The Company has adopted a Whistleblowing Policy to delineate whistleblowing procedures as an independent feedback avenue for employees and stakeholders to raise matters of concern in good faith and without fear of reprisal should they require to use the available whistleblowing channels.

The Whistleblowing Policy is accessible on the Company's website at www.scanwolf.com.

#### 3.3 Anti-Bribery & Corruption Policy

The Anti-Bribery & Corruption Policy was established to uphold the Group's commitment to conducting business with integrity, transparency, and the highest ethical standards. The Policy aims to prevent, detect, and address any form of bribery or corrupt practices within the Group's operations.

The Group adopts a zero-tolerance approach towards bribery and corruption and is committed to acting professionally, fairly, and in compliance with all applicable laws, including the Malaysian Anti-Corruption Commission Act 2009, the Malaysian Anti-Corruption Commission (Amendment) Act 2018, and any subsequent amendments or re-enactments thereof.

This Policy applies to all Directors, employees, and business partners of the Group, and reinforces the Group's commitment to implementing and maintaining effective systems, controls, and procedures to prevent and combat bribery and corruption in all business dealings.

#### 3.4 Environmental, Social and Governance (ESG)

The Group recognises the importance of ESG considerations as integral part of sustainable business practices. The Group remains committed to operating responsibly by embedding ESG principles into our strategies, operations, and corporate culture to create long-term value for the stakeholders.

A proactive approach is adopted to manage risks and opportunities arising from environmental and social developments while upholding strong governance standards. Efforts are undertaken to minimise the environmental footprint, foster positive social impact, and ensure transparency and accountability across all levels of the organization.

The details of the Group's sustainability initiatives and performance are disclosed in the Sustainability Statement of this Annual Report.

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

### II. BOARD COMPOSITION

#### 4. Board Objectivity

##### 4.1. Board composition

On 1 October 2025, Mr. Cheong Chen Khan resigned as Executive Director. Subsequently, on 15 October 2025, Dato' Dr Chew Chen Yee resigned as the Non-Independent Non-Executive Deputy Chairman and Mr. Lim Kian Huat resigned as Independent Non-Executive Director ("**INED**").

Following these changes, on 16 October 2025, Dato' Ir Haji Cheremi Bin Haji Tarman were appointed as Independent Non-Executive Chairman and Mr. Fong Keng Mun were appointed as the INED on the same day.

Subsequently, Dato' Tan Sin Keat retired as Executive Director on 30 June 2026.

As the date of this statement, the Board currently consists of seven (7) directors comprising five (5) Independent Non-Executive Directors, one (1) Executive Director and one (1) Managing Director. The Independent Directors constitutes 71.4% of the Board which aligns with the MMLR requirements that a minimum of two (2) Directors or 1/3 of the Board, whichever is higher, to be Independent Directors.

The Constitution of the Company provides a minimum of two (2) and a maximum of twelve (12) Directors. The composition and size of the Board should be such that it facilitates the making of informed and critical decisions without limiting the level of individual participation, involvement and effectiveness.

| Name | Designation |
|---|---|
| Dato' Ir Haji Cheremi Bin Haji Tarman | Independent Non-Executive Chairman |
| Dato' Seah Ley Hong | Managing Director |
| Mr. Ng Chee Wai | Executive Director |
| Mr. Khoo Kien Hoe | Independent Non-Executive Director |
| Ms. Lee Pei Fen | Independent Non-Executive Director |
| Mr. Teoh Wei Loong | Independent Non-Executive Director |
| Mr. Fong Keng Mun | Independent Non-Executive Director |

The brief profile of all Directors are provided under the "Profile of Directors" section of this Annual Report.

##### 4.2 The tenure of an independent director

The Board is mindful of the Code recommendation that the tenure of an Independent Director should not exceed a cumulative or consecutive term of nine (9) years with intervals. An Independent Director who has served beyond the prescribed nine (9) years may continue to serve the Board, subject to re-designation as Non-Independent Non-Executive Director.

As at the date of this statement, none of the Independent Directors have served on the Board for a cumulative or consecutive term exceeding nine (9) years.

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

### II. BOARD COMPOSITION (CONT'D)

#### 4. Board Objectivity (Cont'd)

**4.3 Policy on the tenure of an independent director**

In accordance with the Board Charter, the tenure of Independent Directors is limited to a cumulative or consecutive term of nine (9) years. Should the Board wish to retain a Director as an Independent Director beyond this period, the Board must provide a strong justification and obtain shareholders' approval at the Annual General Meeting ("**AGM**").

**4.4 Diversity of the Board and Senior Management**

The Board recognises the importance of diversity in strengthening board dynamics and decision making. Appointments to the Board and Senior Management are made based on objective criteria, merit, and due consideration of diversity in terms of skills, experience, age, cultural background and other relevant attributes that contribute to an effective and balanced leadership team.

**4.5 Gender diversity**

At present, the Company maintains a gender diversity policy which encapsulates the objectives, principles and measures of the Group's diversity culture. The Board is supportive in upholding gender diversity within the boardroom and the Management with due consideration on merited factors, such as, skills, experience, attitude and suitability of any potential candidates.

Hence, as part of the Company's succession planning, gender diversity objectives will constantly be observed as a key consideration by the Company even without any specific targets determined. Additionally, the Board will look into the scope and measures of the policy on a regular basis, in ensuring its on-going effectiveness and applicability.

**4.6 Diverse sources for new candidate(s) for Board appointment**

The Company has established a structured process for the identification and selection of new Directors. The Nomination Committee is responsible for assessing potential candidates based on to ensure high levels of professional skills and appropriate personal qualities such as mix skills, competencies, experience, professionalism and other relevant qualities to manage the Company effectively.

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

### II. BOARD COMPOSITION (CONT'D)

#### 4. Board Objectivity (Cont'd)

##### 4.7 Nomination Committee

On 15 October 2025, Mr. Lim Kian Huat ceased to be the Chairman of the NC following his resignation as an Independent Non-Executive Director. Subsequently, Mr. Teoh Wei Loong was appointed as the new Chairman of the NC on 16 October 2025.

As the date of this statement, the NC comprises solely Independent Non-Executive Directors, and its composition is as follows:

| | |
|---|---|
| Chairman: | Mr. Teoh Wei Loong<br>Independent Non-Executive Director |
| Members: | Mr. Khoo Kien Hoe<br>Independent Non-Executive Director<br><br>Ms. Lee Pei Fen<br>Independent Non-Executive Director |

The NC would meet at least once annually with additional meetings convened on as and when needed basis.

During the financial year under review, key activities undertaken by the NC are summarised as follows:

a) Reviewed Board structure, size and composition.
b) Reviewed and assessed the Board of Directors mix of skills, experience and other qualities, including core competencies.
c) Assessed effectiveness of the Board as a whole, the committees of the Board, and the contribution of each individual director.
d) Assessed the independence of the Independent Directors.
e) Discussed the character, experience, integrity and competence of the Directors, chief executive or chief financial officer and ensured that they have the time to discharge their respective roles.
f) Conducted annual assessment on Board, Board Committees and individual Directors.
g) Discussed and recommended the re-election of Directors, as applicable at AGM.

The TOR of the NC is published on the Company's website.

#### 5. Board Assessment

##### 5.1 Overall Effectiveness of the Board and Individual Director

The NC is responsible for overseeing the annual assessment of the overall effectiveness of the Board, its committees and the individual Directors. The evaluation process was carried out through a structured questionnaire comprising both quantitative and qualitative criteria to assess various aspects, including the Board's composition, mix of skills, experience, contribution, and overall governance effectiveness.

The NC, upon conclusion of the exercise carried out on 26 August 2026, was satisfied that the Board and Board Committee composition had fulfilled the criteria required, possess a right blend of knowledge, experience and the appropriate mix of skills. Additionally, Independent Directors were assessed to be objective in exercising their judgement.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

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

### III. REMUNERATION

#### 6. Level and composition of Remuneration

##### 6.1 Remuneration Policy

The Group recognises that attracting and retaining Directors and Senior Management of high calibre is vital to its long-term success. The RC is established to develop and recommend remuneration strategies that align performance with reward, ensuring that remuneration packages are competitive and commensurate with the scope of responsibilities and individual performance.

The RC is responsible for formulating the remuneration framework, assessing and recommending remuneration packages for Directors and Senior Management, and undertaking other related matters prior to submission to the Board for approval. In making its recommendations, the RC takes into account the Director's experience, level of responsibility, contribution, and overall performance. Directors' fees and benefits for Non-Executive Directors are proposed by the Board and approved by shareholders at the AGM.

The Group's Remuneration Policy provides clear guidance on the administration and determination of remuneration matters within the Company. The key principles of the policy are summarised as follows:

a) Executive Directors – Salaries are set at a competitive level, benchmarked against similar roles in comparable industries, and reflect the Director's skills, experience, responsibilities, and performance.
b) Non-Executive Directors – Fees and benefits payable are subject to shareholders' approval at the AGM.
c) Meeting Allowance – All Directors are entitled to a fixed allowance for each meeting attended during the year.
d) Independent Advice – The RC may seek independent professional advice, where necessary, in determining appropriate remuneration packages.

##### 6.2 Remuneration Committee

On 15 October 2025, Mr. Lim Kian Huat ceased to be a member of the RC following his resignation as an Independent Non-Executive Director. Subsequently, on 16 October 2025, Mr. Teoh Wei Loong was appointed as the new member of the RC.

As at the date of this statement, the RC comprised solely of Independent Non-Executive Directors and its composition is as follows:

| | |
|---|---|
| Chairman: | Ms. Lee Pei Fen<br>Independent Non-Executive Director |
| Members: | Mr. Khoo Kien Hoe<br>Independent Non-Executive Director<br><br>Mr. Teoh Wei Loong<br>Independent Non-Executive Director |

The RC is responsible for reviewing and recommending matters related to the remuneration of the Board and Senior Management. The RC operates under a written TOR which clearly outlines its authority, roles and responsibilities. The TOR is available on the Company's website at www.scanwolf.com.

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

### III. REMUNERATION (CONT'D)

#### 6. Level and composition of Remuneration (Cont'd)

##### 6.2 Remuneration Committee (Cont'd)

The key duties and responsibilities of the RC included the following:

a) To determine and recommend to the Board the framework or board policy for the remuneration, in all forms, of the Executive Director and/or any other persons as the Committee is designated to consider by the Board, drawing from outside advice as necessary; and

b) To implement/maintain a reward system for executive directors based on their performance against the Group's overall results. In determining the appropriate level of remuneration, the RC considers various factors including the position and scope of responsibilities, business strategy and long-term objectives of the Group, complexity of Group's activities, performance, length of service, experience, and market competitiveness.

#### 7. Remuneration of Directors and Senior Management

##### 7.1 Details of Directors' remuneration

The details of the remuneration received and receivable by the Directors of the Company from the Company for the FYE 2026 are as follow:-

| | Fee (RM) | Salaries (RM) | Others* (RM) | Total (RM) |
|---|---|---|---|---|
| **Managing Director** | | | | |
| Dato' Seah Ley Hong | 30,000 | – | – | 30,000 |
| **Executive Directors** | | | | |
| Mr. Ng Chee Wai | 30,000 | 264,000 | 201,493 | 495,493 |
| Dato' Tan Sin Keat (retired on 30 June 2026) | 30,000 | 374,556 | 222,005 | 626,561 |
| Mr. Cheong Chen Khan (resigned on 1 October 2025) | – | – | – | – |
| **Independent Directors** | | | | |
| Dato' Ir Haji Cheremi Bin Haji Tarman (Appointed on 16 October 2025) | 36,000 | – | – | 36,000 |
| Mr. Teoh Wei Loong | 30,000 | – | – | 30,000 |
| Mr. Khoo Kien Hoe | 30,000 | – | – | 30,000 |
| Ms. Lee Pei Fen | 30,000 | – | – | 30,000 |
| Mr. Fong Keng Mun (Appointed on 16 October 2025) | 36,000 | – | – | 36,000 |
| Mr. Lim Kian Huat (resigned on 15 October 2025) | – | – | – | – |
| **Non-Independent Director** | | | | |
| Dato Dr Chew Chen Yee (resigned on 15 October 2025) | – | – | – | – |
| **Total** | **252,000** | **638,556** | **423,498** | **1,314,054** |

* Others refer to the Company's EPF, SOCSO and EIS contributions and allowances.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

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

### III. REMUNERATION (CONT'D)

#### 7. Remuneration of Directors and Senior Management (Cont'd)

##### 7.2 Details of top five senior management's remuneration on name basis

In view of the confidential and commercially sensitive nature of remuneration information, as well as the highly competitive environment for talent retention, the Board is of the opinion that disclosure of the detailed remuneration of the Company's Senior Management personnel who are not Directors on a named basis is not in the best interest of the Group.

The Board believes that maintaining confidentiality in this regard is important to safeguard the Group's competitiveness, ensure business continuity, and retain a competent and experienced Management team to drive the Group's long-term performance.

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

### I. AUDIT COMMITTEE

#### 8. Effective and independent Audit and Risk Management Committee

##### 8.1 The Chairman of the ARMC is not the Chairman of the Board

The ARMC of the Group comprises of three (3) Independent Non-Executive Directors. The ARMC was chaired by Mr. Khoo Kien Hoe, who is an Independent Non-Executive Director. Following the departure of the Deputy Chairman, Dato' Dr Chew Chen Yee on 15 October 2025, the Board is led by Dato' Ir Haji Cheremi Bin Haji Tarman on 16 October 2025, ensuring a clear separation of roles between the leadership of the Board and that of the ARMC.

The composition of the ARMC complies with Paragraphs 15.09 and 15.10 of the MMLR of Bursa Securities and the MCCG, which all three (3) ARMC members are Independent Non-Executive Directors. None of the Independent Directors have appointed alternate directors.

As at the date of statement, the composition of the ARMC is as follows:

| | |
|---|---|
| Chairman: | Mr. Khoo Kien Hoe<br>Independent Non-Executive Director |
| Members: | Ms. Lee Pei Fen<br>Independent Non-Executive Director<br><br>Mr. Teoh Wei Loong<br>Independent Non-Executive Director |

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

### I. AUDIT COMMITTEE (CONT'D)

#### 8. Effective and independent Audit and Risk Management Committee (Cont'd)

**8.2 Policy requiring former key audit partner to observe 3-year cooling off period**

As at to-date, the Company has not appointed any former audit partner as a member of the ARMC.

Nevertheless, the Board has updated its Board Charter to stipulate that no former key audit partner shall be appointed as a member of the ARMC unless he/she has observed a cooling-off period of at least three (3) years before the appointment.

**8.3 Policy and procedures to assess the suitability, objectivity and independence of the external auditor**

During the financial year under review, the ARMC conducted an annual assessment of the suitability, objectivity and independence of External Auditors. The evaluation was based on, among others, the following key criteria:-

- the quality of audit procedures and work provided;
- the adequacy of experience, technical support and resources;
- the independence and objectivity of external auditors;
- the internal communication quality of external auditors with the Board and/or ARMC; and
- any other criteria deemed fit by the ARMC and/or the Board.

The External Auditors had provided a confirmation to the ARMC that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

Based on the assessment conducted, the ARMC was satisfied with the competency, suitability and independence of the External Auditors. The ARMC also reviewed the nature and extent of non-audit services rendered during the financial year and was satisfied that such services did not compromise their independence or objectivity. Accordingly, the ARMC recommended the re-appointment of the External Auditors to the Board, which in turn will seek shareholders' approval at the 20th AGM.

The ARMC also met with External Auditors at least twice during the financial year to discuss the audit plans, audit findings and the Company's financial statements. At least one of these sessions was held without the presence of the Executive Directors and the Management to ensure an open and independent exchange of views. Also, the ARMC meets with the external auditors additionally whenever the need arises. Two (2) such meetings were held on 27 August 2026 and 26 October 2026, respectively.

In addition, the External Auditors attended the AGM, where they were available to respond to questions raised by shareholders on matters relation to the audited financial statements.

**8.4 Composition of the ARMC**

The ARMC comprises solely Independent Non-Executive Directors, reflecting the Board's commitment to maintaining objectivity and independence in the oversight of financial reporting and audit matters.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

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

### I. AUDIT COMMITTEE (CONT'D)

#### 8. Effective and independent Audit and Risk Management Committee (Cont'd)

**8.5 Diversity in skills of the ARMC**

The composition of the ARMC complies with the requirements of Paragraph 15.09 of the MMLR of Bursa Securities, which stipulates that members must possess a range of skills, knowledge and experience relevant to the responsibilities of the ARMC.

The current ARMC members collectively bring with them extensive experience in finance, accounting, audit, commercial operations, and capital markets, enabling them to provide effective oversight and constructive challenge to Management.

To ensure the ARMC remains well-informed of current developments, the ARMC members continuously participate in relevant training and professional development programmes, keeping abreast of the latest updates in accounting standards, auditing practices, corporate governance and regulatory requirements.

### II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

#### 9. Effective risk management and internal control framework

**9.1 Effective risk management and internal control framework.**

To ensure the effectiveness of its governance and oversight responsibilities, the Board is supported by the ARMC, which functions as an oversight body to review the adequacy and integrity of the Group's control systems. The ARMC also conducts ongoing assessments on the adequacy and effectiveness of the Group's risk management and internal control practices.

In discharging these responsibilities, the Board is further supported by the Management, which is responsible for developing, implementing and monitoring the risk management framework and related practices across the organisation. Management also provides assurance that the established control procedures are properly adhered to and executed in line with approved policies and frameworks.

The key elements and overall state of the Group's internal control and risk management framework are detailed in the Statement on Risk Management and Internal Control included in this Annual Report.

#### 10. Effective governance, risk management and internal control

**10.1 Effective of internal audit function**

In accordance with the TOR of the ARMC, one of the key responsibilities of the ARMC is to review and assess the adequacy and effectiveness of the Company's internal audit function.

The internal audit function is outsourced to an independent professional firm, which reports directly to the ARMC. This arrangement ensures objectivity and independence in providing regular reports on the state of internal control across the Group's operations, including the level of compliance with established policies and procedures.

On an annual basis, the ARMC carries out an assessment on the performance of the outsourced internal audit function and reports such assessment to the Board.

Further details of the internal audit function and related activities are disclosed in the Statement on Risk Management and Internal Control and the Audit and Risk Management Committee Report of this Annual Report.

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

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

#### 10. Effective governance, risk management and internal control (Cont'd)

**10.2 Disclosure on the internal audit function**

The internal audit function operates independently from the Group's day-to-day operations and is outsourced to a qualified and competent consulting firm that is adequately resourced to meet the Group's internal audit requirements. The service provider has provided reasonable assurance that the Group's internal control and risk management systems are satisfactory and functioning effectively.

The internal auditors adopt a risk-based audit approach in planning and conducting their audit reviews, which aligns with the Group's overall framework in designing, implementing and monitoring its internal control system.

Details of the internal audit activities undertaken during the financial year are disclosed in the ARMC Report of this Annual Report.

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

### I. COMMUNICATION WITH STAKEHOLDERS

#### 11. Continuous Communication between the Company and stakeholders

**11.1 Effective, transparent and regular communication with its stakeholders.**

The Board recognises that effective communication is vital to fostering mutual understanding and confidence between the Group and its stakeholders. To ensure transparency and accessibility, the Group disseminates information on its financial performance, business operations, and corporate developments through timely announcements to Bursa Malaysia Securities Berhad, the Company's website, press releases, and the Annual Report, in accordance with the disclosure requirements of the MMLR.

Additionally, the Company emphasises on providing a principal platform for dialogue and interactions with stakeholders, i.e. primarily its shareholders, through its AGM. The AGM serves as the key platform for direct engagement with shareholders, enabling them to seek clarification and provide feedback on the Company's activities, performance, and proposed resolutions.

**11.2 Integrated Reporting**

Integrated Reporting is currently not applicable to the Group, as the Company does not fall within the definition of "Large Company" under the MCCG.

## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

### II. CONDUCT OF GENERAL MEETINGS

#### 12. Encourage Shareholder Participation at General Meetings

**12.1 Notice for an Annual General Meeting**

The notice to the Nineteenth ("**19th**") AGM held in 2025 was circulated to shareholders more than twenty-eight (28) days prior to the meeting date. This provided shareholders with sufficient time to review the agenda items and make the necessary arrangements to participate in the AGM effectively.

**12.2 All directors to attend General Meetings**

All the Directors of the Company are expected to attend General Meetings to engage directly with shareholders and to address any questions related to matters within the purview of the Board or its Committees, unless unforeseen circumstances prevent them from doing so.

All Directors were present at the 19th AGM of the Company held on 27 November 2025.

The shareholders present at the AGM were invited to ask questions on the proposed resolutions before the poll voting was conducted.

**12.3 Leveraging on technology for voting in absentia and remote shareholders' participation**

General meetings serve as key channels of communication between the Company and its shareholders, providing opportunities for meaningful engagement with the Board and Senior Management.

The 19th AGM, held on 27 November 2025, marked the Company's return to a physical meeting format following a five-year hiatus due to the COVID 19 pandemic. This in person session enabled direct interaction between shareholders and the Board.

At the AGM, the Board presents the Group's business and financial performance for the financial year. Shareholders are encouraged to attend the meeting and seek clarification about the performance and operations of the Group. All members of the Board, Senior Management, Company Secretaries and External Auditors were present at the AGM to address queries raised by the shareholders. For shareholders who are unable to attend, they are allowed to appoint proxies to attend and vote on their behalf.

## COMPLIANCE STATEMENT

The Board recognises the importance of continuously enhancing corporate governance practices to strengthen trust and confidence among stakeholders.

The Board is satisfied that this statement provides the necessary information for shareholders to assess the manner in which the principles and practices of the MCCG have been applied, and how the obligations under the MMLR of Bursa Securities have been fulfilled.

The Board remains committed to upholding high standards of corporate governance across the Group and will continue to review and improve its practices to ensure ongoing compliance and effectiveness.

This Corporate Governance Overview Statement was approved on 26 October 2026.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Board of Directors ("**Board**") of Scanwolf Corporation Bhd. ("**Scanwolf**" or "**the Company**") is pleased to present the Statement on Risk Management and Internal Control ("**Statement**") of the Company and its subsidiaries ("**the Group**") for the financial year ended 30 June 2026 ("**FYE 2026**").

This Statement is made pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and is prepared in accordance with the Malaysian Code on Corporate Governance ("**MCCG**"), Main Market Practice Note 9 and the Statement on Risk Management and Internal Control (SORMIC) Guide 2025 issued by The Institute of Internal Auditors Malaysia (IIAM). It outlines the nature and scope of the Group's risk management and internal control framework, as well as the processes adopted by the Board in reviewing the adequacy and effectiveness of these systems.

## BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility for maintaining a sound system of risk management and internal control within the Group. This includes establishing an appropriate control environment, ensuring that significant risks are identified and appropriately managed, and reviewing the adequacy and effectiveness of the Group's risk management and internal control systems.

The risk management and internal control systems are designed to support the Group in achieving its strategic and operational objectives, safeguarding its assets, maintaining the reliability and integrity of financial and operational information, and ensuring compliance with applicable laws, regulations and internal policies.

The Board, through the Audit and Risk Management Committee ("**ARMC**"), regularly reviews the effectiveness and integrity of these systems. The Board recognises that the Group's risk management and internal control systems are designed to manage risks within acceptable levels rather than to eliminate all risks. Accordingly, these systems can provide reasonable, but not absolute, assurance against material misstatement, financial loss, fraud or other uncertainties.

## RISK MANAGEMENT

The Board regards effective risk management as an integral component of the Group's business operations and decision-making processes. The Group adopts a structured approach to identifying, assessing, monitoring and managing risks that may affect the achievement of its strategic and operational objectives.

Key areas of risk considered by the Group include, amongst others:

- **Strategic and Business Risks** – risks arising from changes in market conditions, competitive landscape, business strategies and the overall operating environment;
- **Operational Risks** – risks relating to operational processes, production, supply chain, human resources, information systems and business continuity;
- **Financial Risks** – risks relating to liquidity, credit, foreign exchange, interest rates, cash flow and other financial exposures; and
- **Regulatory and Compliance Risks** – risks arising from changes in laws, regulations, listing requirements and other applicable requirements.

During the financial year under review, management continued to identify and assess significant risks relevant to the Group's operations and implemented appropriate controls and mitigation measures where necessary.

The Board, with the support of the ARMC and Senior Management, monitored the key risks and mitigation measures throughout the financial year. Based on the reviews undertaken, the Board is of the view that the Group's risk management practices remained appropriate and sufficient to manage its key risks within the Group's risk appetite.

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

## INTERNAL CONTROL

The Group has an established internal control framework comprising policies, procedures, processes and monitoring mechanisms designed to provide reasonable assurance that risks are appropriately managed and that the Group's operations are conducted in accordance with approved strategies and objectives.

The outsourced internal auditors independently assess the adequacy and effectiveness of the Group's internal control and compliance frameworks based on the internal audit plan approved by the ARMC. The results and findings of the internal audit reviews, together with recommendations for improvement where applicable, are reported to the ARMC.

The ARMC reviews the internal audit reports and discusses the significant findings and recommendations with the internal auditors and management. The ARMC subsequently reports to the Board on matters arising from its reviews, including the adequacy and effectiveness of the Group's risk management and internal control systems.

For FYE 2026, the Board, through the ARMC, continued to oversee the Group's internal control environment and monitor the implementation of appropriate remedial actions arising from internal audit reviews.

Based on the reviews undertaken during the financial year, the Board is satisfied that the Group's risk management and internal control systems were adequate and effective to address the significant risks faced by the Group.

The key elements of the Group's internal control system include:

- An organisational structure with clearly defined roles, responsibilities, reporting lines, authority limits and appropriate levels of delegation;
- Established policies and procedures that are communicated to employees and reviewed periodically to ensure their continued relevance;
- Regular discussions by the Executive Directors and Senior Management on significant operational, financial and management matters and emerging risk areas;
- Quarterly meetings of the ARMC, or more frequently when required, to review matters relating to financial reporting, internal audit, risk management, internal controls and other significant matters affecting the Group;
- Regular reporting to the Board by management on the Group's financial performance, business activities, key performance indicators and significant operational matters; and
- Independent internal audit reviews covering selected areas of the Group's operations and control environment based on the risk-based internal audit plan approved by the ARMC.

## REVIEW OF EFFECTIVENESS

The Board, through the ARMC, reviews the adequacy and effectiveness of the Group's risk management and internal control systems on an ongoing basis.

The Board is satisfied that the risk management and internal control systems in place for FYE 2026 were adequate and effective in addressing the significant risks identified by the Group.

Based on the information and assurance received, the Board is not aware of any material weaknesses in internal control that have resulted in material losses or contingencies requiring disclosure in the financial statements for the financial year under review.

Nevertheless, the Board recognises that the Group's risk management and internal control systems must continue to evolve in response to changes in the business environment, regulatory requirements and emerging risks. Management will continue to strengthen and improve the control environment where appropriate.

## REVIEW BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the MMLR, the external auditors have reviewed this Statement for inclusion in the Annual Report of the Group for FYE 2026.

Based on their review, the external auditors reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal control of the Group.

## BOARD APPROVAL

This Statement on Risk Management and Internal Control was approved by the Board of Directors on 26 October 2026.

# AUDIT AND RISK MANAGEMENT COMMITTEE

## AUDIT AND RISK MANAGEMENT COMMITTEE

**Chairman**

Mr. Khoo Kien Hoe (Independent Non-Executive Director)

**Members**

Mr. Teoh Wei Loong (Independent Non-Executive Director)
Ms. Lee Pei Fen (Independent Non-Executive Director)

**Introduction**

The Audit and Risk Management Committee ("**ARMC**") is pleased to present the ARMC Report for the financial year ended 30 June 2026 ("**FYE 2026**") in compliance with Paragraph 15.15 of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad.

The ARMC serves as a key governance body established by the Board to assist in fulfilling its fiduciary and oversight responsibilities in respect of corporate governance, financial reporting, risk management, and the internal control framework of the Group.

In discharging its duties, the ARMC is guided by practices and procedures designed to uphold high standards of integrity, transparency, and accountability, thereby safeguarding the interests of shareholders and other stakeholders of the Company.

**Meeting and Attendance**

The ARMC held four (4) meetings during FYE 2026 and the attendance record of the Committee members are as follows:-

| Name of Committee Members | Attendance |
|---|---|
| Mr. Khoo Kien Hoe | 4/4 |
| Mr. Teoh Wei Loong<br>(Appointed on 16 October 2025) | 3/3* |
| Ms. Lee Pei Fen | 4/4 |

Notes:
* Total number of meetings held and attended after appointment as ARMC Members

**Duties and Responsibilities**

The duties and responsibilities of the ARMC include the following: -

(a) in respect of external auditors:

- to review whether there is reason (supported by grounds) to believe that the external auditors are not suitable for reappointment;
- to consider the nomination of a person or persons as external auditors and to determine the audit fee;
- to consider any questions of resignation or dismissal of external auditors; and
- to conduct annual assessment on the suitability, objectivity, and independence of the external auditor through established policies and procedures.

**Duties and Responsibilities (Cont'd)**

The duties and responsibilities of the ARMC include the following: - (Cont'd)

(b) to discuss with the external auditors before the audit commences, the nature and scope of the audit and ensure co-ordination where more than one audit firm is involved;

- to discuss problems and reservations arising from the audit with the auditors, without Key Senior Management presence, if necessary;
- to review the external auditors' Key Senior Management letter and Key Senior Management's response;
- to review the audit plan;
- to discuss with the external auditors their evaluation of the system of internal controls;
- to discuss with the external auditors their audit report; and
- to review the assistance given by the employees of the Company to the external auditors.

(c) to review the quarterly and year-end financial statements and focus on:

- financial reporting process, detection of financial irregularities, to ascertain that the financial statements are consistent with operational information;
- any changes in or implementation of major accounting policy changes;
- significant matters highlighted including financial reporting issues, significant judgments made by Key Senior Management, significant and unusual events or transactions, and how these matters are addressed; and
- compliance with accounting standards and other legal requirements.

(d) to report to the Board all pertinent issues which are necessary to be reported or on any key issues affecting the Group;

(e) to perform the following duties in relation to the internal audit function:

- review the adequacy of the scope, function, budget, competency, resources and authority necessary to carry out the work and that it reports directly to the ARMC;
- review the internal audit plan, processes and results of the internal audit assessments, investigation undertaken and ensure that appropriate action is taken on the recommendations;
- review and appraise the performance of the internal audit function;
- approve the appointment and termination of internal auditor;
- review the resignations of internal auditor and give them the opportunity to submit reasons for their resignations; and
- review the follow-up actions by Key Senior Management on the weaknesses of internal accounting procedures and controls as highlighted by the internal auditors.

(f) to review any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of Key Senior Management integrity;

(g) consider major findings of internal investigations and Key Senior Management's response;

(h) to review the Group's risk management and internal control;

(i) to promptly report such matter to Bursa Securities if the ARMC is of the view that the matter reported by Key Senior Management to the Board has not been satisfactorily resolved resulting in a breach of the MMLR;

(j) to verify the allocation of options during the year if any, under the Company's Employees Share Option Scheme ("**ESOS**") to ensure compliance with the allocation criteria determined by the ESOS committee and in accordance with the By-Laws of the ESOS; and

(k) to perform any other work as may be directed by the Board from time to time.

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (Cont'd)

**Summary of Activities of the Audit and Risk Management Committee**

For FYE 2026, the ARMC had carried out the following activities in the discharge of its duties and responsibilities:-

(1) Reviewed the quarterly financial results announcements for each quarter of the Group to ensure the Company's compliance with the MMLR, applicable approved accounting standards and other legal and regulatory requirements, prior to recommending to the Board for consideration and approval;

(2) Reviewed the audit findings report prepared by external auditors in relation to the audit on the Group's financial statements for FYE 2026;

(3) Reviewed and approved the Directors' Report and Audited Financial Statements from the external auditors in respect of their audit of the Group for FYE 2026;

(4) Met with the external auditors twice in the absence of Management to discuss on any significant audit issues which may have arisen in the course of their audit of the Group;

(5) Appraised and evaluated the performance, independence and suitability of external auditors. The ARMC was satisfied with the performance, suitability, objectivity and independence of the external auditors and recommended them to the Board for re-appointment for FYE 2026;

(6) Reviewed the Audit Planning Memorandum prepared by external auditors in relation to the audit on the Group's financial statements for FYE 2026;

(7) Reviewed and discussed the quarterly financial performance presented by the Management, including monitoring the progress on long outstanding debts and banking facilities;

(8) Reviewed and deliberated on the internal audit reports presented by the internal auditors including assessing the findings highlighted by the internal auditors;

(9) Reviewed and approved the internal audit plans presented by internal auditors for financial year ending 30 June 2026;

(10) Met with the internal auditors twice in the absence of Management to discuss on any significant issues which may have arisen in the course of their audit of the Group;

(11) Appraised and evaluated the internal audit function of the Company and to discuss the internal audit function which include the following:-

   (i) the adequacy of the scope, functions, competency, and resources of the internal audit functions and that it has the necessary authority to carry out its work; and
   (ii) the internal audit programme, processes, the results of the internal audit programme, process or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function.

   The ARMC was satisfied with the internal audit functions and performance of the Internal Auditors.

(12) Reviewed and discussed the effectiveness of the Group's risk management and internal control system, including the establishment of a risk management team and the risk management report presented by management.

(13) Reviewed and deliberated on the implementation of the Group's Anti-Bribery & Anti Corruption Policy and Conflict of Interest Policy, frequency of trainings and briefings to all employees and relevant parties.

(14) Reviewed the Group's related party transaction and recurrent related party transaction at every quarterly meeting.

**Summary of Activities of the Audit and Risk Management Committee (Cont'd)**

For FYE 2026, the ARMC had carried out the following activities in the discharge of its duties and responsibilities:- (Cont'd)

(15) Reviewed a related party transaction and ensured that it is undertaken at arm's length basis and on normal commercial terms which are not more favourable to the related party(ies) than those generally available to the public and are not to the detriment of the minority shareholders of the Company, prior to recommending to the Board for consideration and approval; and

(16) Reviewed the Circular to Shareholders on Proposed Renewal of Shareholders Mandate for Recurrent Related Party Transactions and Proposed New Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature and made recommendations to the Board for approval.

**Summary of Activities of the Internal Audit Function**

The Group has outsourced its internal audit function to Messrs Finfield Corporate Services Sdn. Bhd., a professional company specializing in providing internal audit services.

The cost incurred for the internal audit function in respect of the FYE 2026 was RM9,030.

The detail of internal audit functions during the period under review is stated in the Statement on Risk Management and Internal Control of this Annual Report.

During FYE 2026, the Internal Auditors carried out internal audit work for the Group and reviewed the sustainability reporting. The Internal Auditors also conducted follow-up reviews of matters raised in the previous audits relating to information technology and inventory management. The internal audit reports containing audit findings and recommendations together with management's responses thereto were circulated to all members of the ARMC. Areas of improvement identified were communicated to the management for further action. All internal audit reports were reviewed by the ARMC and discussed at the ARMC meetings. Follow-up reviews would be subsequently performed to ascertain the extent of implementation of the recommended corrective action for improvements.

**Terms of Reference of the Audit and Risk Management Committee**

The terms of reference of the Audit and Risk Management Committee is made available on the Company's website at www.scanwolf.com.

# DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2026.

## Principal activities

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in Note 14 to the financial statements.

## Results

| | Group<br>RM | Company<br>RM |
|---|---|---|
| Loss for the financial year | (19,100,345) | (30,529,158) |

## Reserves and provisions

During the financial year, RM45,000,000 was transferred from share capital to accumulated losses in the pursuant to the capital reduction exercise, and RM169,221 was transferred from the warrant reserve. Apart from these transactions, there were no material transfers to or from reserves and provisions during the financial year.

## Dividends

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend any final dividend for the financial year ended 30 June 2026.

## Directors

The Directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Khoo Kien Hoe
Lee Pei Fen
Ng Chee Wai
Teoh Wei Loong
Dato' Seah Ley Hong
Fong Keng Mun
Dato' Ir Haji Cheremi Bin Haji Tarman
Dato' Tan Sin Keat
- Retired on 30 June 2026

The names of the Directors of the Company's subsidiaries since the beginning of the financial year to the date of this report, excluding those who are already listed above are:

Tan Yann Kang

## Directors' interests in shares

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company and its related corporations during the financial year ended 30 June 2026 as recorded in the Register of Directors' shareholdings kept by the Company under Section 59 of the Companies Act, 2016 in Malaysia, were as follows:

| | Number of Ordinary Shares | | | |
|---|---|---|---|---|
| | **Balance as at 1.7.2025** | **Bought** | **Sold** | **Balance as at 30.6.2026** |
| **In the Company** | | | | |
| **Direct interest** | | | | |
| Dato' Tan Sin Keat | 7,727,181 | - | - | 7,727,181 |
| Ng Chee Wai | 7,180,000 | - | - | 7,180,000 |
| Dato' Seah Ley Hong | 1,542,990 | - | - | 1,542,990 |
| **Other shareholdings in which Directors are deemed to have interest** | | | | |
| Dato' Tan Sin Keat | 2,000,000 | - | - | 2,000,000 |
| Dato' Seah Ley Hong | 124,380,920 | - | - | 124,380,920 |
| **Ultimate holding company** | | | | |
| **Mighty Alliance Sdn. Bhd** | | | | |
| **Direct interest** | | | | |
| Dato' Seah Ley Hong | 500,001 | - | - | 500,001 |

Other than the above, Khoo Kien Hoe, Lee Pei Fen, Teoh Wei Loong, Fong Keng Mun and Dato' Ir Haji Cheremi Bin Haji Tarman did not hold any direct or indirect interest in the shares of the Company or its related corporations during the financial year ended 30 June 2026.

## Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Directors 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 as disclosed in Note 27 to the financial statements.

There were no arrangements during or at the end of the financial year, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

**Directors' remuneration and fee**

Directors' remuneration of the Group and of the Company are amounted to RM1,058,558 as disclosed in Note 5 to the financial statements.

Directors' fee of the Group and of the Company are amounted to RM118,122 as disclosed in Note 5 to the financial statements.

**Indemnity and insurance for Directors, officers and auditor**

Directors and officers of the Company and its subsidiaries were covered under Directors' and Officers' Liability Insurance during the financial year. No indemnity was given to any Director, officer or auditor of the Company and its subsidiaries.

**Issue of shares and debentures**

The Company increased its share capital from 214,335,310 ordinary shares to 216,963,610 ordinary shares by way of issuances of 2,628,300 ordinary shares by:

(i) issuance of 90,000 shares for RM0.10 each for cash pursuant to the Company's Irredeemable Convertible Unsecured Loan Stocks ("ICULS") at exercise price of RM0.30 per share during the financial year; and

(ii) issuance of 2,538,300 shares pursuant to the Company's warrants exercised at an exercise price of RM0.30 per share during the financial year.

The newly issued ordinary shares rank pari-passu in all respects with the existing shares of the Company.

On 17 March 2026, the Company reduced its share capital by RM45,000,000 pursuant to the relevant capital reduction exercise undertaken in accordance with Section 117 of the Companies Act 2016. The amount of RM45,000,000 arising from the capital reduction was applied to reduce the Company's accumulated losses.

There were no debentures issued during the financial year.

**Options granted over unissued shares**

Details of options granted to Directors are disclosed in the Note 22 to the financial statements.

**Other statutory information**

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

(i) proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that there are no known bad debts and that provision need not be made for doubtful debts; and

(ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

(i) which would necessitate the writing off of bad debts or the provision for doubtful debts; or

(ii) which would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading; or

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

(i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person; or

(ii) any contingent liability in respect of the Group and of the Company that has arisen since the end of the financial year.

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

In the opinion of the Directors, the results of the operations of the Group and of the Company for the financial year ended 30 June 2026 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

**Holding Company**

The ultimate holding company is Mighty Alliance Sdn. Bhd., a company incorporated in Malaysia.

DIRECTORS' REPORT
(Cont'd)

**Auditors**

The auditors, Messrs PKF PLT, have indicated their willingness to continue in office.

The auditors' remuneration of the Group and of the Company for the financial year ended 30 June 2026 amounted to RM165,000 and RM49,000 respectively.

Signed on behalf of the Directors
in accordance with a resolution of the Board,

DATO' SEAH LEY HONG

NG CHEE WAI

Ipoh

30 October 2026

# STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT, 2016 IN MALAYSIA

In the opinion of the Directors, the accompanying financial statements as set out on pages 82 to 172 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia, so as to give a true and fair view of the financial positions of the Group and of the Company as at 30 June 2026 and of their financial performances and their cash flows for the financial year ended on that date.

Signed on behalf of the Directors
in accordance with a resolution of the Board,

DATO' SEAH LEY HONG

NG CHEE WAI

Ipoh

30 October 2026

# STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT, 2016 IN MALAYSIA

I, NG CHEE WAI, being the Director primarily responsible for the financial management of SCANWOLF CORPORATION BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements as set out on pages 82 to 172 are in my opinion 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 in Malaysia.

Subscribed and solemnly declared by the above-named at Ipoh in Perak on 30 October 2026 )
)
)

NG CHEE WAI
(MIA No.: 23200)

Before me,

COMMISSIONER FOR OATHS

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SCANWOLF CORPORATION BERHAD

## Report on the Audit of the Financial Statements

### *Opinion*

We have audited the financial statements of SCANWOLF CORPORATION BERHAD, which comprise the statements of financial position as at 30 June 2026 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 policies, as set out on pages 13 to 104.

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 30 June 2026, and of their financial performance and their cash flows for the financial year then ended in accordance with MFRS Accounting Standards, IFRS Accounting 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 report.

### *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 audit 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *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 year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**(i) Going concern of the Group**

(Refer to Notes 1(c) to the financial statements)

The Group and the Company have prepared their financial statement on a going concern basis, notwithstanding the Group and the Company incurred a net loss of RM19,100,345 and RM30,529,158 respectively during the financial year.

The above condition give rise to the concerns about whether the Group and the Company have sufficient cash flows to meet their obligations as and when they fall due.

In assessing the going concern assumption used in the preparation of the financial statements of the Group, management has considered the repayment obligations for borrowings, other liabilities and cost overheads which are due in the next 12 months, taking into consideration the capital injection through the conversion of Irredeemable Convertible Unsecured Loan Stocks ("ICULS") and warrants , the ability of the Group to generate sufficient cash flows from the construction projects which are expected to complete in the financial year 2027.

(continued)

***Key Audit Matters (continued)***

**(i) Going concern of the Group (continued)**

(Refer to Note 1(c) to the financial statements) (continued)

We considered this as an area of audit focus due to the significant degree of judgements and estimates used by management in arriving at the cash flow forecast.

Our procedures included:

a) Enquired management as to its knowledge of events or conditions beyond the period of management's going concern assessment;

b) Evaluated management's going concern assessment that covers twelve months from the date of financial statements through review of the cash flow forecast;

c) Assessed the reasonableness of the management's key assumptions used and judgements exercised on its cash flow forecast;

d) Performed sensitivity test for a range of reasonably possible scenarios; and

e) Considered the completeness and accuracy of disclosure in the financial statements.

**(ii) Impairment of property, plant and equipment**

(Refer to Notes 1(d)(iii), 2(g)(ii), 11 to the financial statements)

The Group ceased operation of the manufacturing segment and has reported net current liabilities and losses during the financial year. These are indications of impairment of the plant and machinery of RM12,935,748 as at 30 June 2026.

According to MFRS 136, Impairment of Assets, the Group shall assess at the end of each reporting period whether there are any indications that the assets may be impaired. If an indicator of impairment exists, the recoverable amount of the assets is compared with their carrying amount. The recoverable amounts are determined as the higher of fair value less costs of disposal or the value in use, which is supported by cash flow projections of the respective cash-generating unit ("CGU").

The management has performed an impairment review and concluded an impairment of RM5,943,219 in respect of the property, plant and equipment as at the financial year end. The impairment was based on the assessment that the recoverable amount was lower than the carrying amount of the assets.

Additional information on the impairment review is disclosed in Notes 11(i) to the financial statements.

We focused on this area due to the nature of judgements and assumptions made by management in determining whether there is any impairment that has occurred.

(continued)

***Key Audit Matters (continued)***

**(ii) Impairment of property, plant and equipment(continued)**

(Refer to Notes 1(d)(iii), 2(g)(ii), 11 to the financial statements) (continued)

Our procedures included:

a) Assessed the methodology adopted by the management;

b) Assessed the reasonableness of the management's key assumptions used and judgements exercised on determining the recoverable amount of the asset ;

c) Carried out physical sighting of the list of assets that are identified as idle and not in use; and

d) Considered the completeness and accuracy of disclosures in the financial statements.

**(iii) Revenue recognition from construction contracts**

(Refer to Notes 2(c) and 3 to the financial statements)

The Group recognised revenue of approximately RM69.8 million from construction contracts activities during the financial year. Revenue is recognised over time based on the progress towards completion of the contracts. The determination of the stage of completion and estimated construction costs involves significant management judgement and estimation. Changes in these estimates may have a material impact on the amount of revenue recognised.

Accordingly, construction contracts activities were considered a key audit matter due to the significance of the judgement involved.

Our audit procedures performed include the following:

a) Assessed the appropriateness of the basis used by management to determine the stage of completion;

b) Evaluated the reasonableness of estimated construction costs and costs to complete;

c) Verified the cost incurred and progress billing to the supporting documents;

d) Review the adequacy of the provision of liquidated and ascertained damages ("LAD");

e) Recompute the percentage of completion in determining the revenue recognised; and

f) Assessed the adequacy of the related disclosures in the financial statements.

(continued)

***Key Audit Matters (continued)***

There is no key audit matter to be communicated in respect of the audit fo the financial statements of the Company.

***Information Other than the Financial Statements and Auditors' Report Thereon***

The Directors are responsible for the other information. The other information comprises the Management Discussion and Analysis, Risk Management and Audit Committee Report, and Statement on Risk Management and Internal Control in Relation to the Financial Statements, and Directors' 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.

***Responsibilities of the Directors for the Financial Statements***

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

(continued)

***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.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concerns. 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 represent the underlying transactions and events in a manner that achieves fair presentation.

(continued)

***Auditors' Responsibilities for the Audit of the Financial Statements (continued)***

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: (continued)

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for farming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performance 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 period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**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 contents of this report.

PKF PLT
202206000012 (LLP0030836-LCA) & AF0911
CHARTERED ACCOUNTANTS

NGU SIOW PING
03033/11/2027 J
CHARTERED ACCOUNTANT

Kuala Lumpur

30 October 2026

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

| | Note | Group 2026 RM | Group 2025 RM | Company 2026 RM | Company 2025 RM |
|---|---|---|---|---|---|
| Revenue | 3 | 101,008,129 | 91,144,939 | 720,000 | 720,000 |
| Other operating income | 4 | 928,588 | 216,376 | - | 500 |
| Changes in cost of uncompleted projects | | (67,425,843) | (49,732,197) | - | - |
| Changes in inventories of finished goods and work in progress | | (6,003,150) | (4,305,194) | - | - |
| Raw material and consumables used | | (9,177,628) | (19,299,424) | - | - |
| Changes in inventories of trading merchandise | | (8,196,853) | (930,274) | - | - |
| Employee benefits expenses | 5 | (4,917,099) | (10,399,115) | (165,635) | (270,000) |
| (Allowance)/Reversal for expected credit losses | | - | - | (21,913,080) | 13,765,750 |
| Other operating expenses | | (10,689,115) | (10,637,077) | (374,417) | (1,003,400) |
| Impairment loss on property, plant and equipment and right-of-uses assets | | (5,943,219) | (4,788,631) | - | - |
| Slow-moving of inventories | | (6,278,502) | - | - | - |
| Impairment loss on investment in subsidiary | | - | - | (7,587,274) | (30,234,342) |
| **Loss from operations** | | (16,694,692) | (8,730,597) | (29,320,406) | (17,021,492) |
| Finance income | 6 | 23,128 | 19,020 | 104,701 | 517,222 |
| Finance costs | 7 | (2,612,396) | (1,803,277) | (1,290,291) | (924,078) |
| Net finance (costs)/income | | (2,589,268) | (1,784,257) | (1,185,590) | (406,856) |
| Share of loss of joint ventures | | (500,000) | - | - | - |
| **Loss before tax** | 8 | (19,783,960) | (10,514,854) | (30,505,996) | (17,428,348) |
| Tax income/(expenses) | 9 | 683,615 | (666,284) | (23,162) | - |
| **Loss after tax for the financial year** | | (19,100,345) | (11,181,138) | (30,529,158) | (17,428,348) |
| **Other comprehensive income:** | | | | | |
| Revaluation surplus (net of tax) | | 305,266 | 397,884 | - | - |
| **Total comprehensive loss for the year** | | (18,795,079) | (10,783,254) | (30,529,158) | (17,428,348) |
| **Loss per share (sen)** | | | | | |
| -Basic | 10 | (8.89) | (5.40) | | |
| -Diluted | 10 | (6.35) | (4.12) | | |

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

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2026

| | Note | Group 2026 RM | Group 2025 RM | Company 2026 RM | Company 2025 RM |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Non-current assets** | | | | | |
| Property, plant and equipment | 11 | 30,855,415 | 39,350,685 | 200,613 | - |
| Intangible asset | 12 | - | 700 | - | - |
| Right of use assets | 13 | 529,180 | 2,092,311 | - | - |
| Investment in subsidiaries | 14 | - | - | - | 7,437,274 |
| Investment in joint ventures | 15 | - | - | 500,000 | - |
| Deferred tax assets | 16 | 145,886 | 146,119 | 145,886 | 146,119 |
| Inventories | 17 | 7,898,946 | 6,328,689 | - | - |
| Receivables, deposits and prepayments | 18 | - | - | 1,800,000 | 2,444,656 |
| | | 39,429,427 | 47,918,504 | 2,646,499 | 10,028,049 |
| **Current assets** | | | | | |
| Inventories | 17 | 35,149,424 | 44,212,951 | - | - |
| Receivables, deposits and prepayments | 18 | 78,715,839 | 58,447,117 | 23,034 | 601,548 |
| Contract asset | 19 | 6,163,445 | - | - | - |
| Cash and bank balances | 20 | 1,488,259 | 8,240,076 | 770,051 | 97,474 |
| | | 121,516,967 | 110,900,144 | 793,085 | 699,022 |
| **TOTAL ASSETS** | | 160,946,394 | 158,818,648 | 3,439,584 | 10,727,071 |

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

STATEMENTS OF FINANCIAL POSITION
(Cont'd)

| | Note | Group 2026 RM | Group 2025 RM | Company 2026 RM | Company 2025 RM |
|---|---|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | | | |
| **Equity attributable to owners of the parent** | | | | | |
| Share capital | 21 | 43,454,724 | 87,497,013 | 43,454,724 | 87,497,013 |
| Other reserves | 22 | (4,823,939) | (4,923,175) | 6,181,375 | 6,358,858 |
| Accumulated losses | | (14,523,351) | (40,728,272) | (87,646,206) | (102,117,048) |
| **Total equity** | | 24,107,434 | 41,845,566 | (38,010,107) | (8,261,177) |
| **Non-current liabilities** | | | | | |
| Lease liabilities | 24 | 627,443 | 2,167,785 | 131,722 | - |
| Borrowings | 25 | 1,597,744 | 1,412,714 | - | - |
| Deferred tax liabilities | 16 | 996,551 | 3,487,489 | - | - |
| | | 3,221,738 | 7,067,988 | 131,722 | - |
| **Current liabilities** | | | | | |
| Payables, deposits and accruals | 23 | 96,050,185 | 77,809,716 | 40,677,102 | 18,379,418 |
| Contract liabilities | 19 | - | 506,981 | - | - |
| Lease liabilities | 24 | 423,447 | 1,408,060 | 33,008 | - |
| Borrowings | 25 | 35,045,501 | 28,889,294 | - | - |
| Irredeemable Convertible Unsecured Loan Stocks liabilities | 22(c) | 607,859 | 608,830 | 607,859 | 608,830 |
| Tax payables | | 1,490,230 | 682,213 | - | - |
| | | 133,617,222 | 109,905,094 | 41,317,969 | 18,988,248 |
| **Total liabilities** | | 136,838,960 | 116,973,082 | 41,449,691 | 18,988,248 |
| **TOTAL EQUITY AND LIABILITIES** | | 160,946,394 | 158,818,648 | 3,439,584 | 10,727,071 |

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

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

| | Note | Share capital RM | Reverse acquisition reserve RM | Revaluation reserve RM | Warrant reserve RM | Irredeemable Convertible Unsecured Loan Stocks (ICULS) RM | Accumulated losses RM | Total equity RM |
|---|---|---|---|---|---|---|---|---|
| **Group** | | | | | | | | |
| At 30 June 2024 | | 82,577,242 | (19,524,076) | 5,256,745 | 3,397,540 | 1,972,288 | (29,945,018) | 43,734,721 |
| Conversion of warrants | 21 | 3,982,061 | - | - | (724,011) | - | - | 3,258,050 |
| Conversion of ICULS | 21 | 937,710 | - | - | - | (286,959) | - | 650,751 |
| Loss, representing total comprehensive loss, for the financial year | | - | - | - | - | - | (10,783,254) | (10,783,254) |
| Revaluation surplus (net of tax) | | - | - | 4,985,298 | - | - | - | 4,985,298 |
| At 30 June 2025 | | 87,497,013 | (19,524,076) | 10,242,043 | 2,673,529 | 1,685,329 | (40,728,272) | 41,845,566 |
| Capital reduction | 21 | (45,000,000) | - | - | - | - | 45,000,000 | - |
| Conversion of warrants | 21 | 930,711 | - | - | (169,221) | - | - | 761,490 |
| Conversion of ICULS | 21 | 27,000 | - | - | - | (8,262) | - | 18,738 |
| Loss, representing total comprehensive loss, for the financial year | | - | - | - | - | - | (18,795,079) | (18,795,079) |
| Revaluation surplus (net of tax) | | - | - | 276,719 | - | - | - | 276,719 |
| At 30 June 2026 | | 43,454,724 | (19,524,076) | 10,518,762 | 2,504,308 | 1,677,067 | (14,523,351) | 24,107,434 |

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

| | Note | Share capital RM | Warrant reserve RM | Irredeemable Convertible Unsecured Loan Stocks (ICULS) RM | Capital reserve RM | Accumulated losses RM | Total equity RM |
|---|---|---|---|---|---|---|---|
| **Company** | | | | | | | |
| At 30 June 2024 | | 82,577,242 | 3,397,540 | 1,972,288 | - | (84,688,700) | 3,258,370 |
| Conversion of warrants | 21 | 3,982,061 | (724,011) | - | - | - | 3,258,050 |
| Conversion of ICULS | 21 | 937,710 | - | (286,959) | - | - | 650,751 |
| Transfer of investment from subsidiary | 22 | - | - | - | 2,000,000 | - | 2,000,000 |
| Loss, representing total comprehensive loss, for the financial year | | - | - | - | - | (17,428,348) | (17,428,348) |
| At 30 June 2025 | | 87,497,013 | 2,673,529 | 1,685,329 | 2,000,000 | (102,117,048) | (8,261,177) |
| Capital reduction | 21 | (45,000,000) | - | - | - | 45,000,000 | - |
| Conversion of warrants | 21 | 930,711 | (169,221) | - | - | - | 761,490 |
| Conversion of ICULS | 21 | 27,000 | - | (8,262) | - | - | 18,738 |
| Loss, representing total comprehensive loss, for the financial year | | - | - | - | - | (30,529,158) | (30,529,158) |
| At 30 June 2026 | | 43,454,724 | 2,504,308 | 1,677,067 | 2,000,000 | (87,646,206) | (38,010,107) |

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

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

| | Note | Group 2026 RM | Group 2025 RM | Company 2026 RM | Company 2025 RM |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Loss before tax | | (19,783,960) | (10,514,854) | (30,505,996) | (17,428,348) |
| Adjustments for: | | | | | |
| Property, plant and equipment | | | | | |
| - depreciation | 11 | 1,929,584 | 2,565,803 | 13,976 | - |
| - loss on disposal | | 2,200,826 | 1,872 | - | - |
| - written off | | 134,433 | - | - | - |
| Right of use assets | | | | | |
| - depreciation | 13 | 667,272 | 654,689 | - | - |
| Amortisation of intangible assets | 12 | - | 100 | - | - |
| Intangible assets written-off | | 700 | - | - | - |
| Impairment of property, plant and equipment | 11 | 5,943,219 | 4,788,631 | - | - |
| Gain on disposal of property, plant and equipment | | (60,084) | - | - | - |
| Gain on disposal of right of use assets | | (10,658) | (41,645) | - | - |
| Slow-moving of inventories | | 6,278,502 | - | - | - |
| Impairment loss on investment in subsidiaries | | - | - | 7,587,274 | 30,234,342 |
| Share of loss of joint ventures | | 500,000 | | | |
| Reversal of impairment on amount due from subsidiaries | | - | - | 21,913,080 | (13,765,750) |
| Reversal of impairment of receivables | | (11,915) | - | - | - |
| Interest | | | | | |
| - expenses | | 2,612,396 | 1,803,277 | 1,290,291 | 924,078 |
| - income | | (23,128) | (19,020) | (104,701) | (517,222) |
| **Operating loss before working capital changes** | | 377,187 | (761,147) | 193,924 | (552,900) |

The accompanying notes form an integral part of the financial statements

STATEMENTS OF CASH FLOWS
(Cont'd)

| | Note | Group 2026 RM | Group 2025 RM | Company 2026 RM | Company 2025 RM |
|---|---|---|---|---|---|
| **Operating loss before working capital changes** | | 377,187 | (761,147) | 193,924 | (552,900) |
| Decrease/(Increase) in inventories | | 1,214,768 | (3,038,361) | - | - |
| Increase in receivables | | (20,256,807) | (39,043,629) | (20,689,910) | (2,333,523) |
| Increase in payables | | 18,342,469 | 38,603,628 | 22,297,684 | 15,710,821 |
| Decrease in amount due from subsidiaries | | - | - | - | 13,765,750 |
| Increase in contract assets/ (liabilities) | | (6,670,426) | - | - | - |
| (Decrease)/increase in amount due to Directors | | (102,000) | 202,000 | - | - |
| **Cash (used in)/ from operations** | | (7,094,809) | (4,037,509) | 1,801,698 | 26,590,148 |
| Interest paid | | (54,212) | (275,811) | - | - |
| Tax paid | | (694,040) | (95,434) | (23,162) | - |
| **Net cash (used in)/from operating activities** | | (7,843,061) | (4,408,754) | 1,778,536 | 26,590,148 |
| **Cash flows from investing activities** | | | | | |
| Proceeds from disposal of | | | | | |
| - property, plant and equipment | | 3,967,967 | - | - | - |
| - right-of-use asset | | 623,541 | - | - | - |
| Acquisition of property, plant and equipment | | (5,023,890) | (629,257) | (36,589) | - |
| Reclassification of property, plant and equipment | | (418,785) | | | |
| Additions of Right of use assets | | (1,312,732) | - | - | - |
| Reclassification of Right of use assets | | 1,595,708 | | | |
| Acquisition of joint venture | | (500,000) | | (500,000) | |
| Acquisition of subsidiary | | - | - | (150,000) | (30,000,000) |
| **Net cash used in investing activities** | | (1,068,191) | (629,257) | (686,589) | (30,000,000) |

The accompanying notes form an integral part of the financial statements

STATEMENTS OF CASH FLOWS
(Cont'd)

| | Note | Group 2026 RM | Group 2025 RM | Company 2026 RM | Company 2025 RM |
|---|---|---|---|---|---|
| **Cash flows from financing activities** | | | | | |
| Interest received | | 23,128 | 19,020 | 104,701 | 517,222 |
| Interest paid | | | | | |
| - Irredeemable Convertible Unsecured Loan Stocks (ICULS) | | (169,143) | (175,930) | (169,143) | (175,930) |
| - lease liabilities | | (270,838) | (266,416) | (3,300) | - |
| - borrowings | | (1,892,331) | (475,156) | - | - |
| - advances from a subsidiary | | - | - | (1,117,848) | (748,148) |
| - others | | (225,872) | (609,964) | - | - |
| Revaluation reserve | | 276,719 | | | |
| Proceeds from | | | | | |
| - Irredeemable Convertible Unsecured Loan Stocks (ICULS) | | 18,000 | 625,140 | 18,000 | 625,140 |
| - warrants exercised | | 761,490 | 3,258,050 | 761,490 | 3,258,050 |
| Drawdown/(Repayments) of | | | | | |
| - bankers' acceptances | | 5,117,049 | 16,154,357 | - | - |
| - bank guarantee | | 1,000,000 | - | - | - |
| - term loans | | 264,409 | (150,685) | - | - |
| - lease liabilities | | (2,702,955) | (1,477,800) | (13,270) | - |
| **Net cash from/(used in) financing activities** | | 2,199,656 | 16,900,616 | (419,370) | 3,476,334 |
| **Net (decrease)/increase in cash and cash equivalents** | | (6,711,596) | 11,862,605 | 672,577 | 66,482 |
| **Cash and cash equivalents at 1 July 2025/2024** | | 7,239,340 | (4,623,265) | 97,474 | 30,992 |
| **Cash and cash equivalents at 30 June** | (i) | 527,744 | 7,239,340 | 770,051 | 97,474 |

The accompanying notes form an integral part of the financial statements

STATEMENTS OF CASH FLOWS
(Cont'd)

**Notes:**

***(i) Cash and cash equivalents***

Cash and cash equivalents comprise the following:

| | Note | Group 2026 RM | Group 2025 RM | Company 2026 RM | Company 2025 RM |
|---|---|---|---|---|---|
| Cash and bank balances | | 1,488,259 | 8,240,076 | 770,051 | 97,474 |
| Less: Bank overdraft | 25 | (960,515) | (1,000,736) | - | - |
| Total cash and cash equivalents | | 527,744 | 7,239,340 | 770,051 | 97,474 |

***(ii) Reconciliation of liabilities arising from financing activities:***

| | As at 1 July RM | Cash flows RM | Non-cash flows RM | As at 30 June RM |
|---|---|---|---|---|
| **2026** | | | | |
| **Group** | | | | |
| Bankers' acceptances | 27,710,406 | 5,117,049 | - | 32,827,455 |
| Banker guarantee | - | 1,000,000 | - | 1,000,000 |
| Lease liabilities | 3,575,845 | (2,702,955) | 178,000 | 1,050,890 |
| Term loans | 1,590,866 | 264,409 | - | 1,855,275 |
| **2025** | | | | |
| **Group** | | | | |
| Bankers' acceptances | 11,556,049 | 16,154,357 | - | 27,710,406 |
| Lease liabilities | 4,531,407 | (1,477,800) | 522,238 | 3,575,845 |
| Term loans | 1,741,551 | (150,685) | - | 1,590,866 |
| **2026** | | | | |
| **Company** | | | | |
| Lease liabilities | - | (13,270) | 178,000 | 164,730 |

The accompanying notes form an integral part of the financial statements

# NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 JUNE 2026

## 1. Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia.

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional and presentation currency.

### (a) Standards issued and effective

On 1 July 2025, the Group and the Company adopted the following amendment which are mandatory for annual financial periods beginning on or after 1 January 2025:

**Description**

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

The adoption of the new and amended MFRS above did not have any material impact on the financial statements of the Group and of the Company.

### (b) Standards issued but not yet effective

Certain new accounting standards and amendments have been issued but are not yet effective for the 30 June 2026 reporting period and have not been early adopted by the Group and the Company.

**Effective for financial periods beginning on or after 1 January 2026:**

- Amendments to MFRS 9: Financial Instruments and MFRS 7: Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments
- Amendments to MFRS 9: Financial Instruments and MFRS 7: Financial Instruments: Disclosures: Contracts Referencing Nature-dependent Electricity
- Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107: Annual Improvements to MFRS Accounting Standards – Volume 11

**Effective for financial periods beginning on or after 1 January 2027:**

- MFRS 18: Presentation and Disclosure in Financial Statements
- MFRS 19: Subsidiaries without Public Accountability: Disclosures

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

**1. Basis of preparation (continued)**

**(b) Standards issued but not yet effective (continued)**

These standards are not expected to have a material impact on the Group and the Company in the current or future reporting periods except as follows:

MFRS 18 introduces new requirements for the presentation and disclosure of financial statements, including the presentation of defined subtotals in the statement of profit or loss, disclosure relating to management-defined performance measures and enhanced requirements on the aggregation and disaggregation of information.

The Group and the Company are currently assessing the potential impact of MFRS 18 on the financial statements, including the presentation and classification of items in the statements of profit or loss and the related disclosures. The Group and the Company have not yet determined the full impact of the adoption of MFRS 18 on the financial statements of the Group and of the Company.

**Amendments to MFRSs - effective date deferred indefinitely:**

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

**(c) Basis of measurement**

The financial statements have been prepared on the historical cost basis unless otherwise indicated in the material accounting policies.

The financial statements of the Group and the Company are also prepared on a going concern basis.

As at the reporting date, the Group and the Company incurred net losses of RM19,100,345 and RM30,529,158 respectively for the financial year ended 30 June 2026, indicated going concern risk of certain subsidiaries and Group's low cash reserve, these events or conditions give rise to concerns about whether the Group and the Company have sufficient cash flows to meet their obligations as and when they fall due.

In assessing the going concern assumption used in the preparation of the financial statements of the Group, management has considered the repayment obligations for borrowings, other liabilities and cost overheads which are due in the next 12 months, taking into consideration the capital injection through the conversion of Irredeemable Convertible Unsecured Loan Stocks ("ICULS") and warrants , the ability of the Group to generate sufficient cash flows from its existing demand and supply, upcoming committed orders and cash generated from the construction projects which are expected to be complete in the financial year 2027.

Therefore, the Directors are of the opinion that going concern basis used for the preparation of the financial statements of the Group and the Company is appropriate, as the Group and the Company are expected to meet their obligations as and when they fall due.

## 1. Basis of preparation (continued)

### (c) Basis of measurement (continued)

Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of recorded assets' amounts or to amounts and classification of liabilities that may be necessary if the Group is unable to continue as a going concern. The assumption is premised on future events, the outcome of which is inherently uncertain.

### (d) Significant accounting estimates and judgements

Estimates and judgements are continually evaluated by the Directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's and of the Company's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:

*(i) Valuation of leasehold land and factory buildings*

The Group measures its leasehold land and factory buildings at revalued amounts. The valuation was performed by an independent professional valuer using valuation techniques that involve significant unobservable inputs and is classified within Level 3 of the fair value hierarchy. Significant assumptions include market price comparisons, adjustments for location, condition and other property-specific factors, and replacement cost considerations where applicable. Changes in these assumptions may have a significant effect on the valuation of the leasehold land and factory buildings.

*(ii) Income taxes*

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on their understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

*(iii) Depreciation of property, plant and equipment*

The estimates for the residual values, useful lives and related depreciation charges for property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group and the Company anticipate that the residual values of their property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

**1. Basis of preparation (continued)**

**(d) Significant accounting estimates and judgements (continued)**

*(iv) Impairment of non-financial assets*

When the recoverable amount of an asset is determined based on the estimate of the value in use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

*(v) Property development project*

The Group writes down the inventories to their net realisable values based on the estimated selling prices by reference to recent sales transactions of similar properties or comparable properties in similar or nearby locations net of the estimated cost necessary to complete the sale. The estimation of the selling price is subject to significant inherent uncertainties, in particular the property market.

Whilst the Directors exercise due care and attention to make reasonable estimates, taking into account all available information in estimating the selling price and the related cost to complete the sale, the estimates will, in all likelihood, differ from the actual transactions achieved in future periods and these differences may, in certain circumstances, be significant.

*(vi) Other inventories*

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

*(vii) Provision for expected credit losses ("ECLs") of trade receivables*

The Group and the Company use a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on the payment profiles of sales over a period of 36 months before the end of the reporting period and the corresponding historical credit losses experienced within this period.

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The historical observed default rates are updated and changes in the forward-looking estimates are analysed at every end of the reporting period.

**1. Basis of preparation (continued)**

**(d) Significant accounting estimates and judgements (continued)**

*(viii) Deferred tax assets and liabilities*

Deferred tax implications arising from the changes in corporate income tax rates are measured with reference to the estimated realisation and settlement of temporary differences in the future periods in which the tax rates are expected to apply, based on the tax rates enacted or substantively enacted at the end of the reporting year. While management's estimates on the realisation and settlement of temporary differences are based on the available information at the statements of financial position date, changes in business strategy, future operating performance and other factors could potentially impact on the actual timing and amount of temporary differences realised and settled. Any difference between the actual amount and the estimated amount would be recognised in the profit or loss in the period in which actual realisation and settlement occurs.

*(ix) Carrying amount of investment in subsidiaries*

Investments in subsidiaries are reviewed for impairment annually in accordance with its accounting policy as disclosed in Note 2(g) to the financial statements, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Significant judgement is required in the estimation of the present value of future cash flows generated by the subsidiaries, which involves uncertainties and is significantly affected by assumptions and judgements made regarding estimates of future cash flows and discount rates. Changes in assumptions could significantly affect the carrying amount of investments in subsidiaries.

*(x) Leases*

(a) Lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Extension options in certain leases have been included in the lease liability after considering the costs and business disruption that may arise from replacing the leased assets.

Management reassesses the lease term if significant events or changes in circumstances occur that are within its control and affect the likelihood of exercising the extension or termination options.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

**1. Basis of preparation (continued)**

**(d) Significant accounting estimates and judgements (continued)**

*(x) Leases (continued)*

(b) Incremental borrowing rate of leases

In determining the incremental borrowing rate, the Group and the Company use an interest rate of 6.16% as a starting point and makes adjustments specific to the lease, for example, three (3) years.

**2. Material accounting policies**

The material accounting policies adopted by the Group and the Company are consistent with those in the previous financial years unless otherwise stated.

Certain immaterial accounting policies have been voluntarily disclosed to ensure completeness in the financial statements of the Group and the Company.

**(a) Basis of consolidation**

*(i) Subsidiaries*

Subsidiaries are entities, including structured entities, controlled by the Company. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders to direct the activities of the investee that significantly affect the investee's return. Potential voting rights are considered when assessing control only when such rights are substantive.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

## 2. Material accounting policies (continued)

### (a) Basis of consolidation (continued)

*(ii) Joint ventures*

The Group's interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated statement of financial position. Under the equity method, the investment in a joint venture is initially recognised at cost and is subsequently adjusted to recognise the Group's share of the post-acquisition profits or losses and other comprehensive income of the joint venture.

The Group's share of the results of the joint venture is recognised in profit or loss, whilst its share of other comprehensive income is recognised in other comprehensive income. Dividends received or receivable from a joint venture are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in a joint venture equals or exceeds its interests in the joint venture, including any long-term interests that, in substance, form part of the Group's net investment in the joint venture, the Group does not recognise further losses unless it has incurred obligations or made payments on behalf of the joint venture.

*(iii) Business combinations*

Business combinations are accounted for using the acquisition method on the acquisition date. The consideration transferred includes the fair value of assets transferred, equity interest issued by the Group and liabilities assumed. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Acquisition-related costs are recognised in the profit or loss as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

## 2. Material accounting policies (continued)

### (a) Basis of consolidation (continued)

*(iii) Business combinations (continued)*

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

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognised amount of any non-controlling interests in the acquiree; plus
- If the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss. For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities that the Group incurs in connection with a business combination are expensed as incurred.

*(iv) Loss of control*

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as equity accounted investee or as a financial asset depending on the level of influence retained.

## 2. Material accounting policies (continued)

### (a) Basis of consolidation (continued)

*(iii) Business Combination - reverse acquisition*

For each business combination, one of the entities shall be identified as the acquirer. In a reverse acquisition, the legal acquirer is identified as the acquiree for accounting purposes. Consolidated financial statements prepared following a reverse acquisition are issued under the name of legal acquirer (accounting acquiree) but described as a continuation of the financial statements of the legal subsidiary (accounting acquirer), with one adjustment, which is to adjust retroactively the accounting acquirer's legal capital to reflect the legal capital of the accounting acquiree. Comparative information presented in the consolidated financial statements is also retroactively adjusted to reflect the legal capital of the legal parent (accounting acquiree).

*(vi) Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity accounted associates are eliminated against the investments to the extent of the Group's interest in the associates and joint ventures, Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

### (b) Foreign currencies

*(i) Functional and presentation currency*

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

*(ii) Foreign currencies transactions*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries at initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates.

**2. Material accounting policies (continued)**

**(b) Foreign currencies (continued)**

*(ii) Foreign currencies transactions (continued)*

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's and of the Company's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group and of the Company on disposal of the foreign operation.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's and of the Company's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity.

## 2. Material accounting policies (continued)

### (b) Foreign currencies (continued)

*(ii) Foreign currencies transactions (continued)*

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

The principal exchange rate used in the translation of each unit of foreign currency at reporting date is as follows:

| | 2026<br>RM | 2025<br>RM |
|---|---|---|
| 1 Chinese Renminbi | 0.6009 | 0.5879 |
| 1 United States Dollar | 4.0775 | 3.3044 |
| 1 Singapore Dollar | 3.1495 | 4.2125 |

### (c) Revenue and other income

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

*(i) Property development*

*(a) Project in progress*

The Group develops and sells properties. Revenue is recognised based on the actual property development costs incurred relative to the estimated total property development costs to be incurred which excluding the cost of land held for development.

The Group recognises revenue over time for units sold using the input method, which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects. Payment of transaction price is due when each stage of the developing property is certified by a qualified architect.

**2. Material accounting policies (continued)**

**(c) Revenue and other income (continued)**

*(i) Property development (continued)*

*(a) Project in progress (continued)*

The customer pays the amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset and contract liabilities are recognised. If the payment received exceeds the services rendered, a contract liability is recognised.

*(b) Sales of completed properties*

The Group recognises revenue from the sale of completed properties at a point in time when control of the properties is transferred to customers. Revenue is recognised when the Group has fulfilled its performance obligations under the sale and purchase agreements and it is probable that the economic benefits associated with the transaction will flow to the Group.

Revenue is measured at the transaction price agreed under the contract and is recognised upon the transfer of control of the completed properties to the customers, generally upon the delivery of vacant possession and acceptance of the properties by the customers.

*(ii) Sales of manufactured goods*

The Group recognised sales upon delivery of products. Generally, the payment terms are due within 0 to 120 days from the invoice date. However, there is no warranty is given.

*(iii) Sales of trading goods*

The Group recognised sales upon delivery of goods. Generally, the payment terms are due within 30 days to 120 days from the invoice date. However, there is no warranty is given.

**2. Material accounting policies (continued)**

**(c) Revenue and other income (continued)**

*(iv) Management fees*

The Company was recognises management fees over time, as the subsidiaries simultaneously receive and consume the benefits. Generally, the payment terms are due within 120 days from the invoice date. However, there is no warrantyis given.

*(v) Rental income*

Rental income is recognised on the accrual basis unless collection is in doubt.

**(d) Employee benefits expense**

*(i) Short-term benefits*

Wages, salaries, bonuses, social security contributions and employment insurance system contributions are recognised as an expense in the financial year in which the associated services are rendered by employees of the Group and of the Company.

Short-term accumulating compensated absences, such as paid annual leave, are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

*(ii) Defined contribution plans*

The Group's and the Company's contributions to defined contribution plans are charged to the profit or loss in the period to which they relate. Once the contributions have been paid, the Group and the Company have no further liability in respect of the defined contribution plans.

**(e) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

## 2. Material accounting policies (continued)

### (f) Tax expense

*(i) Current tax*

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

*(ii) Deferred tax*

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, except where the transaction gives rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

## 2. Material accounting policies (continued)

### (f) Tax expense (continued)

*(ii) Deferred tax (continued)*

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss.Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

### (g) Impairment

*(i) Financial assets*

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for cash and bank balances, which are assessed for expected credit losses under the general approach. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information, where available.

## 2. Material accounting policies (continued)

### (g) Impairment (continued)

*(i) Financial assets (continued)*

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the assets, while 12 month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance amount.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or fully) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and 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. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedures for recovery of amounts due.

*(ii) Non-financial assets*

The Group and the Company assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group and the Company make an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGUs")).

**2. Material accounting policies (continued)**

**(g) Impairment (continued)**

*(ii) Non-financial assets (continued)*

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income and equity. In this case the impairment is also recognised in other comprehensive income and equity up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

**(h) Property, plant and equipment**

The cost of an item of property, plant and equipment is recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

All items of property, plant and equipment are initially recorded at cost. Costs include purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any costs directly attributable to bringing the asset to working condition for its intended use, and the initial estimate of the costs of dismantling and removing the items and restoring the site on which they are located.

**2. Material accounting policies (continued)**

**(h) Property, plant and equipment (continued)**

Freehold land is not depreciated. Leasehold land and buildings are depreciated over their estimated useful lives or lease terms, as appropriate. Other property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent to recognition, leasehold land and buildings are measured at a revalued amount, being their fair value at the date of the revaluation less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Revaluations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the assets at the reporting date.

Increases in the carrying amounts arising on revaluation of property, plant and equipment are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the property, plant and equipment revaluation surplus to accumulated losses.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group and the Company recognises such parts as individual assets with specific useful lives and depreciation. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the profit or loss as incurred.

Depreciation is based on the cost or valuation of an asset less its residual value. Significant components of assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately. Capital work-in-progress are not depreciated.

Depreciation of other property, plant and equipment is computed on a straight-line basis over the estimated useful lives of the assets at the following :

| | |
|---|---|
| Leasehold land | 50 years – 84 years |
| Factory buildings | 1.25% - 2% |
| Office building | 2% |
| Furniture, fittings and equipment | 8% - 20% |
| Motor vehicles | 20% |
| Plant and machinery | 10% - 20% |
| Renovation and signboards | 10% |

**2. Material accounting policies (continued)**

**(h) Property, plant and equipment (continued)**

The carrying amount of property, plant and equipment is reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised. Upon the disposal of revalued assets, the attributable revaluation surplus remaining in the revaluation reserve is transferred to accumulated losses.

The gain or loss arising from derecognition of the asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

**2. Material accounting policies (continued)**

**(i) Leases**

*(i) Initial recognition and measurement*

*(a) As a lessee*

The Group and the Company recognised a right-of-use asset and a lease liability at the commencement date of the lease.

The right-of-use asset is initially measured at cost, which comprises the following:

- the initial amount of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's and the Company's incremental borrowing rate.

Variable lease payments that do not depend on an index or a rate are excluded from lease liability and right-of-use asset and recognised in profit or loss in the period in which the event or condition that triggers those payments occurs.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**2. Material accounting policies (continued)**

**(i) Leases (continued)**

*(i) Initial recognition and measurement (continued)*

*(b) As a lessor*

Leases for which the Group and the Company are lessors are classified as finance or operating leases.

Leases which transfer substantially all of the risks and rewards incidental to ownership of the underlying asset is are finance lease; if not, then it is an operating lease.

The Group and the Company recognise assets held under a finance lease in their statements of financial position and presents them as a receivable at an amount equal to the net investment in the lease. Initial direct costs, other than those incurred by manufacturer or dealer lessors, are included in the initial measurement of the investment in the lease.

When the Group and the Company are intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group and the Company apply the exemption described above, then it classifies the sublease as an operating lease.

*(ii) Subsequent measurement*

*(a) As a lessee*

The right-of-use asset is subsequently depreciated over the shorter of the lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset to the Group and the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Group and the Company will exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

**2. Material accounting policies (continued)**

**(i) Leases (continued)**

*(ii) Subsequent measurement (continued)*

*(a) As a lessee (continued)*

The carrying amount of lease liability is subsequently increased by interest on the lease liability and reduced by lease payments made. It is remeasured when there is a change in lease term, assessment of an option to purchase the underlying asset, future lease payments arising from the change in an index or rate, the Group's and the Company's estimate of the amount expected to be payable under a residual value guarantee or in-substance fixed lease payments.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

*(b) As a lessor*

Finance income from finance leases is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease whereas lease income from operating leases is recognised in on an accrual basis over the lease term..

**(j) Inventories**

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

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and the estimated costs necessary to make the sale.

*(i) Inventory properties*

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realisable value.

**2. Material accounting policies (continued)**

**(j) Inventories (continued)**

*(i) Inventory properties (continued)*

Cost includes:
- Freehold and leasehold rights for land;
- Amounts paid to contractors for construction;
- Planning and design costs, costs of site preparation, professional fees for legal services, title transfer legal fee, construction overheads and other related costs.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less costs to completion and the estimated costs of sales.

Inventory properties under construction are referred to as property development costs and comprise the cost of land, direct building costs and a share of development costs common to the entire development project where applicable. Once sold, the cost of these inventories is recognised in profit or loss as and when control passes to the respective customers.

Units of development properties completed and held for sale are stated at the lower of cost and net realisable value. Costs comprise costs of acquisition of land including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use, related development costs to projects and direct building costs.

Inventory properties where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle are referred to as land held for development and classified within non-current assets. Generally, no significant development work would have been undertaken on these lands other than infrastructure work, earth work and landscape work incurred to prepare the land for development and these inventory properties are stated at cost plus incidental expenditure incurred to put the land in a condition ready for development. These inventory properties are classified to current assets at the point when active development project activities have commenced and when it can be demonstrated that the development activities can be completed within the normal operating cycle.

## 2. Material accounting policies (continued)

### (j) Inventories (continued)

*(ii) Inventories of raw materials, work in progress and finished goods*

Cost of purchased inventory (determined on the weighted average cost method) comprises cost of purchase and cost of bringing the inventories to their present condition and location. Costs of purchased inventory are determined after deducting rebates, discounts and the amount of Sales and Service Tax ("SST"). Cost of work in progress and finished goods (determined on the weighted average cost method) includes cost of direct materials, direct labour and an appropriate proportion of production overheads.

### (k) Financial assets

*(i) Initial recognition and measurement*

Financial assets are recognised when, and only when, the Group and the Company become a party to the contractual provision of the instrument.

At initial recognition, the Group and the Company measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

A trade receivable without a significant financing component is initially measured at the transaction price.

*(ii) Subsequent measurement*

The Group and the Company classify their financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group and the Company reclassify debt investments when and only when their business model for managing those asset changes.

**2. Material accounting policies (continued)**

**(k) Financial assets (continued)**

*(ii) Subsequent measurement (continued)*

*(a) Amortised cost*

A financial asset is measured at amortised cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income from financial asset measured at amortised cost is recognised in profit or loss using the effective interest method.

*(iii) Derecognition*

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all the risks and rewards of ownership. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received (including any new asset obtained less any new liability assumed) shall be recognised in profit or loss.

Any cumulative gain or loss arising from fair value changes in equity investment that had been recognised in other comprehensive income is transferred within equity when the equity investment is derecognised whereas any cumulative gain or loss arising from fair value changes in debt investments that had been recognised in other comprehensive income is transferred to profit or loss when the debt investment is derecognised.

**2. Material accounting policies (continued)**

**(l) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, and highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

**(m) Financial liabilities**

*(i) Initial recognition and measurement*

Financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provision of the instrument.

At initial recognition, the Group and the Company measure a financial liability at its fair value plus, in the case of a financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the issue of the financial liability.

*(ii) Subsequent measurement*

The categories of financial liabilities at initial recognition are as follows:

*(a) Amortised cost*

All financial liabilities are measured at amortised cost using the effective interest method except for financial liabilities where it is designated as at FVTPL.

Interest expense and foreign exchange gains and losses are recognised in profit or loss.

*(iii) Derecognition*

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability.

## 2. Material accounting policies (continued)

### (n) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are deducted from equity in the period in which they are distributed.

### (o) Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market which must be accessible to the Group and the Company.

For a non-financial asset, the fair value measurement considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value are categories into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Observable inputs other than quoted prices included in Level 1.
Level 3: Unobservable inputs used in valuation techniques.

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfer.

### (p) Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

## 2. Material accounting policies (continued)

### (q) Non-current assets held for sale

Non-current assets are classified as assets held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for sale in its immediate condition. Management must be committed to the sale, which should be expected within one year from the date of classification as held for sale. Immediately before classification as held for sale, the assets (or components of a disposal group) are remeasured in accordance with the Group's accounting policies. Thereafter, the assets (or disposal group) are recognised at the lower of their carrying amount and fair value less costs to sell. Assets classified as held for sale, or included within a disposal group that is classified as held for sale, are not depreciated. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are included in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. A disposal group that is to be abandoned may also qualify.

Results from operations qualifying as discontinued operations are presented separately as a single amount in profit or loss. Results from operations qualifying as discontinued operations as of the reporting date for the latest period presented, that have previously been presented as results from continuing operations, are represented as results from discontinued operations for all periods presented.

In case conditions for classification of non-current assets and disposal groups as held for sale are no longer met, classification as held for sale ceases. Accordingly, results of operations, previously presented in discontinued operations, are reclassified and included in result from continuing operations for all periods presented. Non-currentassets that cease to be classified as held for sale are remeasured at the lower of their carrying amount before classification as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset or disposal group not been classified as held for sale, and its recoverable amount at the date of the subsequent decision to sell.

### (r) Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares.

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

## 2. Material accounting policies (continued)

### (r) Earnings per share (continued)

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise Irredeemable Convertible Unsecured Loan Stocks and warrants.

## 3. Revenue

The revenue of the Group and of the Company consists of the following:

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 RM | 2025 RM | 2026 RM | 2025 RM |
| Revenue from contracts with customers | 101,008,129 | 91,144,939 | 720,000 | 720,000 |

### Disaggregation of revenue

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major goods or services and timing of revenue recognition.

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 RM | 2025 RM | 2026 RM | 2025 RM |
| **Revenue from contracts with customers** | | | | |
| Finished goods | | | | |
| - Manufacturing of goods | 8,456,008 | 33,266,342 | - | - |
| - Trading | 22,783,588 | 1,727,964 | - | - |
| Property development | | | | |
| - Completed development units | - | 952,000 | - | - |
| - Construction projects | 69,768,533 | 55,198,633 | - | - |
| Management fees charged to subsidiaries | - | - | 720,000 | 720,000 |
| | 101,008,129 | 91,144,939 | 720,000 | 720,000 |

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

## 3. Revenue (continued)

### Disaggregation of revenue (continued)

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 RM | 2025 RM | 2026 RM | 2025 RM |
| **Geographical markets** | | | | |
| Rest of Asia | 1,232,512 | 4,160,000 | - | - |
| Middle East | 85,307 | 620,000 | - | - |
| Oceania | 335,123 | 376,000 | - | - |
| Malaysia | 99,256,982 | 85,485,939 | 720,000 | 720,000 |
| Others | 98,205 | 503,000 | - | - |
| | 101,008,129 | 91,144,939 | 720,000 | 720,000 |
| **Timing of revenue recognition** | | | | |
| At a point in time | 31,239,596 | 35,946,306 | - | - |
| Over time | 69,768,533 | 55,198,633 | 720,000 | 720,000 |
| | 101,008,129 | 91,144,939 | 720,000 | 720,000 |

## 4. Other operating income

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 RM | 2025 RM | 2026 RM | 2025 RM |
| Rental income | 674,020 | 156,900 | - | - |
| Gain on disposal of property, plant and equipment | 60,084 | - | - | - |
| Gain on disposal of right-of-use assets | 10,658 | 41,645 | - | - |
| Reversal of impairment of receivables | 11,915 | - | - | - |
| Miscellaneous income | 171,911 | 17,831 | - | 500 |
| | 928,588 | 216,376 | - | 500 |

## 5. Employee benefits expenses

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 RM | 2025 RM | 2026 RM | 2025 RM |
| (a) Staff cost: | | | | |
| Salaries, wages, bonus and allowances | 4,357,590 | 8,342,302 | 37,105 | - |
| Contributions to defined contribution plan | 323,846 | 504,759 | 4,809 | - |
| Social security contributions | 58,525 | 135,677 | 714 | - |
| Other short-term employee benefits | 59,016 | 84,419 | 4,885 | - |
| Total staff costs | 4,798,977 | 9,067,157 | 47,513 | - |
| (b) Directors' remuneration: | | | | |
| (i) Executive directors: | | | | |
| - fees | | | | |
| - current year | 90,000 | 90,000 | 90,000 | 90,000 |
| - oveprovision in prior year | (133,878) | - | (133,878) | - |
| - salaries, bonus and allowances | 886,465 | 890,556 | 886,465 | - |
| - defined contribution plan | 169,465 | 169,212 | 169,465 | - |
| - social security contributions | 2,628 | 2,190 | 2,628 | - |
| | 1,014,680 | 1,151,958 | 1,014,680 | 90,000 |
| (ii) Non-executive directors: | | | | |
| - fees | 162,000 | 180,000 | 162,000 | 180,000 |
| Total directors' remuneration | 1,176,680 | 1,331,958 | 1,176,680 | 270,000 |
| Less: Capitalised to Inventories | 1,058,558 | - | 1,058,558 | - |
| Total employee benefits expense | 4,917,099 | 10,399,115 | 165,635 | 270,000 |

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

## 6. Finance income

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 RM | 2025 RM | 2026 RM | 2025 RM |
| Interest income from | | | | |
| - advances to a subsidiary | - | - | 104,701 | 517,222 |
| - security deposits with a licensed bank | 23,128 | 19,020 | - | - |
| | 23,128 | 19,020 | 104,701 | 517,222 |

## 7. Finance costs

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 RM | 2025 RM | 2026 RM | 2025 RM |
| Interest expenses on: | | | | |
| - bank overdrafts | 54,212 | 275,811 | - | - |
| - bankers' acceptance | 459,289 | 385,790 | - | - |
| - lease liabilities | 270,838 | 266,416 | 3,300 | - |
| - promissory note | - | 25,281 | - | - |
| - term loans | 1,433,042 | 89,366 | - | - |
| - irredeemable convertible unsecured loan stocks (ICULS) | 169,143 | 175,930 | 169,143 | 175,930 |
| - advances from a subsidiary | - | - | 1,117,848 | 748,148 |
| - profit interest | - | 520,967 | - | - |
| - flexitab interest | - | 58,255 | - | - |
| - others | 225,872 | 5,461 | - | - |
| | 2,612,396 | 1,803,277 | 1,290,291 | 924,078 |

## 8. Loss before tax

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 RM | 2025 RM | 2026 RM | 2025 RM |
| **Loss before tax is arrived after charging/ (crediting)** | | | | |
| **Auditors' remuneration** | | | | |
| Audit fees | 165,000 | 141,960 | 49,000 | 40,000 |
| **Material expenses** | | | | |
| Property, plant and equipment | | | | |
| - depreciation | 1,929,584 | 2,565,803 | 13,976 | - |
| - loss on disposal | 2,200,826 | 1,872 | - | - |
| - written off | 134,433 | - | - | - |
| Right-of-use assets | | | | |
| - depreciation | 667,272 | 654,689 | - | - |
| Intangible asset | | | | |
| - amortisation | - | 100 | - | - |
| - written off | 700 | - | - | - |
| Reversal/(Allowance) for expected credit losses | - | - | 21,913,080 | (13,765,750) |
| Impairment loss on investment in subsidiaries | - | - | 7,587,274 | 30,234,342 |
| Impairment loss on property plant and equipment and right-of-uses assets | 5,943,219 | 4,788,631 | - | - |
| Slow-moving of inventories | 6,278,502 | - | - | - |

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

## 9. Tax (income)/expenses

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 RM | 2025 RM | 2026 RM | 2025 RM |
| Tax expenses | | | | |
| - Current tax | 1,747,733 | 776,000 | - | - |
| - Under provison of income tax in prior year | 243,374 | - | 23,162 | - |
| Deferred tax: (Note 16) | | | | |
| - Origination of temporary differences | 163,896 | 626,538 | - | - |
| - Crystallisation of deferred tax liabilities arising from revaluation reserve | (143,143) | (132,248) | - | - |
| - Over provision of deferred tax in prior year | (2,695,475) | (604,006) | - | - |
| | (2,674,722) | (109,716) | - | - |
| | (683,615) | 666,284 | 23,162 | - |

## 9. Tax (income)/expenses (continued)

***Reconciliation of tax expense***

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | RM | RM | RM | RM |
| Loss before tax | (19,783,960) | (10,514,854) | (30,505,996) | (17,428,348) |
| Tax calculated at statutory tax rate of 24% | (4,748,151) | (2,523,565) | (7,321,439) | (4,182,804) |
| Crystallisation of deferred tax liabilities arising from revaluation reserve | (143,143) | (132,248) | - | - |
| Non-deductible expenses | 778,777 | 2,716,441 | 7,179,117 | 4,155,581 |
| Non-taxable income | (553,313) | (1,856,925) | - | - |
| Deferred tax asset not recognised | 6,434,316 | 3,066,587 | 142,322 | 27,223 |
| | 1,768,486 | 1,270,290 | - | - |
| Under provison of income tax in prior year | 243,374 | - | 23,162 | - |
| Over provision of deferred tax in prior year | (2,695,475) | (604,006) | - | - |
| Tax (income)/expenses | (683,615) | 666,284 | 23,162 | - |

## 9. Tax (income)/expenses (continued)

***Reconciliation of tax expense (continued)***

The Group has unabsorbed capital allowance and unutilised tax losses amounting to RM22,160,638 and RM68,918,835 (2025: RM20,639,629 and RM51,443,771) respectively for set off against future taxable profits.

The Company has unutilised tax losses amounting to approximately RM4,133,931 (2025: RM3,540,921) for set off against future taxable profits.

The unutilised tax losses can be carried forward for a period of 10 years from the year of assessment ("YA") to set against future profits as follows:

| | Group RM | Company RM | Utilised up to |
|---|---|---|---|
| YA 2018 and before | 10,336,543 | 1,459,339 | YA 2028 |
| YA 2019 | 4,714,171 | 1,034,101 | YA 2029 |
| YA 2020 | 4,982,639 | 200,103 | YA 2030 |
| YA 2021 | 3,441,171 | 17,273 | YA 2031 |
| YA 2022 | 3,307,419 | 323,670 | YA 2032 |
| YA 2023 | 5,405,962 | 481,321 | YA 2033 |
| YA 2024 | 5,876,468 | 25,114 | YA 2034 |
| YA 2025 | 10,732,275 | - | YA 2035 |
| YA 2026 | 20,122,187 | 593,010 | YA 2036 |

## 10. Loss per share

Basic/Diluted loss per share of the Group is calculated by dividing net loss for the financial year attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial year.

### (a) Basic loss per share

| | Group | |
|---|---|---|
| | 2026 RM | 2025 RM |
| Net loss for the financial year attributable to owners of the parent (RM) | (19,100,345) | (11,181,138) |
| Weighted average number of ordinary shares in issue (units) | 214,837,758 | 206,950,000 |
| Basic loss per share (sen) | (8.89) | (5.40) |

## 10. Loss per share (continued)

### (b) Diluted loss per ordinary share

| | Group | |
|---|---|---|
| | 2026 | 2025 |
| Loss attributable to owners of the parent (RM) | (19,100,345) | (11,181,138) |
| Weighted average number of ordinary shares at 30 June (units) | 216,963,610 | 206,950,000 |
| Effect of new ordinary share pursuant to exercise of ICULS (units) | 51,569,524 | 26,470,800 |
| Effect of new ordinary shares pursuant to warrants (units) | 32,269,503 | 38,193,271 |
| Weighted average number of ordinary shares at 30 June (units) | 300,802,637 | 271,614,071 |
| **Diluted loss attributable to owners of the Company per ordinary share (sen)** | (6.35) | (4.12) |

## 11. Property, plant and equipment

| 2026 | Leasehold land RM | Leasehold land and factory buildings RM | Office building RM | Furniture fittings and equipment RM | Motor Vehicles RM | Plant and machinery RM | Renovation and signboards RM | Total RM |
|---|---|---|---|---|---|---|---|---|
| **Group** | | | | | | | | |
| **Cost/Valuation** | | | | | | | | |
| At 1 July 2025 | 6,135,176 | 17,547,959 | 2,300,000 | 2,026,975 | 1,198,535 | 40,941,292 | 7,650,217 | 77,800,154 |
| Additions | 434,411 | - | - | 79,255 | 214,589 | 3,707,865 | - | 4,436,120 |
| Revaluation | 509,896 | 255,874 | - | - | - | - | - | 765,770 |
| Disposal | - | - | - | - | (263,515) | (15,321,678) | - | (15,585,193) |
| Reclassification | - | - | - | 191,565 | (40,005) | 2,474,553 | (524,875) | 2,101,238 |
| Written-off | - | - | - | (496,780) | (6,050) | - | (129,160) | (631,990) |
| At 30 June | 7,079,483 | 17,803,833 | 2,300,000 | 1,801,015 | 1,103,554 | 31,802,032 | 6,996,182 | 68,886,099 |
| **Accumulated depreciation** | | | | | | | | |
| At 1 July 2025 | 502,941 | 712,650 | 421,665 | 1,598,492 | 1,011,714 | 21,166,722 | 1,608,360 | 27,022,544 |
| Charge for the financial year | 164,871 | 232,000 | 46,000 | 143,218 | 75,651 | 900,286 | 367,558 | 1,929,584 |
| Reclassification | (8,329) | (20,817) | 1 | 17,375 | 44,264 | 1,577,850 | 72,109 | 1,682,453 |
| Disposal | - | - | - | - | (263,513) | (4,778,805) | - | (5,042,318) |
| Written-off | - | - | - | (476,894) | (6,045) | - | (14,618) | (497,557) |
| At 30 June | 659,483 | 923,833 | 467,666 | 1,282,191 | 862,071 | 18,866,053 | 2,033,409 | 25,094,706 |

**11. Property, plant and equipment (continued)**

| 2026 | Leasehold land RM | Leasehold land and factory buildings RM | Office building RM | Furniture fittings and equipment RM | Motor Vehicles RM | Plant and machinery RM | Renovation and signboards RM | Total RM |
|---|---|---|---|---|---|---|---|---|
| **Group** | | | | | | | | |
| **Accumulated impairment loss** | | | | | | | | |
| At 1 July | - | - | - | - | - | 11,426,925 | - | 11,426,925 |
| Addition | - | - | - | - | - | 5,943,219 | - | 5,943,219 |
| Disposal | - | - | - | - | - | (4,434,166) | - | (4,434,166) |
| At 30 June | - | - | - | - | - | 12,935,978 | - | 12,935,978 |
| **Carrying amount** | | | | | | | | |
| At 30 June | 6,420,000 | 16,880,000 | 1,832,334 | 518,824 | 241,483 | 1 | 4,962,773 | 30,855,415 |
| **Representing:** | | | | | | | | |
| At cost | - | - | 1,832,334 | 518,824 | 241,483 | 1 | 4,962,773 | 7,555,415 |
| At valuation | 6,420,000 | 16,880,000 | - | - | - | - | - | 23,300,000 |
| | 6,420,000 | 16,880,000 | 1,832,334 | 518,824 | 241,483 | 1 | 4,962,773 | 30,855,415 |

**11. Property, plant and equipment (continued)**

| 2025 | Leasehold land RM | Leasehold land and factory buildings RM | Office building RM | Furniture fittings and equipment RM | Motor Vehicles RM | Plant and machinery RM | Work-in-progress machinery RM | Renovation and signboards RM | Total RM |
|---|---|---|---|---|---|---|---|---|---|
| **Group** | | | | | | | | | |
| **Cost/Valuation** | | | | | | | | | |
| At 1 July 2024 | 5,000,000 | 11,600,000 | 2,300,000 | 1,976,042 | 1,398,460 | 29,369,182 | 11,103,624 | 7,557,237 | 70,304,545 |
| Additions | - | - | - | 67,791 | - | 365,012 | 103,474 | 92,980 | 629,257 |
| Revaluation | 1,135,176 | 5,947,959 | - | - | - | - | - | - | 7,083,135 |
| Disposal | - | - | - | (16,858) | (199,925) | - | - | - | (216,783) |
| Reclassification | - | - | - | - | - | 11,207,098 | (11,207,098) | - | - |
| At 30 June | 6,135,176 | 17,547,959 | 2,300,000 | 2,026,975 | 1,198,535 | 40,941,292 | - | 7,650,217 | 77,800,154 |
| **Accumulated depreciation** | | | | | | | | | |
| At 1 July 2024 | 338,071 | 484,817 | 375,666 | 1,471,983 | 1,194,437 | 19,566,275 | - | 1,240,403 | 24,671,652 |
| Charge for the financial year | 164,870 | 227,833 | 45,999 | 141,498 | 17,199 | 1,600,447 | - | 367,957 | 2,565,803 |
| Disposal | - | - | - | (14,989) | (199,922) | - | - | - | (214,911) |
| At 30 June | 502,941 | 712,650 | 421,665 | 1,598,492 | 1,011,714 | 21,166,722 | - | 1,608,360 | 27,022,544 |

**11. Property, plant and equipment (continued)**

| 2025 | Leasehold land RM | Leasehold land and factory buildings RM | Office building RM | Furniture fittings and equipment RM | Motor Vehicles RM | Plant and machinery RM | Work-in-progress machinery RM | Renovation and signboards RM | Total RM |
|---|---|---|---|---|---|---|---|---|---|
| **Group** | | | | | | | | | |
| **Accumulated impairment loss** | | | | | | | | | |
| At 1 July | - | - | - | - | - | 6,638,294 | - | - | 6,638,294 |
| Addition | - | - | - | - | - | 4,788,631 | - | - | 4,788,631 |
| At 30 June | - | - | - | - | - | 11,426,925 | - | - | 11,426,925 |
| **Carrying amount** | | | | | | | | | |
| At 30 June | 5,632,235 | 16,835,309 | 1,878,335 | 428,483 | 186,821 | 8,347,645 | - | 6,041,857 | 39,350,685 |
| **Representing:** | | | | | | | | | |
| At cost | - | - | 1,878,335 | 428,483 | 186,821 | 8,347,645 | - | 6,041,857 | 16,883,141 |
| At valuation | 5,632,235 | 16,835,309 | - | - | - | - | - | - | 22,467,544 |
| | 5,632,235 | 16,835,309 | 1,878,335 | 428,483 | 186,821 | 8,347,645 | - | 6,041,857 | 39,350,685 |

## 11. Property, plant and equipment (continued)

| | Company | |
|---|---|---|
| | 2026 | 2025 |
| | RM | RM |
| **Motor vehicle** | | |
| At 1 July 2025/2024 | - | - |
| Addition | 214,589 | - |
| At 30 June | 214,589 | - |
| **Accumulated depreciation** | | |
| At 1 July 2025/2024 | - | - |
| Charge for the financial year | 13,976 | - |
| At 30 June | 13,976 | - |
| Total carrying amount | 200,613 | - |

### (i) Impairment review of property, plant and equipment

The management has performed an impairment review and concluded impairment of RM5,943,219 in respect of the property, plant and equipment that had been idle and not in use as at the financial year end. The impairment was based on the assessment that the recoverable amount was lower than the carrying amount of the assets.

The recoverable amount of the remaining property, plant and equipment of the subsidiaries, was determined based on its value-in-use calculations using cash flow projections prepared by management covering a five-year period. The following are the key assumptions:

(i) The discount rate used for the value-in-use calculation is based on the Group's weighted average cost of capital ("WACC") specific to the industry at rate of 5.60% (2025: 5.60%).

(ii) The values assigned to the key assumptions such as sales growth, fixed and variable costs are based on the management's assessment of future business trends and its historical data.

The recoverable amount of the remaining property, plant and equipment of the subsidiaries is higher than its carrying amounts.

## 11. Property, plant and equipment (continued)

### (ii) At reporting date:

The property, plant and equipment of the Group which have been charged as collateral to secure the banking facilities and term loans referred to in Note 25 are as follows:

| | Group | |
|---|---|---|
| | 2026 | 2025 |
| **Carrying amount** | **RM** | **RM** |
| Leasehold land | 6,420,000 | 5,632,235 |
| Leasehold buildings | 16,880,000 | 16,835,309 |
| Office buildings | 1,832,334 | 1,878,335 |
| | 25,132,334 | 24,345,879 |

### (iii) Revaluation

The leasehold land and buildings for the manufacturing business segment of the Group were revalued in June 2026 by independent professional valuers using the fair value method which is determined by reference to "Comparison Method".

The fair values of leasehold land were arrived at based on recent transactions and by assessing prices of similar land in the surrounding areas with adjustments made for differences in location, size and shape of the land, tenure, title restrictions, if any and other relevant characteristics.

The fair value of factory buildings was determined using the comparison method, which involves analysing recent market transactions of similar properties and making adjustments for differences in location, size, condition and other relevant factors. In estimating the fair values of the properties, the highest and best use of the properties is their current use.

## 11. Property, plant and equipment (continued)

### (iii) Revaluation (continued)

Had the leasehold land and buildings been carried at historical cost, the carrying amount that would have been included in the financial statements of the Group as at reporting date would be as follows:

| | Group | |
|---|---|---|
| | 2026 | 2025 |
| | RM | RM |
| **Short-term leasehold land** | | |
| At cost | 2,560,000 | 2,560,000 |
| Less: Accumulated depreciation | (1,233,870) | (1,117,334) |
| Carrying amount | 1,326,130 | 1,442,666 |
| **Factory buildings** | | |
| At cost | 11,730,774 | 11,730,774 |
| Less: Accumulated depreciation | (3,737,517) | (3,449,707) |
| Carrying amount | 7,993,257 | 8,281,067 |
| Total carrying amount | 9,319,387 | 9,723,733 |

## 12. Intangible assets

| | Group | |
|---|---|---|
| | 2026 | 2025 |
| | RM | RM |
| **Trademark** | | |
| At 1 July 2025/2024 | 1,000 | 1,000 |
| Written-off | (1,000) | - |
| At 30 June | - | 1,000 |
| **Accumulated amortisation** | | |
| At 1 July 2025/2024 | 300 | 200 |
| Written-off | (300) | - |
| Charge for the financial year | - | 100 |
| At 30 June | - | 300 |
| **Carrying amount** | - | 700 |

## 13. Right-of-use assets

| 2026 | Motor Vehicle RM | Plant and machinery RM | Hostel RM | Showroom RM | Warehouse RM | Total RM |
|---|---|---|---|---|---|---|
| **Group** | | | | | | |
| **Cost** | | | | | | |
| At 1 July 2025 | 973,265 | 2,385,985 | 133,849 | 956,687 | 41,022 | 4,490,808 |
| Additions | - | - | 13,932 | - | 1,298,800 | 1,312,732 |
| Disposal | (139,644) | (1,520,740) | - | - | (2,638,616) | (4,299,000) |
| Reclassification | - | (865,245) | - | (223,082) | 1,298,794 | 210,467 |
| Written-off | - | - | (147,781) | - | - | (147,781) |
| At 30 June | 833,621 | - | - | 733,605 | - | 1,567,226 |
| **Accumulated amortisation** | | | | | | |
| At 1 July 2025 | 717,783 | 1,094,851 | 133,849 | 443,164 | 8,850 | 2,398,497 |
| Charge for the financial year | 190,101 | 50,691 | 13,932 | 191,524 | 221,024 | 667,272 |
| Disposal | (116,370) | (932,198) | - | - | (2,637,549) | (3,686,117) |
| Reclassification | (148,858) | (213,344) | - | (239,298) | 2,407,675 | 1,806,175 |
| Written-off | - | - | (147,781) | - | - | (147,781) |
| At 30 June | 642,656 | - | - | 395,390 | - | 1,038,046 |
| **Carrying amount** | | | | | | |
| At 30 June 2026 | 190,965 | - | - | 338,215 | - | 529,180 |

## 13. Right-of-use assets (continued)

| 2025 | Motor Vehicle RM | Plant and machinery RM | Hostel RM | Showroom RM | Warehouse RM | Total RM |
|---|---|---|---|---|---|---|
| **Group** | | | | | | |
| **Cost** | | | | | | |
| At 1 July 2024 | 790,363 | 2,210,545 | 424,686 | 621,773 | 235,656 | 4,283,023 |
| Additions | 182,902 | 175,440 | 32,562 | 334,914 | - | 725,818 |
| Written-off | - | - | (323,399) | - | (194,634) | (518,033) |
| At 30 June | 973,265 | 2,385,985 | 133,849 | 956,687 | 41,022 | 4,490,808 |
| **Accumulated amortisation** | | | | | | |
| At 1 July 2024 | 478,098 | 976,200 | 208,012 | 296,443 | 141,153 | 2,099,906 |
| Charge for the financial year | 239,685 | 118,651 | 103,521 | 146,721 | 46,111 | 654,689 |
| Written-off | - | - | (177,684) | - | (178,414) | (356,098) |
| At 30 June | 717,783 | 1,094,851 | 133,849 | 443,164 | 8,850 | 2,398,497 |
| **Carrying amount** | | | | | | |
| At 30 June 2025 | 255,482 | 1,291,134 | - | 513,523 | 32,172 | 2,092,311 |

## 13. Right-of-use assets (continued)

During the financial year, cash payments made for additions to right-of-use assets are as follows:

| | Group | |
|---|---|---|
| | 2026 | 2025 |
| | RM | RM |
| Total additions | 1,312,732 | 725,818 |
| Lease liabilities | (1,312,732) | (725,818) |
| Cash payments | - | - |

**Impairment review of right-of-use assets**

The recoverable amount of the right-of-use assets of the subsidiaries, was determined based on its value-in-use calculations using cash flow projections from financial budget prepared by management covering a five-year period. The following are the key assumptions:

(i) The discount rate used for the value-in-use calculation is based on the Group's weighted average cost of capital specific to the industry at rate of 5.60% (2025: 10.4%).

(ii) The values assigned to the key assumptions such as sales growth, fixed and variable costs are based on the management's assessment of future business trends and its historical data.

## 14. Investment in subsidiaries

| | Company | |
|---|---|---|
| | 2026 | 2025 |
| | RM | RM |
| Unquoted shares at cost | 54,174,076 | 54,024,076 |
| Less: Impairment loss | | |
| At 1 July 2025/2024 | 46,586,802 | 16,352,460 |
| Addition | 7,587,274 | 30,234,342 |
| At 30 June | 54,174,076 | 46,586,802 |
| | - | 7,437,274 |

## 14. Investment in subsidiaries (continued)

Details of the subsidiaries which are incorporated in Malaysia are as follows:

| Name of subsidiaries | Country of incorporation | Percentage of equity held (%) 2026 % | 2025 % | Principal activities |
|---|---|---|---|---|
| **Subsidiaries of the Company** | | | | |
| Scanwolf Trading & Construction Sdn. Bhd. ("STC") (formerly known as Scanwolf Plastic Industries Sdn. Bhd. ("SPI")) | Malaysia | 100 | 100 | Design and manufacture of plastic extrusions, trading of industrial consumables, and construction-related works |
| Scanwolf Properties Sdn. Bhd. ("SPSB") | Malaysia | 100 | 100 | Property development |
| Scanwolf Marketing Sdn. Bhd. ("SMSB") | Malaysia | 100 | 100 | Wholesale of fittings and fixtures and supply and trading of building materials and construction related materials and products |
| Scanwolf Builders Sdn. Bhd. | Malaysia | 100 | 100 | Property development, construction of houses, building and other related contract works |
| **Subsidiary of Scanwolf Trading & Construction Sdn. Bhd.** | | | | |
| Scanwolf Flooring Industries Sdn. Bhd. ("SFI") | Malaysia | 100 | 100 | Manufacturing of vinyl flooring |

**Impairment assessment**

At the reporting date, the Company conducted an impairment review on Scanwolf Trading & Construction Sdn. Bhd. ("STC") and its subsidiary, Scanwolf Flooring Industries Sdn. Bhd. ("SFI") and impairment review on Scanwolf Marketing Sdn. Bhd. ("SMSB"). The carrying amounts of the investment in STC, SFI and SMSB are higher than their net asset value, which indicates that the carrying amount of investment in subsidiaries may be impaired. The Directors' assessment of the recoverable amounts of these subsidiaries is based on the higher of its fair value less costs of disposal of these subsidiaries, or its value in use.

The Directors have estimated the investment's fair value less costs of disposal based on the net assets of the subsidiary as there is no readily available market value. Impairment of investment in subsidiary was made since there is significant decline in the net assets of the subsidiary as a result of operational losses. The total impairment made during the year amounted to RM7,587,274 (2025: RM30,234,342).

## 14. Investment in subsidiaries (continued)

On 22 May 2026, the Company subscribed for additional ordinary shares in Scanwolf Properties Sdn. Bhd., a wholly-owned subsidiary of the Company, for a cash consideration of RM150,000 to facilitate its working capital requirements.

## 15. Investment in joint ventures

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 RM | 2025 RM | 2026 RM | 2025 RM |
| At 1 July 2025 | 500,000 | - | 500,000 | - |
| Share of loss of joint ventures | (500,000) | - | - | - |
| At 30 June | - | - | 500,000 | - |

On 11 November 2025, the Group acquired a 50% equity interest in Scanwolf Ecofloors Sdn. Bhd. ("SESB") for a total cash consideration of RM500,000. Pursuant to the terms of the shareholders' agreement, the Group shares joint control over SESB and, accordingly, has classified the investment as a joint venture. The investment is accounted for using the equity method in the consolidated financial statements and is stated at cost in the separate financial statements.

Scanwolf Ecofloors Sdn. Bhd. ("SESB") is an unlisted separate entity with no quoted market prices available.

The details of the joint venture, incorporated in Malaysia, are as follows:

| Name of company | Country of incorporation | Effective equity interest (%) 2026 % | 2025 % | Principal activities |
|---|---|---|---|---|
| **Joint Venture** | | | | |
| Scanwolf Ecofloors Sdn. Bhd. ("SESB") | Malaysia | 50 | - | Manufacturing and trading of flooring products and related materials |

## 16. Deferred tax (assets)/liabilities

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 RM | 2025 RM | 2026 RM | 2025 RM |
| At 1 July 2025/2024 | 3,341,370 | 1,743,046 | (146,119) | (154,207) |
| Recognised in profit or loss: | (2,531,580) | 22,532 | - | - |
| - crystallisation of deferred tax liabilities arising from revaluation reserve | (143,143) | (132,248) | - | - |
| Recognised directly in equity | | | | |
| - arising from Irredeemable Convertible Unsecured Loan Stocks liabilities | 233 | 8,088 | 233 | 8,088 |
| - transfer from revaluation | 183,785 | 1,699,952 | - | - |
| | (2,490,705) | 1,598,324 | 233 | 8,088 |
| At 30 June | 850,665 | 3,341,370 | (145,886) | (146,119) |

## 16. Deferred tax (assets)/liabilities (continued)

Presented after offsetting as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | RM | RM | RM | RM |
| Deferred tax assets | (145,886) | (146,119) | (145,886) | (146,119) |
| Deferred tax liabilities | 996,551 | 3,487,489 | - | - |
| | 850,665 | 3,341,370 | (145,886) | (146,119) |

The movements in deferred tax (assets)/liabilities during the financial year comprise the following:

| Group | Property, plant and equipment RM | Revaluation reserve RM | Total RM |
|---|---|---|---|
| **2026** | | | |
| **Deferred tax liabilities** | | | |
| At 1 July 2025 | 1,988,378 | 3,195,076 | 5,183,454 |
| Crystallisation of deferred tax liabilities arising from revaluation reserve | - | (143,143) | (143,143) |
| Recognised directly in equity | - | 183,785 | 183,785 |
| Recognised in profit or loss | (3,750,765) | - | (3,750,765) |
| At 30 June | (1,762,387) | 3,235,718 | 1,473,331 |
| **2025** | | | |
| **Deferred tax liabilities** | | | |
| At 1 July 2024 | 1,955,249 | 1,627,372 | 3,582,621 |
| Crystallisation of deferred tax liabilities arising from revaluation reserve | - | (132,248) | (132,248) |
| Recognised directly in equity | - | 1,699,952 | 1,699,952 |
| Recognised in profit or loss | 33,129 | - | 33,129 |
| At 30 June | 1,988,378 | 3,195,076 | 5,183,454 |

## 16. Deferred tax (assets)/liabilities (continued)

| | Unabsorbed capital allowance RM | Unutilised tax losses RM | Others RM | Total RM |
|---|---|---|---|---|
| **Group** | | | | |
| **2026** | | | | |
| **Deferred tax assets** | | | | |
| At 1 July 2025 | (14,304) | (796,120) | (1,031,660) | (1,842,084) |
| Recognised in profit or loss | 5,770 | 797,500 | 415,915 | 1,219,185 |
| Recognised directly in equity | - | - | 233 | 233 |
| At 30 June | (8,534) | 1,380 | (615,512) | (622,666) |
| **Group** | | | | |
| **2025** | | | | |
| **Deferred tax assets** | | | | |
| At 1 July 2024 | (516,513) | (1,168,855) | (154,207) | (1,839,575) |
| Recognised in profit or loss | 502,209 | 372,735 | (885,541) | -<br>(10,597) |
| Recognised directly in equity | - | - | 8,088 | 8,088 |
| At 30 June | (14,304) | (796,120) | (1,031,660) | (1,842,084) |

| | Others RM |
|---|---|
| **Company** | |
| **2026** | |
| **Deferred tax assets** | |
| At 1 July 2025/30 June | (145,886) |
| **2025** | |
| **Deferred tax assets** | |
| At 1 July 2024/30 June | (146,119) |

The amount of temporary differences for which no deferred tax assets (stated at gross) have been recognised as they may not be used to offset taxable profits of the other subsidiaries in the Group and they arose in subsidiaries that have a recent history of losses, is as follows:

## 16. Deferred tax (assets)/liabilities (continued)

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 RM | 2025 RM | 2026 RM | 2025 RM |
| Unabsorbed capital allowance | 16,499,502 | 9,811,575 | - | - |
| Unutilised tax losses | 68,920,897 | 48,796,648 | 4,133,931 | 3,540,921 |
| Others | 34,926 | 37,453 | - | - |
| | 85,455,325 | 58,645,676 | 4,133,931 | 3,540,921 |

## 17. Inventories

| | Group | |
|---|---|---|
| | 2026 RM | 2025 RM |
| **Manufacturing** | | |
| - raw materials | 4,317,120 | 3,894,751 |
| - work in progress | - | 2,850,339 |
| - finished goods | 3,024,660 | 3,381,715 |
| | 7,341,780 | 10,126,805 |
| Less: Slow-moving of inventories | | |
| At 1 July 2025/2024 | - | - |
| Addition | 6,278,502 | - |
| | 6,278,502 | - |
| Less: Inventories written down | | |
| At 1 July 2025/2024 | 1,063,278 | 1,063,278 |
| Addition | - | - |
| | 1,063,278 | 1,063,278 |
| | - | 9,063,527 |
| **Properties** | | |
| - properties held for development | 7,898,946 | 6,328,689 |
| - properties held for sale | 35,149,424 | 35,149,424 |
| | 43,048,370 | 41,478,113 |
| | 43,048,370 | 50,541,640 |
| Less: non-current portion | (7,898,946) | (6,328,689) |
| | 35,149,424 | 44,212,951 |
| **Recognised in profit or loss** | | |
| Inventories recognised as cost of sales | 90,803,474 | 74,267,089 |

The property development assets are pledged against borrowings as disclosed in *Note 25* to the financial statements.

## 18. Receivables, deposits and prepayments

| | Note | Group 2026 RM | Group 2025 RM | Company 2026 RM | Company 2025 RM |
|---|---|---|---|---|---|
| **Non-current asset** | | | | | |
| Amount due from subsidiaries | (a) | - | - | 63,846,316 | 42,586,584 |
| Less: Impairment | | - | - | (62,046,316) | (40,141,928) |
| | | - | - | 1,800,000 | 2,444,656 |
| **Current asset** | | | | | |
| Trade receivables | (b) | 46,691,555 | 25,806,657 | - | - |
| Less: Impairment | | - | (83,858) | - | - |
| | | 46,691,555 | 25,722,799 | - | - |
| Amount due from subsidiaries | (a) | - | - | 3,310,500 | 3,880,322 |
| Less: Impairment | | - | - | (3,310,500) | (3,301,808) |
| | | - | - | - | 578,514 |
| Amount due from related party | (c) | 28,580,754 | 27,896,264 | - | - |
| Non-trade receivables | | 284,362 | 2,386,266 | - | - |
| Deposits | | 2,861,923 | 1,762,634 | 4,000 | 4,000 |
| Prepayments | | 297,245 | 187,790 | 19,034 | 19,034 |
| Services tax recoverable | | - | 491,364 | - | - |
| | | 3,443,530 | 4,828,054 | 23,034 | 23,034 |
| Total current assets | | 78,715,839 | 58,447,117 | 23,034 | 601,548 |
| | | 78,715,839 | 58,447,117 | 1,823,034 | 3,046,204 |

## 18. Receivables, deposits and prepayments (continued)

### (a) Amounts due from subsidiaries

Trade in nature

Amounts due from subsidiaries that are trade in nature, are on the normal credit terms of the Company are 0 to 120 days (2025: 0 to 120 days). Other credit terms are assessed and approved on a case-by-case basis.

The movements in the loss allowance of amount due from subsidiaries during the financial year are as follows:

| | Company | |
|---|---|---|
| | 2026 | 2025 |
| | RM | RM |
| **Loss allowance** | | |
| At 1 July 2025/2024 | 3,301,808 | 5,937,023 |
| Additions | 826,875 | - |
| Reversal of allowance of impairment | (818,183) | (2,635,215) |
| At 30 June | 3,310,500 | 3,301,808 |

Non-trade in nature

Amounts due from subsidiaries are non-trade, unsecured, bear interest ranging from 3.00% to 6.70% (2025: 3.00% to 6.70%) per annum and are repayable on demand.

The movements in the loss allowance of amount due from subsidiaries during the financial year are as follows:

| | Company | |
|---|---|---|
| | 2026 | 2025 |
| | RM | RM |
| **Loss allowance** | | |
| At 1 July 2025/2024 | 40,141,928 | 51,272,467 |
| Additions | 21,904,388 | 13,432,799 |
| Reversal of allowance for impairment | - | (24,563,338) |
| At 30 June | 62,046,316 | 40,141,928 |

### (b) Trade receivables

The normal trade credit terms of the Group are 0 to 120 days (2025: 0 to 120 days). Other credit terms are assessed and approved on a case-by-case basis.

The movements in the loss allowance of trade receivables during the financial year are as follows:

## 18. Receivables, deposits and prepayments (continued)

### (b) Trade receivables (continued)

| | Group | |
|---|---|---|
| | 2026 | 2025 |
| | RM | RM |
| **Loss allowance** | | |
| At 1 July 2025/2024 | 83,858 | 351,956 |
| Reversal | (83,858) | (268,098) |
| At 30 June | - | 83,858 |

### (c) Amount due from related parties

The normal trade credit terms of the Group are 30 days. Other credit terms are assessed and approved on a case-by-case basis.

## 19. Contract assets/ (liabilities)

| | Group | |
|---|---|---|
| | 2026 | 2025 |
| | RM | RM |
| At 1 July 2025/2024 | (506,981) | - |
| Revenue recognised during the financial year | 69,768,533 | 55,198,633 |
| Less: Progress billing issued to date | (64,768,077) | - |
| Amount billed to customers during the financial year | 1,669,970 | (55,705,614) |
| At 30 June | 6,163,445 | (506,981) |

## 20. Cash and bank balances

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| | RM | RM | RM | RM |
| Cash on hand | 566 | 3,841 | - | 254 |
| Cash at bank | 1,487,693 | 8,236,235 | 770,051 | 97,220 |
| | 1,488,259 | 8,240,076 | 770,051 | 97,474 |

## 21. Share capital

| | Note | Group and Company 2026 No. of shares | Group and Company 2025 No. of shares | Group and Company 2026 RM | Group and Company 2025 RM |
|---|---|---|---|---|---|
| **Issued and fully paid:** | | | | | |
| At 1 July 2025/2024 | | 214,335,310 | 200,289,510 | 87,497,013 | 82,577,242 |
| Conversion of Irredeemable Convertible Unsecured Loan Stocks (ICULS) | 22(c) | 90,000 | 3,125,700 | 27,000 | 937,710 |
| Conversion of Warrants | 22(d) | 2,538,300 | 10,920,100 | 930,711 | 3,982,061 |
| Share capital reduction | | - | - | (45,000,000) | - |
| At 30 June | | 216,963,610 | 214,335,310 | 43,454,724 | 87,497,013 |

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one (1) vote per share without restriction and rank equally with regard to the Company's residual interests.

On 17 March 2026, the Company reduced its share capital by RM45,000,000 pursuant to the relevant capital reduction exercise undertaken in accordance with Section 117 of the Companies Act 2016. The amount of RM45,000,000 arising from the capital reduction was applied to reduce the Company's accumulated losses.

## 22. Other reserves

| | Note | Group 2026 RM | Group 2025 RM | Company 2026 RM | Company 2025 RM |
|---|---|---|---|---|---|
| **Non-distributable:** | | | | | |
| Revaluation reserve | (a) | 10,518,762 | 10,242,043 | - | - |
| Reserve acquisition reserve | (b) | (19,524,076) | (19,524,076) | - | - |
| ICULS | (c) | 1,677,067 | 1,685,329 | 1,677,067 | 1,685,329 |
| Warrant reserve | (d) | 2,504,308 | 2,673,529 | 2,504,308 | 2,673,529 |
| Capital reserve | (e) | - | - | 2,000,000 | 2,000,000 |
| | | (4,823,939) | (4,923,175) | 6,181,375 | 6,358,858 |

## 22. Other reserves (continued)

### (a) Revaluation reserve

The revaluation reserve represents revaluation surplus arising from leasehold land and buildings. The revaluation reserves is used to record increases in the fair value of leasehold land and buildings and decreases to the extent that such decrease relates to an increase on the same assets previously recognised in other comprehensive income.

### (b) Reverse acquisition reserve

The reverse acquisition reserve arose from the reverse acquisition of the Company by Scanwolf Trading & Construction Sdn. Bhd, (formerly Scanwolf Plastic Industries Sdn. Bhd.) in 2008.

### (c) Irredeemable Convertible Unsecured Loan Stocks (ICULS)

Recognition of ICULS and classification in accordance with MFRS 9. The Management has used Black-Scholes method, in deriving its fair value of the option price, and thus, segregated the equity component against the liability's component ICULS.

The salient features of the ICULS are as follows:

(i) The Rights Issue of ICULS with Warrants entails the issuance of up to RM10,497,120 nominal value of ICULS at 100% of its nominal value of RM0.10 on the basis of 2 ICULS for every 2 existing Scanwolf Shares held by Entitled Shareholders on the Entitlement Date together with up to 52,485,600 Warrants on the basis of 1 Warrant for every 2 ICULS subscribed by the Entitled Shareholders;

(ii) The ICULS shall be issued at 100% of its nominal value of RM0.10 each. The issue price of RM0.10 and the conversion price of RM0.30;

(iii) The ICULS has a tenure of 5 years with interest rate of 3% per annum.

| | 2026<br>Units | 2025<br>Units |
|---|---|---|
| Number of ICULS not converted as at 30 June | 56,380,800 | 56,470,800 |

| | 2026<br>RM | 2025<br>RM |
|---|---|---|
| Equity component | 1,677,067 | 1,685,329 |
| Liability component | 607,859 | 608,830 |
| Deferred tax assets | 145,886 | 146,119 |
| At 30 June | 2,430,812 | 2,440,278 |

## 22. Other reserves (continued)

### (d) Warrant reserves

The Rights Issue of ICULS with Warrants is renounceable in full or in part. However, the ICULS and Warrants cannot be renounced separately. The Warrants are attached to the ICULS and will only be issued to the Entitled Shareholders or renouncee(s)/transferee(s) who have subscribed for the ICULS. The Entitled Shareholders accepting only part of their ICULS entitlements shall be entitled to the Warrants in proportion to their acceptance of their ICULS entitlements. Upon issuance, the Warrants will be immediately detached from the ICULS and can be exercised separately.

The salient features of the warrants are as follows:

(i) The exercise price of the Warrants is fixed at RM0.30 each;

(ii) The ICULS shall be issued at 100% of its nominal value of RM0.10 each. The issue price of RM0.10 and the conversion price of RM0.30; and

(iii) The tenure of the ICULS of 5 years with interest rate of 3% per annum.

During the year, the Company issued of 2,538,300 shares for RM0.10 each for cash pursuant to the Company's warrant at exercise price of RM0.30 per share.

### (e) Capital reserve

On 26 June 2025, Scanwolf Properties Sdn. Bhd., a wholly owned subsidiary of the Company, transferred its entire investment in Scanwolf Builders Sdn. Bhd. to Scanwolf Corporation Berhad. The investment, comprising ordinary shares with a carrying amount of RM2,000,000, was transferred without consideration as part of an internal group restructuring exercise.

As the transaction was between entities under common control, it was accounted for using the carry-over basis in accordance with the Group's accounting policy for common control transactions. Accordingly, the investment was recorded in the books of Scanwolf Corporation Berhad at the carrying amount of RM2,000,000.

The reserves represents the difference between the carrying amount of the investment received and the consideration transferred and do not affect the Group's consolidated profit or loss.

## 23. Payables, deposits and accruals

| | Note | Group 2026 RM | Group 2025 RM | Company 2026 RM | Company 2025 RM |
|---|---|---|---|---|---|
| **Current liabilities** | | | | | |
| Trade payables | (a) | 64,848,554 | 40,874,289 | - | - |
| Non-trade payables | | 15,780,185 | 20,800,193 | 195,121 | 304,360 |
| Accruals | | 1,100,590 | 5,087,634 | 349,512 | 467,666 |
| Received in advance | | 110,850 | - | 110,850 | - |
| Amount due to Directors | (b) | 100,000 | 202,000 | - | - |
| Amount due to holding/ related party | (c) | 13,909,567 | 10,543,817 | 11,960,611 | - |
| Amount due to a subsidiary | | - | - | 28,061,008 | 17,607,392 |
| Deposits received from customers - non-refundable | | 200,439 | 209,718 | - | - |
| Service tax payable | | - | 92,065 | - | - |
| | | 96,050,185 | 77,809,716 | 40,677,102 | 18,379,418 |

**(a) Trade payables**

Credit terms of trade payables granted to the Group range from 30 days to 120 days (2025: 30 days to 120 days).

**(b) Amount due to Directors**

The amounts due to Directors are non-trade in nature, unsecured, interest free and payable on demand.

**(c) Amount due to related party**

The amount due to related party represents non-trade in nature, unsecured, interest free and payable on demand.

Significant related party transactions have been disclosed in Note 27 of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

## 24. Lease liabilities

| | Group | | Company | |
|---|---|---|---|---|
| | 2026 RM | 2025 RM | 2026 RM | 2025 RM |
| **Representing:** | | | | |
| Current liabilities | 423,447 | 1,408,060 | 33,008 | - |
| Non-current liabilities | 627,443 | 2,167,785 | 131,722 | - |
| | 1,050,890 | 3,575,845 | 164,730 | - |
| **Recognised in profit or loss:** | | | | |
| Interest expense on lease liabilities | 270,838 | 266,416 | 3,300 | - |

The effective interest rates of hire-purchase creditors ranged from 3.40% to 8.45% (2025: 3.40% to 8.45%) per annum.

The total cash outflow for leases for the financial year ended 30 June 2026 is RM2,702,955 (2025: RM1,561,090) and RM13,270 (2025: Nil) for the Group and the Company respectively.

## 25. Borrowings

| | Group | |
|---|---|---|
| | 2026 RM | 2025 RM |
| **Non-current:** | | |
| Term loans | 1,597,744 | 1,412,714 |
| **Current:** | | |
| Bank overdrafts | 960,515 | 1,000,736 |
| Bankers' acceptances | 32,827,455 | 27,710,406 |
| Banker guarantee | 1,000,000 | - |
| Term loans | 257,531 | 178,152 |
| | 35,045,501 | 28,889,294 |
| | 36,643,245 | 30,302,008 |

The maturity structure of term loans can be analysed as follows:

| | Group | |
|---|---|---|
| | 2026 RM | 2025 RM |
| Within one year | 257,531 | 178,152 |
| More than one year but less than five years | 902,400 | 664,284 |
| More than five years | 695,344 | 748,430 |
| | 1,855,275 | 1,590,866 |

## 25. Borrowings (continued)

The effective interest rates of borrowings ranged from 5.05% to 7.01% (2025: 4.68% to 6.76%) per annum.

The borrowings are secured by the following:

(i) The property development assets as disclosed in Note 17;

(ii) Leasehold land and buildings and office buildings as disclosed in Note 11;

(iii) For borrowings of subsidiaries, corporate guarantees by the Company; and

(iv) Joint and several guarantees by all directors of the borrowing subsidiaries.

## 26. Corporate guarantee

Corporate guarantees granted for the benefit of subsidiaries in respect of banking facilities and borrowings.

## 27. Significant related party disclosures

### (a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability to directly 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 party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties of the Group include:

(i) Ultimate holding company;
(ii) Subsidiaries;
(iii) Joint venture;
(iv) Entities in which directors have substantial financial interests; and
(v) Key management personnel of the Group and of the Company, comprising persons having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

## 27. Significant related party disclosures (continued)

### (b) Significant related party transactions

Significant related party transactions are as follows:

| | | Company | |
|---|---|---|---|
| **Name of company With subsidiaries** | **Type of transaction** | **2026 RM** | **2025 RM** |
| Scanwolf Properties Sdn. Bhd. | Management fee income | 360,000 | 360,000 |
| | Interest income | 104,701 | 517,222 |
| Scanwolf Builders Sdn. Bhd. | Management fee income | 360,000 | 360,000 |
| Scanwolf Trading & Construction Sdn. Bhd. (formerly known as Scanwolf Plastic Industries Sdn. Bhd.) | Interest expenses | 1,117,848 | 748,148 |

The balances outstanding with related parties in respect of the above transactions are disclosed in Notes 18 and 23 to the financial statements.

The Directors are of the opinion that the transactions above have been entered into in the normal course of business and have been established on terms and conditions mutually agreed between the relevant parties.

### (c) Key management compensation

The key management personnel are defined as directors of the Group and the Company. The remuneration of key management personnel during the financial year is as disclosed in Note 5 to the financial statements.

## 28. Segment reporting

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

**Business segments**

Construction
Property development
Manufacturing
Investment and others

The above reportable segments operate in Malaysia.

Management monitors the operating results of its business units as well as relying on the segment information as disclosed below for the purpose of making decisions about resource allocation and performance assessment.

## 28. Segment reporting (continued)

### (a) Analysis of results and financial position

| Group | Construction RM | Property development RM | Manufacturing RM | Investment and others RM | Total RM | Elimination RM | Consolidated RM |
|---|---|---|---|---|---|---|---|
| **2026** | | | | | | | |
| **Revenue** | | | | | | | |
| Revenue from external customers | 93,195,214 | - | 7,812,915 | - | 101,008,129 | - | 101,008,129 |
| Inter-segment revenue | 4,833,251 | - | 3,608,926 | 720,000 | 9,162,177 | (9,162,177) | - |
| | 98,028,465 | - | 11,421,841 | 720,000 | 110,170,306 | (9,162,177) | 101,008,129 |
| **Results** | | | | | | | |
| Profit/(Loss) from operations before finance income | 7,075,175 | (499,672) | (23,450,143) | (29,320,406) | (46,195,046) | 29,500,354 | (16,694,692) |
| Finance income | 1,565,023 | - | - | 104,701 | 1,669,724 | (1,646,596) | 23,128 |
| Profit/(Loss) from operations | 8,640,198 | (499,672) | (23,450,143) | (29,215,705) | (44,525,322) | 27,853,758 | (16,671,564) |
| Finance costs | (2,145,254) | (224,270) | (599,177) | (1,290,291) | (4,258,992) | 1,646,596 | (2,612,396) |
| Share of loss of joint ventures | - | - | - | (500,000) | (500,000) | - | (500,000) |
| Profit/(Loss) before tax | 6,494,944 | (723,942) | (24,049,320) | (31,005,996) | (49,284,314) | 29,500,354 | (19,783,960) |
| Tax expenses | 916,064 | (209,287) | - | (23,162) | 683,615 | - | 683,615 |
| Profit/(Loss) for the financial year | 7,411,008 | (933,229) | (24,049,320) | (31,029,158) | (48,600,699) | 29,500,354 | (19,100,345) |
| **Assets and liabilities** | | | | | | | |
| Segment assets | 206,920,802 | 13,558,052 | 20,275,498 | 2,939,584 | 243,693,936 | (82,747,542) | 160,946,394 |
| Segment liabilities | 141,746,646 | 16,196,007 | 85,084,217 | 41,449,691 | 284,476,561 | (147,637,601) | 136,838,960 |

## 28. Segment reporting (continued)

### (a) Analysis of results and financial position (continued)

| Group | Construction RM | Property development RM | Manufacturing RM | Investment and others RM | Total RM | Elimination RM | Consolidated RM |
|---|---|---|---|---|---|---|---|
| **2026** | | | | | | | |
| Capital expenditure on: | | | | | | | |
| Depreciation | | | | | | | |
| - Property, plant and equipment | 918,779 | 106,509 | 890,320 | 13,976 | 1,929,584 | - | 1,929,584 |
| - Right-of-use assets | 233,618 | - | 433,654 | - | 667,272 | - | 667,272 |
| Non-cash items other than depreciation and amortisation: | | | | | | | |
| Net allowances for expected credit losses | - | - | - | 21,913,080 | 21,913,080 | (21,913,080) | - |
| Plant, property and equipment - impairment loss | - | - | 5,942,989 | - | 5,942,989 | - | 5,942,989 |
| Slow-moving of inventories | - | - | 6,278,502 | - | 6,278,502 | - | 6,278,502 |

## 28. Segment reporting (continued)

### (a) Analysis of results and financial position (continued)

| Group | Property development RM | Manufacturing RM | Investment and others RM | Total RM | Elimination RM | Consolidated RM |
|---|---|---|---|---|---|---|
| **2025** | | | | | | |
| **Revenue** | | | | | | |
| Revenue from external customers | 56,150,633 | 34,994,306 | - | 91,144,939 | - | 91,144,939 |
| Inter-segment revenue | - | 13,132,837 | 720,000 | 13,852,837 | (13,852,837) | - |
| | 56,150,633 | 48,127,143 | 720,000 | 104,997,776 | (13,852,837) | 91,144,939 |
| **Results** | | | | | | |
| Profit/(Loss) from operations before finance income | 12,044,531 | (11,333,317) | 21,882,216 | 22,593,430 | (31,324,027) | (8,730,597) |
| Finance income | - | 87,850 | 517,222 | 605,072 | (586,052) | 19,020 |
| Profit/(Loss) from operations | 12,044,531 | (11,245,467) | 22,399,438 | 23,198,502 | (31,910,079) | (8,711,577) |
| Finance costs | (588,712) | (1,638,170) | (924,078) | (3,150,960) | 1,347,683 | (1,803,277) |
| Profit/(Loss) before tax | 11,455,819 | (12,883,637) | 21,475,360 | 20,047,542 | (30,562,396) | (10,514,854) |
| Tax expenses | (776,000) | 109,716 | - | (666,284) | - | (666,284) |
| Profit/(Loss) for the financial year | 10,679,819 | (12,773,921) | 21,475,360 | 19,381,258 | (30,562,396) | (11,181,138) |
| **Assets and liabilities** | | | | | | |
| Segment assets | 101,404,384 | 108,057,727 | 49,635,779 | 259,097,890 | (100,185,455) | 158,912,435 |
| Segment liabilities | 69,675,580 | 125,208,275 | 18,988,248 | 213,872,103 | (96,805,234) | 117,066,869 |

## 28. Segment reporting (continued)

### (a) Analysis of results and financial position (continued)

| Group | Property development RM | Manufacturing RM | Investment and others RM | Total RM | Elimination RM | Consolidated RM |
|---|---|---|---|---|---|---|
| **2025** | | | | | | |
| Capital expenditure on: | | | | | | |
| Depreciation | | | | | | |
| - Property, plant and equipment | 112,635 | 2,453,168 | - | 2,565,803 | - | 2,565,803 |
| - Right-of-use assets | 42,893 | 1,087,620 | - | 1,130,513 | (475,824) | 654,689 |
| - Amortisation of intangible assets | - | 100 | - | 100 | - | 100 |
| Non-cash items other than depreciation and amortisation: | | | | | | |
| Net allowances for expected credit | - | - | 28,106,732 | 28,106,732 | (28,106,732) | - |
| Plant, property and equipment | | | | | | |
| - impairment loss | - | 4,788,631 | - | 4,788,631 | - | 4,788,631 |

## 29. Financial instruments

### Categories of financial instruments

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost ("AC").

| Group | Carrying amount RM | AC RM |
|---|---|---|
| **2026** | | |
| **Financial assets** | | |
| Trade receivables | 46,691,555 | 46,691,555 |
| Non-trade receivables and deposits (excluding prepayment) | 3,146,285 | 3,146,285 |
| Amount due from related party | 28,580,754 | 28,580,754 |
| Cash and bank balances | 1,488,259 | 1,488,259 |
| | 79,906,853 | 79,906,853 |
| **Financial liabilities** | | |
| Borrowings | 36,643,245 | 36,643,245 |
| Irredeemable Convertible Unsecured Loan Stocks | 607,859 | 607,859 |
| Trade payables | 64,848,554 | 64,848,554 |
| Non-trade payables and accruals | 16,880,775 | 16,880,775 |
| Amount due to Directors | 100,000 | 100,000 |
| Amount due to ultimate holding / related company | 13,909,567 | 13,909,567 |
| | 132,990,000 | 132,990,000 |
| **Company** | | |
| **2026** | | |
| **Financial assets** | | |
| Deposits (exclude prepayment) | 4,000 | 4,000 |
| Cash and bank balances | 770,051 | 770,051 |
| | 774,051 | 774,051 |
| **Financial liabilities** | | |
| Irredeemable Convertible Unsecured Loan Stocks (ICULS) | 607,859 | 607,859 |
| Non-trade payables and accruals | 544,633 | 544,633 |
| Amount due to holding/related party | 11,960,611 | 11,960,611 |
| Amount due to subsidiary | 28,061,008 | 28,061,008 |
| | 41,174,111 | 41,174,111 |

## 29. Financial instruments (continued)

### Categories of financial instruments (continued)

| | Carrying amount | AC |
|---|---|---|
| **Group** | **RM** | **RM** |
| **2025** | | |
| **Financial assets** | | |
| Trade receivables | 25,722,799 | 25,722,799 |
| Non-trade receivables and deposits (exclude prepayment and services tax recoverable) | 4,148,900 | 4,148,900 |
| Amount due from related party | 27,896,264 | 27,896,264 |
| Cash and bank balances | 8,240,076 | 8,240,076 |
| | 66,008,039 | 66,008,039 |
| **Financial liabilities** | | |
| Borrowings | 30,302,008 | 30,302,008 |
| Trade payables | 40,874,289 | 40,874,289 |
| Non-trade payables and accruals | 25,887,827 | 25,887,827 |
| Amount due to related party | 10,543,817 | 10,543,817 |
| Amount due to Directors | 202,000 | 202,000 |
| Irredeemable Convertible Unsecured Loan Stocks (ICULS) | 608,830 | 608,830 |
| | 108,418,771 | 108,418,771 |
| **Company** | | |
| **2025** | | |
| **Financial assets** | | |
| Deposits (exclude prepayment) | 4,000 | 4,000 |
| Cash and bank balances | 97,474 | 97,474 |
| | 101,474 | 101,474 |
| **Financial liability** | | |
| Irredeemable Convertible Unsecured Loan Stocks (ICULS) | 608,830 | 608,830 |
| Non-trade payables and accruals | 772,026 | 772,026 |
| Amount due to subsidiary | 17,607,392 | 17,607,392 |
| | 18,988,248 | 18,988,248 |

## 29. Financial instruments (continued)

### Categories of financial instruments (continued)

### Net (losses)/gains arising from financial instruments

| | 2026 RM | 2025 RM |
|---|---|---|
| **Group** | | |
| **Net (losses)/gains arising on:** | | |
| **Financial assets measured at amortised cost** | | |
| Interest income | 23,128 | 19,020 |
| ***Financial liabilities measured at amortised cost*** | | |
| Interest expense | (2,612,396) | (1,803,277) |
| **Company** | | |
| **Net (losses)/gains arising on:** | | |
| ***Financial assets measured at amortised cost*** | | |
| Interest income | 104,701 | 517,222 |
| (Reversal)/Allowance for expected credit loss | | |
| - charge for the financial year | (21,913,080) | 13,765,750 |
| | (21,808,379) | 14,282,972 |
| ***Financial liabilities measured at amortised cost*** | | |
| Interest expense | (1,290,291) | (924,078) |

### Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, interest rate risk, liquidity risk and foreign currency risk.

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and the Company's businesses whilst managing their credit risk, interest rate risk, liquidity risk and foreign currency risk.

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.

## 29. Financial instruments (continued)

### Financial risk management objectives and policies (continued)

#### (a) Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, and deposits with banks and institutions, as well as credit exposures to the Group's customers, including outstanding receivables.

Risk management

The Group and the Company manage their exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Credit risk concentration profile

The Group and the Company have no significant concentration of credit risk that may arise from exposure to a single customer or to a group of customers.

Exposure to credit risk

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets as at the end of the reporting period.

Impairment of financial assets

The Group's trade receivables are subject to the expected credit loss model.While cash and cash equivalents, refundable deposits and loans are subject to the impairment requirements of MFRS 9.

## 29. Financial instruments (continued)

### Financial risk management objectives and policies (continued)

### (a) Credit risk (continued)

Impairment of financial assets (continued)

*Trade receivables*

On the basis as disclosed in Note 2(g) to the financial statements, the loss allowance as at 30 June 2026 was determined as follows for trade receivables:

| | Gross amount | Loss Allowances | Carrying amount |
|---|---|---|---|
| **Group** | **RM** | **RM** | **RM** |
| **2026** | | | |
| Not past due | 40,638,763 | - | 40,638,763 |
| Past due: | | | |
| - more than 30 days | 246,633 | - | 246,633 |
| - more than 60 days | 250,032 | - | 250,032 |
| - more than 90 days | 5,556,127 | - | 5,556,127 |
| | 46,691,555 | - | 46,691,555 |
| **2025** | | | |
| Not past due | 10,076,754 | - | 10,076,754 |
| Past due: | | | |
| - more than 30 days | 975,098 | - | 975,098 |
| - more than 60 days | 2,747,254 | - | 2,747,254 |
| - more than 90 days | 12,007,551 | (83,858) | 11,923,693 |
| | 25,806,657 | (83,858) | 25,722,799 |

### (b) Interest rate risk

The Group's fixed rate borrowings are exposed to fair value interest rate risk. The Group's variable rate borrowings are exposed to cash flow interest rate risk.

Risk management

The Group's policy is to obtain the most favourable rates available.

**29. Financial instruments (continued)**

**Financial risk management objectives and policies (continued)**

**(b) Interest rate risk (continued)**

Exposure to interest rate risk

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

| | Effective interest rate per annum (%) | Group 2026 RM | Group 2025 RM |
|---|---|---|---|
| **Fixed rate instruments** | | | |
| Borrowings | | | |
| - bankers' acceptances | 6.39% to 7.01% | 32,827,455 | 27,710,406 |
| - term loans | 5.05% to 6.70% | 1,855,275 | 1,590,866 |
| - irredeemable convertible unsecured loan stock (ICULS) | 3.00% | 607,859 | 608,830 |
| | | 35,290,589 | 29,910,102 |
| **Variable rate instruments** | | | |
| Borrowings | | | |
| - bank overdraft | 6.68% | 960,515 | 1,000,736 |

Interest rate risk sensitivity analysis

*Fair value sensitivity analysis for fixed rate instruments*

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

*Cash flow sensitivity analysis for variable rate instruments*

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates. This analysis assumes that all other variables remain constant.

| | 2026 Increase/ (Decrease) RM | 2025 Increase/ (Decrease) RM |
|---|---|---|
| **Effects on profit after taxation/accumulated losses:** | | |
| Increase by 10 basis points | 730 | 761 |
| Decrease by 10 basis points | (730) | (761) |

**29. Financial instruments (continued)**

**Interest rate risk (continued)**

**(c) Liquidity risk**

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

Risk management

The Group and the Company practise prudent risk management by maintaining sufficient cash balances.

Maturity analysis

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

## 29. Financial instruments (continued)

### Financial risk management objectives and policies (continued)

### (c) Liquidity risk (continued)

Maturity analysis (continued)

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

| | Carrying amount RM | Contractual cash flows RM | Within 1 year RM | Between 2 to 5 years RM |
|---|---|---|---|---|
| **Group** | | | | |
| **2026** | | | | |
| Lease liabilities | 1,050,890 | 1,219,009 | 536,597 | 682,412 |
| Banker acceptances | 32,827,455 | 32,827,455 | 32,827,455 | - |
| Bank overdraft | 960,515 | 960,515 | 960,515 | - |
| Term loan | 1,855,275 | 2,138,284 | 350,766 | 1,787,518 |
| Payables, deposits and accruals | 96,050,185 | 96,050,185 | 96,050,185 | - |
| Irredeemable Convertible Unsecured Loan Stocks liabilities | 607,859 | 607,859 | 607,859 | - |
| | 133,352,179 | 133,803,307 | 131,333,377 | 2,469,930 |
| **Company** | | | | |
| **2026** | | | | |
| Non-trade payables and accruals | 40,677,102 | 40,677,102 | 40,677,102 | - |
| Lease liabilities | 164,730 | 182,256 | 39,768 | 142,488 |
| Irredeemable Convertible Unsecured Loan Stocks liabilities | 607,859 | 607,859 | 607,859 | - |
| | 41,449,691 | 41,467,217 | 41,324,729 | 142,488 |

**29. Financial instruments (continued)**

**Financial risk management objectives and policies (continued)**

**(c) Liquidity risk (continued)**

Maturity analysis (continued)

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

| | Carrying amount | Contractual cash flows | Within 1 year | Between 2 to 5 years |
|---|---|---|---|---|
| **Group** | **RM** | **RM** | **RM** | **RM** |
| **2025** | | | | |
| Lease liabilities | 3,575,845 | 3,842,261 | 1,623,370 | 2,218,891 |
| Banker acceptances | 27,710,406 | 28,096,196 | 28,096,196 | - |
| Bank overdraft | 1,000,736 | 1,276,547 | 1,276,547 | - |
| Term loan | 1,590,866 | 2,123,229 | 394,306 | 1,728,923 |
| Payables, deposits and accruals | 77,809,716 | 77,809,716 | 77,809,716 | - |
| Irredeemable Convertible Unsecured Loan Stocks liabilities | 608,830 | 784,760 | 784,760 | - |
| | 112,296,399 | 113,932,709 | 109,984,895 | 3,947,814 |
| **Company** | | | | |
| **2025** | | | | |
| Non-trade payables and accruals | 18,379,418 | 18,379,418 | 18,379,418 | - |
| Irredeemable Convertible Unsecured Loan Stocks liabilities | 608,830 | 608,830 | 608,830 | - |
| | 18,988,248 | 18,988,248 | 18,988,248 | - |

## 29. Financial instruments (continued)

### Financial risk management objectives and policies (continued)

### (d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign currency risk as a result of its normal trade activities that are denominated in currencies other than Ringgit Malaysia.

The Group's sales are mostly denominated in Ringgit Malaysia and to a lesser extent, US Dollar ("USD"), Chinese Renminbi ("RMB"), Singapore Dollar ("SGD"), Taiwan Dollar ("TWD") and Ringgit Malaysia ("RM").

The Group mitigates its foreign currency exchange risk through the natural hedge of operating foreign currency accounts using the deposits from its export proceeds to pay imported purchases where both are denominated in the same foreign currency. .

The Group's exposure to foreign currency is as follows:

| | USD<br>RM | Total<br>RM |
|---|---|---|
| **Group** | | |
| **2026** | | |
| **Financial assets** | | |
| Receivables | 41,905 | 41,905 |
| Cash and bank balances | 966 | 966 |
| | 42,871 | 42,871 |
| **Financial liabilities** | | |
| Payables | 239,828 | 239,828 |
| Net currency exposure | (196,957) | (196,957) |

**29. Financial instruments (continued)**

**Financial risk management objectives and policies (continued)**

**(d) Foreign currency risk (continued)**

The Group's exposure to foreign currency is as follows: (continued)

| Group | USD RM | SGD RM | RMB RM | TWD RM | Total RM |
|---|---|---|---|---|---|
| **2025** | | | | | |
| **Financial assets** | | | | | |
| Receivables | 5,460,819 | 19,157 | - | - | 5,479,976 |
| Cash and bank balances | 9,803 | 306,054 | - | - | 315,857 |
| | 5,470,622 | 325,211 | - | - | 5,795,833 |
| **Financial liabilities** | | | | | |
| Payables | 13,205,960 | - | 1,638,490 | 139,687 | 14,984,137 |
| Net currency exposure | (7,735,338) | 325,211 | (1,638,490) | (139,687) | (9,188,304) |

## 29. Financial instruments (continued)

### (d) Foreign currency risk (continued)

Foreign currency risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting period, with all other variables held constant:

| Group | 2026 Increase/ (Decrease) RM | 2025 Increase/ (Decrease) RM |
|---|---|---|
| **Effects on profit after taxation/ accumulated losses:** | | |
| **USD/RM** | | |
| Strengthen by 10% (2025:10%) | (15,007) | (587,886) |
| Weaken by 10% (2025:10%) | 15,007 | 587,886 |
| **SGD/RM** | | |
| Strengthen by 10% (2025:10%) | - | 24,716 |
| Weaken by 10% (2025:10%) | - | (24,716) |
| **RMB/RM** | | |
| Strengthen by 10% (2025:10%) | - | (124,525) |
| Weaken by 10% (2025:10%) | - | 124,525 |
| **TWD/RM** | | |
| Strengthen by 10% (2025:10%) | - | (10,616) |
| Weaken by 10% (2025:10%) | - | 10,616 |

## 30. Fair values

(i) The financial assets and financial liabilities maturing within the next 12 months approximated their fair values due to the relatively short-term maturity of the financial instruments except for amount due from subsidiaries, amount owing to a director and amount due to a subsidiary, as it is not practical to estimate the fair value due principally to a lack of fixed repayment term entered by the parties involved and without incurring excessive costs. The directors are of the opinion that the carrying amounts recorded at the statement of financial position date do not differ significantly from the values that would eventually be recovered.

(ii) The fair value of the floating interest rate borrowings approximates their carrying value as at the reporting date.

## 30. Fair values (continued)

Fair value hierarchy

The leasehold land and buildings for the manufacturing business segment of the Group were revalued in June 2026 by independent professional valuers using the fair value method which is determined by reference to "Comparison Method".

| Group | Level 3 RM | Total RM |
|---|---|---|
| **2026** | | |
| **Non-recurring fair values measurement** | | |
| Short-term leasehold land | 7,079,483 | 7,079,483 |
| Factory buildings | 17,803,833 | 17,803,833 |
| **2025** | | |
| **Non-recurring fair values measurement** | | |
| Short-term leasehold land | 6,135,176 | 5,000,000 |
| Factory buildings | 17,547,959 | 11,600,000 |

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1: those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability; either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- Level 3: those derived from valuation techniques that include inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

## 31. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 30 June 2026 and 30 June 2025.

## 31. Capital management (continued)

The gearing ratio of the Group as at the end of the reporting period was as follows:

| | Group | |
|---|---|---|
| | 2026 | 2025 |
| | RM | RM |
| Total debts | | |
| - Borrowings | 36,643,245 | 30,302,008 |
| - Lease liabilities | 1,050,890 | 3,575,845 |
| | 37,694,135 | 33,877,853 |
| Less: Cash and bank balances | (1,488,259) | (8,240,076) |
| Net debt | 36,205,876 | 25,637,777 |
| Total equity | 24,107,434 | 41,845,566 |
| Total capital | 60,313,310 | 67,483,343 |
| Gearing ratio (times) | 0.60 | 0.38 |

## 32. Ultimate holding company

The ultimate holding company is Mighty Alliance Sdn. Bhd., a company incorporated in Malaysia.

## 33. General information

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

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are set out in Note 14 to the financial statements.

The principal place of business of the Company is located at No.19, 19A, 19B & 19C, Jalan Pusat Perniagaan Falim 5, Pusat Perniagaan Falim, 30200 Ipoh, Perak Darul Ridzuan.

The registered office of the Company is located at 55A, Medan Ipoh 1a, Medan Ipoh Bistari, 31400 Ipoh, Perak, Malaysia.

The financial statements were approved and authorised for issue by the Board of Directors on 30 October 2026.

# STATEMENT OF DIRECTORS' RESPONSIBILITY FOR PREPARING FINANCIAL STATEMENTS

The Board is responsible to ensure that the financial statements are properly drawn up in accordance with the provisions of the Companies Act 2016, Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Group as at the end of the financial year and of the financial performance and cash flows of the Group for the financial year then ended.

The Directors are satisfied that in preparing the financial statements of the Group for the year ended 30 June 2026, the Group has adopted suitable accounting policies and applied them consistently, prudently and reasonably. The Directors also consider that all applicable approved accounting standards have been followed in the preparation of the financial statements, subject to any material departures being disclosed and explained in the notes to the financial statements.

The Directors are responsible for ensuring that the Group keeps sufficient accounting records to disclose with reasonable accuracy, the financial position of the Group and which enable them to ensure that the financial statements comply with Companies Act 2016.

The Directors approved the financial statements for the year ended 30 June 2026 on 30 October 2026.

# LIST OF PROPERTIES HELD BY THE GROUP

| Item | Location | Description | Usage | Area | Tenure | Age of Buildings (Years) | Net Book Value 30-Jun-2026 RM | Date of Valuation | Company Name |
|---|---|---|---|---|---|---|---|---|---|
| 1 | Title No. HS (D) 44267, Lot P.T. 404, Mukim of Belanja, District of Kinta, State of Perak | Industrial land with two single storey detached factory/office buildings | Factory | 3.7 acres | Lease period expiring on 13/6/2086 | 29 and 22 | 11,999,999 | 30 June 2026 | Scanwolf Trading & Construction Sdn. Bhd. |
| 2 | Title No. Pajakan Negeri 148201, Lot 192446, Mukim of Belanja, District of Kinta, State of Perak | Industrial land with a single storey detached factory | Factory | 3.2 acres | Lease period expired on 2/12/2086 | 19 | 5,999,999 | 30 June 2026 | Scanwolf Trading & Construction Sdn. Bhd. |
| 3 | Title No. Pajakan Negeri 90115, Lot 195536, Mukim of Belanja, District of Kinta, State of Perak | Industrial land with a single storey warehouse | Warehouse | 2.9 acres | Lease period expiring on 26/5/2086 | 8 | 5,299,999 | 30 June 2026 | Scanwolf Trading & Construction Sdn. Bhd. |
| 4 | No. 19, Jalan Pusat Perniagaan Falim 5, Pusat Perniagaan Falim, 30200 Ipoh, Perak | Four storey shop office | Office | 185 sq mtr | Freehold | 10 | 1,832,334 | 30 June 2026 | Scanwolf Properties Sdn. Bhd. |

# ADDITIONAL COMPLIANCE INFORMATION

PURSUANT TO PARAGRAPH 9.25 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

## 1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

During the financial year, there were no proceeds raised by the Company from any corporate exercise.

## 2. AUDIT AND NON-AUDIT FEES PAID TO EXTERNAL AUDITORS

The details of the audit and non-audit fees paid/payable to the external auditors or a firm or corporation affiliated to the external auditors' firm for the financial year ended 30 June 2026 ("**FYE 2026**") are as follows:-

| | Company (RM) | Group (RM) |
|---|---|---|
| **Fees paid/payable to PKF PLT** | | |
| • Audit | 49,000 | 165,000 |
| • Non-audit | | |
| - Tax fees | 3,300 | 26,400 |
| - Assurance related services | 10,000 | 10,000 |
| **Grand Total** | **62,300** | **201,400** |

## 3. MATERIAL CONTRACTS INVOLVING DIRECTORS, CHIEF EXECUTIVE OR MAJOR SHAREHOLDERS' INTEREST

There were no material contracts entered into by the Company and its subsidiaries (not being contracts entered into in the ordinary course of business) involving the interests of Directors, chief executive who is not a director and/or major shareholders, either still subsisting at the end of the FYE 2026 or entered into since the end of the previous financial year.

## 4. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("RRPT")

The RRPTs entered into by the Scanwolf Corporation and its subsidiaries ("**Scanwolf Group**") during the FYE 2026 were as follows:

| Name of Related Parties | Nature of Transaction | Interested Directors, Major Shareholders and Persons Connected | Aggregate value of the RRPTs (RM'000) |
|---|---|---|---|
| Hallson Construction Sdn Bhd (formerly known as Fixus Construction Sdn Bhd) ("**HCSB**") | SCANWOLF Group provide construction, project management and construction related services to HCSB.<br><br>SCANWOLF Group supply building materials and construction related materials and products to HCSB.<br><br>HCSB supply building materials and construction related materials and products to SCANWOLF Group. | Dato' Seah and MASB[(1)] | 29,412 |
| Armani Hallson KLCC Sdn Bhd | SCANWOLF Group provide construction, project management and construction related services to Armani Hallson KLCC Sdn Bhd<br><br>SCANWOLF Group supply building materials and construction related materials and products to Armani Hallson Sdn Bhd<br><br>Armani Hallson KLCC Sdn Bhd supply building materials and construction related materials and products to SCANWOLF Group. | Dato' Sri Azlan, Dato' Sri Wong and MASB[(2)] | 3,067 |

**Notes on Related Parties and Nature of Relationship :**

1. (a) Dato' Seah is a director and shareholder of HCSB, having a direct equity interest of 100% as at LPD.

   (b) Dato' Seah is the Managing Director of SCANWOLF and a Major Shareholder of SCANWOLF with a direct interest of 0.50% and a deemed interest of 55.87% by virtue of his direct interest of 50% in MASB and 100% in Esfinity, the companies in which Dato' Seah is deemed interested pursuant to Section 8 of the Act as at LPD.

   (c) MASB is a Major Shareholder of SCANWOLF with a direct interest of 51.63% as at LPD, whilst Esfinity is a Shareholder of SCANWOLF with a direct interest of 4.24% as at LPD.

## 4. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("RRPT") (CONT"D)

**Notes on Related Parties and Nature of Relationship : (Cont'd)**

2. (a) Dato' Sri Azlan and Dato' Sri Wong are the directors and shareholders of Armani Hallson KLCC Sdn Bhd, having a direct equity interest of 30% and 70% respectively as at LPD.

(b) Dato' Sri Azlan is a Major Shareholder of SCANWOLF with a deemed interest of 60.55% by virtue of his direct interest of 10.00% in MASB and 30% in ASSB, the companies in which Dato' Sri Azlan is deemed interested pursuant to Section 8 of the Act as at LPD.

(c) Dato' Sri Wong is a Major Shareholder of SCANWOLF with a direct interest of 1.12% and a deemed interest of 60.55% by virtue of his direct interest of 30% in MASB and 50% in ASSB, the companies in which Dato' Sri Wong is deemed interested pursuant to Section 8 of the Act as at LPD.

(d) MASB is a Major Shareholder of SCANWOLF with a direct interest of 51.63% as at LPD, whilst ASSB is a Shareholder of SCANWOLF with a direct interest of 8.92% as at LPD.

## 5. EMPLOYEE SHARE SCHEME

As at the date of this Statement, the Company has not established any Employee Share Scheme ("ESS"). In the event such a scheme is introduced, all share allocations to eligible employees shall be subject to review and verification to ensure compliance with the eligibility criteria and provisions set out in the by-laws governing the proposed ESS.

# ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2026

| | | |
|---|---|---|
| Total Number of Issued Shares | : | 307,205,088 ordinary shares |
| Class of Shares | : | Ordinary Shares |
| Voting rights | : | One vote per ordinary share |
| No. of shareholders | : | 1,029 |

| Size of Shareholdings | No. of Shareholders | % of Shareholders | No. of Shares | % of Shareholdings |
|---|---|---|---|---|
| Less than 100 | 36 | 3.50 | 839 | 0.00 |
| 100 - 1,000 | 281 | 27.31 | 152,386 | 0.05 |
| 1,001 - 10,000 | 319 | 31.00 | 1,678,559 | 0.55 |
| 10,001 - 100,000 | 252 | 24.50 | 10,023,278 | 3.26 |
| 100,001 to less than 5% | 138 | 13.41 | 109,473,456 | 35.64 |
| 5% and above of issued shares | 3 | 0.30 | 185,876,570 | 60.51 |
| Total | 1,029 | 100.00 | 307,205,088 | 100.00 |

## DIRECTORS' SHAREHOLDINGS
**AS AT 30 SEPTEMBER 2026**

| Name of Directors | Direct Interest | % | Deemed Interest | % |
|---|---|---|---|---|
| DATO' IR HAJI CHEREMI BIN HAJI TARMAN | – | – | – | – |
| FONG KENG MUN | – | – | – | – |
| KHOO KIEN HOE | – | – | – | – |
| LEE PEI FEN | – | – | – | – |
| NG CHEE WAI | 7,180,000 | 2.34 | – | – |
| DATO' SEAH LEY HONG | 1,542,990 | 0.50 | 171,647,070 (1) | 55.87 |
| TEOH WEI LOONG | – | – | – | – |

Notes:
(1) Deemed interested by virtue of his direct interest in Mighty Alliance Sdn. Bhd. and Esfinity Sdn. Bhd pursuant to Section 8(4) of the Companies Act 2016.

## SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS
**AS AT 30 SEPTEMBER 2026**

| Name of Substantial Shareholders | Direct Interest | %(1) | Deemed Interest | %(1) |
|---|---|---|---|---|
| Mighty Alliance Sdn. Bhd. | 158,616,170 | 51.63 | – | – |
| Armani Synergy Sdn. Bhd. | 27,393,400 | 8.92 | – | – |
| Dato' Seah Ley Hong | 1,542,990 | 0.50 | 171,647,070(2) | 55.87 |
| Dato' Sri Wong Sze Chien | 3,444,900 | 1.12 | 186,009,570(3) | 60.55 |
| Dato' Sri Andrew Lim Eng Guan | 3,807,100 | 1.24 | 186,009,570(3) | 60.55 |
| Dato' Sri Azlan bin Azmi | – | – | 186,009,570(3) | 60.55 |

Notes:
(1) Based on the total issued share capital of 307,205,088 Ordinary Shares as at ROD dated 30 September 2026.
(2) Deemed interested by virtue of his direct interest in Mighty Alliance Sdn. Bhd. and Esfinity Sdn. Bhd pursuant to Section 8(4) of the Companies Act 2016.
(3) Deemed interested by virtue his direct interest in Mighty Alliance Sdn. Bhd. and Armani Synergy Sdn. Bhd pursuant to Section 8(4) of the Companies Act 2016.

ANALYSIS OF SHAREHOLDINGS
(Cont'd)

**THIRTY (30) LARGEST SHAREHOLDERS BASED ON RECORD OF DEPOSITORS**
**AS AT 30.09.2026**

| No. | Name of Shareholders | No. of Shares | % |
|---|---|---|---|
| 1. | MAYBANK NOMINEES (TEMPATAN) SDN. BHD.<br>PLEDGED SECURITIES ACCOUNT FOR MIGHTY ALLIANCE SDN. BHD. | 137,355,870 | 44.71 |
| 2. | ARMANI SYNERGY SDN. BHD. | 27,260,400 | 8.87 |
| 3. | MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD<br>PLEDGED SECURITIES ACCOUNT FOR MIGHTY ALLIANCE SDN. BHD | 21,260,300 | 6.92 |
| 4. | ESFINITY SDN. BHD. | 13,030,900 | 4.24 |
| 5. | CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD.<br>PLEDGED SECURITIES ACCOUNT FOR NG CHEE WAI (MY1647) | 7,180,000 | 2.34 |
| 6. | TAN SIN KEAT | 4,727,181 | 1.54 |
| 7. | LAW TEIK EAN | 4,504,120 | 1.47 |
| 8. | CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD.<br>PLEDGED SECURITIES ACCOUNT FOR TAN SIN KEAT (MY4450) | 4,000,000 | 1.30 |
| 9. | RHB NOMINEES (TEMPATAN) SDN BHD<br>PLEDGED SECURITIES ACCOUNT FOR ANDREW LIM ENG GUAN | 3,807,100 | 1.24 |
| 10. | TAN YANN KANG | 3,000,000 | 0.98 |
| 11. | MAYBANK NOMINEES (TEMPATAN) SDN BHD<br>PLEDGED SECURITIES ACCOUNT FOR WEIN PAU RONG | 2,761,000 | 0.90 |
| 12. | GO WINSTON DY | 2,421,000 | 0.79 |
| 13. | CHAI SEONG YEE | 2,200,000 | 0.72 |
| 14. | NG CHOI HA | 1,968,599 | 0.64 |
| 15. | CHEN YIZHU | 1,955,000 | 0.64 |
| 16. | TANG & CO SDN. BHD. | 1,900,000 | 0.62 |
| 17. | AMSEC NOMINEES (TEMPATAN) SDN BHD<br>PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR<br>WONG SZE CHIEN (SMART) | 1,895,000 | 0.62 |
| 18. | JT CAPITAL HOLDING SDN. BHD. | 1,810,400 | 0.59 |
| 19. | CHONG KHAI JHIN | 1,643,700 | 0.54 |
| 20. | WONG SZE CHIEN | 1,549,900 | 0.50 |
| 21. | TA NOMINEES (TEMPATAN) SDN BHD<br>PLEDGED SECURITIES ACCOUNT FOR SEAH LEY HONG | 1,542,990 | 0.50 |
| 22. | LOH YOKE FONG | 1,500,000 | 0.49 |
| 23. | TEOH TEIK KEAN | 1,457,400 | 0.47 |

**THIRTY (30) LARGEST SHAREHOLDERS BASED ON RECORD OF DEPOSITORS (CONT'D)**
**AS AT 30.09.2026**

| No. | Name of Shareholders | No. of Shares | % |
|---|---|---|---|
| 24. | LIM KEY SHEN | 1,360,000 | 0.44 |
| 25. | LEE HUAT BOON | 1,310,000 | 0.43 |
| 26. | LEE CHEE MING | 1,200,000 | 0.39 |
| 27. | TAN YEAN CHOW | 1,200,000 | 0.39 |
| 28. | MAYBANK NOMINEES (TEMPATAN) SDN BHD<br>PLEDGED SECURITIES ACCOUNT FOR SIEW SAI WENG | 1,131,000 | 0.37 |
| 29. | CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD.<br>PLEDGED SECURITIES ACCOUNT FOR TEO BOON TONG (MY3206) | 1,060,800 | 0.35 |
| 30. | LAI THIAM POH | 1,055,000 | 0.34 |

# NOTICE OF 20TH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twentieth Annual General Meeting ("20th AGM") of Scanwolf Corporation Berhad ("Scanwolf" or "the Company") will be held and convened at Fox Hotels, Level 8, Pusat Komersil Vestland (The GLENZ) East 6, Jalan Juruanalisis U1/35, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia on Thursday, 3 December 2026 at 10.00 a.m. for the following purposes:-

## AGENDA

### AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2026 together with the Reports of the Directors and the Auditors thereon. **Please refer to Explanatory Note 1**

2. To re-elect the following Directors who are retiring by rotation pursuant to Clause 95 of the Constitution of the Company:

   2.1. Mr. Teoh Wei Loong **Ordinary Resolution 1**

   2.2. Ms. Lee Pei Fen **Ordinary Resolution 2**

3. To approve the payment of Directors' fees and benefits of RM222,000 payable to the Directors for the financial year ending 30 June 2027. **Ordinary Resolution 3**

4. To re-appoint Messrs. PKF PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 4**

### AS SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolutions:-

5. **PROPOSED AUTHORITY TO ALLOT AND ISSUE SHARES BY DIRECTORS PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** **Ordinary Resolution 5**

   "THAT pursuant to Sections 75 and 76 of the Companies Act 2016 ("Act"), the Directors be and are hereby authorised to allot and issue shares in the Company from time to time until the conclusion of the next Annual General Meeting ("AGM") and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being, subject always to the approval of all relevant regulatory authorities, if required, being obtained for such allotment and issuance.

   THAT in connection with the above, pursuant to Section 85 of the Act and Clause 57 of the Constitution of the Company, the shareholders do hereby waive the statutory pre-emptive rights of the offered shares in proportion of their holdings at such price and at such terms to be offered arising from any issuance of new shares above by the Company.

   AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares."

6. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH HALLSON CONSTRUCTION SDN BHD *(FORMERLY KNOWN AS FIXUS CONSTRUCTION SDN BHD)* AND SPEED CONCRETE INDUSTRIES SDN BHD**

**Ordinary Resolution 6**

"THAT subject to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and its subsidiaries ("**Group**") be and are hereby authorised to enter into the recurrent related party transactions of a revenue or trading nature with Hallson Construction Sdn Bhd *(formerly known as Fixus Construction Sdn Bhd)* and Speed Concrete Industries Sdn Bhd as set out in the Circular to Shareholders dated 30 October 2026, PROVIDED THAT such transactions are necessary for the Group's day-to-day operations and are in the ordinary course of business of the Group and at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company ("**Proposed Renewal of Shareholders' Mandate**"):-

THAT such approval shall continue to be in full force until:-

(i) the conclusion of the next AGM of the Company following the general meeting at which this Ordinary Resolution shall be passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority conferred by this resolution is renewed; or

(ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or

(iii) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier;

THAT the breakdown of the aggregate value of the recurrent related party transactions based on the type of recurrent transaction made and the names of the related parties involved in each type of the recurrent related party transaction made and their relationship with the Group, shall be disclosed in the Annual Report of the Company as may be required by the governing authority.

AND THAT the Directors of the Company and its subsidiaries be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate as authorised by this Ordinary Resolution."

NOTICE OF 20TH ANNUAL GENERAL MEETING
(Cont'd)

7. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH MERCU MAJUNIAGA SDN BHD AND SG. BESI CONSTRUCTION SDN BHD**

**Ordinary Resolution 7**

"THAT subject to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and its subsidiaries be and are hereby authorised to enter into the recurrent related party transactions of a revenue or trading nature with Mercu Majuniaga Sdn Bhd and Sg. Besi Construction Sdn Bhd as set out in the Circular to Shareholders dated 30 October 2026, PROVIDED THAT such transactions are necessary for the Group's day-to-day operations and are in the ordinary course of business of the Group and at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company;

THAT such approval shall continue to be in full force until:-

(i) the conclusion of the next AGM of the Company following the general meeting at which this Ordinary Resolution shall be passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority conferred by this resolution is renewed; or

(ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or

(iii) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

THAT the breakdown of the aggregate value of the recurrent related party transactions based on the type of recurrent transaction made and the names of the related parties involved in each type of the recurrent related party transaction made and their relationship with the Group, shall be disclosed in the Annual Report of the Company as may be required by the governing authority.

AND THAT the Directors of the Company and its subsidiaries be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate as authorised by this Ordinary Resolution."

8. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH ARMANI HALLSON KLCC SDN BHD**

**Ordinary Resolution 8**

"THAT subject to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and its subsidiaries be and are hereby authorised to enter into the recurrent related party transactions of a revenue or trading nature with Armani Hallson KLCC Sdn Bhd as set out in the Circular to Shareholders dated 30 October 2026, PROVIDED THAT such transactions are necessary for the Group's day-to-day operations and are in the ordinary course of business of the Group and at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company;

THAT such approval shall continue to be in full force until:-

(i) the conclusion of the next AGM of the Company following the general meeting at which this Ordinary Resolution shall be passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority conferred by this resolution is renewed; or

(ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or

(iii) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

THAT the breakdown of the aggregate value of the recurrent related party transactions based on the type of recurrent transaction made and the names of the related parties involved in each type of the recurrent related party transaction made and their relationship with the Group, shall be disclosed in the Annual Report of the Company as may be required by the governing authority.

AND THAT the Directors of the Company and its subsidiaries be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate as authorised by this Ordinary Resolution."

NOTICE OF 20TH ANNUAL GENERAL MEETING
(Cont'd)

9. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH TAFI INDUSTRIES BERHAD AND ITS SUBSIDIARY COMPANIES** **Ordinary Resolution 9**

"THAT subject to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and its subsidiaries be and are hereby authorised to enter into the recurrent related party transactions of a revenue or trading nature with TAFI Industries Berhad and its subsidiary companies as set out in the Circular to Shareholders dated 30 October 2026, PROVIDED THAT such transactions are necessary for the Group's day-to-day operations and are in the ordinary course of business of the Group and at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company;

THAT such approval shall continue to be in full force until:-

(i) the conclusion of the next AGM of the Company following the general meeting at which this Ordinary Resolution shall be passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority conferred by this resolution is renewed; or

(ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or

(iii) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

THAT the breakdown of the aggregate value of the recurrent related party transactions based on the type of recurrent transaction made and the names of the related parties involved in each type of the recurrent related party transaction made and their relationship with the Group, shall be disclosed in the Annual Report of the Company as may be required by the governing authority.

AND THAT the Directors of the Company and its subsidiaries be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate as authorised by this Ordinary Resolution."

10. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH MAGNA PRIMA BERHAD AND ITS SUBSIDIARY COMPANIES**

**Ordinary Resolution 10**

"THAT subject to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and its subsidiaries be and are hereby authorised to enter into the recurrent related party transactions of a revenue or trading nature with Magna Prima Berhad and its subsidiary companies as set out in the Circular to Shareholders dated 30 October 2026, PROVIDED THAT such transactions are necessary for the Group's day-to-day operations and are in the ordinary course of business of the Group and at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company;

THAT such approval shall continue to be in full force until:-

(i) the conclusion of the next AGM of the Company following the general meeting at which this Ordinary Resolution shall be passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority conferred by this resolution is renewed; or

(ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or

(iii) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

THAT the breakdown of the aggregate value of the recurrent related party transactions based on the type of recurrent transaction made and the names of the related parties involved in each type of the recurrent related party transaction made and their relationship with the Group, shall be disclosed in the Annual Report of the Company as may be required by the governing authority.

AND THAT the Directors of the Company and its subsidiaries be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate as authorised by this Ordinary Resolution."

11. To transact any other business for which due notice shall have been given.

**BY ORDER OF THE BOARD**

Tai Yit Chan (MAICSA 7009143)(SSM PC No.: 202008001023)
Lim Wei Xiong (MAICSA 7074639) (SSM PC No.: 202508000299)

Company Secretaries

30 October 2026
Perak

NOTICE OF 20TH ANNUAL GENERAL MEETING
(Cont'd)

**NOTES**

***Members Entitled to Attend***

In respect of deposited securities, only members whose names appear on the Record of Depositors on Thursday, 26 November 2026 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

***Appointment of Proxy***

1. A member of the Company entitled to attend and vote at the 20th AGM is entitled to appoint not more than two (2) proxies to attend and vote instead of him/her. Where a member appoints two (2) proxies to attend the same meeting, the member shall specify the proportion of his/her shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company.

2. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be *determined in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.*

3. Where a member is an authorised nominee, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

4. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

6. The appointment of proxy may be made in hardcopy or by electronic means as specified below and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 20th AGM:-

    - In hardcopy form

      The original shall be deposited at the Share Registrar of the Company, Vistra Investor & Issuing House Services Sdn Bhd *(formerly known as Tricor Investor & Issuing House Services Sdn Bhd)* at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively, at the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia., not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof, and in default the instrument of proxy shall not be treated as valid. In the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, provided always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s).

    - By electronic form

      The proxy form can be electronically lodged with Vistra Investor & Issuing House Services Sdn Bhd *(formerly known as Tricor Investor & Issuing House Services Sdn Bhd)* via *Vistra Share Registry and IPO (MY) portal ("**Vistra Portal**")* at *https://srmy.vistra.com*. Please refer to the Administrative Details for the 20th AGM on the procedures for electronic submission of proxy form via Vistra Portal.

7. The appointment of the proxy(ies) will be **INVALID** if the Form of Proxy is not completed correctly in accordance with the instructions stated in the form.

8. Shareholders are advised to check the Company's website at *http://www.scanwolf.com* and announcements from time to time for any changes to the administration of the 20th AGM.

**EXPLANATORY NOTES**

**1. Audited Financial Statements**

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders. Hence, this item is not put forward for voting.

**2. Re-election of Directors**

The profiles of the Directors who are standing for re-election under item 2 of this Agenda are set out in the Board of Directors' profile of the Annual Report 2026.

The Board has, through the Nomination Committee ("**NC**"), considered the evaluation of the Directors and concurred that they have met the criteria as prescribed by paragraph 2.20A of the Main Market Listing Requirements ("**MMLR**") of Bursa Securities on character, experience, integrity, competence and time commitment to effectively discharge their roles as Directors. In addition, the NC has also conducted an assessment on the fitness and propriety of the retiring directors including the review of their fit and proper declarations and results of their background checks in accordance with the Fit & Proper Policy. The said retiring directors have abstained from deliberations and decisions on their own eligibility and suitability to stand for re-election.

Based on the recommendation of the NC, the Board is satisfied with the performance and contribution of the following Directors and supports the re-election based on the following justifications:

(a) Re-election of Mr. Teoh Wei Loong as Independent Non-Executive Director

Mr. Teoh Wei Loong fulfills the requirement of independence set out in the MMLR of Bursa Securities as well as the prescribed criteria under the Malaysian Code on Corporate Governance 2021 ("**MCCG**"). As Chairperson of the NC and member of Audit and Risk Management Committee ("**ARMC**") as well as Remuneration Committee ("**RC**"), he has demonstrated sound leadership and independence through his engagement in the meetings by providing constructive feedback and valuable insights to the Management in developing the Group's business strategies. He has demonstrated professional excellence, exercised due care and discharged his professional duties proficiently during his tenure as an Independent Non-Executive Director of the Company.

Shareholders' approval is sought for the re-election of Mr. Teoh Wei Loong under Ordinary Resolution 1. The profile of Mr. Teoh Wei Loong is listed in the Profile of Directors section.

(b) Re-election of Ms. Lee Pei Fen as Independent Non-Executive Director

Ms. Lee Pei Fen fulfills the requirement of independence set out in the MMLR of Bursa Securities as well as the prescribed criteria under the MCCG. As Chairperson of the RC and member of ARMC as well as NC, she has demonstrated sound leadership and independence through her engagement in the meetings by proactively giving valuable insights to the Management in developing the Group's business strategies. She also exercised her due care and carried out her professional duties proficiently during her tenure as an Independent Non-Executive Director of the Company.

Shareholders' approval is sought for the re-election of Ms. Lee Pei Fen under Ordinary Resolution 2. The profile of Ms. Lee Pei Fen is listed in the Profile of Directors section.

**3. Payment of Directors' Fees and Benefits**

Payment of Directors' fees under Section 230(1) of the Act provides amongst others that the Directors' fees and benefits payable to the Directors of the Company and its subsidiaries shall be approved at a general meeting.

The proposed Ordinary Resolution 3 is to facilitate payment of Directors' fees and benefits for the financial year ending 30 June 2027. The payment of Directors' fees and benefits is calculated based on the current board size and the number of scheduled Board and Board Committee meetings for the financial year ending 30 June 2027. In the event the Directors' fees and benefits proposed are insufficient (due to enlarge Board size or more meetings), approval will be sought at the next annual general meeting for the shortfall.

**4. Re-appointment of Auditors**

The Board is satisfied that Messrs. PKF PLT has met the relevant criteria prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Securities which was concluded through the assessment carried out by the ARMC on the suitability of Messrs. PKF PLT and hence, supports the ARMC's recommendation to re-appoint Messrs. PKF PLT as the Auditors of the Company.

**5. Proposed Authority to allot and issue shares pursuant to Sections 75 and 76 of the Act**

The proposed Ordinary Resolution 5, if passed, serves as a measure to meet the Company's immediate working capital needs in the short term without relying on conventional debt financing which will result in higher finance cost to be incurred for the purpose of funding investment project(s), working capital and/or acquisitions. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

The waiver of pre-emptive rights pursuant to Section 85 of the Act and Clause 57 of the Constitution will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the General Mandate.

As at the date of this Notice, there was no new shares issued pursuant to the mandate granted to the Directors of the Company at the previous AGM held on 27 November 2025 and which will lapse at the conclusion of the 20th AGM. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make an announcement in respect thereof.

**6. Proposed Renewal of Shareholders' Mandate**

The proposed Ordinary Resolution 6 to Ordinary Resolution 10, if passed, will empower the Group to enter into recurrent related party transactions of a revenue or trading nature with the Related Parties as set out the Circular to Shareholders dated 30 October 2026, which are necessary for the Group's day-to-day operations and/or in the ordinary course of business of the Group on normal commercial terms and to facilitate the conduct of the Group's business in a timely manner. Details of the Proposed Renewal of Shareholders' Mandate are set out in the Circular to Shareholders dated 30 October 2026.

**7. Voting Procedures**

Pursuant to Paragraph 8.29(A) of MMLR of Bursa Malaysia Securities Berhad, voting at the 20th AGM will be conducted by poll. Poll Administrator and Scrutineer will be appointed to conduct the polling process and to verify the results.

**8. Annual Report 2026**

The softcopy of the Annual Report 2026, Corporate Governance Report 2026 and Circular to Shareholders are available on the Company's website at *http://www.scanwolf.com*.

Shareholders of the Company may request for the printed copy of the Annual Report 2026 and Circular to Shareholders at *https://srmy.vistra.com* by selecting "Request for Annual Report/Circular" under the "Investor Services". Nevertheless, we hope you would consider the environment before you decide to request for the printed copy.

**PERSONAL DATA PRIVACY**

By submitting an instrument appointing proxy(ies) and/or representative(s) to attend, participate and vote at the 20th 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 20th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 20th 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 ANNUAL GENERAL MEETING

1. **Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

   There are no Directors standing for election as Director of the Company at the 20th Annual General Meeting.

2. **Pursuant to Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

   Details on the authority to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in the Explanatory Notes (under Ordinary Resolution 5 – Authority to Allot and Issue Shares Pursuant to the Companies Act 2016) of the Notice of the 20th Annual General Meeting.

# ADMINISTRATIVE GUIDE FOR THE TWENTIETH ANNUAL GENERAL MEETING ("20TH AGM")

**ADMINISTRATIVE DETAILS FOR THE TWENTIETH ANNUAL GENERAL MEETING (20TH AGM) OF SCANWOLF CORPORATION BERHAD TO BE HELD AND CONVENED AT FOX HOTELS, LEVEL 8, PUSAT KOMERSIL VESTLAND (THE GLENZ) EAST 6, JURUANALISIS U1/35, SEKSYEN U1, 40150 SHAH ALAM, SELANGOR DARUL EHSAN, MALAYSIA ON THURSDAY 3 DECEMBER 2026 AT 10.00 A.M.**

---

## REGISTRATION

1. Registration will start at 9:00 a.m. and will remain open until the conclusion of the annual general meeting ("**AGM**") or such time as may be determined by the Chairman of the meeting.

2. Please produce your original MyKad/Identification Card or Passport (for foreigners) during registration. Only original MyKad/ Identification Card or Passport will be accepted for the purpose of identity verification. Please ensure that you collect your MyKad/Identification Card or passport thereafter.

3. Please note that you are not allowed to register on behalf of another shareholder/proxy, even with the original MyKad or Passport of that other shareholder/proxy.

4. Upon verification and registration:

   a. please sign the Attendance List and a QR coded wristband will be provided at the registration counter;

   b. if you are attending the AGM as a shareholder as well as a proxy, you will be registered once and will only be given one QR coded wristband; and

   c. no person will be allowed to enter the meeting hall without wearing the QR coded wristband. There will be no replacement in the event that you lose/misplace the identification wristband.

5. After registration, please vacate the registration area immediately and proceed to the meeting hall.

6. The registration counter will only handle verification of identity and registration of attendance.

7. Help desk support is available for any other enquiries/assistance/revocation of proxy's appointment.

## DOOR GIFT

There will be NO VOUCHER(S) or any door gift(s) for shareholders/proxies participating in the AGM.

## CORPORATE MEMBERS

Corporate members who wish to appoint corporate representatives instead of proxy, must deposit their original or duly certified of appointment of corporate representative to Vistra Investor & Issuing House Services Sdn Bhd *(Formerly known as Tricor Investor & Issuing House Services Sdn Bhd)* on or before the 20th AGM.

## APPOINTMENT OF PROXY

1. Only members whose names appear on the Record of Depositors as at Thursday, 26 November 2026 shall be eligible to attend, speak and vote at the 20th AGM or appoint proxy(ies) and/or the Chairman of the Meeting to attend and vote on his/her behalf.

2. Members can appoint the Chairman of the Meeting as their proxy and indicate the voting instruction in the proxy form.

3. If you wish to participate in the 20th AGM yourself, please do not submit any proxy form for the 20th AGM. You will not be allowed to participate in the 20th AGM together with a proxy appointed by you.

ADMINISTRATIVE GUIDE FOR THE TWENTIETH ANNUAL GENERAL MEETING ("20TH AGM)
(CONT'D)

## APPOINTMENT OF PROXY (CONT'D)

4. Accordingly, proxy form and/or documents relating to the appointment of proxy/attorney for the 20th AGM whether in hard copy or by electronic means shall be deposited or submitted in the following manner and must be received by the Company, not less than forty-eight (48) hours before the time appointed for the holding of the AGM, i.e. not later than **Tuesday, 1 December 2026 at 10.00 a.m**.

(i) In hard copy form:

In the case of an appointment made in hard copy form (by hand/post), the proxy form shall be deposited with the Company's Share Registrar at Vistra Investor & Issuing House Services Sdn Bhd *(formerly known as Tricor Investor & Issuing House Services Sdn Bhd)* of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, at the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

(ii) By electronic form

The procedures to submit your proxy form electronically via Vistra Share Registry and IPO (MY) portal ("**Vistra Portal**") are summarised below:-

| Procedure | Action |
|---|---|
| i. Steps for Individual Shareholders | |
| Register as a User at Vistra Portal | 1. Visit the website at https://srmy.vistra.com.<br>2. Click "Register" and select "Individual Holder" and complete the New User Registration Form.<br>3. For guidance, you may refer to the tutorial guide available on the homepage.<br>4. Once registration is completed, you will receive an email notification to verify your registered email address.<br>5. After verification, your registration will be reviewed and approved within one (1) working day. A confirmation email will be sent once approved.<br>6. Once you receive the confirmation, activate your account by creating your password.<br><br>*If you are an existing user with Vistra Portal or our TIIH Online portal previously, you are not required to register again.* |
| Proceed with submission of proxy form | 1. After the release of the Notice of Meeting by the Company, login with your email address and password.<br>2. Select the corporate event: "SCANWOLF CORPORATION BERHAD 20TH AGM".<br>3. Navigate to the 3 dots at the end of the corporate event and choose "SUBMISSION OF PROXY FORM".<br>4. Read and agree to the Terms and Conditions and confirm the Declaration.<br>5. Indicate the total number of shares assigned to your proxy(s) to vote on your behalf.<br>6. Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy.<br>7. Indicate your voting instructions – FOR or AGAINST or ABSTAIN.<br>8. Print the proxy form for your record. |

## APPOINTMENT OF PROXY (CONT'D)

4. (Cont'd)

(ii) By electronic form (Cont'd)

The procedures to submit your proxy form electronically via Vistra Share Registry and IPO (MY) portal ("**Vistra Portal**") are summarised below:- (Cont'd)

| Procedure | Action |
|---|---|
| ii. Steps for Corporation or Institutional Shareholders | |
| Register as a User at Vistra Portal | 1. Visit the website at https://srmy.vistra.com.<br>2. Click "Register" and select "Representative of Corporate Holder" and complete the New User Registration Form.<br>3. Complete the registration form with your personal details.<br>4. Once registration is completed, you will receive an email notification to verify your registered email address.<br>5. After verification, your registration will be reviewed and approval within two (2) working days. A confirmation email will be sent once approved.<br>6. Once you receive the confirmation, activate your account by creating your password.<br><br>*Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact Vistra if you need clarifications on the user registration.* |
| Proceed with submission of proxy form | 1. Login to https://srmy.vistra.com with your email address and password.<br>2. Select the corporate event: "**SCANWOLF CORPORATION BERHAD 20TH AGM**".<br>3. Navigate to the icon ">" at the end of the corporate event.<br>4. Read and agree to the Terms and Conditions and confirm the Declaration.<br>5. Select the corporate holder's name.<br>6. Proceed to download the submission file.<br>7. Prepare the file for the appointment of proxy(ies) by inserting the required data.<br>8. Proceed to upload the duly completed proxy appointment file.<br>9. Select "Confirm" to complete your submission.<br>10. Print the confirmation report of your submission for your record. |

ADMINISTRATIVE GUIDE FOR THE TWENTIETH ANNUAL GENERAL MEETING ("20TH AGM)
(CONT'D)

## VOTING AT MEETING

1. The voting at the 20th AGM will be conducted by poll in accordance with Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). The Company has appointed Vistra Investor & Issuing House Services Sdn. Bhd. *(Formerly known as Tricor Investor & Issuing House Services Sdn. Bhd.)* as Poll Administrator to conduct poll voting electronically (e-voting) via Vistra Portal and Independent Scrutineers will be appointed to verify the results of the poll.

2. During the 20th AGM, the Chairman will invite the Poll Administrator to brief you on the poll procedure.

3. Upon completion of the voting session for the 20th AGM, the Independent Scrutineers will verify the poll results for the announcement by the Chairman, followed by the Chairman's declaration whether the resolutions are carried.

## RESULTS OF THE VOTING

The resolutions proposed at the 20th AGM and the results of the voting will be announced at the 20th AGM and subsequently via an announcement made by the Company through Bursa Malaysia at www.bursamalaysia.com.

## NO RECORDING OR PHOTOGRAPHY

No recording or photography of the 20th AGM proceedings is allowed without prior written permission of the Company.

## NO SMOKING POLICY

A no smoking policy is maintained in the Meeting Hall. Your co-operation is much appreciated.

## ANNUAL REPORT AND CIRCULAR TO SHAREHOLDERS

The Annual Report and Circular to Shareholders are available on the Company's website at https://www.scanwolf.com and Bursa Malaysia's website at www.bursamalaysia.com under Company's announcements.

You may request for a printed copy of the Annual Report and/or the Circular to Shareholders at https://srmy.vistra.com by selecting "Request for Annual Report/Circular" under the "Investor Services".

Kindly consider the environment before you decide to request for the printed copy of the Annual Report/Circular to Shareholders.

## ENQUIRY

If you have any enquiries on the above, please contact the Share Registrar during office hours on Mondays to Fridays from 9:00 a.m. to 5:30 p.m. (except on public holidays):

| **Vistra Investor & Issuing House Services Sdn Bhd (Formerly known as Tricor Investor & Issuing House Services Sdn Bhd)** | | |
|---|---|---|
| Telephone Number | General Line | 603-2783 9299 |
| Contact Person | Mr. Jake Too | 603-2783 9285 |
| | En. Aiman Nuri | 603-2783 9262 |
| Email | is.enquiry@vistra.com | |

**SCANWOLF CORPORATION BERHAD**
**[Registration No. 200601021156 (740909-T)]**
(Incorporated in Malaysia)

# FORM OF PROXY

| Number of shares held | CDS Account No. |
|---|---|
| | |

I/We,_____ NRIC/Registration No._____ of _____

telephone no. _____ email address _____ being a member/members of SCANWOLF CORPORATION BERHAD hereby appoint the person(s) below as my/our proxy(ies) or failing *him/her, THE CHAIRMAN OF THE MEETING as *my/our proxy/proxies to vote for me/us and on my/our behalf at the Twentieth Annual General Meeting ("**20th AGM**") of the Company to be held and convened at Fox Hotels, Level 8, Pusat Komersil Vestland (The GLENZ) East 6, Jalan Juruanalisis U1/35, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia on Thursday, 3 December 2026 at 10.00 a.m. and at any adjournment thereof:

| Option# | Name of proxy(ies) | NRIC/ Registration No. | Email Address | Proportion of shareholding to be represented |
|---|---|---|---|---|
| ☐ The Chairman of the Meeting | | | | % |
| ☐ **Appoint ONE proxy only** (Please complete details of proxy below) | | | | |
| | | | | % |
| ☐ **Appoint MORE THAN ONE proxy** (Please complete details of proxies below) | | | | |
| Proxy 1 | | | | % |
| Proxy 2 | | | | % |
| | | | | 100% |

# Please tick ONE box only.

**IMPORTANT NOTE**
Please (i) tick [√] **ONLY ONE** of the above boxes, (ii) complete the details of your proxy/proxies and the proportion of your holding to be represented (if applicable), and (iii) sign or execute this form. The appointment will be **INVALID** if this form is not completed correctly in accordance with the said instructions.

My/Our proxy/proxies shall vote as indicated below:

| No. | Resolutions | For | Against |
|---|---|---|---|
| 1 | To re-elect Mr. Teoh Wei Loong | | |
| 2 | To re-elect Ms. Lee Pei Fen | | |
| 3 | To approve payment of Directors' fees and benefits of RM222,000 payable to the Directors for the financial year ending 30 June 2027 | | |
| 4 | To re-appoint Messrs. PKF PLT as Auditors of the Company and to authorise the Directors to fix their remuneration | | |
| 5 | To approve the proposed authority to allot and issue shares by Directors pursuant to Sections 75 and 76 of the Companies Act 2016 | | |
| 6 | To approve the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Hallson Construction Sdn Bhd *(formerly known as Fixus Construction Sdn Bhd)* and Speed Concrete Industries Sdn Bhd | | |
| 7 | To approve the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Mercu Majuniaga Sdn Bhd and Sg. Besi Construction Sdn Bhd | | |
| 8 | To approve the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Armani Hallson KLCC Sdn Bhd | | |
| 9 | To approve the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with TAFI Industries Berhad and Its Subsidiary Companies | | |
| 10 | To approve the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Magna Prima Berhad and Its Subsidiary Companies | | |

*(Please indicate with an "X" in the space provided how you wish to cast your vote. If you do not do so, the proxy will vote or abstain from voting on the resolutions at his/their discretion)*

Dated this _____ day of _____ 2026 Signature of Shareholder: _____

**NOTES**

***Members Entitled to Attend***

In respect of deposited securities, only members whose names appear on the Record of Depositors on Thursday, 26 November 2026 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

***Appointment of Proxy***

1. A member of the Company entitled to attend and vote at the 20th AGM is entitled to appoint not more than two (2) proxies to attend and vote instead of him/her. Where a member appoints two (2) proxies to attend the same meeting, the member shall specify the proportion of his/her shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company.

2. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be determined in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

3. Where a member is an authorised nominee, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

4. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

6. The appointment of proxy may be made in hardcopy or by electronic means as specified below and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 20th AGM:-

    - In hardcopy form

      The original shall be deposited at the Share Registrar of the Company, Vistra Investor & Issuing House Services Sdn Bhd *(formerly known as Tricor Investor & Issuing House Services Sdn Bhd)* at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively, at the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia., not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof, and in default the instrument of proxy shall not be treated as valid. In the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, provided always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s).

    - By electronic form

      The proxy form can be electronically lodged with Vistra Investor & Issuing House Services Sdn Bhd *(formerly known as Tricor Investor & Issuing House Services Sdn Bhd)* via *Vistra Share Registry and IPO (MY) portal ("**Vistra Portal**")* at *https://srmy.vistra.com*. Please refer to the Administrative Details for the 20th AGM on the procedures for electronic submission of proxy form via The Portal.

7. The appointment of the proxy(ies) will be **INVALID** if the Form of Proxy is not completed correctly in accordance with the instructions stated in the form.

8. Shareholders are advised to check the Company's website at *http://www.scanwolf.com* and announcements from time to time for any changes to the administration of the 20th AGM.

**Personal Data Privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of the 20th AGM dated 30 October 2026.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Share Registrar
**VISTRA INVESTOR & ISSUING HOUSE SERVICES SDN BHD**
*(FORMERLY KNOWN AS TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD)*
[Registration No. 197101000970 (11324-H)]
Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi,
59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia

1st fold here





SCANWOLF®

**Scanwolf Corporation Berhad**

(Company No: 200601021156 (740909-T)
(Incorporated in Malaysia)

No. 19, 19A, 19B & 19C, Jalan Pusat Perniagaan Falim 5
Pusat Perniagaan Falim, 30200, Ipoh, Perak.

T 605 285 0063

www.scanwolf.com