
SEMICO
ANNUAL REPORT
2026

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ABOUT SEMICO



Our Company was incorporated in Malaysia under the Companies Act, 2016 on 14 October 2024 as a private company limited by shares under the name of Basil Park Sdn Bhd. On 11 April 2025, our Company changed its name to Semico Capital Sdn Bhd. As part of the corporate restructuring and listing exercise, our Company was converted into a public company on 7 May 2025 and assumed its present name, Semico Capital Berhad.

We are an investment holding company. Through our subsidiaries, we are principally involved in (i) the provision of family entertainment products and services encompassing the supply of arcade and amusement machines and the operation and management of a family entertainment centre; and (ii) the wholesale and distribution of toys and collectables. The history of our Group can be traced back to 2007 with the incorporation of Semico Technology Sdn Bhd ("Semico Technology").

OUR BUSINESS MODEL

	Family Entertainment	Toys and Collectables
Principal Activities		
Business Segments	**Distribution** • Revenue-sharing model • Rental model • Outright sales model **Retail** • Operation and management of a family entertainment centre	**Distribution** • Wholesale and distribution of toys and collectables
Key Products and Services	• Supply of arcade and amusement machines and related services • Operation and management of a family entertainment centre	**Toys and collectables such as:** • Action figures • Assembled toys • Blind boxes • Display figures • Trading card games
Key Brands distributed by our Group	SEGA, WAHLAP TECH, KONAMI, SUPERWIN, BANDAI NAMCO, ACE AMUSEMENT, UNIS TECHNOLOGY, Dream.FUNS	POP MART, Funism, jotoys, TOYCITY
Customer Segments	**Distribution** • Arcade and amusement machine operators • Family entertainment centre operators • Theme parks operators **Retail** • End customers	**Distribution** • Specialised convenience stores • Hobbyist stores • Toy stores • Others – cinemas and family entertainment centre operators
Principal Market	Malaysia	

KEY MILESTONES

2002 - 2006
EARLY FOUNDATIONS

Laid the groundwork by founding Tai Industrial Supplies, importing refurbished and new arcade machines, and adding repair/services.

2007
INCORPORATION OF SEMICO

Semico incorporated, building on earlier arcade trading services.

2010
CONSOLIDATION PHASE

Consolidated arcade operations under FEC Asia Distributor and streamlined entities via deregistration.

2015
LEADERSHIP EXPANSION

Strengthed leadership with Tai Lee Chuen, improving sourcing of refurbished machines and broadening the product range.

KEY MILESTONES

2017 - 2024
FEC OPERATIONS

Entered and expanded FEC operations through Minexport, opening The Mines FEC and shifting to direct machine purchases by 2024.

2021 - 2025
RETAIL DIVERSIFICATION & COLLECTABLES GROWTH

Diversified into retail and collectables with De Pop and secured Pop Mart distributor roles in 2023 and reappointment in 2025.

2023 - 2025
DISTRIBUTOR NETWORK EXPANSION

Secured multiple Malaysian distributor appointments: Initial-D THE ARCADE (Sega), Superwing UNIS, Jakar, ACE Amusement, and Dreamfuns.

Appointed authorised distributor and sales partner of DOF Robotics for Angry Birds Fury Road.

2026

Prospectus launch & listing on ACE Market of Bursa Securities.

IN THE NEWS

THE EDGE MALAYSIA

Semico Capital has unique market position, margins also lucrative, Public Investment says in IPO note

KUALA LUMPUR (Dec 29): Semico Capital Bhd has a unique position in the market as an arcade machine and toys distributor while its profit margins also appear lucrative, said Public Investment Bank.

The stock should be valued at 29 sen, about 16% above its initial public offering (IPO) price — around 20% discount to the Bursa Malaysia Consumer Index's valuation — the research house said in an unrated report issued on Monday ahead of Semico's listing.

"Despite its unique market positioning with no direct listed comparable and lucrative profit margins, we believe the discount is justified given Semico's relatively small market capitalisation," Public Investment said.

Priced at 25 sen per share, application for the IPO will close on Jan 2 and Semico is slated for listing on

THE EXCHANGE ASIA

Semico Capital Plans RM23.2 Million ACE Market IPO For Expansion

Semico Capital Berhad ("Semico Capital"), a provider of family entertainment products and services, as well as a wholesaler and distributor of toys and collectibles, has officially launched its prospectus today in conjunction with its initial public offering ("IPO") on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

Through its subsidiaries, the Group operates a family entertainment business that includes arcade and amusement machines, a family entertainment centre at The Mines shopping centre in Selangor, and nationwide distribution of toys and collectibles. Semico Capital is the exclusive authorised distributor for Superwing and Dreamfuns, and holds distributorships for ACE Amusement, UNIS, Jakar, and DOF Robotics. Its products and services are available at 77 customer stores nationwide.

In the toys and collectibles segment, the Group

NEW STRAITS TIMES ESTABLISHED 1845

Semico Capital projected to achieve 23pct earnings growth over three years

KUALA LUMPUR: Semico Capital Bhd is expected to deliver strong earnings growth over the next three years, according to Malacca Securities Research.

The firm projects a three-year earnings compound annual growth rate (CAGR) of 23.1 per cent, with Semico's net profit forecast to reach between RM8.5 million and RM11.3 million over the period.

"This growth is underpinned by the continuous deployment of arcade and amusement machines funded by initial public offering (IPO) proceeds, the rising popularity of certain toys and collectables and exclusive distributorship rights," it said in a note.

Semico Capital is an established authorised distributor of arcade and amusement machines in Malaysia, holding exclusive distributorships for Dreamfuns and Superwing, alongside authorised distributorship arrangements with

THE EDGE MALAYSIA

Clients' expansion spells upside for pop-toy beneficiary Semico Capital, says TA Securities

KUALA LUMPUR (Dec 26): Semico Capital Bhd, the authorised Malaysian distributor of Pop Mart of the recent pop-toy craze, could benefit from the expansion strategies of its clientele of retailers and arcade centres, said TA Securities.

In a note, TA Securities derived a target price of 33 sen per share on ACE Market-bound Semico, based on 12 times earnings per share projection for the calendar year 2026, compared with peer average of 14.9 times, it said.

The distributor of Labubu toys in Malaysia is going for listing at 25 sen per share to raise RM23.17 million in capital, as it seeks to increase its number of arcade machines, increase its toys inventory and diversify its product range.

"Looking ahead, we expect Semico's net profit to

IN THE NEWS

BUSINESSTODAY

Semico's Growth Driven By Fun And Enjoyment

Semico Capital Berhad, is positioning itself for strong earnings growth as it ramps up the deployment of arcade and amusement machines while capitalising on the rising popularity of toys and collectables.

In an IPO note, Malacca Securities projects Semico to deliver a three-year earnings compound annual growth rate (CAGR) of 23.1%, with core profit after tax and minority interest (PATMI) expected to reach between RM8.5 million and RM11.3 million over the next three years.

Semico operates across two main business segments: family entertainment and toys and collectables. Its family entertainment segment focuses on the supply, operation and management of arcade and amusement machines, while its toys and collectables segment covers wholesale distribution of branded toys and collectibles.

The Star

Semico eyes Bursa listing

KUALA LUMPUR: Semico Capital Bhd has entered into an underwriting agreement with Affin Hwang Investment Bank Bhd in conjunction with its initial public offering (IPO) on the ACE Market of Bursa Malaysia.

Semico Capital, through its subsidiaries, is primarily involved in providing family entertainment products and services, including supplying arcade and amusement machines, operating a family entertainment centre at The Mines in Selangor.

In a statement, Semico said the IPO comprised a public issue of 92.7 million new ordinary shares, representing 25.7% of its enlarged issued share capital, and an offer for sale of 18 million existing share.

BH BeritaHarian

IPO Semico Capital melonjak hingga 80 peratus pada penyenaraian di Pasaran ACE

KUALA LUMPUR: Penyedia produk dan perkhidmatan hiburan keluarga serta pemborong dan pengedar mainan serta barangan koleksi, Semico Capital Berhad, mencatatkan penyenaraian memberangsangkan di Pasaran ACE Bursa Malaysia hari ini, disokong permintaan pelabur yang kukuh terhadap tawaran awam permulaan (IPO) syarikat itu.

Pada pembukaan dagangan, saham Semico Capital dibuka pada 45 sen, mewakili premium 80 peratus berbanding harga IPO 25 sen, dengan jumlah dagangan awal sebanyak 23.5 juta saham.

Penyenaraian itu menyusuli kejayaan IPO syarikat yang mencatatkan lebihan langganan sebanyak 28.09 kali, sekali gus mencerminkan keyakinan pelabur terhadap prospek pertumbuhan serta prestasi perniagaan kumpulan.

Pengarah Eksekutif dan Ketua Pegawai Eksekutif

THE EDGE MALAYSIA

Toys distributor Semico Capital's IPO oversubscribed 28 times ahead of ACE Market debut

KUALA LUMPUR (Jan 6): The initial public offering (IPO) of arcade machine supplier and toys distributor Semico Capital Bhd has attracted strong investor interest ahead of the company's ACE Market listing, with its public issue of new shares oversubscribed by 28.09 times.

The toys distributor received applications for 523.69 million shares worth about RM130.92 million from the Malaysian public, according to a bourse filing statement on Tuesday (Jan 6).

Notices of allotment will be dispatched to successful applicants on Jan 12, with the company scheduled to list on Jan 13.

The Bumiputera public tranche was oversubscribed nearly 20 times, while demand from non-Bumiputera investors exceeded available shares by close to 37

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Sri Ramli Bin Mohamed Yoosuf
Independent Non-Executive Chairman

Tai Lee Chuen
Chief Executive Officer/ Executive Director

Ang Sew Fong
Executive Director/Head of Human Resources and Administration

Andrea Huong Jia Mei
Independent Non-Executive Director

Ooi Guan Hoe
Independent Non-Executive Director

Yap Choo Cheng
Independent Non-Executive Director



Audit and Risk Management Committee

Ooi Guan Hoe	Chairman
Andrea Huong Jia Mei	Member
Yap Choo Cheng	Member

Nomination Committee

Andrea Huong Jia Mei	Chairman
Ooi Guan Hoe	Member
Yap Choo Cheng	Member

Remuneration Committee

Yap Choo Cheng	Chairman
Andrea Huong Jia Mei	Member
Ooi Guan Hoe	Member

Company Secretaries

Tan Tong Lang
MAICSA 7045482
SSM PC No. 201908002254

Thien Lee Mee
LS0010621
SSM PC No. 201908002254

Registered Office

B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No.1, Medan Syed Putra Utara
59200 Kuala Lumpur
Tel : +603-9770 2200
Email: boardroom@boardroom.com.my

Head Office

G-31, Eco Sky
No. 972, Batu 6 1/2
Jalan Ipoh
68100 Kuala Lumpur
Tel : +603-6241 1778
Email : info@semico.com.my

Investor Relation

Capital Front
B-3-7 Block B, Jalan PJU 9/1
Plaza Ativo, Jalan Damansara Avenue
Bandar Sri Damansara
52200 Kuala Lumpur
Email : info@capitalfront.biz

Auditors

Grant Thornton Malaysia PLT
(201906003682 & LLP0022494-LCA)
(Member Firm of Grant Thornton International Ltd.)
Chartered Accountants (AF 0737)
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : +603-2692 4022

Share Registrar

Aldpro Corporate Services Sdn Bhd
B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur
Tel : +603-9770 2200
Fax : +603-2201 7774

Sponsor

Affin Hwang Investment Bank Berhad
Level 33, Menara AFFIN
Lingkaran TRX
Tun Razak Exchange
55188 Kuala Lumpur
Tel : +603 2142 3700

Principal Bankers

Malayan Banking Berhad
Affin Bank Berhad
OCBC Al-Amin Berhad
RHB Bank Berhad
Hong Leong Bank Berhad
CIMB Bank Berhad
CIMB Islamic Bank Berhad

Stock Exchange Listing

ACE Market of Bursa Malaysia Securities Berhad
Stock Name : SEMICO
Stock Code : 0388

Website

https://semico.com.my/

CORPORATE STRUCTURE

Semico Capital Berhad
202401043120
(1588966-W)

100% Ownership

Semico Technology Sdn Bhd
200701019971
(777987-M)

100% Ownership

Minexport Sdn Bhd
201701011106
(1225271-M)

100% Ownership



De Pop Asia Sdn Bhd
202101037334
(1437634-A))

FINANCIAL HIGHLIGHTS

OPERATING RESULTS (RM'000)	2022	2023	2024	2025	2026
Revenue	5,253	15,303	22,098	29,688	33,889
Gross Profit ("GP")	2,529	6,913	9,560	14,099	12,563
Profit Before Taxation ("PBT")	1,747	5,120	6,700	9,153	4,926
Profit After Taxation ("PAT")	1,379	3,931	5,239	6,604	2,979

KEY FINANCIAL POSITION DATA (RM'000)	2022	2023	2024	2025	2026
Total Comprehensive Income for the Financial Years	1,379	3,931	5,239	6,604	2,979
Non-Controlling Interests	204	329	479	571	–
Total Borrowings	131	194	729	1,553	3,154

KEY FINANCIAL RATIOS	2022	2023	2024	2025	2026
GP Margin (%)	48.14	45.17	43.26	47.49	37.07
PBT Margin (%)	33.26	33.46	30.32	30.83	14.54
PAT Margin (%)	26.25	25.69	23.71	22.24	8.79
Basic and Diluted EPS* (sen)	0.33	1.00	1.32	1.68	0.83
Gearing ratio (times)	0.14	0.04	0.09	0.09	0.08

Note:

* For comparative purposes, the basic EPS is computed based on the PAT attributable to common controlling shareholders/ owners of our Group divided by the total enlarged number of 360,000,000 Shares after our IPO. For information purposes, the diluted EPS is equal to the basic EPS as there were no potential dilutive securities in issue during the respective Financial Years Under Review.

FINANCIAL HIGHLIGHTS

REVENUE
(RM'000)

RM 33,889



GROSS PROFIT
(RM'000)

RM 12,563



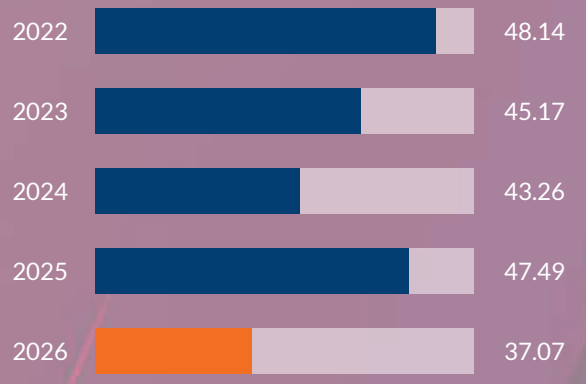
PROFIT AFTER TAX
(RM'000)

RM 2,979



GP MARGIN
(%)

37.07 %



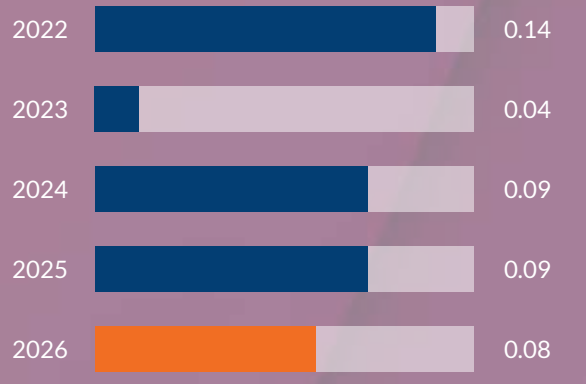
BASIC & DILUTED EPS
(SEN)

0.83 SEN



GEARING RATIO
(TIMES)

0.08 TIMES



PROFILE OF BOARD OF DIRECTORS



From left, standing

OOI GUAN HOE
Independent Non-Executive Director

YAP CHOO CHENG
Independent Non-Executive Director

ANDREA HUONG JIA MEI
Independent Non-Executive Director

ANG SEW FONG
Executive Director and Head of Human Resources and Administration

From left, sitting

TAI LEE CHUEN
Chief Executive Officer/ Executive Director

DATO' SRI RAMLI BIN MOHAMED YOOSUF
Independent Non-Executive Chairman

PROFILE OF BOARD OF DIRECTORS



DATO' SRI RAMLI BIN MOHAMED YOOSUF

Independent Non-Executive Chairman

Gender	Nationality	Appointment Date
MALE	**MALAYSIAN**	**15-5-2025**

Dato' Sri Ramli Bin Mohamed Yoosuf, a Malaysian aged 61, is the Independent Non-Executive Chairman. He was appointed to our Board on 15 May 2025. With nearly four decades of experience in law enforcement, public affairs and international peacekeeping, he brings strong leadership and governance oversight to the Group.

He served in the Royal Malaysia Police (RMP) from 1987 to 2025, holding key roles including Chief Police Officer of Pahang and Director of the Commercial Crime Investigation Department, and was instrumental in establishing the RMP's Corporate Communications function.

He also served with the United Nations in Sierra Leone and at its New York headquarters. Following his retirement, he was appointed by the Pahang State Goverment as a Member of the Public Services Commission of Pahang state.

In addition, he was appointed by Innovative University College as a Member of the Board of Governors and as an Adjunct Professor.

Save for his directorship in the Company, he does not hold any other directorships in public companies and listed corporations.

He does not have any family relationship with any of our directors and/or major shareholders.

PROFILE OF BOARD OF DIRECTORS



TAI LEE CHUEN

Chief Executive Officer / Executive Director

Gender	Nationality	Appointment Date
MALE	MALAYSIAN	6-2-2025

Tai Lee Chuen, a Malaysian aged 54, is the Promoter, substantial shareholder and Chief Executive Officer / Executive Director. He was appointed to the Board on 6 February 2025. He is responsible for overseeing the day-to-day management, business development and formulation of overall strategic direction of our Group.

He began his career in information technology before venturing into business, incorporating Tai Industrial Supplies in 2002. His entry into the arcade industry started with importing refurbished machines from Taiwan in 2003, followed by new machines from China in 2006, laying the foundation for his long-term involvement in the industry.

Tai Lee Chuen joined Semico Technology in 2007 as an adviser, became Director of Business Development in 2009, and has served as a Director since 2015.

He has played a key role in growing the Group's presence in arcade and amusement machine supply across the region. He also co-founded and led related ventures within the family entertainment ecosystem, including Minexport, which operates a Family Entertainment Centre at The Mines, and De Pop Asia, a toys and collectables distribution business.

In addition, he serves as Vice President of the Malaysia Theme Park & Family Attractions Association (MATFA) since 2021. With over two decades of industry experience, he continues to drive Semico's growth and development in the evolving entertainment landscape.

Save for his directorship in the Company, he does not hold any other directorships in public companies and listed corporations.

He is the spouse of Ang Sew Fong, our Executive Director and Head of Human Resources and Administration.

PROFILE OF BOARD OF DIRECTORS



ANG SEW FONG

Executive Director and Head of Human Resources and Administration

Gender	Nationality	Appointment Date
FEMALE	MALAYSIAN	6-2-2025

Ang Sew Fong, a Malaysian aged 49, is our Executive Director and Head of Human Resources and Administration. She was appointed to the Board on 6 February 2025.

She leads the Group's HR and administrative functions, ensuring efficient day-to-day operations across the organisation. She began her career in 1995 in manufacturing operations in Singapore before moving into administrative roles in Malaysia.

In 2007, she co-founded Semico and was appointed Director, taking on responsibilities across human resources, administration and accounting. Over the years, she has been instrumental in building the Group's internal structure and supporting its operational growth.

Save for her directorship in the Company, she does not hold any other directorships in public companies and listed corporations.

She is the spouse of Tai Lee Chuen, our Chief Executive Officer / Executive Director and Substantial Shareholder.

PROFILE OF BOARD OF DIRECTORS



ANDREA HUONG JIA MEI

Independent Non-Executive Director

Gender
FEMALE

Nationality
MALAYSIAN

Appointment Date
15-5-2025

Andrea Huong Jia Mei, a Malaysian, aged 44, is the Independent Non-Executive Director. She was appointed to the Board on 15 May 2025. She is also the Chairman of the Nomination Committee and a member of the Audit and Risk Management Committee and Remuneration Committee. She brings extensive experience in accounting, corporate governance and board advisory, supporting the Group's strategic direction and governance framework.

She completed her Diploma in Commerce (Financial Accounting) in 2003 and obtained an Advanced Diploma in Commerce (Financial Accounting) in 2005 from Tunku Abdul Rahman College, Malaysia (now known as Tunku Abdul Rahman University of Management and Technology). She became a member of the Association of Chartered Certified Accountants ("ACCA"), United Kingdom in 2011. She has been a Chartered Accountant of the Malaysian Institute of Accountants ("MIA") since 2018.

She began her career in audit in 2005, progressing to senior roles and handling engagements for both private and public listed companies, gaining strong expertise in financial reporting, internal controls and compliance.

She later moved into corporate secretarial and advisory work, serving as director of T&S Secretarial Services Sdn Bhd and T&S Boardroom Sdn Bhd, and currently holds a directorship at Social Green Governance Sdn Bhd, focusing on internal controls and sustainability.

She currently holds directorships in HE Group Berhad and Unique Fire Holdings Berhad (both public companies listed on the Main Market of Bursa Securities) and Yew Lee Pacific Group Berhad (a public company listed on the ACE Market of Bursa Securities).

She does not have any family relationship with any of our directors and/or major shareholders.

Save for the potential conflict of interest situation arising from her Non-Executive directorship in another Public Listed Company with a similar business nature as Semico, she has no conflict of intrest or potential conflict of interest, including any interest in any competing business with Semico and its subsidiaries.

PROFILE OF BOARD OF DIRECTORS



OOI GUAN HOE

Independent Non-Executive Director

Gender	Nationality	Appointment Date
MALE	MALAYSIAN	15-5-2025

Ooi Guan Hoe, a Malaysian aged 51, is the Independent Non-Executive Director. He was appointed to the Board on 15 May 2025. He is also the Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee and Nomination Committee. He brings over 20 years of experience in finance and corporate advisory, with strong expertise in corporate finance, initial public offerings ("IPOs"), mergers and acquisitions ("M&A"), and financial oversight.

In 1999, he graduated from Universiti Putra Malaysia, Selangor, with a Bachelor of Accountancy (Hons). In 2011, he completed an Executive Education program co-organised by Harvard Business School and Tsinghua University and obtained a certificate in Private Equity and Venture Capital - China. Since 2002, he has been a member of the Malaysian Institute of Accountants.

He began his career with Arthur Andersen & Co in audit, before joining CIMB Investment Bank Berhad, where he was involved in IPOs, fund-raising, joint ventures and M&A transactions.

He later held senior finance roles in listed companies across Malaysia and internationally, overseeing corporate compliance, financial reporting and listing exercises, and has served on the board and audit committees of several listed companies.

He currently serves as Chief Financial Officer ("CFO") of Delux Holdings (M) Sdn. Bhd. He is also the Independent Non-Executive Director of Techbond Group Berhad (a public company listed on the Main Market of Bursa Securities) and Kee Ming Group Berhad (a public company listed on the ACE Market of Bursa Securities).

He has no family relationship with any Director and/or major shareholder of the Company.

PROFILE OF BOARD OF DIRECTORS



YAP CHOO CHENG

Independent Non-Executive Director

Gender
FEMALE

Nationality
MALAYSIAN

Appointment Date
15-5-2025

Yap Choo Cheng, a Malaysian, aged 52, is the Independent Non-Executive Director. She was appointed to the Board on 15 May 2025. She is also the Chairman of the Remuneration Committee and a member of the Audit and Risk Management Committee and Nomination Committee.

She obtained her Bachelor of Science with Honours in Accountancy from the Queen's University of Belfast in Northern Ireland, UK in 1996. She is a member of the Association of Chartered Certified Accountants and the Malaysian Institute of Accountants since 2000 and 2001 respectively. In 2005, she was admitted as a Fellow Member of the Association of Chartered Certified Accountant.

She began her career with KPMG in 1996 before moving into senior finance roles, including as Financial Controller at Perdana Petroleum Berhad and CFO of Only World Group Berhad. She has since held CFO positions across several listed corporations, building broad expertise in strategic financial planning, corporate treasury management, financial governance and corporate listing exercises.

She currently serves as CFO of Minox International Berhad, overseeing corporate finance and group financial management. She is also an Independent Non-Executive Director of TechStore Berhad. Both companies are listed on ACE Market of Bursa Securities.

She has no family relationship with any Director and/or major shareholder of the Company.

PROFILE OF BOARD OF DIRECTORS

NOTES

Attendance of Board Meetings
The attendance of the Directors at Board Meetings held during the financial year ended 30 June 2026 is disclosed in the Corporate Governance Overview Statement of this Annual Report.

Conflict of Interest and Potential Conflict of Interest
Save for the potential conflict of interest situation arising from Andrea Huong Jia Mei's Non-Executive directorship in a Public Listed Company with a similar business nature as Semico, none of the Directors has any conflict of interest and potential conflict of interest with the Company.

Conviction for Offences
Other than traffic offences, if any, the Directors have not been convicted of any offences within the past five (5) years and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 June 2026.



Semico Family Entertainment Center at Berjaya Times Square

PROFILE OF KEY SENIOR MANAGEMENT



AMILIA BINTI SABTU

Head of Finance

Gender
FEMALE

Appointed
2024

Nationality
MALAYSIAN

Amilia Binti Sabtu, a Malaysian, aged 53, is the Head of Finance. She oversees the Group's financial management, accounting operations and corporate financial reporting.

She holds a Bachelor of Accountancy (Hons) from Universiti Utara Malaysia and has been a member of the Malaysian Institute of Accountants since 2001. She began her career with Arthur Andersen & Co in 1997, where she gained extensive experience in statutory audits, financial reviews and regulatory compliance.

Prior to joining the Group in December 2024, she held senior finance roles at organisations including Nationwide Express Courier Services Berhad, Yayasan AMIR and Sapura Resources Berhad, where she was responsible for group financial reporting, treasury, taxation and financial planning.

With over 25 years of experience in finance and corporate reporting, she supports the Group's financial governance and strategic financial management.

She does not have any family relationship with any of our directors and/or major shareholders.



LEE CHENG LOONG

Head of Product Development

Gender
MALE

Appointed
2014

Nationality
MALAYSIAN

Lee Cheng Loong, a Malaysian aged 39, is the Head of Product Development. He leads the Group's product research and development initiatives for arcade and amusement machines.

He began his career in the arcade and amusement industry in 2004 and has accumulated extensive hands-on experience in machine operations, technical maintenance and product evaluation. He joined the Group in 2014 and previously served as Head of Technical, where he was responsible for machine testing, troubleshooting and evaluating new technologies.

Promoted to Head of Product Development in 2022, he now focuses on identifying industry trends, sourcing innovative machines and strengthening the Group's product portfolio to ensure Semico Capital Berhad remains competitive within the arcade and amusement industry.

He does not have any family relationship with any of our directors and/or major shareholders.

PROFILE OF KEY SENIOR MANAGEMENT



LEE YONG WAI

Head of Technical

Gender
MALE

Appointed
2021

Nationality
MALAYSIAN

Lee Yong Wai, a Malaysian aged 35, is the Head of Technical. He oversees the Group's technical operations, including the repair, maintenance and deployment of arcade and amusement machines across its operational network.

He holds a Bachelor of Engineering (Hons) in Electronic Engineering from Universiti Tunku Abdul Rahman. He began his career in 2017 with SNS Network Services Sdn Bhd before joining Iconix Systems and Solutions Sdn Bhd, where he gained experience in system deployment, technical support and project implementation.

He joined the Group in 2021 as a Technician and was promoted to Head of Technical in 2022. In his current role, he leads the technical team in ensuring the reliability, maintenance and efficient delivery of the Group's arcade and amusement machines to customers nationwide.

He does not have any family relationship with any of our directors and/or major shareholders.

NOTES

Directorship in Public Companies and Listed Corporations
None of the Key Senior Management have any directorships in public companies and/or listed corporations.

Conflict of Interest and Potential Conflict of Interest
None of the Key Senior Management has any conflict of interest and potential conflict of interest with the Company.

Conviction for Offences
Other than traffic offences, if any, the Key Senior Management have not been convicted of any offences within the past five (5) years and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 June 2026.

CHAIRMAN'S STATEMENT



Dear Valued Shareholders,

Together with the Board of Directors of Semico Capital Berhad ("Semico" or "the Group"), Semico is excited to present the Group's inaugural Annual Report for the financial year ended 30 June 2026 ("FYE2026"). Following the Group's successful listing on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities" or "Bursa"), Semico looks forward to scale and further establish itself within the local market as the leading supplier of family entertainment products and services, and toys and collectables.

CHAIRMAN'S STATEMENT

A Nearly Two-decade Journey in Arcade and Family Entertainment

Starting as an arcade and family entertainment supplier, Semico started operating in 2007 providing well-known arcade games in more than 70 stores nationwide and select theme parks. Throughout the years, the Group has forged valuable partnerships with international manufacturers and distributors located in the United States, Poland, China, Japan, and Singapore, allowing Semico to become the authorised distributor for international brands such as Sega, Konami and Bandai Namco. Later, upon the rise of global interest in figurines and specialised hobbyist stores in Malaysia, the Group expanded into toys and collectables in 2020, supplying popular brands such as Pop Mart, Toycity and others.

As the Group strengthened its presence through collaborations with major family entertainment centres and broader distribution channels for pop toys and collectables, Semico reached another milestone as the Group entered almost two decades of operating in the two sectors.

Meanwhile, it achieved balanced recurring income through location-anchored revenue with scalable distribution. These positive outcomes were made possible due to the Group's focus on building resilient operations by adapting to the changes within the industry. From evolving consumer preferences, navigating supply-chain complexities, and maintaining strong partner relationships, these are the pieces of the puzzle that are central to Semico's sustainable growth.

Following Semico's successful listing on the ACE Market, the Group is more confident than ever as it evolved from a predominantly product supply entity into a dual-engine growth model of family entertainment products and services, and toys distribution. The overwhelming support from the listing enables the Group to access capital, enhance corporate governance standards and expand visibility with customer, investor and supplier communities.

CHAIRMAN'S STATEMENT



2026: Driving full steam ahead

Given that FYE2026 started strongly for the Group with an IPO oversubscription by 28.1 times, Semico sees this as an opportunity to further strengthen the Group's position as the leader within the market.

The advantage of being a publicly listed company allows the Group's access to capital markets to supercharge its business. The access to funds enables scalable investments in new machines, technology upgrades and brand expansion. Along with these improvements, the Group also expects a spillover effect that would institutionalise Semico's governance frameworks that support long-term partnerships with global suppliers and retailers, and of course, an enhanced image of the Group.

Being in the sector requires regular upkeep of assets to ensure customers are able to enjoy their experience comfortably, and ensure the latest toys are on the shelves. Part of the IPO proceeds will be deployed strategically to expand and upgrade arcade machines and diversify the toys and collectables portfolio. With allocations to strengthen working capital, these key expenditures enable the Group to respond proactively to growth opportunities across both segments.

Building for the Future: 2027 and beyond

As the Group looks towards 2027 and beyond, the focus remains firmly on growing the business locally through steady expansion of its core business activities, while continuing to explore opportunities across the broader family entertainment and pop toys industries in Malaysia. This approach reflects the Group's belief that there remains meaningful room to deepen Semico's presence in both segments, supported by favourable industry fundamentals and growing consumer interest in leisure, entertainment and collectable products.

The Group sees clear opportunities to strengthen its domestic market position and increase market share in both of its principal business segments. Based on market research, Semico held approximately 1.0% of the Malaysian family entertainment market and 8.8% of the Malaysian pop toys market in 2025, which suggests there is still ample headroom for further expansion through disciplined execution, broader market reach and continued customer acquisition.

To support this next phase of growth, the Group is committed to building greater organisational depth and capability. This includes strengthening the existing team and increasing the number of employees with the relevant skill sets and expertise, so that the business is well equipped to support expansion plans while maintaining service quality, operational efficiency and execution discipline.

CHAIRMAN'S STATEMENT



At the same time, the Group recognises that growth must be pursued with focus and consistency. As the business expands, management will remain guided by its established growth plans and take systematic action at each stage of development, ensuring that expansion is supported by sound operational planning, disciplined decision-making and a clear understanding of market dynamics.

Sustainability will also remain an important consideration in shaping the Group's direction. Purchases from Pop Mart Group accounted for approximately 45.10% of total purchases in FYE2026, down from 47.14% in FYE2025, reflecting the Group's ongoing efforts to diversify its brand portfolio and reduce reliance on any single supplier. Moving forward, the Group will continue expanding its range of brands and retail channels to mitigate concentration risk, while maintaining strong relationships with key brand principals and positioning the business for more balanced and sustainable long-term growth.

Acknowledgements

On behalf of the Board, the Group would like to record our sincere appreciation to the employees for their unwavering belief in the Company and their steadfast support throughout our journey from a private company to a listed entity. Their commitment, resilience and dedication have been instrumental in helping the Group navigate this important transformation and laying the foundation for our next phase of growth.

The Board also extends its heartfelt thanks to the customers and suppliers for their continued trust, patient assistance and understanding throughout this process. Their support has been invaluable to the Group's development, and the strength of these relationships remains central to Semico's confidence in the future. Lastly, the Board wishes to express gratitude to the various advisers and consultants involved in the listing process for their guidance, professionalism and support. Their counsel and expertise have played an important role in helping the Group to achieve this significant milestone.

Dato' Sri Ramli Bin Mohamed Yoosuf
Independent Non-Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

In the period following Semico Capital Berhad's ("Semico" or "the Group") successful initial public offering ("IPO") on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities" or "Bursa") in January 2026, the Group has remained focused on strengthening its position as a provider of family entertainment products and services, as well as a wholesaler and distributor of toys and collectables in Malaysia. Semico's Management Discussion and Analysis for the financial year ended 30 June 2026 ("FYE2026") presents a comprehensive review of the Group's operational and financial performance over this 12-month period, highlighting progress in its two business segments, and the development of sustainable growth initiatives supported by a broader distribution footprint and an evolving product portfolio.



9 IN 10
Gen Z Malaysians
prefer to travel with family or a partner over solo travel

USD$24.2B
Valuation of Global Blind Box Market
2021: USD$11.38B

10%
of The Blind Boxes Market are Micro-collectable Blind Boxes
with 35% growth year-on-year

Leisure Spending On the Rise Amidst Economic Headwinds

Globally, the family entertainment and collectables industries continue to thrive despite today's volatile political climate[1]. Indulging in entertainment and shopping offer some refuge from stressful global economic headwinds. As consumers increasingly seek shared leisure experiences, the sector continues to benefit from resilient underlying demand, evolving retail channels and the ability of operators to offer products and services that appeal across different age groups and spending preferences.

On the home front, Malaysia is seeing a rise in local travel which has shifted from solo to group travels. According to Agoda's 2026 Travel Outlook Report survey, 9 in 10 Gen Z Malaysians prefer to travel with family or a partner[2], indicating higher interest to focus on family-oriented activities during travels. Along with the Visit Malaysia 2026 campaign launched by the government[3], this will further contribute to the country's tourism sector, which will certainly have a spillover effect on the family entertainment sectors.

On the collectables side, it is estimated that the global blind box market, worth around USD $11.38 billion in 2021, was projected at that time to more than double the value to USD $24.2 billion by 2023[4]. Retail Asia reported that blind boxes continue to drive repeat purchases with the micro-collectable blind box segment making up roughly 10% of the market and growing 35% year-on-year[5]. With big brands such as Nike, New Balance and 7-11 participating in the trend this year, the toys and collectables sector may be around for a while[6].

1 https://www.bcg.com/press/25june2025-leisure-travel-spending-15-trillion-2040
2 https://www.nst.com.my/lifestyle/jom/2026/05/1433913/malaysian-gen-z-ditch-solo-travel-family-getaways
3 https://www.thestar.com.my/lifestyle/travel/2026/05/26/tourism-malaysia-and-singapore-airlines-sign-mou-to-boost-tourism
4 https://www.legalbusinessonline.com/features/print-issue-singapore-gets-serious-about-labubu-blind-boxes
5 https://retailasia.com/stores/exclusive/blind-boxes-spur-collectible-toy-growth-in-asia-pacific-market
6 https://www.soleretriever.com/news/articles/nike-kobe-4-protro-lakers-unboxing

MANAGEMENT DISCUSSION AND ANALYSIS



Initial D THE ARCADE car racing simulation machine at Semico Berjaya Times Square

Semico: Supplying all-things-fun to Malaysians

Within Semico's family entertainment segment, the Group supplies arcade and amusement machines via revenue-sharing, rental and outright sales models, allowing it to serve a broad range of customers with differing capital and operating requirements. In the toys and collectables segment, the Group distributes a range of products including blind boxes, action figures, display figures, trading card games and other collectable merchandise through various distribution channels such as specialised retail stores, hobbyist stores, toy stores and cinemas.

A key strength of the Group lies in its established position within the arcade distributorship space, where competition remains relatively limited due to the importance of industry relationships, product access and technical credibility. The Group's operating track record has enabled it to build trust with major game developers and machine manufacturers, supporting its role as an authorised distributor for brands including ACE Amusement, UNIS, Jakar and DOF Robotics, while also serving as the exclusive authorised distributor in Malaysia for machines supplied by Dreamfuns and Superwing. The Group has also been distributing Sega Logistics' "Initial D THE ARCADE" car racing simulation machine for the Malaysian market since November 2023, reinforcing its access to recognised and in-demand arcade content.

Geographically, the Group has established a strong presence across Malaysia, with sales concentrated mainly in urban markets such as Selangor, Kuala Lumpur, Pulau Pinang and Johor, where shopping malls and family-oriented retail destinations continue to serve as important customer locations. At the same time, the Group has been able to secure customers across the country, reflecting the broader popularity of arcade and amusement machines as well as the continued appeal of toys and collectables among Malaysian consumers.

The operating environment for Semico continues to be shaped by supportive consumer and tourism trends. Malaysia's domestic tourism sector remained on a growth trajectory in 2025, with total domestic visitors rising 11.5% year-on-year to RM290.1 million and domestic tourism expenditure increasing 13.3% to RM121 billion[7]. This is one of the many key trends that are important to Semico because higher travel activity, stronger mall traffic and growing demand for family-friendly experiences can support customer traffic at entertainment venues and adjacent retail channels.

On the operational side, the Group continues to maintain a dynamic sourcing and distribution strategy so that its offerings remain aligned with prevailing customer preferences and emerging trends. This is particularly important in both the arcade and toys segments, where popularity cycles can shift quickly and customer demand is often influenced by new content, recognised intellectual property, and brand visibility.

Semico operates in an environment shaped by several external factors that require close management attention. These include import-related cost pressures, logistics lead times, the availability of high-demand brands, foreign exchange movements affecting imported goods, evolving operating requirements for indoor entertainment venues, and broader competitive pressure from local and regional market participants.

Overall, the Group's business activity remains anchored in segments where demand is closely linked to consumer engagement, experience-led spending and the continued popularity of branded collectables. With an established market presence, recognised distribution relationships, and exposure to favourable long-term consumption themes, the Group is positioned to participate in the continued development of Malaysia's family entertainment and pop culture-related consumer markets, while remaining mindful of execution, sourcing and market risks.

[7] https://www.thestar.com.my/lifestyle/travel/2026/03/22/domestic-tourism-in-malaysia-maintains-growth

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Performance Review

Statements of Profit or Loss

	FYE2026 RM million	FYE2025 RM million	Variance RM million	%
Revenue	33.89	29.69	+4.20	+14.15%
Gross profit ("GP")	12.56	14.10	-1.54	-10.92%
Profit before tax ("PBT")	4.93	9.15	-4.22	-46.12%
Profit after tax ("PAT")	2.98	6.60	-3.62	-54.85%
Profitability margins	**FYE2026**	**FYE2025**	**Variance (pts)**	
GP margin	37.07%	47.49%	-10.42	
PBT margin	14.53%	30.83%	-16.30	
PAT margin	8.79%	22.24%	-13.45	

The Group recorded revenue of RM33.89 million in FYE2026, representing an increase of 14.15% or RM4.20 million as compared to RM29.69 million in FYE2025. The increase was mainly driven by higher contributions from the family entertainment segment, particularly through the outright sales and revenue-sharing models, as well as the toys and collectables segment.

The Group maintained a well-balanced revenue mix during the year under review. The toys and collectables segment contributed RM17.32 million or 51.11% of total revenue, while the family entertainment segment contributed RM16.57 million or 48.89%. Family entertainment revenue increased by 20.16%, while toys and collectables revenue grew by 9.00%.

Given the revenue growth in FYE2026, the Group's GP, however, decreased by 10.92% from RM14.10 million in FYE2025 to RM12.56 million in FYE2026. Accordingly, GP margin moderated from 47.49% to 37.07%. The decrease was mainly attributable to lower profit margins from the revenue-sharing and outright sales models, primarily due to higher product costs and lower selling prices, as well as higher costs incurred in the toys and collectables segment.

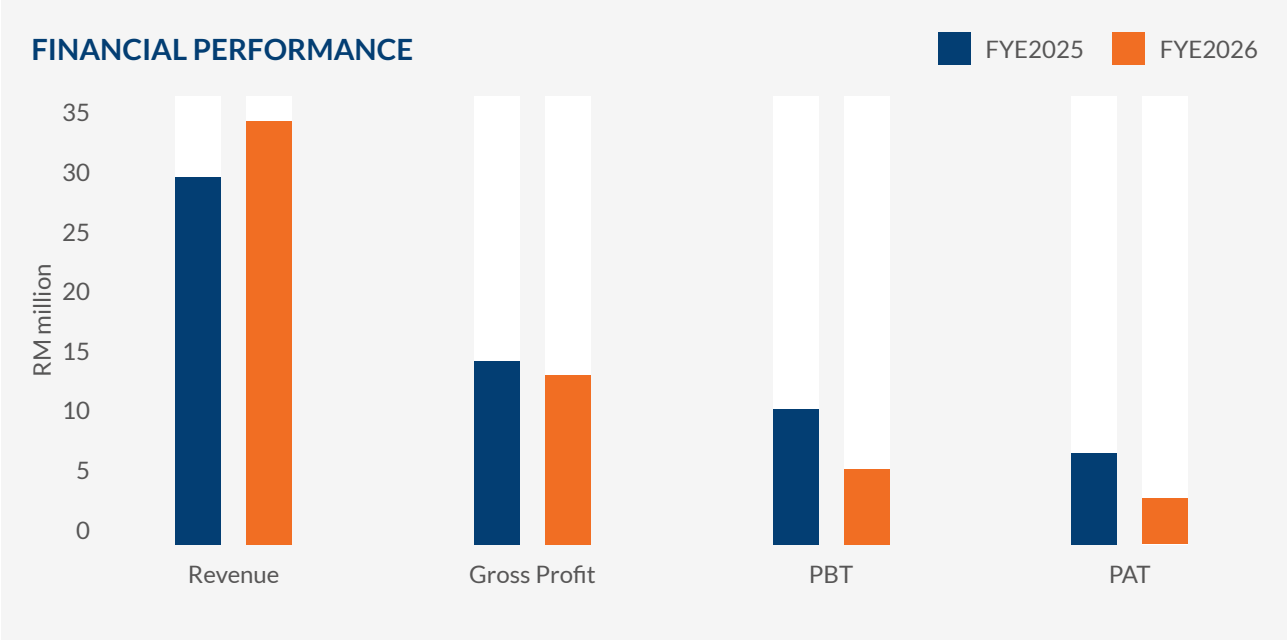
PBT decreased by 46.12% from RM9.15 million in FYE2025 to RM4.93 million in FYE2026. The decline was mainly attributable to the lower GP and the recognition of approximately RM2.20 million in listing expenses (FYE 2025: RM0.96 million) during the year. Excluding the listing expenses, the Group's core PBT would have stood at RM7.13 million, compared to RM10.11 million in FYE2025. The lower core PBT was mainly due to the compression in gross profit margin and higher operating expenses.

PAT decreased by 54.85% from RM6.60 million in FYE2025 to RM2.98 million in FYE2026, in line with the lower PBT. Consequently, PAT margin declined from 22.24% in FYE2025 to 8.79% in FYE2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Performance Review (Cont'd)

Statements of Profit or Loss (Cont'd)

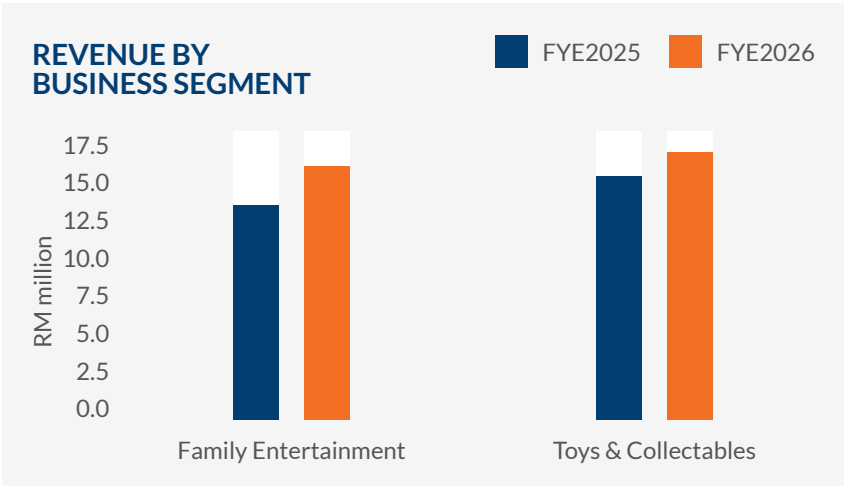


Revenue Breakdown by Business Segment

Revenue by business segment	FYE2026 RM million	FYE2025 RM million	Variance	FYE2026 mix
Family entertainment	16.57	13.79	+20.16%	48.89%
Toys and collectables	17.32	15.90	+9.00%	51.11%
Total	**33.89**	**29.69**	**+14.15%**	**100.00%**

Revenue from the family entertainment segment increased by RM2.78 million or 20.16% to RM16.57 million in FYE2026, mainly driven by higher contributions from the Group's family entertainment activities.

Revenue from the toys and collectables segment increased by RM1.42 million or 9.00% to RM17.32 million in FYE2026. The segment remained the Group's largest revenue contributor, accounting for 51.11% of total revenue, supported by the Group's broader product portfolio and distribution network.



MANAGEMENT DISCUSSION AND ANALYSIS

Financial Position and Liquidity Review

Statements of Financial Position

As at 30 June	FYE2026 RM million	FYE2025 RM million	Variance RM million	Variance %
Non-current assets	17.50	8.95	+8.55	+95.53%
Current assets	28.18	11.83	+16.35	+138.21%
Total assets	45.68	20.78	+24.90	+119.83%
Non-current liabilities	3.57	1.47	+2.10	+142.86%
Current liabilities	2.91	2.94	-0.03	-1.02%
Total liabilities	6.48	4.41	+2.07	+46.94%
Total equity	39.20	16.37	+22.83	+139.46%
Net assets per share (sen)	10.89	4.55	+6.34	+139.34%

The Group's total assets increased by RM24.90 million or 119.83% to RM45.68 million as at 30 June 2026 from RM20.78 million a year earlier. The increase was mainly attributable to higher property, plant and equipment following capital expenditure in arcade machines, as well as higher cash and bank balances and short-term investments arising from the IPO proceeds, inventories and trade and other receivables.

Total equity increased by RM22.83 million or 139.46% to RM39.20 million, primarily reflecting the increase in share capital following the Group's listing. Total liabilities increased by RM2.07 million or 46.94% to RM6.48 million, mainly due to higher borrowings and lease liabilities associated with the Group's business expansion.

Current assets increased to RM28.18 million and continued to exceed current liabilities of RM2.91 million as at 30 June 2026. Accordingly, the Group's current ratio improved from 4.03 times in FYE2025 to 9.68 times in FYE2026. The Group's gearing ratio remained low at 0.08 times as at 30 June 2026, compared with 0.09 times a year earlier, reflecting its low reliance on borrowings.

Cash and bank balances increased substantially by RM10.30 million or 279.89% from RM3.68 million as at 30 June 2025 to RM13.98 million as at 30 June 2026. Including short-term investments and after bank overdraft, cash and cash equivalents stood at RM14.55 million at year end, compared with RM3.45 million previously. The stronger cash position was mainly supported by proceeds from the Group's listing exercise.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Position and Liquidity Review (Cont'd)

Cash Flows Review

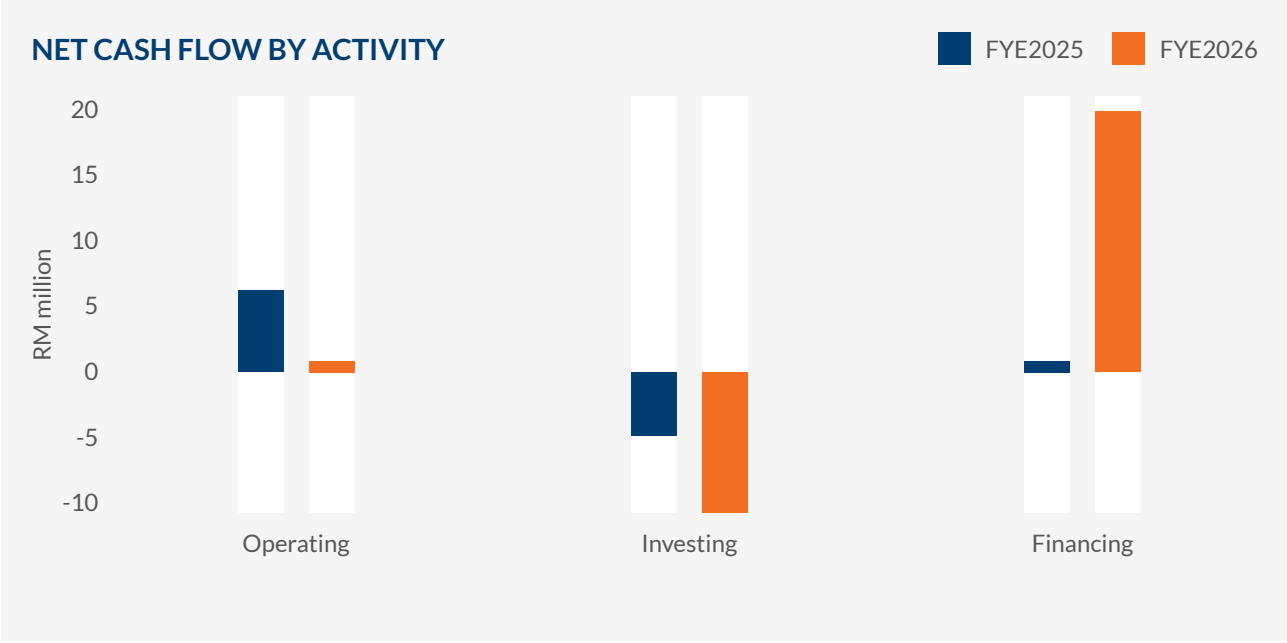
Net Cash Flows	FYE2026 RM million	FYE2025 RM million	Variance RM million
Operating activities	1.08	6.43	-5.35
Investing activities	-10.42	-4.95	+5.47
Financing activities	20.44	0.73	+19.71
Net change in cash & cash equivalents	11.10	2.21	+8.89
Cash & cash equivalents at year end	14.55	3.45	+11.10

In FYE2026, the Group generated net cash from operating activities of RM1.08 million, compared with RM6.43 million in FYE2025. The lower operating cash flow was mainly attributable to higher working capital requirements, particularly an increase in inventories of RM1.33 million and trade and other receivables of RM3.65 million. Nevertheless, the Group continued to generate positive operating cash flow during the year.

Net cash used in investing activities increased to RM10.42 million in FYE2026 from RM4.95 million in FYE2025, mainly due to higher capital expenditure, including RM10.51 million spent on purchases of property, plant and equipment, mainly arcade machines, to support the Group's expansion.

Net cash generated from financing activities increased significantly to RM20.44 million in FYE2026 from RM0.73 million in FYE2025. The increase was mainly attributable to RM23.17 million of proceeds from the issuance of shares pursuant to the listing exercise, partially offset by RM2.70 million of dividends paid, repayment of borrowings and lease liabilities, interest payments and share issuance expenses.

Overall, the Group recorded a net increase of RM11.10 million in cash and cash equivalents during FYE2026, resulting in cash and cash equivalents of RM14.55 million as at 30 June 2026. The stronger liquidity position provides the Group with greater financial flexibility to fund working capital requirements and execute its planned expansion initiatives.



MANAGEMENT DISCUSSION AND ANALYSIS

Financial Position and Liquidity Review (Cont'd)

Capital Structure and Capital Resources

The Group raised gross proceeds of approximately RM23.17 million from its public issue in conjunction with its listing on the ACE Market of Bursa Malaysia Securities Berhad on 13 January 2026. As at 30 June 2026, approximately RM10.03 million had been utilised, leaving approximately RM13.14 million to be utilised for the purposes stated in the Prospectus.

Details of Utilisation of Proceeds	Proposed RM million	Actual utilised RM million	Balance RM million	Timeframe
Arcade & amusement machines – distribution business expansion	8.50	4.20	4.30	Within 36 months
Replacement of existing arcade & amusement machines	2.05	-	2.05	Within 36 months
Toys and collectables	2.50	0.43	2.07	Within 12 months
Repayment of bank borrowings	1.60	1.52	0.08[(1)]	Within 6 months
Working capital	4.74	0.10	4.64	Within 24 months
Estimated listing expenses	3.78	3.78	-	Within 1 month
Total	**23.17**	**10.03**	**13.14**	

Note:
1. The bank borrowings were fully repaid within the 6 months timeframe after year end.

The remaining proceeds are principally earmarked for the expansion of the arcade and amusement machine distribution business, replacement of existing machines, expansion of the toys and collectables business and working capital requirements. The Group will continue to deploy the remaining proceeds prudently and in accordance with the stated objectives and approved utilisation timeframe.

Dividend

During FYE2026, the Company paid a first interim single-tier dividend of 0.50 sen per Share amounting to RM1.80 million on 20 March 2026, followed by a second interim single-tier dividend of 0.25 sen per Share amounting to RM0.90 million on 19 June 2026. The total dividends paid during the financial year amounted to RM2.70 million.

Subsequent to the financial year end, the Board declared a third interim single-tier dividend of 0.15 sen per Share amounting to RM0.54 million, which was paid in September 2026. Together with the two interim dividends paid during FYE2026, the total dividend declared in respect of FYE2026 amounted to 0.90 sen per Share.

MANAGEMENT DISCUSSION AND ANALYSIS



Spreading More Fun Through Product Expansion and Diversification

Semico expanded its machine deployment footprint nationwide, with units placed at more than 70 customer premises and growing from 58 machines in 2022 to 1,074 machines in 2026. This growth was supported by sustained demand from existing customers as well as continued placements across multiple operating channels, strengthening the Group's market reach and operational scale. In the toys and collectables segment, the Group further expanded its nationwide presence through more than 300 retail touchpoints, including consignment placements with major retail partners, which enhanced product visibility and broadened customer access.

Operationally, one of the key improvements during the period was more disciplined inventory management, supported by closer monitoring of product popularity and purchasing only when demand or placement opportunities were identified. This was complemented by logistics optimisation through consolidated shipment strategies, which helped improve stock flow and responsiveness to customer requirements. The Group also broadened its brand lineup, allowing it to deepen market reach while reducing dependence on any single product or brand. These measures collectively strengthened the Group's execution efficiency, improved responsiveness to customer demand, and reduced typical stock turnaround times.

The toys and collectables segment continues to evolve positively during the period, driven by stronger customer demand, a more diversified product mix, and broader channel reach. Semico now distributes more than 60 brands across over 300 customer stores nationwide, supported by long-term retail relationships and a consignment model that helps enhance product visibility and sell-through performance. This model has been particularly effective in supporting demand for trending and collectable products, while also allowing the Group to maintain a dynamic and market-relevant product portfolio.

Customer service and operational excellence also remain important areas of focus during the year. Service contracts for machine maintenance continued to support customer satisfaction by helping ensure timely servicing and reliable machine performance, while the Group's technical support capabilities were strengthened through the hiring and training of additional technicians. This is particularly important given the specialised nature of the Group's products and the increasing number of machines under management.

In the immediate future, the Group is also working towards building a more comprehensive and integrated marketing function to support the next stage of growth. At the same time, the Group remains focused on maintaining service levels, preserving good client relationships and ensuring that its operating model remains responsive to changing market requirements.

70+
Customer Premises Deployed Game Machines from Semico

1,074
Machines Installed in FYE2026
FYE2022: 58 Machines

300+
Retail Touchpoints Presence
Nationwide

60+
Brands Distributed by Semico

MANAGEMENT DISCUSSION AND ANALYSIS

Challenges Within the Industry

The most material risks to the Group today remain those that could affect consumer spending, supplier continuity and product relevance. In management's view, the recent geopolitical tensions and associated cost pressures have contributed to a more cautious spending environment, with consumers taking a more selective approach to discretionary purchases. Nevertheless, the Group's family entertainment and pop toys offerings remain relatively accessible across income groups due to their modest ticket sizes and pricing structure, and consumers generally tend to trade down to lower-cost discretionary options rather than eliminate such spending altogether.

A further key area of focus is reducing dependence on major customers and major suppliers. The Group continues to actively seek new business opportunities while broadening its network of suppliers and brand principals, so as to diversify revenue sources and strengthen supply resilience. In this regard, the declining contribution from Pop Mart Group from FYE2022 to FYE2026 reflects management's deliberate effort to broaden the brand portfolio, expand retail channels and introduce new collectable brands to reduce reliance on any single supplier. The Group has entered into a licensing arrangement with Les Copaque Production Sdn Bhd for the *Upin & Ipin* intellectual property, which further supports this diversification strategy. Another notable key expansion for the Group is a collaboration project with Game On Holdings Sdn. Bhd. for the newest 30,000-square-foot Family Entertainment Centre ("FEC"), GAMEON Arcade Arena, at Pavilion Bukit Jalil launched in August 2026. Housing more than 177 arcade and amusement machines supplied by Semico, this facility is more than equipped to welcome the communities of Bukit Jalil and beyond.

Inventory planning remains another important area of risk management, particularly in a trend-driven category such as toys and collectables. Management monitors product relevance and consumer preferences closely through ongoing feedback from operations and procurement teams, as well as information sharing within Malaysian Association of Themepark & Family Attractions ("MATFA"), of which Semico is an active member. This helps the Group adjust its sourcing decisions in line with evolving demand patterns and reduces the risk of slow-moving or obsolete stock. The decline in purchase concentration from Pop Mart Group also supports inventory diversification and helps mitigate concentration risk across the product portfolio.

As Semico expands, it is also strengthening its internal controls and operational safeguards to support orderly scaling. This includes improvements to reporting structures and greater segregation of duties, which help enhance oversight, accountability and execution discipline across the business. In tandem, management views cash flow discipline as an important buffer against supply chain disruption, as stronger liquidity enables the Group to respond more effectively to delays, cost inflation and other external shocks.

At the same time, management remains vigilant to emerging risks including the potential impact of unforeseen geopolitical developments on supplier costs and consumer purchasing power. Such developments can affect both input costs and end-customer demand, making it increasingly important for the Group to maintain flexibility in sourcing, pricing and working capital management. Overall, the Group continues to monitor these risks closely while focusing on diversification, operational discipline and financial resilience.



Collaboration with GAMEON Arcade Arena at Pavilion Bukit Jalil

MANAGEMENT DISCUSSION AND ANALYSIS

The Group's Road Ahead

The Group's prospects remain underpinned by the strength and credibility of the products and services it distributes, which are sourced from established overseas brands with recognised quality and market acceptance. This gives the Group a solid platform to continue building customer confidence, while also providing meaningful room for expansion as it scales its presence across both the family entertainment and toys and collectables segments. From a shareholder perspective, the Group's diversified operating model and exposure to growing consumer categories create further potential for long-term value creation.

Looking ahead, one of the Group's main opportunities lies in collaborating with additional intellectual property owners and leveraging the popularity of their brands beyond Malaysia. As consumer interest continues to shift toward branded, character-driven and collectable products, the ability to secure strong IP partnerships will be important in expanding the Group's product offering and broadening its appeal across different customer groups. This also provides the Group with greater flexibility to refresh its portfolio and remain relevant in a fast-evolving market.

The Group has also built resilience into its business model by offering multiple solutions that can be tailored to the needs of different customers. Its flexible approach allows it to accommodate varying business models, whether through revenue-sharing, rental or outright sales arrangements, while also responding to specific customer requests. This adaptability not only supports customer retention, but also helps the Group maintain sustainable growth by aligning its offerings with market demand and operating conditions.

Management remains positive on the outlook of the industries in which the Group operates. The Asia-Pacific Family/Indoor Entertainment market is expected to grow by more than USD $8.13 billion by 2025 and 2030[8], while the Pop Toys market is projected to reach RM512.5 million by 2029, with a five-year compound annual growth rate of 28.9%[9]. These growth trends position the Group favourably, given its established presence in both segments and its nationwide distribution and deployment footprint, which together provide a strong foundation for longer-term sustainability.

USD$8.13B
Projected To Be Added to Asia-Pacific Family/Indoor Entertainment Market

RM512.5M
Projection of Revenue of Pop Toys Industry
Five-Year CAGR of 28.9%

[8] https://www.researchandmarkets.com/reports/6057220/asia-pacific-familyindoor-entertainment-centers?srsltid=AfmBOopbvZ_Ly_H9pY4FRoOleAYnHnDzaj3aL2Di9pBSVouy6xzS41L7

[9] https://thesun.my/business/semico-capital-targets-nationwide-expansion-with-ace-market-ipo/

SUSTAINABILITY STATEMENT

Semico Capital Berhad ("Semico" or "the Group") presents its inaugural Sustainability Statement for the financial year ended 30 June 2026 ("FYE2026").

Following its listing on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities" or "Bursa") on 13 January 2026, Semico presents its sustainability disclosures for the full 12-month reporting period from 1 July 2025 to 30 June 2026, establishing its environmental, social and governance ("ESG") reporting structures in alignment with Bursa Securities' enhanced ACE Market Listing Requirements ("AMLR") and the National Sustainability Reporting Framework ("NSRF").



SUSTAINABILITY STATEMENT

The Group operates through an investment holding structure comprising three key operating subsidiaries:

Semico Technology Sdn Bhd ("Semico Technology")

Arcade machine distribution, revenue-sharing, and leasing.

De Pop Asia Sdn Bhd ("De Pop")

Wholesale and distribution of toys and collectables

Minexport Sdn Bhd ("Minexport")

Oversees the operations of the Group's sole Family Entertainment Centre ("FEC").

Minexport's operations continued through 30 June 2026, ahead of its scheduled temporary closure from 1 July 2026 to 30 September 2026.

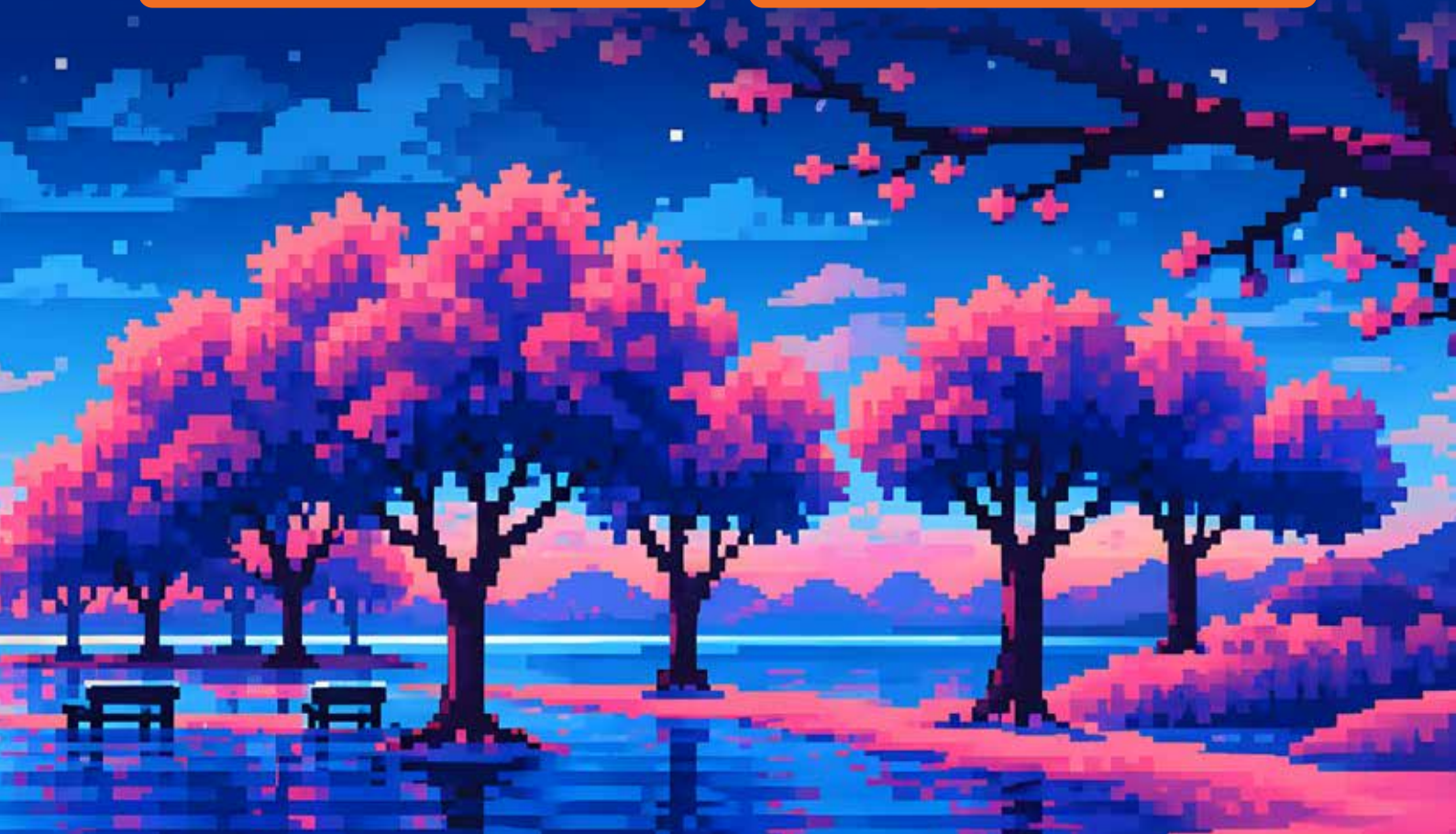
This statement outlines our approach to managing ESG risks and opportunities. Our reporting framework is structured to transition toward the NSRF and aligns with Bursa Securities' enhanced AMLR, drawing upon IFRS S1 and IFRS S2 disclosure structures. Operationally, our qualitative disclosures and target-setting focus are guided by the distinct "playmodes" of our business segments:

Wholesale and Distribution of Toys and Collectables

Aligned with the technical parameters of Sustainability Accounting Standards Board ("SASB") Standard **CG-MR** (Multiline and Specialty Retailers & Distributors).

Family Entertainment Products and Services

Guided by SASB Standard **SV-LF** (Leisure Facilities) regarding our long-term supply and machine asset management operations.



SUSTAINABILITY STATEMENT

SCOPE, BOUNDARIES & ASSURANCE

Reporting Period & Financial Boundaries

This Sustainability Statement covers Semico's financial year from 1 July 2025 to 30 June 2026. This report captures the complete operational cycle across all three core operating subsidiaries - **Semico Technology, De Pop** and **Minexport**. Minexport's operations were maintained through the end of the financial year on 30 June 2026, prior to its scheduled temporary closure from 1 July 2026 to 30 September 2026.

The Board and Management maintain access to evolving regulatory and industry sustainability insights. Strengthening specialised ESG competencies through formalised NSRF and IFRS climate-risk management training programmes for all Board members is scheduled across the current and upcoming financial cycles to sharpen strategic oversight.

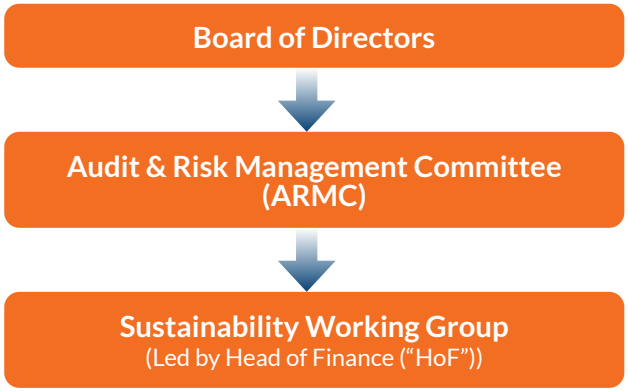
Data Maturity & External Assurance

As Semico completed its ACE Market listing during this financial year (13 January 2026), baseline tracking systems for environmental and social metrics have been fully consolidated. In accordance with transitional guidance, this inaugural statement has undergone rigorous internal verification with no formal external assurance was sought for this reporting cycle, which is planned for future reporting periods.

The metrics presented in this statement reflect data collected continuously from **1 July 2025 to 30 June 2026**. Historical comparisons for the preceding two years (FY-1 and FY-2) were not presented for this reporting cycle, as the Group was privately held prior to its listing in January 2026.

SUSTAINABILITY GOVERNANCE

Semico has established a clear governance structure to oversee, monitor, manage, and report on sustainability-related risks and opportunities (SROs).



Board Oversight & Board Committee Structure

Strong corporate governance forms the foundational infrastructure for Semico's long-term viability. The Board of Directors holds ultimate accountability for the Group's sustainability strategic direction. Strategic climate-related and sustainability risk oversight is formally delegated to the **Audit & Risk Management Committee ("ARMC")**.

The ARMC comprises Independent Non-Executive Directors ("INEDs") entirely. As the Group was unlisted during financial year ended 2025 ("FYE2025"), and its four INEDs were appointed to the Board on 15 May 2025, the Board did not hold formal deliberations regarding ESG-specific metrics during FYE2025. Board-level reviews of the Group's sustainability progress have been operationalised over the course of the 2026 calendar year.

Management Accountability & Working Group

At the operational level, strategic execution is driven by the **Sustainability Working Group ("SWG")**, which is formally led by the **Group's Head of Finance ("HoF")**. The working group acts as the direct line of accountability between divisional operations and the ARMC. Given our short history as a listed entity since January 2026, sustainability and ESG-related metrics have not yet been directly linked to executive Key Performance Indicators ("KPIs") or remuneration packages. Management is evaluating a balanced scorecard approach to tie specific environmental targets and product safety thresholds to executive evaluations in future cycles.

Ethics, Anti-Corruption & Human Rights Policies

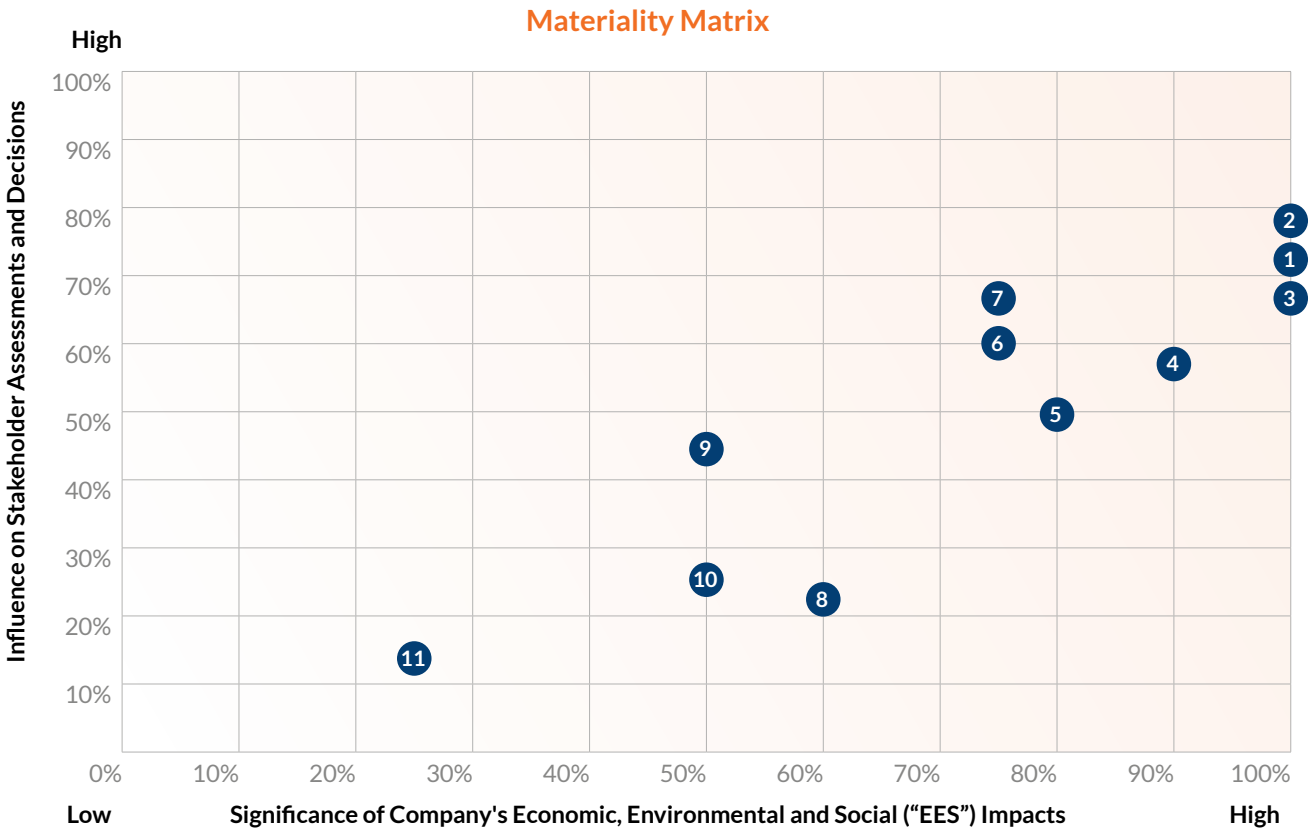
Semico maintains a zero-tolerance stance against all forms of bribery, extortion, and corrupt business practices. The Group operates in strict compliance with the Malaysian Anti-Corruption Commission Act 2009. As part of our corporate governance and internal control framework, we have established a formal **Whistleblowing Policy** to provide stakeholders with a secure, confidential channel to report ethical breaches.

The Group recognises the emerging regulatory focus on supply chain transparency under the NSRF. While we currently lack a standalone, formalised Human Rights Policy or a comprehensive Supplier Code of Conduct, we are actively standardising our supply chain oversight mechanisms to address these areas.

SUSTAINABILITY STATEMENT

MATERIALITY & STAKEHOLDER ENGAGEMENT

Materiality Matrix Scoring & Prioritisation Table



Sustainability Matter	Influence on Stakeholder Assessments and Decisions (%)	Significance of EES Impacts (%)	Priority Level / Core Focus
1 Product Safety	**73**	100	High Priority (Wholesale & Distribution)
2 Financial Solvency	**79**	100	High Priority (Group Financials)
3 Brand Authenticity	**68**	100	High Priority (Specialty Collectables)
4 Long-Term Capital Growth	**61**	90	High Priority (Strategic Growth)
5 Supply Chain Resilience	**51**	80	Medium Priority (Logistics & Partners)
6 Regulatory Compliance	**60**	75	High Priority (NSRF & Malaysian Anti-Corruption Commission Act 2009 ("MACC Act"))
7 Sustainable Leisure Offerings	**67**	75	Medium Priority (Family Entertainment)
8 Health and Safety	**21**	60	Medium Priority (Workplace occupational health and safety ("OHS"))
9 Corporate Governance	**35**	50	Medium Priority (ARMC Oversight)
10 Labour Practices & Standards	**24**	50	Medium Priority (Workforce Standards)
11 Diversity	**13**	25	Baseline Priority (Workforce Demographics)

SUSTAINABILITY STATEMENT

MATERIALITY & STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholder Engagement

Semico interacts systematically with stakeholder groups whose choices directly impact our financial and operational resilience, maintaining structured channels across Customers, Suppliers, Regulators, Employees, Investors, Lenders, and Local Communities. The table below details our structured engagement channels established for the post-listing environment:

Rank	Stakeholder Group	Engagement Mechanism	Frequency	Material Sustainability Matter
1	**Customers / Visitors / Collectors**	Retail touchpoints, social media channels, feedback loops.	Daily / Continuous	Product safety, brand authenticity, consumer data protection.
2	**Suppliers / Contractors**	Procurement reviews, purchase order negotiations, supplier screening.	Daily / Continuous	Supply chain resilience, ethical sourcing, counterfeit prevention.
3	**Government & Regulators**	Compliance filings, licensing applications, regulatory monitoring.	Periodic	Regulatory compliance, import/ export permits, MACC compliance, NSRF
4	**Employees**	Performance assessments, internal updates, operational briefings.	Daily / Continuous	Workplace OHS, technical upskilling, diversity, fair labour practices, human capital development.
5	**Shareholders / Investors**	AGMs, financial performance disclosures, briefings	Periodic	Long-term capital growth, corporate governance, ESG reporting compliance.
6	**Lenders / Bankers**	Credit facility reviews, compliance checking against debt covenants.	Periodic	Financial solvency, risk management integration, liquidity protection, green financing potentials.
7	**Local Community**	Public interactions, local economic participation, supporting family play.	Periodic	Sustainable leisure offerings, community well-being, material recycling.

SUSTAINABILITY STRATEGY & RISK MANAGEMENT

Sustainability Strategy

Sustainability is integral to preserving Semico's business model resilience and protecting our margin structures over time. We utilise a bottom-up risk assessment approach. Heads of Departments ("HODs") identify operational risks, which are reviewed by the SWG and ARMC to ensure mitigation strategies are effective.

Risk Category	Key Risks	Opportunities
Transition	Carbon pricing, regulatory non-compliance, technology adoption costs.	Improved operational efficiency, energy-efficient manufacturing.
Physical	Supply chain disruption from extreme weather, maintenance cost spikes.	Climate-contingency planning, supplier diversification.

SUSTAINABILITY STATEMENT

SUSTAINABILITY STRATEGY & RISK MANAGEMENT (CONT'D)

Sustainability Priorities

The Group evaluates its sustainability priorities based on financial materiality and stakeholder impact. Across our dual retail and wholesale "playmodes", our material sustainability matters have been prioritised and ranked into four cores.

Priority	Cores	Category	Description
High	**Product Safety**	Wholesale & Distribution	Essential for maintaining consumer trust and mitigating regulatory risks across our extensive toy and blind box distribution network. It is critical to our wholesale toy and collectables distribution network, where brand integrity and consumer safety are paramount.
	Customer Safety & Security	Family Entertainment	Vital for safeguarding retail customers, public visitors, and families interacting with our entertainment facilities and equipment within the family entertainment ecosystem.
Medium	**Supply Chain Labor Practices**	Wholesale & Distribution	Important due to our reliance on international third-party manufacturers and global pop-culture brands.
	Energy Management	Family Entertainment	Crucial for long-term fleet planning, warehouse operations, and identifying energy-efficient gaming hardware.

Risk Management

The identification and mitigation of ESG-specific threats are progressively being integrated into the Group's oversight systems. During the reporting period, formal site audits of client arcades and independent third-party factory evaluations for toy suppliers were not conducted. Moving forward, the ARMC is leading a structured initiative to fully embed climate-related and supply chain human rights risks directly into the Group's overarching **Enterprise Risk Management ("ERM")** framework. This will transform sustainability risk from an independent operational consideration into an item on our primary corporate risk register.

Supply Chain & Material Disruption Management

To stabilise operations against global logistics volatility and the supply chain disruptions common to high-demand pop toys and trending collectables, Semico emphasises responsible, optimised distribution practices. We consolidate international freight shipments to maximise logistics efficiency, control fuel consumption, and protect raw margin performance. Wherever commercially viable, the Group sources auxiliary products and logistical services from local or regional suppliers, effectively mitigating geopolitical supply dependencies.

CLIMATE-RELATED RISKS & OPPORTUNITIES

Climate Change Resilience & Strategic Adjustments

Physical Climate Risks

Since our client's FEC facilities and our centralised distribution warehouses are structurally located inside major, established commercial shopping malls and business hubs, the immediate risk to localised physical climate disruptions, such as flash floods forcing facility closures, is considered minimal and historically rare.

SUSTAINABILITY STATEMENT

CLIMATE-RELATED RISKS & OPPORTUNITIES (CONT'D)

Climate Change Resilience & Strategic Adjustments (Cont'd)

Transition Climate Risks

Potential transition risks, such as the introduction of domestic carbon taxes or escalating electricity tariffs, pose minimal direct risk to Semico's operating margins. This defensive resilience is a structural benefit of our subsidiary, Semico Technology. Semico Technology's primary business model is built on revenue-sharing and machine rental agreements. In these commercial arrangements, Semico Technology bears the capital costs associated with machine ownership, component procurement, and technical maintenance. Crucially, our B2B clients (the independent mall-based FEC operators) directly bear all facility-level electricity and utility operating costs, isolating Semico Technology's revenue streams from power tariff volatility. Semico Technology's financial exposure is limited to machine ownership costs (procurement, repair, and engineering maintenance), effectively shielding the Group's core operating margins from immediate domestic tariff shocks.

EECA Compliance Readiness

Regarding the domestic Energy Efficiency and Conservation Act ("EECA"), the Group does not currently operate any asset categorised as a "high energy consumer" requiring mandatory external energy audits. Our single owned FEC asset (Minexport) is temporarily out of scope for this financial year.

Climate Scenario Analysis & Transition Planning

Formal Climate Scenario Analysis (modeling operations against 1.5°C or 2°C global warming paths) and documented Climate Transition Plans have not been established at this juncture given our asset-light operating footprint. Management will review the necessity of these strategic exercises as our logistics network expands.

Climate-Related Opportunities & Financial Integration

Semico views the green transition as a corporate differentiator. We observe an expanding market opportunity in the integration of energy-efficient machine technologies and automated power-down circuit components. Catering to a consumer base that increasingly values sustainable experiential leisure allows the Group to stand out in the regional attraction market. Considerations regarding raw product lifecycles, logistical transport emissions, and asset durability are formally integrated into our capital expenditure (CAPEX) procurement modeling, ensuring that long-term carbon footprints and asset replacement costs are minimised.

ENVIRONMENT

Greenhouse Gas (GHG) Emissions

The Group is setting up a comprehensive tracking methodology to calculate and disclose its carbon emissions in metric tonnes of carbon dioxide equivalent (tCO_2e).

Scope 1 (Direct Emissions):

Semico's direct operational footprint is fundamentally mitigated by our localised transit design. The Group's vehicles, comprising a company MPV, an operational forklift, and a utility scooter, are **100% Electric Vehicles ("EVs")**, resulting in near-zero direct fossil-fuel combustion footprints from our logistics and management transport.

Scope 2 (Indirect Emissions):

Total electricity consumption across our core operational footprint for the full financial year (1 July 2025 to 30 June 2026) reached **134,627 kWh**, with **Semico Technology** recording 23,349 kWh, **De Pop** recording 17,504 kWh and **Minexport** at 93,774 kWh (reflecting active operations through 30 June 2026, prior to the scheduled temporary closure)

Scope 3 (Value Chain Emissions):

The physical transportation of heavy arcade hardware and amusement machines from international manufacturing plants to Semico Technology's domestic distribution hubs is entirely outsourced to specialised third-party shipping and freight-forwarding partners. Similarly, commercial toy logistics are managed by external logistics partners. For our high-volume pop toy and blind box lines (the majority of which are supplied directly by Pop Mart Malaysia Sdn Bhd ("Pop Mart Malaysia") to our subsidiary De Pop), our exposure to transport emissions is structurally minimised. The primary storage warehouses of Pop Mart Malaysia and De Pop are located in close physical proximity within Seri Kembangan, keeping localised shuttle transit distances and emissions low.

SUSTAINABILITY STATEMENT

ENVIRONMENT (CONT'D)

Resource & Circular Economy Management

Scope	Description
Water Consumption	Water consumption data for De Pop's warehouse operations is not separately metered or billed, as utility charges are subsumed under general mall management fees where water consumption is negligible. Operational water consumption is primarily concentrated at the Group's corporate office located at Eco Sky. Appropriate tracking methodologies are being evaluated to capture corporate office utility metrics in future reporting cycles.
Packaging and Circularity	As an essential element of our responsible distribution practices, the Group prioritises the recycling and reuse of secondary packaging materials, industrial pallets, and cardboard within our fulfilment centres, preventing clean paper waste from entering local landfills.
Electronic Waste (E-Waste) Management	To address the environmental footprint of heavy electronics, Semico prioritises the procurement of highly durable, energy-efficient arcade equipment, which naturally lowers replacement frequencies. When machines are phased out or decommissioned, our in-house engineering teams systematically salvage functional electronic components, integrated circuits, and printed circuit boards to serve as localised maintenance spares, thereby diverting high-impact e-waste from the domestic waste stream.

SOCIAL

Occupational Health & Safety

Semico maintains an excellent safety track record across our offices and distribution assets. For the reporting period, the Group recorded a **Total Recordable Incident Rate ("TRIR") of zero** and **zero fatalities** across both our direct corporate employees and our outsourced contract technical partners. Public safety at our customer-facing operations remains uncompromised; there were zero reportable public safety incidents or injuries involving visitors at our covered assets.

Product Recalls

Ensuring the health and safety of families and children interacting with our toy lines is our primary material concern. Reflecting our rigid quality control protocols, Semico recorded **zero product recalls** and zero total units withdrawn due to safety, chemical, or physical hazards (such as lead paint or choking risks) across our entire toy and collectables portfolio during the reporting window.

Sourcing Standards & Material Safety

Semico does not operate direct manufacturing facilities or clean-rooms. While the Group has not yet implemented independent, automated verification systems to screen our global toy brand suppliers for labour rights compliance, RoHS (Restriction of Hazardous Substances), or REACH chemical restrictions, we rely on the compliance programs maintained by our international brand partners.

Workforce Diversity & Human Capital Development

As at 30 June 2026, the Group had a total workforce of 55 employees, comprising 8 management personnel and 47 operations and staff personnel.

SUSTAINABILITY STATEMENT

SOCIAL (CONT'D)

Workforce Diversity & Human Capital Development (Cont'd)

Employee Diversity Profile

Category	Gender	Age Group	Ethnicity
Management (Total: 8 employees)	Male: 5 (62.5%) Female: 3 (37.5%)	31-40: 3 (37.5%) 41-50: 1 (12.5%) >50: 4 (50%)	Malay: 1 (12.5%) Chinese: 7 (87.5%) Indian: 0 (0.00%)
Operations / Staff (Total: 47 employees)	Male: 35 (74.5%) Female: 12 (25.5%)	<20: 5 (10.6%) 21–30: 19 (40.4%) 31–40: 9 (19.1%) 41–50: 10 (21.3%) 51-60: 3 (6.4%) >60: 1 (2.1%)	Chinese: 24 (51.1%) Malay: 14 (29.8%) Indian: 5 (10.6%) Others: 4 (8.5%)

Training & Human Capital Investment

During the reporting period, the Group recorded 114 training hours across management and operational staff. Management personnel completed 92 training hours, averaging 11.50 hours per employee, while operations and staff personnel completed 22 training hours, averaging 0.47 hours per employee. The overall average was 2.07 training hours per employee.

Formal training completed included executive accreditation programmes, such as the Mandatory Accreditation Programme (MAP) Parts I & II, as well as technical safety certifications.

Management Training: Focused on governance, corporate leadership and strategic oversight. Key sessions included the Mandatory Accreditation Programme (MAP) Parts I & II, Occupational Safety and Health (OSH) Coordination, and Anti-Bribery and Corruption briefings. Total management training hours reached 92 hours, averaging 11.50 hours per employee across 8 management personnel.

Operational / Staff Training: Focused on core compliance, operational safety and ethical conduct. Total staff training hours reached 22 hours, averaging 0.47 hours per employee across 47 staff members.

Table: Training & Human Capital Investment

Job Level	Total Training Hours	Average Hours/Employee	Key Training Programs Covered
Management	**92 Hours**	11.50 Hours	Mandatory Accreditation Program (MAP) Parts I & II, OSH Coordination, Anti-Bribery & Corruption
Operations / Staff	**22 Hours**	0.47 Hours	Anti-Bribery & Corruption Briefings, Operational Compliance
Total / Group Average	**114 Hours**	**2.07 Hours**	-

GOVERNANCE & BUSINESS ETHICS

Anti-Corruption Training Deployment

To reinforce our compliance mechanisms and zero-tolerance stance against bribery and corruption, the Group rolled out **targeted training programs** covering our Anti-Bribery and Corruption Policy.

SUSTAINABILITY STATEMENT

GOVERNANCE & BUSINESS ETHICS (CONT'D)

Employee Completion

From the listing date through the reporting period, 17 employees, representing 30.9% of the Group's total workforce of 55 employees, completed formalised anti-corruption training briefings. The briefings were initially conducted on 27 May 2025, with continued training deployment planned for the remaining operational personnel in subsequent financial periods.

Supply Partners

Targeted briefings for core third-party Logistics and supply partners are progressively being integrated into our annual vendor onboarding and compliance framework.

Product Authenticity & Intellectual Property Protection

In the specialty collectables and pop toy industry, brand integrity and the prevention of counterfeit trade are financially material to protecting market share. To guarantee absolute product authenticity for end consumers and safeguard our B2B distribution network, Semico maintains a strict procurement mandate: the Group **purchases directly and exclusively** from the original brand owners or their authorised national corporate entities (such as Pop Mart Malaysia). This completely bypasses gray-market brokers and eliminates the risk of introducing counterfeit products into the local supply chain.

Consumer Protection & Data Privacy

The Group does not operate an interconnected digital arcade membership database or a centralised e-commerce customer login platform at this juncture. Consequently, we recorded **zero substantiated** complaints regarding consumer data privacy losses, digital breaches, or customer personal data leakage.

OUTLOOK

As Semico consolidates its position on the ACE Market, the Group is dedicated to defining its long-term sustainable trajectory. Management will explore the feasibility of establishing a milestone roadmap toward Net Zero emissions for our owned logistics and office assets.

We recognise that sustainable value creation is achieved by modernising our underlying business infrastructure. Moving forward, Semico Technology will continue to prioritise the sourcing of energy-efficient amusement hardware models that offer advanced standby efficiency. Additionally, when regular operations resume at our FEC segment, we will evaluate technical transition roadmaps to optimise facility power, including examining 100% light-emitting diode (LED) lighting configurations and high-efficiency climate-control mechanisms to optimise energy use.

Semico remains focused on delivering experiences that enrich the social fabric of the communities we serve. Our family entertainment model is inherently designed to provide safe, accessible, and positive communal spaces where families, children, and pop-culture collectors can interact, connect, and enjoy shared moments of leisure. We extend our gratitude to our business partners, corporate lenders, dedication-driven employees, and our community of collectors whose trust continues to drive Semico 's sustainable growth journey.

SEMICO CAPITAL BERHAD

BMLR Transition Period

Date & Time: 2026-10-14_14:45:23

Ace Market | Group 3 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Diversity	Directors	Number	N/A	6	-	No assurance	Internal verification
Diversity	Directors by gender-Male	%	N/A	50	-	No assurance	Internal verification
Diversity	Directors by gender-Female	%	N/A	50	-	No assurance	Internal verification
Diversity	Directors by age group - 30-50 years old	%	N/A	33	-	No assurance	Internal verification
Diversity	Directors by age group - > 50 years old	%	N/A	67	-	No assurance	Internal verification
Diversity	Total employees	Number	N/A	55	-	No assurance	Internal verification
Diversity	Employee by category-management	%	N/A	15	-	No assurance	Internal verification
Diversity	Employee by category-staff	%	N/A	85	-	No assurance	Internal verification
Diversity	Employee category by gender-management (male)	%	N/A	63	-	No assurance	Internal verification
Diversity	Employee category by gender-management (female)	%	N/A	37	-	No assurance	Internal verification
Diversity	Employee category by gender-staff (male)	%	N/A	74	-	No assurance	Internal verification
Diversity	Employee category by gender-staff (female)	%	N/A	26	-	No assurance	Internal verification
Diversity	Employee category by age group-management (<30)	%	N/A	0	-	No assurance	Internal verification
Diversity	Employee category by age group-management (30-50)	%	N/A	50	-	No assurance	Internal verification

SEMICO CAPITAL BERHAD

BMLR Transition Period

Date & Time: 2026-10-14_14:45:23

Ace Market | Group 3 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Diversity	Employee category by age group-management (>50)	%	N/A	50	-	No assurance	Internal verification
Diversity	Employee category by age group-staff (<30)	%	N/A	51	-	No assurance	Internal verification
Diversity	Employee category by age group-staff (30-50)	%	N/A	40	-	No assurance	Internal verification
Diversity	Employee category by age group-staff (>50)	%	N/A	9	-	No assurance	Internal verification
Climate change	Electricity consumption	Kilowatt-hours (kWh)	N/A	134,627	-	No assurance	Internal verification
Anti-Corruption	Incidents of fines, penalties, or settlements related to corruption from regulatory authorities	Number	N/A	0	-	No assurance	Internal verification
Anti-Corruption	Confirmed cases of corruption	Number	N/A	0	-	No assurance	Internal verification
Anti-Corruption	Whistleblowing reports received	Number	N/A	0	-	No assurance	Internal verification
Sustainable economic performance	Economic value generated-revenue	RM million	N/A	33.9	-	No assurance	Internal verification
Sustainable economic performance	Economic value generated-operating cost	RM million	N/A	21.3	-	No assurance	Internal verification
Sustainable economic performance	Economic value generated-wages & benefits	RM million	N/A	4.1	-	No assurance	Internal verification
Sustainable economic performance	Economic value generated-payments to providers of capital	RM million	N/A	2.8	-	No assurance	Internal verification
Sustainable economic performance	Economic value generated-tax payments to governments	RM million	N/A	2.8	-	No assurance	Internal verification

SEMICO CAPITAL BERHAD

BMLR Transition Period

Date & Time: 2026-10-14_14:45:23

Ace Market | Group 3 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Sustainable economic performance	Economic value generated-economic value retained	RM million	N/A	2.9	-	No assurance	Internal verification
Product quality	Product recalls	Number	N/A	0	-	No assurance	Internal verification
Labour practices and human rights	Cases of reported discrimination or human rights violations	Number	N/A	0	-	No assurance	Internal verification
Occupational health and safety	Work-related fatalities	Number	N/A	0	-	No assurance	Internal verification
Occupational health and safety	Lost-time injury	Hours	N/A	0	-	No assurance	Internal verification
Data privacy and security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	N/A	0	-	No assurance	Internal verification

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of Semico Capital Berhad ("Semico" or "the Company") acknowledges that strong corporate governance is fundamental to building a sustainable business, delivering long-term value to shareholders and stakeholders, and driving the overall performance of the Company and its subsidiaries ("Group"). The Board remains committed to maintaining the highest standards of integrity and transparency, ensuring that sound corporate governance practices are effectively implemented across the Group.

In line with this commitment, the Board is pleased to present the Corporate Governance Overview Statement ("Statement"), providing shareholders and investors with insights into the Company's corporate governance framework. This Statement outlines how Semico has adhered to the principles and best practices set forth in the latest Malaysian Code on Corporate Governance ("MCCG") under the Board's leadership during the financial year ended 30 June 2026 ("FYE2026"):

- Principle A: Board leadership and effectiveness.
- Principle B: Effective audit and risk management.
- Principle C: Integrity in corporate reporting and meaningful engagement with stakeholders.

This Statement also serves to comply with Rule 15.25(1) of the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and should be read in conjunction with the Corporate Governance Report ("CG Report") for FYE2026. The CG Report is available on the Company's website at https://semico.com.my/ and Bursa Securities' website at https://www.bursamalaysia.com.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

1.1 Board of Directors

The Board plays a pivotal role in providing leadership, setting the Group's strategic direction, upholding corporate values, and ensuring that the necessary resources are in place to achieve long-term sustainable growth for the benefit of all stakeholders. As the highest governing body, the Board holds ultimate accountability for the performance and overall affairs of the Company, collectively responsible for meeting its objectives and long-term goals.

The Board comprises Executive Directors, who drive strategic planning, execution, and daily operations, and a majority Independent Non-Executive Directors ("INEDs"), who contribute to decision-making through independent evaluation and oversight.

Executive Directors are actively involved in leading the Company's operations, overseeing management activities, and ensuring the effective execution of strategic plans and policies established by the Board. They represent the Company at the highest level, making key decisions within their respective areas of expertise. Maintaining close collaboration, they work alongside the Management team to steer the Company and the Group toward sustainable growth and success.

To support the Board in effectively carrying out its duties and responsibilities, specific functions have been delegated to various Board Committees. These committees operate within their defined scope and authority, as outlined in their respective Terms of Reference ("TOR"). The TORs are publicly accessible on the Company's website at https://semico.com.my/:

i) Audit and Risk Management Committee ("ARMC");
ii) Remuneration Committee ("RC"); and
iii) Nomination Committee ("NC")

1.2 Separation of position of the Chairman and Chief Executive Officer

The Board is led by Dato' Sri Ramli Bin Mohamed Yoosuf, who serves as the Independent Non-Executive Chairman, while Mr Tai Lee Chuen holds the position of Chief Executive Officer / Executive Director ("CEO/ED"). This clear separation of roles ensures effective governance and leadership within the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

1.2 Separation of position of the Chairman and Chief Executive Officer (Cont'd)

The Chairman is responsible for overseeing the effectiveness of the Board's operations, ensuring productive discussions, and maintaining high governance standards. Meanwhile, the CEO/ED focuses on the execution of the Group's business strategies, leading and managing daily operations. Additionally, the CEO/ED acts as a bridge between Independent Directors and Management, ensuring that management actions align with the Board's strategic decisions and directives.

The distinct roles and responsibilities of the Chairman and CEO/ED are outlined in the Board Charter, which is available on the Company's website at https://semico.com.my/.

Furthermore, the Chairman, Dato' Sri Ramli Bin Mohamed Yoosuf, is not a member of any Board Committees, reinforcing independent oversight and objective leadership.

1.3 Access to Information and Independent Advice

As outlined in the Board Charter, the Board is required to convene at least four (4) meetings annually. Additional meetings may be scheduled at the discretion of the Chairman as necessary. In FYE2026, a total of five (5) Board meetings were held.

Meeting discussions and resolutions are meticulously minuted to ensure clarity, accuracy, and consistency. The minutes document key deliberations, issues discussed, and decisions made. The Company Secretaries are responsible for maintaining proper records of Board and Board Committee meetings, ensuring that all critical discussions and resolutions are well-documented.

To ensure effective time management and structured discussions, all Board and Board Committee meetings are scheduled in advance, with an approved agenda. All Board members receive pre-circulated Board papers and relevant meeting materials before each meeting, enabling them to make well-informed decisions. Meeting notices are issued in writing at least seven (7) days prior to the scheduled date to allow Directors ample time for preparation.

Minutes of meetings are circulated to Board and Board Committee members prior to the meetings, as well as Management, for review and feedback. Once finalised, the draft minutes are tabled for confirmation at the subsequent meeting. Additionally, the Company Secretaries ensure follow-ups on action items and updates required by the Board. Matters arising are systematically addressed in subsequent meetings, with progress updates and action plans documented in the minutes to ensure accountability and continuity in decision-making.

1.4 Commitment of the Board

The Board and members are committed to dedicating adequate time and effort to effectively fulfil their responsibilities. This included but not limited to attending meetings, reviewing Board papers in advance, and providing meaningful insights to support informed decision-making.

Formal Board meetings are held at least once every quarter to review the Group's business affairs, financial results and approve financial or strategic objectives when necessary. Ad-hoc meetings may be convened when urgent matters arise. The Chairman of the respective Board Committees shall provide updates on key discussions and present recommendations to the Board for consideration and approval, where required. To ensure optimal scheduling, Board and Board Committee meetings for the entire financial year are planned in advance, allowing Directors and Board Committee members to allocate their time accordingly and enabling Management to align its planning processes.

All significant matters deliberated at Board meetings are accurately recorded in the form of minutes by the Company Secretaries to ensure adequate closure or continuity of the matters discussed, transparency and accountability.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

1.4 Commitment of the Board (Cont'd)

During FYE2026, a total of five (5) Board meetings were held. The attendance of Board members is detailed in the table below:

Name of Director	Number of meetings attended	Percentage
Dato' Sri Ramli Bin Mohamed Yoosuf *	5/5	100%
Tai Lee Chuen	5/5	100%
Ang Sew Fong	5/5	100%
Andrea Huong Jia Mei	5/5	100%
Ooi Guan Hoe	5/5	100%
Yap Choo Cheng	5/5	100%

* *Chairman of the Board*

During FYE2026, all the Directors has complied with the minimum attendance requirement of 50% for the Board Meetings conducted during the financial year under review, as stated in the Rule 15.05 of the AMLR.

1.5 Directors' Training

All Directors of the Company have successfully completed the Mandatory Accreditation Program Part I and Part II, as required by Bursa Securities. The Board actively seek to enhance their skills and knowledge to maximise their effectiveness in their roles. Throughout their tenure, they receive regular updates on the Group's business operations from the Management team and remain informed about evolving regulatory requirements. The Company Secretaries also promptly update the Board through email on the updates of the regulatory requirements, and the updates of the regulatory requirements such as listing requirements will be tabled to the Board during quarterly meetings for notation and deliberation.

While the Board does not impose a mandatory requirement for Directors to attend a specific number or type of training sessions annually, it strongly encourages ongoing participation in seminars, training, and educational programs. This ensures that the Board remain up to date with the latest developments in statutory laws, regulations, and best corporate governance practices, enabling them to adapt to the evolving business landscape and enhance their strategic decision-making capabilities.

Details of the seminars, conferences, and training programs attended by Board members during FYE2026 are outlined below:

Directors	Trainings and Seminars attended
Dato' Sri Ramli Bin Mohamed Yoosuf*	• Mandatory Accreditation Programme • Mandatory Accreditation Programme II: Leading For Impact • Chairperson's Circle: Excellence in board leadership
Tai Lee Chuen	• Mandatory Accreditation Programme • Mandatory Accreditation Programme II: Leading For Impact
Ang Sew Fong	• Mandatory Accreditation Programme • Mandatory Accreditation Programme II: Leading For Impact
Andrea Huong Jia Mei	• Service Tax Expansion 2025 (financial, rental, lease and construction) • ESG and IFRS S1 and S2 • Guide to Procurement Audit • IFRS Sustainability Disclosure IFRS S1 and S2

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

1.5 Directors' Training (Cont'd)

Details of the seminars, conferences, and training programs attended by Board members during FYE2026 are outlined below (Cont'd):

Directors	Trainings and Seminars attended
Ooi Guan Hoe	• Mandatory Accreditation Programme Part II – Leading for Impact • PLCT Event on Investor Relations • AOB conversation with Audit Committee • Anti-bribery and anti-corruption awareness
Yap Choo Cheng	• Corporate Tax Strategies • Stamp Duty Developments & Risks • TechInsights Building An AI Literate Finance Team - From Buzzwords to Business Impact • Mandatory Accreditation Programme Part II: Leading for Impact (LIP) • Tax Seminar on Budget 2026 • Introduction to New Disclosure Requirements for Shariah Screening • Updates of Listing Requirements conducted by UOB Investment Bank • Virtual Onboarding for Bursa Securities' CSI Platform • Critical Thinking & Decision-Making: A Future-Ready Driver of Competitive Advantage • Understanding the National Sustainability Reporting Framework • Bridging the skills gap: building tomorrow's accounting talent today

* *Chairman of the Board*

1.6 Board Committees

Audit and Risk Management Committee ("ARMC")

The ARMC is responsible for overseeing the Group's risk management internal control framework, ensuring the safeguarding of the Group assets and the integrity of its financial reporting. The ARMC has unrestricted access to the Company's External Auditor, Internal Auditor, and Management, enabling effective oversight, governance and transparency. The TORs of the ARMC is available at the Company's website at https://semico.com.my/.

The ARMC consists of three (3) members, all of whom are INEDs. The current members of the ARMC are as follows:

Directors	Designation
Ooi Guan Hoe	Chairman
Andrea Huong Jia Mei	Member
Yap Choo Cheng	Member

The activities undertaken by the ARMC during FYE2026 are set out in the ARMC's Report in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

1.6 Board Committees (Cont'd)

Nomination Committee ("NC")

The NC is responsible for overseeing matters related to the nomination and appointment of new Directors, ensuring the Board maintains the right mix of skills, experience, and expertise. The NC conducts an annual review to assess the effectiveness of the Board, Board Committees, and individual Directors, ensuring continuous improvement in governance and leadership. The TORs of the NC is available at the Company's website at https://semico.com.my/.

The NC consists of three (3) members, all of whom are INEDs. The current members of the NC are as follows:

Directors	Designation
Andrea Huong Jia Mei	Chairman
Ooi Guan Hoe	Member
Yap Choo Cheng	Member

The summary activities undertaken by the NC in the discharge of its duties for the FYE2026 are as follows:

- Reviewed the size, structure and composition of the Board;
- Reviewed the effectiveness of the Board as a whole, the Board Committees and the contributions of the individual Directors;
- Reviewed and assessed the independence of the Independent Directors; and
- Reviewed and assessed the performance of the ARMC and members of the ARMC.

Remuneration Committee ("RC")

The RC is responsible for reviewing and recommending to the Board the remuneration packages to the Board members and Key Senior Management, ensuring that the Group's remuneration framework is adequate, aligned with industry standards and remains competitive. The TORs of the RC is available on the Company's website at https://semico.com.my/.

The RC consists of three (3) members, all of whom are INEDs. The current members of the RC are as follows:

Directors	Designation
Yap Choo Cheng	Chairman
Andrea Huong Jia Mei	Member
Ooi Guan Hoe	Member

The summary activities undertaken by the RC in the discharge of its duties for the FYE2026 are as follows:

- Reviewed and recommended the revision of the remuneration package and payment of bonus to Executive Directors for FYE2026; and
- Reviewed the payment of Directors' Fees and benefits payable to Non-Executive Directors, ensuring alignment with the Company's remuneration policies and industry benchmarks.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

1.7 Board Charter

Semico has formalised and adopted a Board Charter, which outlines the functions, authority, roles, and responsibilities of the Board while establishing key internal processes and governance principles. It also serves as a reference guide and induction material for new Board members, providing them with a clear understanding of their duties and expectations. The Board Charter defined the scope of responsibilities and decision-making authority, specifying matters reserved for Board approval and those that may be delegated to Board Committees, the CEO/ED, and the Management team. This structured approach ensures clarity in roles, promotes effective decision-making, enhances risk management, and strengthens compliance within the Group.

To maintain relevance and alignment with corporate governance best practices and regulatory requirements, the Board Charter is reviewed periodically. Updates are made as necessary to reflect changes in the AMLR, the MCCG, and other applicable regulatory frameworks.

The Board Charter is accessible on the Company's website at https://semico.com.my/.

1.8 Code of Conduct and Ethics

The Board is committed to create and maintain a strong corporate governance culture that upholds ethical and professional behaviour with integrity across the Group. The Group aimed to cultivate a culture of integrity, accountability, and transparency at the highest standards of ethical conduct is reflected in all interactions with suppliers, customers, government bodies, the public, employees, and shareholders.

The Group has implemented a Code of Conduct & Ethics ("Code"), formally approved by the Board. This Code sets out the ethical standards that guide the actions of all employees and Directors, ensuring they conduct themselves with integrity and professionalism while avoiding any appearance of improper behaviour. The Code is available on the Company's website at https://semico.com.my/.

1.9 Whistleblowing Policy and Procedures

The Board has formalised a Whistleblowing Policy and Procedures, that provides a structured and secure channel for stakeholders, service providers, and members of the public to raise genuine concerns, report misconduct, or provide information on improper activities that could negatively impact the Group.

The Whistleblowing Policy clearly outlines:
- Reportable misconducts;
- Protection to whistleblowers; and
- Channel for whistle-blowing,

Whistleblowing reports are kept confidential to the extent possible in order to protect the whistleblower, and to ensure a fair and thorough investigation. Any unauthorized disclosure of a whistleblower's identity by an employee may be deemed misconduct and could result in disciplinary action.

The Board is pleased to report that no whistleblowing report was received during FYE2026.

The Whistleblowing Policy and Procedures is available on the Company's website at https://semico.com.my/.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

1.10 Anti-Bribery and Anti-Corruption ("ABAC") Policy

In alignment with the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACC Act 2018"), the Group has established an ABAC Policy to uphold a culture of integrity, transparency, and ethical conduct across all business activities. This policy reinforces the Company's zero-tolerance stance against all forms of bribery and corruption. The ABAC Policy was designed in adherence to the AMLR and the Guidelines on Adequate Procedures issued under Section 17A(5) of the MACC Act 2018. It outlines the responsibilities of the Company and all individuals working within or with the Group in observing and maintaining its anti-corruption standards.

This policy highlights the key anti-bribery and anti-corruption principles, governing all engagements with customers, business partners, and third parties, and establishes clear guidelines for preventing, managing, and mitigating bribery and corruption risks. The ABAC Policy and Procedures is available on the Company's website at https://semico.com.my/.

1.11 Directors' Fit & Proper Policy

In accordance with Rule 15.01A of the AMLR, the Board has adopted the Directors' Fit & Proper Policy to guide the appointment and re-election of Directors of the Company. This policy also serves as a framework for the NC and the Board in evaluating and assessing potential candidates for Board positions, as well as reviewing Directors seeking re-election.

The Directors' Fit & Proper Policy is also subjected to periodic review and revisions by the Board to ensure its continued alignment with sustainability objectives, corporate governance objectives, regulatory requirements, and evolving best practices under the MCCG. The Directors' Fit & Proper Policy is available on the Company's website at https://semico.com.my/.

1.12 Sustainability Governance

The Board acknowledges the critical role of sustainable business practices in driving long-term value creation and recognises that responsible operations are integral to achieving operational excellence. The Board holds primary responsibility for overseeing sustainability-related matters, including review of strategy, priority setting, and target establishment while the Management team is responsible for executing the strategies, data collection and communication with stakeholders as part of the Group's broader sustainability commitments. The Board also ensures that the Groups' personnel are kept informed of the Group's sustainability objectives, targets, and overall performance. Additionally, the Board has incorporated sustainability awareness and understanding into its annual performance evaluation process, reinforcing its commitment to sustainability as a key driver of the Group's success.

A detailed account of these sustainability efforts can be found in the Sustainability Statement in pages 36 to 48 of this Annual Report.

1.13 Company Secretaries

The Board is supported by two (2) qualified and experienced Company Secretaries, both of whom are duly qualified under Section 235(2) of the Companies Act 2016 ("CA 2016") and hold valid Practising Certificates issued by the Companies Commission of Malaysia. The Company Secretaries play a vital role in providing advisory services on governance best practices, corporate administration, and Board processes, ensuring that the Company compliance to the AMLR, MCCG, CA 2016, and other applicable laws and regulations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

1.13 Company Secretaries (Cont'd)

To remain abreast of the evolving corporate governance and regulatory landscape, the Company Secretaries regularly attend training programs, seminars, and industry conferences. This commitment to continuous learning enables them to provide relevant, up-to-date guidance to the Board, ensuring regulatory compliance and good governance practices.

The Board and each Board member have direct access to the professional advice and services of the Company Secretaries. The Company Secretaries' role in governance facilitation, compliance management, and Board effectiveness remains crucial to the Company's success.

II. BOARD COMPOSITION

2.1 Board Composition

The Board composition complies with Rule 15.02(1)(a) of the AMLR, which mandates that at least two (2) Directors or one-third (1/3) of the Board members, whichever is higher, must be Independent Directors.

Currently, the Board comprises of six (6) members, with four (4) serving as INEDs, ensuring a well-balanced governance structure that promotes independent oversight and objective decision-making.

The Directors in office during FYE2026 are as follows:

No.	Name of Director	Designation
1	Dato' Sri Ramli Bin Mohamed Yoosuf *	Independent Non-Executive Chairman
2	Tai Lee Chuen	Chief Executive Officer / Executive Director
3	Ang Sew Fong	Executive Director / Head of Human Resources and Administration
4	Andrea Huong Jia Mei	Independent Non-Executive Director
5	Ooi Guan Hoe	Independent Non-Executive Director
6	Yap Choo Cheng	Independent Non-Executive Director

The Board composition also aligns with Practice 5.2 of the MCCG ensuring that at least half of the Board members are INEDs. Additionally, it complies with Practice 5.9 of the MCCG, which requires at least 30% female representation on the Board.

This composition with majority Independent Directors enables the Board to be informed and independent, ensuring effective oversight, checks and balances, and the protection of minority shareholders and other stakeholders' interests as it represents the highest standard of conducts, ethics, and integrity within the Group.

The Board comprises individuals with diverse backgrounds, expertise, and industry experience, bringing together a broad range of skills and knowledge essential for effective governance and strategic decision-making.

Details of the Directors' Profiles can be found on pages 12 to 19 of this Annual Report.

2.2 New Appointment of Board and Key Senior Management

The Board follows a formal and transparent selection process for appointing new members. Candidates are evaluated by the NC, which then recommend suitable individuals for Board approval and appointment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

2.2 New Appointment of Board and Senior Management (Cont'd)

When assessing potential candidates for directorship, the NC considers objective criteria, including:

- Skills, knowledge, expertise, and experience;
- Professionalism and integrity;
- Fit and proper assessment;
- Time commitment to the Company, based on the number of directorships held; and
- The ability to effectively discharge responsibilities in an independent capacity of INEDs.

The NC identifies and shortlists candidates through recommendations from existing Board members, Management, major shareholders, and external referrals, including independent search firms.

All six (6) Directors currently serving on the Board comply with Rule 15.06 of the AMLR, ensuring that they do not hold more than five (5) directorships in other listed issuers.

2.3 Tenure of Independent Non-Executive Directors

The Board noted the Practice 5.3 of the MCCG, which recommends that the tenure of an INED should not exceed a cumulative term of nine (9) years. While the Company has not adopted a formal policy limiting the tenure of its Independent Directors to nine (9) years, the Board Charter of the Company had outlined that the tenure of the INED shall not exceed the cumulative term of nine (9) years.

In cases where the Board intends to retain an INED beyond the nine-year term, a justification must be provided, and shareholders' approval will be sought annually through a two-tier voting process at a general meeting. As of FYE2026, none of the four (4) existing INEDs have exceeded the cumulative terms of nine (9) years.

Following an independence assessment conducted during the financial year, the Board was satisfied with the level of independence demonstrated by all INEDs and their ability to act in the best interests of the Group.

2.4 Gender Diversity

The Board acknowledged the recommendation of the MCCG on establishing a boardroom and workforce gender diversity policy. In line with this, the Board has approved a Diversity Policy, reinforcing the Group's commitment to fair and equal opportunities while promoting diversity and inclusion across all levels of the organization. This policy ensures that appointments are based on merit, skills, experience, and contributions, while also embracing age and gender diversity within the Group.

As of FYE2026, the Board consists of three (3) women Directors, representing 50% of the total Board members. This exceeds the 30% minimum women representation recommended by the MCCG. Additionally, the Board composition complied with Rule 15.02(1)(b) of the AMLR, which mandates that at least one (1) Director of a listed corporation must be a woman.

2.5 Board Assessment

The NC is responsible for conducting an annual evaluation to assess the performance and effectiveness of the Board, Board Committees, and individual Directors.

This evaluation process is led by the NC Chairman, with support from the Company Secretaries, and was conducted through structured questionnaires. The NC review the results, identify area for continuous improvement, and provide recommendations to the Board. These insights also serve as the basis for determining the suitability of Directors for re-election at the Company's Annual General Meeting ("AGM"). The NC also incorporated the evaluation results into its consideration for Directors' re-election, recommending Directors standing for re-election for the Board's endorsement at the forthcoming AGM of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

2.5 Board Assessment (Cont'd)

The Board and individual Directors are evaluated based on comprehensive criteria, including:

- Skills, knowledge, and Board diversity
- Board size and composition
- Experience and core competencies of Directors
- Contributions of each Director

Additionally, Board Committees are assessed based on:

- Roles and responsibilities
- Scope of expertise and knowledge
- Meeting frequency and duration
- Quality and timeliness of information provided to the Board
- Overall effectiveness and efficiency in discharging their functions

The Board evaluation process includes:

- Performance evaluation of the Board and Board Committees
- Directors' self evaluation
- Assessment of the independence of Independent Directors

Any new Director appointment to the Board or Board Committees is recommended by the NC for Board approval. In line with the Company's Constitution, any new Directors appointed shall be subject to re-election at the next AGM of the Company and one-third (1/3) of the existing Directors for the time being shall retire at each AGM, all Directors shall retire at least once every three (3) years. Retiring Directors are eligible for re-election, subject to the recommendation of the NC.

During the year, the Board conducted an internally facilitated assessment to evaluate its effectiveness. The findings and recommendations were presented to the Board for consideration and action. The NC was satisfied with the results, confirming that the current Directors possess the necessary skills and experience as per the Board's skills matrix. Additionally, the Chairman's leadership was deemed effective in safeguarding stakeholders' interests and guiding the Group's development.

III. REMUNERATION

3.1 Level and Composition of Remuneration

The Board is committed to ensuring that its remuneration policy adequately supports Directors in fulfilling their responsibilities and fiduciary duties, steering the Group toward its long-term objectives and value creation for shareholders. To attract, retain, and develop high-calibre talent, the Board offers a competitive remuneration package aligned with industry benchmarks.

The remuneration for Non-Executive Directors was determined collectively by the Board, ensuring fairness and alignment with market standards. The remuneration level reflects industry comparisons and is adjusted based on the Director's experience, expertise, and responsibilities. Additionally, the Company reimburses reasonable out-of-pocket expenses incurred by Non-Executive Directors in the course of performing their duties. The remuneration package for Executive Directors is subject to Board's deliberation, with the concerned Director abstaining from discussions and voting on matters relating to their remuneration package.

The aggregate annual Directors' fees and other benefits are subject to shareholders' approval at the AGM based on the Board's recommendations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. REMUNERATION (CONT'D)

3.2 Disclosure of Directors' and Key Senior Management's Remuneration

With the Board having completed a full financial year, a comprehensive annual review of the Board's performance and effectiveness has been conducted to ensure alignment with the Group's strategic goals and governance framework.

The breakdown of the total remuneration paid or payable or otherwise made available to all Directors of the Group who served during the financial year is provided as follows:

Directors' Remuneration

Name	Fees (RM'000)	Salary (RM'000)	Bonuses (RM'000)	EPF & SOCSO (RM'000)	Allowance (RM'000)	Total (RM'000)
Executive Directors						
Tai Lee Chuen	-	696	45	96	-	837
Ang Sew Fong	-	204	31	34	-	269
Non-Executive Directors						
Dato' Sri Ramli Bin Mohamed Yoosuf	120	-	-	-	-	120
Andrea Huong Jia Mei	60	-	-	-	-	60
Ooi Guan Hoe	60	-	-	-	-	60
Yap Choo Cheng	60	-	-	-	-	60
Total (RM'000)	**300**	**900**	**76**	**130**	**-**	**1,406**

Key Senior Management's Remuneration

Remuneration Band (RM'000)	Number of Key Senior Management of the Group
50 to 100	1
150 to 200	1
200 to 250	1

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

4. Effective and Independent ARMC

4.1 ARMC

The ARMC was established by the Board on 21 May 2025 with its TORs approved by the Board. The composition, roles, responsibilities, and a summary of key activities undertaken by the ARMC during FYE2026 are detailed in ARMC Report on pages 62 to 63 of this Annual Report. The ARMC comprised of three (3) INEDs with adequate skills and knowledges, ensuring independence and objectivity in fulfilling its oversight responsibilities.

The ARMC's TORs outlines its objectives, duties, and responsibilities, including the requirement for a former key audit partner of the Group to observe a cooling-off period of at least three (3) years before being appointed as an ARMC member. There was no former key audit partner of the Company's External Auditors was appointed to the ARMC during FYE2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

4. Effective and Independent ARMC (Cont'd)

4.1 ARMC (Cont'd)

The Board acknowledged that the ARMC plays an upmost important role in assisting the Board in reviewing the financial reporting process to ensure the accuracy of the Group's financial results, examining the adequacy and completeness of financial disclosures, ensuring compliance with applicable accounting standards.

The Board places strong emphasis on the objectivity and independence of the External Auditors. Through the ARMC, the Board maintained a transparent and professional relationship with the External Auditors to obtain expert insights on internal controls and financial reporting compliance. The ARMC is empowered to communicate directly with the External Auditors at any time to address matters of concern.

The ARMC also requires the External Auditors to conduct independent meetings without the presence of Executive Directors and Management to discuss matters related to the Group's financial reporting and audit activities. During such meetings, the External Auditors shall highlight and discuss the nature and scope of the audit, audit programme, internal controls observations and any other issues that may require the attention of the ARMC or the Board.

The ARMC reviews and makes recommendations to the Board regarding the re-appointment and remuneration of the External Auditors on annual basis. The External Auditors are subject to re-appointment at each AGM.

Furthermore, the ARMC is responsible to ensure the External Audit function remain independent from the activities it audits. To prevent conflicts of interests, the ARMC reviews contracts for non-audit services provided by the External Auditors and excludes engagements involving management consulting, internal audit and standard operating policies and procedures documentation. The External Auditors has confirmed to the ARMC that they maintain full independence throughout the audit engagement, in compliance with the independence criteria set forth by the Malaysian Institute of Accountants ("MIA").

4.2 Assessment of Suitability, Objectivity, and Independence of External Auditors

As part of its commitment to ensuring auditor independence, the External Auditors have provided a formal confirmation to the ARMC, stating that they have maintained independence throughout the audit processes, in accordance with all relevant professional and regulatory requirements.

Following an evaluation of the External Auditors' performance, the ARMC expressed satisfaction with the audit services provided by Messrs. Grant Thornton Malaysia PLT ("GTM"). The Board approved the ARMC's recommendation for the shareholders' approval to be sought at the forthcoming 2nd AGM as the External Auditors of the Company for the financial year ending 30 June 2027.

4.3 Risk Management and Internal Control Framework

The Board has assumed its responsibility for establishing and evaluating the Company's risk management framework, it has delegated the responsibility for assessing the effectiveness and efficiency of the Group's internal control and risk management system to the ARMC.

To enhance independent oversight, the internal audit function was outsourced to GovernanceAdvisory.com Sdn Bhd ("GA" or "Internal Auditor") which reports directly to the ARMC and assists the ARMC in evaluating the effectiveness of the internal control system whilst ensuring that there is an appropriate balance between risk and controls to support the Group in achieving its business objectives.

For further details on the Group's risk management, internal controls system, and internal audit functions, kindly refer to the Statement on Risk Management and Internal Control in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL ENGAGEMENT WITH STAKEHOLDERS

5. Communication with Stakeholders

The Company acknowledge that the timely, transparent and equal dissemination of material business, corporate and financial information to all stakeholders are important.

The timely release of the Group's quarterly financial results and the Annual Reports provides regular updates on the Company's financial and operational performance. In addition, material information was shared through announcements to the Bursa Securities, circulars to shareholders and, where necessary, ad-hoc press statements and interviews. These channels serve as key communication platforms for investors, stakeholders, and the general public.

The Board maintained its highest commitments to comply with the disclosure requirements under the AMLR and the Corporate Disclosure Guide issued by Bursa Securities. To ensure the accuracy, consistency, and quality of public disclosures, the Company has designated key management personnel with the necessary competency and authority to prepare and approve material disclosures.

The Group also maintained an official website where shareholders and the public can access to announcements, press releases and other corporate information related to the Company and its business activities. Additionally, stakeholders may access the Company's latest announcements via Bursa Securities' website at www.bursamalaysia.com.

6. Conduct of General Meeting

General Meetings serve as a key channel for communication between the Company and its shareholders. The Board encourages active shareholder participation and values their input in decision-making processes.

To facilitate transparency and allow shareholders sufficient time for review, the notice of the General Meeting is dispatched at least twenty-eight (28) days in advance in accordance to the best practice outlined in the MCCG. This notice includes agenda details for the meeting, shareholders' entitlements to attend and procedures for appointing proxies. Furthermore, the Company's Constitution allow members to vote in person, by corporate representative, by proxy or by attorney.

The Notice of an AGM also provides information to the shareholders with regard to, amongst others their entitlement to attend the AGM, the right to appoint a proxy and also the qualifications of a proxy.

In line with good corporate governance practice, the notice of the forthcoming 2nd AGM, the Form of Proxy and the Annual Report 2026 would be issued to the shareholders at least twenty-eight (28) days before the 2nd AGM to be convened at 24 November 2026.

The proceedings and minutes of the AGM are recorded and the results of shareholders voting on resolutions are announced on Bursa Securities' website. Additionally, the minutes of the AGM and voting outcomes will be made available on the Company's website at https://semico.com.my/.

COMPLIANCE STATEMENT

This Corporate Governance Overview Statement, together with the CG Report, was reviewed and approved by the Board of Directors on 13 October 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Audit and Risk Management Committee ("ARMC") was established with the primary objective of assisting the Board in the areas of management of financial reporting practices, risk management, system of internal control and corporate governance matters of Semico.

The Board of Semico is pleased to present the ARMC Report which provides an overview of the activities undertaken by the ARMC during the FYE2026.

Composition and Meeting Attendance

The current members of the ARMC and four (4) ARMC meetings were held during the FYE2026. Details of the attendance of members are as follows:

Name	Designation	Directorship	No. of meetings attended
Ooi Guan Hoe	Chairman	Independent Non-Executive Director	4/4
Andrea Huong Jia Mei	Member	Independent Non-Executive Director	4/4
Yap Choo Cheng	Member	Independent Non-Executive Director	4/4

All ARMC members are INEDs and have fulfilled the criteria of independence under the AMLR of Bursa Securities. No Alternate Director was appointed to act as a member of the ARMC. The training attended by the ARMC members during the FYE2026 are set out in the Corporate Governance Overview Statement of this Annual Report.

The ARMC is chaired by Mr Ooi Guan Hoe, who is a member of the MIA . The composition of the ARMC has complied with Rule 15.09 of the AMLR of Bursa Securities, Practices 9.1, 9.4 (step-up) and 9.5 of the MCCG respectively.

A total of four (4) ARMC meetings were held during FYE2026. The Executive Directors, Head of Finance, and External Auditors together with the relevant personnel from the Management team were invited to join the meetings to provide clarifications on the agenda items. The reports and discussions papers of the ARMC meetings were distributed within a prescribed period to allow the ARMC members to have a sufficient time to review and obtain further clarification, to enable the ARMC members to analyse and discharge their duties effectively.

The minutes of each ARMC meeting were properly recorded and tabled for confirmation at the following ARMC meeting and subsequently tabled to the Board for notation. The ARMC Chairman report to the Board on deliberations and activities undertaken together with the key recommendations for the Board's consideration and decision making. The ARMC Chairman also conveyed to the Board on matters which are of significant concern raised by the External Auditors.

The ARMC has a policy requiring a former partner of External Auditors to observe a cooling-off period of at least 3 years before being appointed as a member of the ARMC. As of the date of this report, no former partner of External Auditors was appointed as a member of the ARMC.

In order to assess the term of office of the ARMC members and performance of the ARMC following Rule 15.20 of the AMLR of Bursa Securities, each of the ARMC members and all Board members had performed the self-performance evaluation and Board Committee performance assessment and the results were tabled to the NC for review and discussion prior to presenting the reports to the Board for evaluation. The Board was satisfied with the performance of the ARMC and confirmed that they have discharged their functions and carried out their duties and responsibilities effectively in accordance with the TORs of ARMC.

Activities of the ARMC

The activities of the ARMC during the FYE2026 included the following:

- Reviewed and recommended to the Board the re-appointment of external, the appointment of internal auditors and the payment of fees to these auditors;
- Reviewed the External Auditors their scope of work and audit plans prior to the commencement of the audit activities;
- Reviewed and discussed the Group's audited financial statements for FYE2026 with the External Auditors including the audit notes and findings, and updates on new developments pertaining to accounting standards issued by the Malaysian Accounting Standards Board;

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

Activities of the ARMC (Cont'd)

The activities of the ARMC during the FYE2026 included the following (Cont'd):

- Reviewed and discussed with the Internal Auditors on the Group's internal audit plan and the overall assessment of the system of internal controls of the Group;
- Reviewed the unaudited quarterly financial results of the Group and made recommendation to the Board;
- Reviewed related party transactions and conflict of interest situation that may arise within the Group and/or the Company to ensure that transaction entered were on arm's length basis and on normal commercial terms;
- Held at least one (1) meeting with the External Auditors during the year. This included private session without the presence of Executive Board members and management of the Company. The ARMC also assessed the performance of the External Auditors; and
- Reviewed and recommended to the Board the Statement on Risk Management and Internal Control, Audit and Risk Management Committee Report for inclusion in the Company's Annual Report.

INTERNAL AUDIT FUNCTIONS

The Group outsourced the internal audit function to GovernanceAdvisory.com Sdn. Bhd. ("GA" or "Internal Auditor") which reports to the ARMC and assists the ARMC in reviewing the effectiveness of the internal control systems whilst ensuring that there is an appropriate balance of controls and risks throughout the Group in achieving its business objectives. The internal auditor to provides an independent assessment on the effectiveness and efficiency of the internal control utilising a global audit methodology and tools to support the corporate governance framework and effective risk management system and to provide assurance to the ARMC.

In preparation for the listing of Semico on ACE Market of Bursa Securities, the Group had appointed GA as Internal Control Review Consultant to review the adequacy and sufficiency of the corporate governance practice, internal control and risk management systems of the Group. The areas of review carried out are as follows:-

- Corporate Governance & Risk Management
- Business Development
- Sales & Collection
- Purchasing
- Warehouse & Logistics
- Finance
- Maintenance
- Human Resources
- Information Technology

For further details on the risk management, internal controls and internal audit functions, please refer to the Statement on Risk Management and Internal Control in this Annual Report.

ADDITIONAL COMPLIANCE INFORMATION

1. Utilisation of Proceeds

Initial Public Offering

The Company was listed on the ACE Market of Bursa Securities on 13 January 2026 comprising

(i) Public Issue of 92,670,800 new ordinary shares in the following manner:

- 18,000,000 new shares available for application by the Malaysian Public;
- 14,996,000 new shares available for application by the eligible Directors and Employees as well as business associates who have contributed to the success of our company and subsidiaries; and
- 59,674,800 new shares by way of private placement to selected investors; and

(ii) Offer for sale of 18,000,000 existing shares by way of private placement to selected investors.

The status of the utilisation of the proceeds as at 30 June 2026, are as follows:

Details of utilisation of proceeds	Proposed utilisation RM'000	Proposed utilisation %	Actual utilisation RM'000	Reallocation RM'000	Balance to be utilised RM'000	Estimated timeframe for utilisation
Purchase of new arcade and amusement machines						
(a) Arcade and amusement machines distribution business expansion	8,500	36.69	4,204	-	4,296	Within 36 months
(b) Replacement of existing arcade and amusement machines	2,050	8.85	-	-	2,050	Within 36 months
	10,550	**45.54**	**4,204**	**-**	**6,346**	
Purchase of toys and collectables	2,500	10.79	430	-	2,070	Within 12 months
Repayment of bank borrowings	1,600	6.91	1,516	-	84[(1)]	Within 6 months
Working capital	4,018	17.34	100	721	4,639	Within 24 months
Estimated listing expenses	4,500	19.42	3,779	(721)	-	Within 1 month
Total	**23,168**	**100.00**	**10,029**	**-**	**13,139**	

Note:
1. The bank borrowings were fully repaid within the 6 months timeframe after year end.

ADDITIONAL COMPLIANCE INFORMATION

2. Audit and Non-Audit Fees

During the FYE2026, the amount of audit fees and non-audit fees incurred for services rendered to our Group by the External Auditors, are as follows:

	Group RM'000	Company RM'000
Audit services rendered	133	47
Non-audit services rendered *	249	249
Total	**382**	**296**

* Non-audit services rendered during the year are mainly in relation to the listing exercise.

3. Material Contracts

Save for the following, there was no material contracts entered into by the Group involving the Directors and major shareholders:-

On 29 July 2026, Semico entered into a joint venture and shareholders' agreement ("**JVSHA**") with Chan Kean Seng ("**CKS**") and Kosmare Sdn Bhd ("**Kosmare**") to establish a joint venture ("**Proposed Joint Venture**") for the purpose of operating a family entertainment outlet, comprising arcade, card and prize machines, merchandise retail and related activities at a shopping mall known as "Pavilion Bukit Jalil" under a brand to be licensed from a brand owner ("**Project**").

The Proposed Joint Venture shall be carried out through Kosmare, an existing private company limited by shares incorporated in Malaysia which is currently owned by CKS. Pursuant to the terms of the JVSHA, Kosmare will allot and issue 490,000 new ordinary shares in Kosmare ("**Kosmare Shares**" or "**Shares**") to Semico and 510,000 new Shares to CKS, for a total subscription price of RM490,000 and RM510,000 respectively ("**Subscription**"). The Subscription was completed on 29 July 2026. Following the completion of the Subscription, Semico and CKS hold 49% and 51% equity interests in Kosmare, respectively, and Kosmare became an associate company of Semico.

4. Material Contracts Relating to Loans

There were no material contracts relating to loans entered into by the Group involving the Directors and major shareholder during FYE2026.

5. List of Properties

There were no properties held by the Group during FYE2026.

6. Disclosure of Financial Data for Shariah Screening

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

ADDITIONAL COMPLIANCE INFORMATION

6. Disclosure of Financial Data for Shariah Screening (Cont'd)

(a) Group total income and total assets

	Group	
	2026	2025
Total income	**RM**	**RM**
Revenue	33,888,921	29,688,152
Interest income	205,825	1,116
Other income	404,715	223,110
Total	34,499,461	29,912,378
Total Assets	45,675,214	20,780,936

(b) Business activities

		Group	
		2026	2025
Shariah non-compliant activities	**Remarks**	**RM**	**RM**
Revenue	Claw machine	918,880	892,404
Interest income	Conventional bank	125,894	-
Other income	Insurance compensation-conventional insurer	245,554	-
Total		1,290,328	892,404

(c) Component of financial position

(i) Cash components

		Group	
		2026	2025
Islamic account/instruments	**Remarks**	**RM**	**RM**
Short term investments		1,053,866	-
Cash at bank	Exclude cash in hand	13,712,707	3,655,986
Cash in hand		6,156	12,398
Total		14,772,729	3,668,384
Conventional account/instruments			
Fixed deposits with a licensed bank		50,000	-
Cash at bank	Exclude cash in hand	262,265	16,556
Total		312,265	16,556

ADDITIONAL COMPLIANCE INFORMATION

6. Disclosure of Financial Data for Shariah Screening (Cont'd)

(c) Component of financial position (Cont'd)

(ii) Debt components

	Group	
	2026	2025
Islamic financing	**RM**	**RM**
Current		
Term loans	-	81,235
Non-current		
Term loans	-	568,190
Total	-	649,425

Conventional borrowing	**RM**	**RM**
Current		
Overdraft	484,959	236,626
Term loans	668,978	61,896
Hire purchase	43,389	41,450
Non-current		
Term loans	1,823,302	386,824
Hire purchase	133,441	176,830
Total	3,154,069	903,626

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

This Statement on Risk Management and Internal Control ("SORMIC") is made pursuant to Rule 15.26(b) of the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and has been prepared in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (SORMIC Guide 2025).

In preparing this Statement, the Board has also considered the guidance set out in the Malaysian Institute of Accountants ("MIA") Audit and Assurance Practice Guide ("AAPG") 3 (Revised March 2026), which provides guidance on the preparation of the Statement and the external auditors' review thereon.

BOARD'S RESPONSIBILITY

The Board acknowledge its responsibility to maintain a sound and effective risk management and internal control system for the Group. In discharging its responsibilities, the Board is assisted by the Audit and Risk Management Committee ("ARMC"), Management and the Internal Audit function.

The Board reviews the report from these assurance providers throughout the financial year and evaluates whether the Group's risk management and internal control systems remain adequate and effective in managing risks within the Board-approved risk appetite.

Risk management is integrated into the Group's business planning, investment decisions, internal control and day-to-day operations to enhance ownership and agility in managing risks. The system encompasses risk management, organisation policies and processes, corporate governance, financial information integrity, operational and regulatory controls.

The Board recognises that this system is designed to manage, rather than eliminate, the risks of not adhering to the Group's policies and achieving goals and objectives within the risk tolerance established by the Board and Management. Therefore, the system provides reasonable, but not absolute, assurance against the occurrence of any material misstatement, loss, or fraud.

MANAGEMENT'S RESPONSIBILITY

Management is accountable for executing the Risk Management and Internal Control Framework established by the Board. Management's responsibilities include the following:

- Identifying and evaluating risks relevant to the Group's business, and the achievement of business objectives and strategies;
- Formulating relevant policies and procedures to manage these risks in accordance with the Group's strategic and overall risk appetite;
- Designing, implementing, and monitoring the implementation of an effective risk management and internal control system;
- Implementing policies approved by the Board;
- Implementing remedial actions to address compliance deficiencies as directed by the Board; and
- Providing the Board with prompt updates regarding shifting risk landscapes, emerging threats, and the specific actions taken to mitigate them.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board has established a comprehensive risk management and internal control system, guided by the Group's Risk Management and Internal Control Framework. This framework aligns with recognised international standards to safeguard the Group's business interest from risk events that may impede the achievement of its business strategies and growth opportunities besides providing assurances to all stakeholders.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)



This Framework sets out the governing elements and processes as the foundation of risk management practices to identify, treat, monitor and evaluate risk for the Group. The said governance document defines the roles of the Board, Management and the rest of the organisation in fulfilling our aim of building a high-performing sustainable organisation.

The Board has overall responsibility for the oversight of risk management, supported by the ARMC. Management is responsible for implementing the risk management framework and ensuring that risks are identified, evaluated, and managed appropriately within the approved risk appetite.

Key risks, including strategic, operational, financial, regulatory, and technology, and sustainability-related risks, are identified through periodic risk assessments and documented in risk registers.

Periodic risk assessment exercises are conducted to ensure that the Group's risk exposures are appropriately mitigated and updated. This process ensures the risk profile remains responsive to the evolving business environment and potential external shifts.

The assessment of the Group's internal control adequacy and effectiveness to be informed by several key activities, including:

- Reviewing Group and business unit risk registers to monitor risk evolution and address significant issues encountered during the year.
- Performing regular evaluations of the internal control review plan to ensure it remains aligned with the Group's risk profile.
- Continuous internal audit engagements designed to highlight and remediate control deficiencies.

PRINCIPLE RISKS IDENTIFIED DURING FINANCIAL YEAR 2026

The principle risks identified in Financial Year 2026 in accordance to its potential impact to the Group include but not limited to the following:

- ### Market Risk

  The Group is exposed to changes in consumer spending patterns, preferences, and market trends relating to toys, collectables, arcade games, and entertainment products, which may affect revenue and profitability.

  To mitigate this risk, the Group continuously monitors market trends and customer preferences, diversifies its product offerings, introduces new products and attractions periodically, and maintains close engagement with customers and business partners.

- ### Supplier and Supply Chain Risk

  The Group relies on key suppliers, brand principals, and distributors for product sourcing and distributorship arrangements. Any disruption in supplier relationships or supply chain activities may affect product availability and business operations.

  To mitigate this risk, the Group maintains close relationships with suppliers and principals, monitors supplier performance, maintains appropriate inventory levels, and sources products from multiple suppliers where feasible.

- ### Foreign Exchange Risk

  The Group is exposed to foreign currency fluctuations arising from the procurement of products and equipment from overseas suppliers.

  To mitigate this risk, the Group regularly monitors foreign exchange movements, reviews pricing strategies periodically, and manages procurement planning to minimise the impact of adverse currency fluctuations.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

PRINCIPLE RISKS IDENTIFIED DURING FINANCIAL YEAR 2026 (CONT'D)

- **Operational Risk**

  The Group's operations may be affected by equipment breakdowns, system failures, cyber incidents, human errors, or other operational disruptions.

  To mitigate this risk, the Group conducts regular maintenance of equipment, implements standard operating procedures and performs periodic system backups to enhance operational effectiveness and business continuity.

- **Competitive Risk**

  The Group relies on key suppliers, brand principals, and distributors for product sourcing and distributorship arrangements. Any disruption in supplier relationships or supply chain activities may affect product availability and business operations.

  To mitigate this risk, the Group maintains close relationships with suppliers and principals, monitors supplier performance, maintains appropriate inventory levels, and sources products from multiple suppliers where feasible.

- **Regulatory Compliance Risk**

  The Group is subject to various laws, regulations, licensing requirements, and product compliance standards. Non-compliance may result in penalties, reputational damage, or operational disruptions.

  To mitigate this risk, the Group monitors regulatory developments, establishes policies and procedures, and conducts periodic reviews to ensure compliance with applicable requirements.

- **Sustainability Risk**

  The Group is exposed to sustainability risks relating to product safety, responsible sourcing, resource consumption, employee well-being, and evolving ESG expectations from stakeholders. To mitigate these risks, the Group maintains compliance with applicable regulations, promotes responsible operational practices, monitors sustainability-related developments, and periodically reviews its sustainability initiatives to support long-term business resilience and value creation.

INTERNAL CONTROL SYSTEM

The Board is further supported by a structured internal control environment designed to promote operational efficiency, financial reliability and regulatory compliance. The Group's internal controls system comprises the following key elements:

- An organisational structure with clearly defined roles and reporting lines provides a robust framework for checks and balances. This ensures informed decision-making at appropriate management levels and identifies matters requiring Board-level approval.
- Employees are provided with the necessary knowledge, skills and expertise to perform their respective duties and responsibilities effectively through appropriate recruitment, training and development, and ongoing performance evaluation.
- The ARMC and the Board meet at least quarterly to evaluate financial performance, annual statements, and internal audit findings. These sessions involve rigorous dialogue with Management to determine and track the necessary actions to resolve identified control issues.
- The ARMC and the Board actively review external and internal audit findings related to accounting and internal controls, engaging Management in proactive discussions to ensure all issues are effectively remediated.
- Comprehensive internal policies and procedures guide employees across all key business units. These frameworks are periodically updated to remain aligned with evolving operational requirements, market conditions, and statutory reporting obligations.
- The Group has implemented Anti-Bribery and Anti-Corruption Policy to prohibit bribery and corruption in all business dealings and a Whistleblowing Policy to provide a secure and confidential channel to report any suspected misconduct or unethical behaviour.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL SYSTEM (CONT'D)

The Board is further supported by a structured internal control environment designed to promote operational efficiency, financial reliability and regulatory compliance. The Group's internal controls system comprises the following key elements (Cont'd):

- A documented Limit of Authority framework has been established, defining approval limits and delegated authorities at various management levels, with matters of strategic significance reserved for the Board, thereby promoting appropriate oversight, accountability and segregation of duties.
- Periodic financial forecasts are prepared and monitored to facilitate effective financial planning, cash flow management and timely identification of significant forecasts variances requiring management attention.
- Financial reporting policies and procedures have been established to facilitate an efficient month-end and year-end financial closing process, ensuring the timely preparation of accurate and reliable financial statements for management and Board reporting.
- Information technology general controls have been implemented to safeguard the Group's information assets, including controls over user access management, cybersecurity, data backup, and disaster recovery, to support the integrity, availability and confidentiality of information systems.

INTERNAL AUDIT

To fulfil pre-listing requirements, the Group has engaged an Internal Control Consultant to review and report on the internal control and risk management systems, including key systems, procedures, policies and controls of the Group. Key findings and recommendations are reported and tabled to the Board, and Management is responsible for implementing corrective actions. Based on the review conducted, no material control weaknesses were identified that resulted in material losses to the Group.

The Group outsourced the internal audit function to GovernanceAdvisory.com Sdn. Bhd., an independent professional services firm that reports directly to the ARMC. The Internal Auditor is free from any relationships or conflicts of interest that could impair its objectivity and independence.

Internal audit provides an independent assessment of the effectiveness and efficiency of internal controls utilising a global audit methodology and tool to support the corporate governance framework, such as International Professional Practices Framework and an efficient and effective risk management framework to provide assurance to the ARMC.

To ensure independence from Management, internal audit reviews are conducted based on a risk-based annual audit plan approved by the ARMC. The Internal Auditors have unrestricted access to relevant records and personnel to perform their duties effectively. Audit findings and recommendations are discussed with Management and reported to the ARMC, with follow-up reviews conducted to ensure corrective actions are implemented in a timely manner.

REVIEW OF THE EFFECTIVENESS OF RISK MANAGEMENT AND INTERNAL CONTROL

The Board has undertaken an annual assessment of the adequacy and effectiveness of the Group's risk management and internal control systems.

In performing this assessment, the Board considered, among others:

- reports from the ARMC;
- updates from Management on principal risks and mitigation measures;
- reports issued by the Internal Auditors;
- the status of implementation of agreed corrective actions;
- reports from the External Auditors relating to internal control matters;
- the assurance received from the Chief Executive Officer ("CEO") and Head of Finance.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

MANAGEMENT ASSURANCE

For the financial year under review, the Board is satisfied that the existing systems of risk management and internal control are effective and that there were no losses resulting from significant control weakness.

The Board has received assurances from the CEO and Head of Finance that:

- the Group's risk management and internal control systems have operated adequately and effectively, in all material respects, throughout the financial year;
- all material risks and significant control deficiencies have been reported to the Board; and
- appropriate corrective actions have been implemented, or are being implemented, to address identified control weaknesses.

REVIEW OF THIS STATEMENT

In accordance with Rule 15.23 of the AMLR, the External Auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in the AAPG 3 - Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by MIA.

Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required to be set out in Section 7 of the Statement on Risk Management and Internal Control 2025: Guidelines for Directors of Listed Issuers to be set out, nor is the SORMIC factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board and Management thereon.

CONCLUSION

The Board is of the view that the system of risk management and internal control in place for the year under review, and up to the date of approval of this Statement, is sound and sufficient to safeguard the Group's assets, as well as the shareholders' investments, and the interests of customers, regulators, employees, and other stakeholders.

This Statement is made in accordance with the resolution of the Board of Directors on 13 October 2026.

DIRECTORS' RESPONSIBILITY STATEMENT
IN RELATION TO THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 to prepare the financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards in Malaysia.

The Directors are responsible to ensure that the financial statement is given a true and fair view of the financial position of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and of the Company for the financial year then ended.

In preparing the financial statements, the Directors have observed the following criteria:

- overseeing the overall conduct of the company's business and that of the group;
- identifying principal risks and ensuring that an appropriate system of internal control exists to manage these risks;
- reviewing the adequacy and integrity of internal controls system and management information system in the company and within the group;
- adopting suitable accounting policies and apply them consistently;
- making judgements and estimates that are reasonable and prudent; and
- ensuring that the financial statements were prepared on a going concern basis and in compliance with all applicable approved accounting standards in Malaysia subject to any material departures, if any, were disclosed.

The Directors are satisfied that in preparing the financial statements of the Company and the Group for the FYE2026, appropriate accounting policies were used and applied consistently, and adopted to include new and revised Malaysian Financial Reporting Standards where applicable.

The Directors are also of the view that relevant approved accounting standards have been followed in the preparation of these financial statements. The Directors are also responsible for taking such reasonable steps to safeguard the assets of the Group and to minimise fraud and other irregularities.

This statement was approved by the Board of Directors on 13 October 2026.

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2026.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding activities whilst the principal activities of the subsidiaries are supply of arcade and amusement machines and its related services, operation and management of family recreational activities, wholesale and distribution of toys and collectables, operation of family recreational and sports activities. The other details of the subsidiaries are disclosed in Note 6 to the financial statements.

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

HOLDING COMPANY

The Company is a subsidiary of MARC Experience Ventures Sdn. Bhd., which is a private limited liability company, incorporated and domiciled in Malaysia. The Directors regard MARC Experience Ventures Sdn. Bhd. as the ultimate holding company and holding company.

FINANCIAL RESULTS

	Group RM	Company RM
Profit for the financial year attributable to: Owners of the Company	2,979,248	4,160,868

DIVIDENDS

Dividends paid by the Company since the end of the previous financial period are as follows:

	RM
In respect of the financial year ended 30 June 2026: First interim single tier dividend of 0.50 sen per ordinary share, paid on 20 March 2026	1,800,000
Second interim single tier dividend of 0.25 sen per ordinary share, paid on 19 June 2026	900,000
	2,700,000

On 19 August 2026, third interim single tier dividend of 0.15 sen per ordinary share, amounting to RM540,000 have proposed and approved by the Directors in respect of the financial year ended 30 June 2026. This dividend is not reflected in the financial statements for the current financial year and will be accounted for as an appropriation of retained earnings in the financial year ending 30 June 2027.

The Directors do not recommend any final dividend payment for the current financial year.

RESERVES AND PROVISIONS

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

DIRECTORS' REPORT

DIRECTORS

The name of the Directors of the Company and its subsidiaries in office during the financial year and during the period commencing from the end of the financial year to the date of this report are as follows:

Directors of the Company
Dato' Sri Ramli Bin Mohamed Yoosuf (Independent Non-Executive Chairman)
Tai Lee Chuen (Chief Executive Officer/Executive Director)
Ang Sew Fong (Executive Director)
Andrea Huong Jia Mei (Independent Non-Executive Director)
Ooi Guan Hoe (Independent Non-Executive Director)
Yap Choo Cheng (Independent Non-Executive Director)

Name of subsidiaries	Name of Directors
Semico Technology Sdn. Bhd. ("Semico Technology")	Tai Lee Chuen Ang Sew Fong
Minexport Sdn. Bhd. ("Minexport")	Tai Lee Chuen Ang Sew Fong
De Pop Asia Sdn. Bhd. ("De Pop")	Tai Lee Chuen Ang Sew Fong

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016 in Malaysia, the interests and deemed interests in the ordinary shares of the Company and its related corporations of those who were Directors as at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) are as follows:

	Number of ordinary shares			
	At 1 July 2025	Bought	Sold	At 30 June 2026
Holding company				
Tai Lee Chuen				
- Direct interests	251,957,800	-	-	251,957,800
- Deemed interests [(1)]	5,258,500	-	-	5,258,500
Ang Sew Fong				
- Direct interests	5,258,500	-	-	5,258,500
- Deemed interests [(2)]	251,957,800	-	-	251,957,800

(1) Deemed interested in the Company held by the holding company of the Company, by virtue of his and his spouse's shareholdings in the holding company pursuant to Section 8 of the Companies Act 2016.

(2) Deemed interested in the Company held by the holding company of the Company, by virtue of her and her spouse's shareholdings in the holding company pursuant to Section 8 of the Companies Act 2016.

DIRECTORS' REPORT

DIRECTORS' INTERESTS IN SHARES (CONT'D)

	Number of ordinary shares			
	At 1 July 2025	Bought	Sold	At 30 June 2026
Company				
Tai Lee Chuen				
- Deemed interests [3]	254,230,100	1,971,500	(18,000,000)	238,201,600
Dato' Sri Ramli Bin Mohamed Yoosuf				
- Direct interests	-	500,000	(270,000)	230,000
Andrea Huong Jia Mei				
- Direct interests	-	500,000	(500,000)	-
Ooi Guan Hoe				
- Direct interests	-	500,000	(450,000)	50,000
Yap Choo Cheng				
- Direct interests	-	500,000	(300,000)	200,000

[3] Deemed interested in the Company held by the holding company of the Company, by virtue of his shareholdings in the holding company pursuant to Section 8 of the Companies Act 2016.

By virtue of Mr. Tai Lee Chuen and Ms. Ang Sew Fong interests in the shares of the holding company, Mr. Tai Lee Chuen and Ms. Ang Sew Fong are also deemed to have interests in the shares of the subsidiaries of the holding company during the financial year to the extent that the holding company has an interest.

Other than as disclosed above, none of the Directors in office at the end of the financial year held any direct interest in shares of the Company or its related corporation.

DIRECTORS' REMUNERATION AND BENEFITS

During the financial year, the remuneration and other benefits received and receivable by the Directors of the Company are as follows:

	Incurred by the subsidiaries RM	Incurred by the Company RM	Total RM
Fee	-	300,000	300,000
Salaries and other emoluments	979,929	-	979,929
Defined contribution plans	126,330	-	126,330
Benefits-in-kind	33,100	-	33,100
	1,139,359	300,000	1,439,359

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year/period, no Director has received or become entitled to receive any benefit (other than disclosed in the Notes to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

DIRECTORS' REPORT

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company issued 92,670,800 new ordinary shares at an issue price of RM0.25 per ordinary share for a total cash consideration of RM23,167,700 pursuant to its Initial Public Offering exercise on 13 January 2026.

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

There was no issuance of debentures during the financial year.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

There were no indemnity coverage and insurance premium paid for Directors and Officers of the Group and of the Company during the financial year.

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

OTHER STATUTORY INFORMATION

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

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts, and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company 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:

(a) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

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

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

(d) not otherwise dealt with in this report or the financial statements which 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:

(a) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION (CONT'D)

In the opinion of the Directors:

(a) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;

(b) the results of operations of the Group and of the Company during the financial year were not substantially affected by any item, transactions or event of a material and unusual nature; and

(c) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the current financial year in which this report is made.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE REPORTING PERIOD

(i) On 29 October 2025, Bursa Securities had approved the admission of the Company to the Official List and the listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad. The ordinary shares of the Company were listed on the ACE Market of Bursa Malaysia Securities Berhad on 13 January 2026.

(ii) On 29 July 2026, the Company entered into a Joint Venture and Shareholders' Agreement with Chan Kean Seng and Kosmare Sdn. Bhd. to establish a joint venture for the purpose of operating a family entertainment outlet, comprising arcade, card and prize machines, merchandise retail and related activities at Pavilion Bukit Jalil shopping mall, under a brand to be licensed from a brand owner.

Pursuant to the terms of the agreement, the Company has subscribed to 490,000 new ordinary shares in Kosmare Sdn. Bhd. at an issue price of RM1 per share, representing a 49% of the equity interest in Kosmare Sdn. Bhd., for a total subscription price of RM490,000. The family entertainment outlet is targeted to commence operations by 1 December 2026. Following completion of the subscription, the Company has agreed to provide further funding of up to RM1,960,000 to Kosmare Sdn. Bhd..

DIRECTORS' REPORT

AUDITORS

The Auditors, Grant Thornton Malaysia PLT, have expressed their willingness to continue in office.

The amount of audit and other fees paid or payable to the Auditors by the Group and the Company for the financial year ended 30 June 2026 are as follows:

	Group RM	Company RM
Auditors' remuneration:		
- Statutory audits	133,000	47,000
- Assurance services	249,000	249,000

The Group and the Company have agreed to indemnify the Auditors, Grant Thornton Malaysia PLT to the extent permissible under the requirements of the Companies Act 2016 in Malaysia. However, no payment has been made arising from this indemnity for the financial year.

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

.....)
TAI LEE CHUEN)
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) DIRECTORS
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.....)
ANG SEW FONG)

Kuala Lumpur
13 October 2026

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 86 to 136 are drawn up in accordance with Malaysian Financial Reporting 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 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.

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

.....	.....
TAI LEE CHUEN	ANG SEW FONG

Kuala Lumpur
13 October 2026

STATUTORY DECLARATION

I, Amilia Binti Sabtu, being the Officer primarily responsible for the financial management of Semico Capital Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 86 to 136 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
the Federal Territory this day of)
13 October 2026) .....
AMILIA BINTI SABTU
(MIA NO: 18550)

Before me:

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Semico Capital 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 policy information, as set out on pages 86 to 136.

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

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Inventories-valuation net

The risk

Referring to Note 7 to the financial statements. The Group holds a significant amount of inventories which are subject to a risk that the inventories become slow-moving or obsolete, such that they could not be sold or only be sold for selling prices that are less than the carrying value. There is inherent subjectivity and estimation required in determining the accuracy of inventories obsolescence provisions and in making an assessment of their adequacy due to risk such as inventories are not stated at the lower of cost and net realisable value.

Our responses

We tested the methodology for calculating the provisions, challenged the appropriateness and consistency of judgements and assumptions and considered the nature and suitability of historic data used in estimating the provisions. In doing so, we obtained understanding on the ageing profile of inventories, the process for identifying specific problem inventories and historic loss rates.

INDEPENDENT AUDITORS' REPORT

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

Key Audit Matters (Cont'd)

Impairment losses on trade receivables

The risk

Referring to Notes 8 and 28.2.1 to the financial statements. We focused on this area because the Group has material amounts of trade receivables that are past due but not impaired. The key associate risk is the recoverability of trade receivables due to management judgement is required in determining the completeness of the provision for trade receivables and in assessing their adequacy through considering the expected recoverability.

Our responses

We have reviewed the ageing of trade receivables in comparison to previous years, testing the integrity of ageing by calculating the due date for a sample of invoices and reviewing the level of bad debts written off in the current year against the prior years. Besides, we have assessed the reasonableness of assumptions and judgements made by the management regarding the expected credit losses through examination of subsequent collections.

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

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company do 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 Malaysian Financial Reporting 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.

INDEPENDENT AUDITORS' REPORT

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and 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 or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 determined those matters that were of most significant in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We described 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.

INDEPENDENT AUDITORS' REPORT

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

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

FOO LEE MENG
(NO: 03069/07/2027(J))
CHARTERED ACCOUNTANT

Kuala Lumpur
13 October 2026

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026

	Note	Group		Company	
		2026	2025	2026	2025
		RM	RM	RM	RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	15,712,381	8,599,712	-	-
Right-of-use assets	4	1,593,240	308,953	-	-
Deferred tax assets	5	191,000	46,000	-	-
Investment in subsidiaries	6	-	-	18,008,233	8,008,233
Total non-current assets		17,496,621	8,954,665	18,008,233	8,008,233
Current assets					
Inventories	7	3,730,939	2,708,606	-	-
Trade and other receivables	8	9,024,924	5,432,725	2,943,890	1,236,619
Tax recoverable		337,736	-	-	-
Short term investments	9	1,053,866	-	1,053,866	-
Fixed deposits with a licensed bank	10	50,000	-	-	-
Cash and bank balances		13,981,128	3,684,940	12,766,936	33,147
Total current assets		28,178,593	11,826,271	16,764,692	1,269,766
TOTAL ASSETS		45,675,214	20,780,936	34,772,925	9,277,999
EQUITY AND LIABILITIES					
EQUITY					
Share capital	11	32,572,948	10,029,440	32,572,948	10,029,440
Merger deficit	12	(6,808,233)	(6,808,233)	-	-
Retained earnings/(Accumulated losses)		13,432,634	13,153,386	518	(1,460,350)
Total equity		39,197,349	16,374,593	32,573,466	8,569,090
LIABILITIES					
Non-current liabilities					
Provision of restoration costs	13	137,239	-	-	-
Borrowings	14	1,956,743	1,131,844	-	-
Lease liabilities	15	918,362	65,324	-	-
Deferred tax liabilities	5	552,529	274,424	-	-
Total non-current liabilities		3,564,873	1,471,592	-	-

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026

	Note	Group		Company	
		2026	2025	2026	2025
		RM	RM	RM	RM
EQUITY AND LIABILITIES (CONT'D)					
LIABILITIES (CONT'D)					
Current liabilities					
Trade and other payables	16	952,420	1,580,718	2,199,459	708,909
Provision of restoration costs	13	19,493	19,086	-	-
Borrowings	14	1,197,326	421,207	-	-
Lease liabilities	15	538,435	290,967	-	-
Tax payable		205,318	622,773	-	-
Total current liabilities		2,912,992	2,934,751	2,199,459	708,909
Total liabilities		6,477,865	4,406,343	2,199,459	708,909
TOTAL EQUITY AND LIABILITIES		45,675,214	20,780,936	34,772,925	9,277,999

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	Group		Company	
		1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025	1.7.2025 to 30.6.2026	14.10.2024 to 30.6.2025
		RM	RM	RM	RM
Revenue	17	33,888,921	29,688,152	7,000,000	-
Cost of sales		(21,325,999)	(15,589,160)	-	-
Gross profit		12,562,922	14,098,992	7,000,000	-
Other income		404,715	223,110	108,631	-
Selling and distribution expenses		(432,362)	(271,294)	-	-
Administrative expenses		(7,508,860)	(4,735,509)	(3,147,899)	(1,460,350)
(Net impairment loss)/Reversal of impairment loss on financial assets		(11,557)	2,000	-	-
Impairment loss on non-financial assets		(51,548)	-	-	-
Operating profit/(loss)		4,963,310	9,317,299	3,960,732	(1,460,350)
Finance income	18	205,825	1,116	200,136	-
Finance costs	19	(242,840)	(165,749)	-	-
Profit/(Loss) before tax	20	4,926,295	9,152,666	4,160,868	(1,460,350)
Tax expense	21	(1,947,047)	(2,548,809)	-	-
Profit/(Loss) after tax/Total comprehensive income/(loss) for the financial year/period		2,979,248	6,603,857	4,160,868	(1,460,350)
Profit/(Loss) after tax/Total comprehensive income/(loss) for the financial year/ period attributed to:-					
Owners of the Company		2,979,248	6,033,153	4,160,868	(1,460,350)
Non-controlling interests		-	570,704	-	-
		2,979,248	6,603,857	4,160,868	(1,460,350)
Earnings per share (RM)	22	0.01	0.07		

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	Merger deficit RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total RM
Group							
At 1 July 2024		670,000	-	7,657,958	8,327,958	1,041,571	9,369,529
Transactions with owners:-							
Changes of ownership interests	11	30,000	-	1,582,275	1,612,275	(1,612,275)	-
Issuance of shares	11	2,021,208	-	-	2,021,208	-	2,021,208
Issuance of bonus shares	11	500,000	-	(500,000)	-	-	-
Issuance of shares pursuant to acquisition of subsidiaries	11	8,008,232	-	-	8,008,232	-	8,008,232
Acquisition of subsidiaries	11	(1,200,000)	(6,808,233)	-	(8,008,233)	-	(8,008,233)
Dividends	23	-	-	(1,620,000)	(1,620,000)	-	(1,620,000)
Total transactions with owners		9,359,440	(6,808,233)	(537,725)	2,013,482	(1,612,275)	401,207
Total comprehensive income for the financial year		-	-	6,033,153	6,033,153	570,704	6,603,857
At 30 June 2025		10,029,440	(6,808,233)	13,153,386	16,374,593	-	16,374,593
Transactions with owners:-							
Issuance of shares pursuant to Public issue	11	23,167,700	-	-	23,167,700	-	23,167,700
Share issuance expenses	11	(624,192)	-	-	(624,192)	-	(624,192)
Dividends	23	-	-	(2,700,000)	(2,700,000)	-	(2,700,000)
Total transactions with owners		22,543,508	-	(2,700,000)	19,843,508	-	19,843,508
Total comprehensive income for the financial year		-	-	2,979,248	2,979,248	-	2,979,248
At 30 June 2026		32,572,948	(6,808,233)	13,432,634	39,197,349	-	39,197,349

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	Share capital RM	(Accumulated losses)/ Retained earnings RM	Total RM
Company				
At date of incorporation		1	-	1
Transactions with owners:-				
Issuance of shares	11	2,021,207	-	2,021,207
Issuance of shares pursuant to acquisition of subsidiaries	11	8,008,232	-	8,008,232
Total transactions with owners		10,029,439	-	10,029,439
Total comprehensive loss for the financial period		-	(1,460,350)	(1,460,350)
At 30 June 2025		10,029,440	(1,460,350)	8,569,090
Transactions with owners:-				
Issuance of shares pursuant to Public issue	11	23,167,700	-	23,167,700
Share issuance expenses	11	(624,192)	-	(624,192)
Dividends	23	-	(2,700,000)	(2,700,000)
Total transactions with owners		22,543,508	(2,700,000)	19,843,508
Total comprehensive income for the financial year		-	4,160,868	4,160,868
At 30 June 2026		32,572,948	518	32,573,466

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 1.7.2025 to 30.6.2026 RM	Group 1.7.2024 to 30.6.2025 RM	Company 1.7.2025 to 30.6.2026 RM	Company 14.10.2024 to 30.6.2025 RM
OPERATING ACTIVITIES					
Profit/(Loss) before tax		4,926,295	9,152,666	4,160,868	(1,460,350)
Adjustments for:					
Bad debts written off		-	1,000	-	-
Deposits written off		47,245	-	-	-
Depreciation of property, plant and equipment		3,166,106	1,788,346	-	-
Depreciation of right-of-use assets		517,842	367,372	-	-
Loss/(Gain) on disposal of property, plant and equipment		117,175	(6,665)	-	-
Gain on early termination of lease contracts		-	(3,636)	-	-
Impairment loss on property, plant and equipment		51,548	-	-	-
Impairment loss on financial assets		13,579	-	-	-
Interest expenses		242,840	165,749	-	-
Interest income		(205,825)	(1,116)	(200,136)	-
Inventories written down		309,772	21,422	-	-
Reversal of impairment loss on financial assets		(2,022)	(2,000)	-	-
Reversal of provision of restoration costs		(19,600)	-	-	-
Property, plant and equipment written off		-	92,863	-	-
Operating profit/(loss) before working capital changes		9,164,955	11,576,001	3,960,732	(1,460,350)
Changes in working capital:-					
Inventories		(1,332,105)	(973,374)	-	-
Receivables		(3,651,001)	(1,604,974)	714,126	(735,237)
Payables		(615,315)	58,295	(493,206)	575,205
Cash generated from/(used in) operations		3,566,534	9,055,948	4,181,652	(1,620,382)
Income tax paid		(2,763,752)	(2,561,550)	-	-
Income tax refunded		194,619	-	-	-
Interest received		130,849	1,116	125,160	-
Interest paid		(45,290)	(65,777)	-	-
Net cash from/(used in) operating activities		1,082,960	6,429,737	4,306,812	(1,620,382)
INVESTING ACTIVITIES					
Acquisition of interest in subsidiary		-	-	(2,500,000)	-
Addition of right-of-use assets	**A**	-	-	-	-
Advances to subsidiaries		-	-	(9,921,397)	(501,382)
Interest received		74,976	-	74,976	-
Placement of fixed deposits in licensed bank		(50,000)	-	-	-
Purchase of property, plant and equipment	**B**	(10,510,378)	(5,027,562)	-	-
Proceeds from disposal of property, plant and equipment		62,880	77,566	-	-
Net cash used in investing activities		(10,422,522)	(4,949,996)	(12,346,421)	(501,382)

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	Group 1.7.2025 to 30.6.2026 RM	Group 1.7.2024 to 30.6.2025 RM	Company 1.7.2025 to 30.6.2026 RM	Company 14.10.2024 to 30.6.2025 RM
FINANCING ACTIVITIES					
Advances from subsidiaries		-	-	1,996,739	120,720
Dividends paid		(2,700,000)	(1,620,000)	(2,700,000)	-
Drawdown of term loans		2,492,280	1,200,000	-	-
Interest paid		(196,302)	(98,791)	-	-
Proceeds from issuance of shares		23,167,700	2,021,208	23,167,700	2,021,208
Repayments to Directors		-	(261,950)	-	-
(Repayments to)/Advances from holding company		(12,983)	12,983	(12,983)	12,983
Repayments of hire purchase		(41,450)	(6,720)	-	-
Repayments of lease liabilities		(545,625)	(411,425)	-	-
Repayments of term loans		(1,098,145)	(101,855)	-	-
Share issuance expenses		(624,192)	-	(624,192)	-
Net cash from financing activities		20,441,283	733,450	21,827,264	2,154,911
CASH AND CASH EQUIVALENTS					
Net changes		11,101,721	2,213,191	13,787,655	33,147
Brought forward		3,448,314	1,235,123	33,147	-
Carried forward	**C**	14,550,035	3,448,314	13,820,802	33,147

NOTES TO THE STATEMENTS OF CASH FLOWS

A. ADDITION OF RIGHT-OF-USE ASSETS

	Group 1.7.2025 to 30.6.2026 RM	Group 1.7.2024 to 30.6.2025 RM	Company 1.7.2025 to 30.6.2026 RM	Company 14.10.2024 to 30.6.2025 RM
Total addition of right-of-use assets	1,802,129	276,888	-	-
Less: Addition by means of lease liabilities	(1,802,129)	(276,888)	-	-
Total cash paid	-	-	-	-

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

B. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Group		Company	
	1.7.2025 to 30.6.2026 RM	1.7.2024 to 30.6.2025 RM	1.7.2025 to 30.6.2026 RM	14.10.2024 to 30.6.2025 RM
Total purchase of property, plant and equipment	10,510,378	5,252,562	-	-
Less: Payment through hire purchase	-	(225,000)	-	-
Total cash paid	10,510,378	5,027,562	-	-

C. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows comprise the following amounts:-

	Group		Company	
	1.7.2025 to 30.6.2026 RM	1.7.2024 to 30.6.2025 RM	1.7.2025 to 30.6.2026 RM	14.10.2024 to 30.6.2025 RM
Short term investments	1,053,866	-	1,053,866	-
Cash and bank balances	13,981,128	3,684,940	12,766,936	33,147
Less: Bank overdraft	(484,959)	(236,626)	-	-
Total cash and cash equivalents	14,550,035	3,448,314	13,820,802	33,147

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group	1.7.2025 RM	Additions RM	Net cash flows RM	30.6.2026 RM
Term loans	1,098,145	2,492,280	(1,098,145)	2,492,280
Lease liabilities	356,291	1,646,131	(545,625)	1,456,797
Hire purchase	218,280	-	(41,450)	176,830
Amount due to holding company	12,983	-	(12,983)	-
	1,685,699	4,138,411	(1,698,203)	4,125,907

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONT'D)

Group	1.7.2024 RM	Additions RM	Early termination of lease contracts RM	Net cash flows RM	30.6.2025 RM
Term loans	-	1,200,000	-	(101,855)	1,098,145
Lease liabilities	548,721	276,888	(57,893)	(411,425)	356,291
Hire purchase	-	225,000	-	(6,720)	218,280
Amount due to holding company	-	-	-	12,983	12,983
Amount due to Directors	261,950	-	-	(261,950)	-
	810,671	1,701,888	(57,893)	(768,967)	1,685,699

Company	1.7.2025 RM	Net cash flows RM	30.6.2026 RM
Amount due to holding company	12,983	(12,983)	-
Amount due to subsidiaries	120,720	1,996,739	2,117,459
	133,703	1,983,756	2,117,459

Company	14.10.2024 RM	Net cash flows RM	30.6.2025 RM
Amount due to holding company	-	12,983	12,983
Amount due to subsidiaries	-	120,720	120,720
	-	133,703	133,703

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

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur. The principal place of business of the Company is located at G-31, Eco Sky, No. 972, Batu 6 1/2, Jalan Ipoh, 68100 Kuala Lumpur.

The Company is principally engaged in investment holding activities whilst the principal activities of the subsidiaries are supply of arcade and amusement machines and its related services, operation and management of family recreational activities, wholesale and distribution of toys and collectables, operation of family recreational and sports activities. The other details of the subsidiaries are disclosed in Note 6 to the financial statements.

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

The Company is a subsidiary of MARC Experience Ventures Sdn. Bhd., which is a private limited liability company, incorporated and domiciled in Malaysia. The Directors regard MARC Experience Ventures Sdn. Bhd. as the ultimate holding company and holding company.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 13 October 2026.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Statement of compliance

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

2.2 Basis of measurement

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise indicated in the material accounting policy information. The Group and the Company have prepared the financial statements on the basis that they will continue to operate as a going concern.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is 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 and its measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account 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.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.2 Basis of measurement (Cont'd)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:

(a) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
(b) Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
(c) Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.3 Functional, presentation and foreign currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency and all values are rounded to the nearest RM except when otherwise stated.

Transactions and balances
Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss.

2.4 Basis of consolidation

The Group's financial statements consolidate those of the parent company and all of its subsidiaries at 30 June 2026. All subsidiaries have a reporting date of 30 June.

2.5 MFRSs

2.5.1 Adoption of amendments to MFRSs

At the beginning of the current financial year, the Group and the Company adopted amendments to MFRSs which are mandatory for the financial periods beginning on or after 1 July 2025.

Initial application of the amendments to the standards did not have material impact to the financial statements of the Group and of the Company.

2.5.2 Standards issued but not yet effective

The new and amended standards and annual improvements to standards that are issued, but not yet effective, up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these new and amended standards and annual improvements to standards, if applicable, when they become effective.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.5 MFRSs (Cont'd)

2.5.2 Standards issued but not yet effective (Cont'd)

Effective for the financial period beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments
Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity

Annual Improvements to MFRS Accounting Standards - Volume 11:

- Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards
- Amendments to MFRS 7 Financial Instruments: Disclosures
- Amendments to MFRS 9 Financial Instruments
- Amendments to MFRS 10 Consolidated Financial Statements
- Amendments to MFRS 107 Statement of Cash Flows

Effective for the financial period beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency
Amendments to MFRS 128	Investments in Associates and Joint Ventures - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*

* Effective when the Group and the Company apply MFRS 18 Presentation and Disclosure in Financial Statements.

Effective for the financial period beginning on or after 1 January 2029

MFRS 20	Regulatory Assets and Regulatory Liabilities

Deferred to a date to be determined by the Malaysian Accounting Standards Board

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

Management anticipates that all relevant pronouncements will be adopted in the Group's and the Company's accounting policies for the first period beginning after the effective date of the pronouncement.

The initial application of the relevant new standards, amendments to standards and annual improvements to standards are not expected to have any material financial impact to the financial statements, except for:

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 Presentation and Disclosure in Financial Statements introduces three sets of new requirements to improve companies' reporting of financial performance:

- Improved comparability in the statement of profit or loss (income statement)
- Enhanced transparency of management-defined performance measures
- More useful grouping of information in the financial statements

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. It carries forward many requirements from MFRS 101 unchanged. MFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, but companies can apply it earlier.

The Group is currently working to identify all impacts the amendments will have on the financial statements and notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.6 The use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised from the period in which the estimate is revised.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses are outlined below:

Useful lives of depreciable assets

Management estimates the useful lives of depreciable assets to be within 2 to 10 years and reviews the useful lives of depreciable assets at the end of each of the reporting period. Management assesses that the useful lives represent the expected usage of the assets of the Group. Actual results, however, may vary due to change in the expected level of usage and technology developments, which resulting in adjustment to the assets of the Group.

Management does not expect any material difference that would arise on the estimation of useful lives of depreciable assets and the current evaluation of the useful lives of depreciable assets represents a fair estimation of the useful lives of the Group's depreciable assets.

Impairment of non-financial assets

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows.

In the process of measuring expected future cash flows, management makes assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's and the Company's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Inventories

The Group write down its obsolete or slow-moving inventories based on assessment of their estimated net selling price, condition and movements of the inventories and applies certain percentage of write down. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. The management specifically analyses sales trend and current economic trends when making a judgement to evaluate the adequacy of the write down for obsolete or slow-moving inventories. Where expectation differs from the original estimates, the differences will impact the carrying amount of inventories.

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

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for grouping of various customer segments that have similar loss patterns such as the repayment patterns and type of customers.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.6 The use of estimates and judgements (Cont'd)

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses are outlined below (Cont'd):

Provision for expected credit losses ("ECLs") of trade receivables (Cont'd)

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which may lead to an increased number of defaults in the consumer products and services sector. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Deferred tax assets

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

Income taxes/Deferred tax liabilities

Significant judgement is involved in determining the Group's and the Company's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognised tax liabilities based on estimates of whether additional tax will be due. Where the final tax outcome of these matters are different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, they use its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs when available and is required to make certain entity-specific estimates.

Determining the lease term of contracts with renewal and termination options - As a lessee

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

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

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.6 The use of estimates and judgements (Cont'd)

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses are outlined below (Cont'd):

Determining the lease term of contracts with renewal and termination options - As a lessee (Cont'd)

The Group included the renewal period as part of the lease term for leases of premises with shorter non-cancellable period (i.e., one to three years). The Group typically exercises its option to renew for these leases because there will be a significant negative effect on business operation if a replacement asset is not readily available. In addition, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Provision of restoration costs

The Group has an obligation to dismantle, remove and restore the leased premises to its original state and condition upon the expiry or termination of the lease agreement. The liabilities for dismantling, removal and restoration costs are recognised at present value of the compounded future expenditure estimated using existing technology, at current prices and discounted using a real discount rate. Any change in the present value of the estimated expenditure is reflected as an adjustment to the provision. While the provision is based on the best estimate of future costs and the economic lives of the affected assets, there is uncertainty regarding both the amount and timing of incurring these costs. All the estimates are reviewed on an annual basis or more frequently, where there is indication of a material change.

Climate-related matters

The long-term consequences of climate changes on financial statements are difficult to predict and require entities to make significant assumptions and develop estimates. Assumptions used by the Group are subject to uncertainties relating to regulatory changes (eg. green taxes adopted by governments), new environmental commitments made by the Group to meet its carbon reduction goals, development of new technologies, depletion of natural resources used to produce telecommunication hardware, etc. Due to these uncertainties, the figures reported in the Group's future financial statements could differ from the estimates established at the time when these financial statements were approved.

3. PROPERTY, PLANT AND EQUIPMENT

Group	Equipment, furniture and fittings RM	Arcade, amusement machines, other machinery and equipment RM	Renovation RM	Motor vehicle RM	Total RM
Cost					
At 1 July 2024	793,547	5,840,191	999,258	-	7,632,996
Additions	128,332	4,839,430	25,800	259,000	5,252,562
Disposals	-	(86,741)	-	-	(86,741)
Written off	(41,140)	(6,604)	(68,324)	-	(116,068)
At 30 June 2025	880,739	10,586,276	956,734	259,000	12,682,749
Additions	39,597	10,470,781	-	-	10,510,378
Disposals	-	(282,141)	-	-	(282,141)
At 30 June 2026	920,336	20,774,916	956,734	259,000	22,910,986

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group (Cont'd)	Equipment, furniture and fittings RM	Arcade, amusement machines, other machinery and equipment RM	Renovation RM	Motor vehicle RM	Total RM
Accumulated depreciation					
At 1 July 2024	273,210	1,651,571	408,955	-	2,333,736
Charge for the financial year	128,170	1,551,936	99,607	8,633	1,788,346
Disposals	-	(15,840)	-	-	(15,840)
Written off	(7,055)	(5,063)	(11,087)	-	(23,205)
At 30 June 2025	394,325	3,182,604	497,475	8,633	4,083,037
Charge for the financial year	135,815	2,882,818	95,673	51,800	3,166,106
Disposals	-	(102,086)	-	-	(102,086)
At 30 June 2026	530,140	5,963,336	593,148	60,433	7,147,057
Accumulated impairment					
At 1 July 2024/30 June 2025	-	-	-	-	-
Additions	-	-	51,548	-	51,548
At 30 June 2026	-	-	51,548	-	51,548
Net carrying amount					
At 30 June 2026	390,196	14,811,580	312,038	198,567	15,712,381
At 30 June 2025	486,414	7,403,672	459,259	250,367	8,599,712

During the financial year, the Group committed to relocate its operations from its existing leased premises to new leased premises. As a result of the planned relocation, the Group assessed the carrying value of the renovation costs relating to the existing leased premises for impairment. The Group determined that the renovation at the existing leased premises are not expected to generate significant future economic benefits following the relocation. Accordingly, the Group recognised an impairment loss of RM51,548 in profit or loss during the financial year.

Security

Certain arcade, amusement machines and equipment of the Group with carrying amount totalling RM2,964,238 (2025: RMNil) are charged under a specific debenture as security for banking facility granted to a subsidiary.

The Group's motor vehicle with carrying amount totalling RM198,567 (2025: RM250,367) is held under hire purchase arrangement and pledged as security for a hire purchase facility.

Material accounting policy information

All property, plant and equipment are stated at cost less accumulated depreciation and less any impairment losses. 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 benefit associated with the item will flow to the Group and the cost of the item can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Material accounting policy information (Cont'd)

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use.

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

Equipment, furniture and fittings	10% - 20%
Arcade, amusement machines, other machinery and equipment	10% - 20%
Renovation	10%
Motor vehicle	20%

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

4. RIGHT-OF-USE ASSETS

Group	Leased premises **RM**
Cost	
At 1 July 2024	957,169
Additions	276,888
Expiration of lease contracts	(150,543)
Early termination of lease contracts	(162,775)
At 30 June 2025	920,739
Additions	1,802,129
Expiration of lease contracts	(753,039)
At 30 June 2026	1,969,829
Accumulated depreciation	
At 1 July 2024	503,475
Charge for the financial year	367,372
Expiration of lease contracts	(150,543)
Early termination of lease contracts	(108,518)
At 30 June 2025	611,786
Charge for the financial year	517,842
Expiration of lease contracts	(753,039)
At 30 June 2026	376,589
Net carrying amount	
At 30 June 2026	1,593,240
At 30 June 2025	308,953

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

4. RIGHT-OF-USE ASSETS (CONT'D)

Material accounting policy information

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The costs of right-of-use assets include the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the assets, as follows:

Leased premises	33% - 100%

As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Extension options

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

5. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2026	2025
	RM	RM
At beginning of financial year	(228,424)	30,634
Recognised in profit or loss	(133,105)	(259,058)
At end of financial year	(361,529)	(228,424)
Presented as follows:		
Deferred tax assets	191,000	46,000
Deferred tax liabilities	(552,529)	(274,424)
At end of financial year	(361,529)	(228,424)

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

5. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The components and movement of deferred tax assets are as follows:

Group	Temporary difference between depreciation and capital allowances RM	Other timing differences RM	Unutilised tax losses RM	Unabsorbed capital allowances RM	Total RM
At 1 July 2024	(18,000)	51,000	101,000	-	134,000
Recognised in profit or loss	(2,000)	(35,000)	(51,000)	-	(88,000)
At 30 June 2025	(20,000)	16,000	50,000	-	46,000
Recognised in profit or loss	(23,000)	134,000	22,000	12,000	145,000
At 30 June 2026	(43,000)	150,000	72,000	12,000	191,000

The components and movement of deferred tax liabilities are as follows:

Group	Temporary difference between depreciation and capital allowances RM	Other timing differences RM	Unutilised tax losses RM	Unabsorbed capital allowances RM	Total RM
At 1 July 2024	(137,283)	33,917	-	-	(103,366)
Recognised in profit or loss	(147,307)	(23,751)	-	-	(171,058)
At 30 June 2025	(284,590)	10,166	-	-	(274,424)
Recognised in profit or loss	(278,587)	482	-	-	(278,105)
At 30 June 2026	(563,177)	10,648	-	-	(552,529)

6. INVESTMENT IN SUBSIDIARIES

	Company	
	2026 RM	2025 RM
Unquoted shares in Malaysia, at cost		
At 1 July/date of incorporation	8,008,233	-
Additions	10,000,000	8,008,233
At 30 June	18,008,233	8,008,233

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

6. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:

Name of Company	Principal place of business and country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2026 %	2025 %
Semico Technology	Malaysia	Supply of arcade and amusement machines and its related services	100	100
Minexport	Malaysia	Operation and management of family recreational activities	100	100
De Pop	Malaysia	Wholesale and distribution of toys and collectables, operation of family recreational and sports activities	100	100

Material accounting policy information

Investment in subsidiaries is measured in the Company's statement of financial position at cost less any impairment losses.

The consolidated financial statements have been prepared using the merger method to account for the acquisition of Semico Technology, Minexport and De Pop.

A business combination involving entities under common control is a business combination in which the Group or business are ultimately controlled by same party or parties both before or after the business combination, and that control is not transitory. The acquisition of Semico Technology, Minexport and De Pop resulted in a business involving common control entities since the management of all the entities which took part in the acquisition were controlled by common Directors and under common shareholders before and immediately after the acquisition, and accordingly the accounting treatment is outside the scope of MFRS 3. For such common control business combinations, the merger accounting principles are used to include the assets, liabilities, results, equity changes and cash flows of the Group in the financial statements. The merger method of accounting on a retrospective basis and restated its comparative as if the consolidation had taken place before the state of the earliest period presented in the financial statements.

Under the merger method of accounting, the results of subsidiaries are presented as if the merger had been in effect throughout the current year. The consolidated assets and liabilities are accounted for based on the carrying amounts from the perspective of the common control shareholders at the date of transfer. On consolidation, the cost of the merger is cancelled with the values of the shares received. Any resulting credit difference is classified as equity and regarded as a non-distributable reserve. Any resulting debit difference is adjusted against any suitable reserve. Any reserves which are attributable to share capital of the merged entities, to the extent that they have not been capitalised by a debit difference, are reclassified and presented as movement in other capital reserves.

Impairment of subsidiaries

The Company assesses whether there is any indicator of impairment at the reporting date. If any such indication exists, the management of the Company assesses the recoverable amount of the investment in subsidiaries and an impairment loss is recognised when the recoverable amount of the investment in subsidiaries is less than their carrying amount.

Estimating a value in use requires significant judgements and estimates about the future results and key assumptions applied to the cash flow projections of the subsidiaries in determining the recoverable amounts. These key assumptions include different forecast growth in future revenue and operating cash flows, as well as determining an appropriate pre-tax discount rate used for each subsidiary.

Fair value less cost to sell method are within Level 3 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

6. INVESTMENT IN SUBSIDIARIES (CONT'D)

Material accounting policy information (Cont'd)

Impairment of subsidiaries (Cont'd)

Details of the Level 3 fair value method used in obtaining the recoverable amounts are as follows:-

Valuation method and key inputs	Significant unobservable inputs	Relationship unobservable inputs and fair value
Adjusted net asset method which derives the fair value of an investee's equity by reference to the fair value of its assets and liabilities	Fair value of individual assets and liabilities	The higher the net assets, the higher the fair value

Year 2025
Acquisition of subsidiaries

The Company acquired the entire equity interest in Semico Technology, Minexport, and De Pop, for a total purchase consideration of RM8,008,233. The consideration was fully satisfied through the issuance of 254,229,600 new Shares at an issue price of RM0.0315 per Share for Semico Technology and De Pop and cash consideration of RM1 for Minexport. The acquisition was completed on 14 March 2025. After the acquisition, Semico Technology, Minexport, and De Pop become a wholly-owned subsidiaries of the Company.

The consolidated financial statements have been prepared using the merger method to account for the acquisition of Semico Technology, Minexport, and De Pop. Merger reserve or deficit are determined as the difference between the cost of merger and nominal value of the share capital of the subsidiaries acquired and recognised in statements of financial position.

In the financial period when the merger took place, the subsidiary's profits are included in the Group's profits for the full financial period, regardless of the effective date of merger.

Additional investment in existing subsidiary

During the financial period, Semico Technology issued 500,000 new ordinary shares through the capitalisation of retained earnings at an issue price of RM1 per ordinary share, to be credited as fully paid up ("Bonus Shares"). The issuance was made to its shareholder on the basis of five Bonus Share for every one existing ordinary share held as at 28 March 2025.

Year 2026
Additional investment in existing subsidiary

During the financial year, Semico Technology issued 10,000,000 new ordinary shares at an issue price of RM1 per ordinary share to the Company by offsetting RM7,500,000 against the amount due from Semico Technology to the Company and cash consideration of RM2,500,000.

7. INVENTORIES

	Group	
	2026	2025
	RM	RM
At cost:-		
Consumables	228,522	218,885
Trading goods	3,502,417	2,489,721
	3,730,939	2,708,606

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

7. INVENTORIES (CONT'D)

	Group	
	2026	2025
	RM	RM
Recognised in profit or loss:		
Inventories recognised as cost of sales	14,653,586	11,157,191
Inventories written down	309,772	21,422

The write-down is included in cost of sales. The Group writes down its obsolete or slow-moving inventories based on an analysis of the ageing profile and expected sales patterns of individual items held in inventory. This requires an analysis of inventory usage based on expected future sales transactions taking into account current market prices, useful lives of inventories and expected cost to sell. Changes in the inventory ageing and expected usage profiles can have an impact on the allowance recorded.

Material accounting policy information

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is calculated using the first-in first-out method.

8. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Trade receivables:				
- External parties	5,445,698	3,200,560	-	-
- Accrued income	559,027	502,834	-	-
	6,004,725	3,703,394	-	-
Less: Accumulated impairment losses	(29,579)	(18,022)	-	-
Total trade receivables	5,975,146	3,685,372	-	-
Other receivables:				
- External parties	49,360	42,803	21,111	-
- Holding company	-	3,800	-	-
- Subsidiary	-	-	2,922,779	501,382
- Deposits	838,466	477,546	-	-
	887,826	524,149	2,943,890	501,382
Prepayments	2,161,952	1,223,204	-	735,237
Total other receivables	3,049,778	1,747,353	2,943,890	1,236,619
Total trade and other receivables	9,024,924	5,432,725	2,943,890	1,236,619

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

8. TRADE AND OTHER RECEIVABLES (CONT'D)

The movement of accumulated impairment losses of trade receivables is as follows:

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Individually impaired				
At beginning of financial year/period	18,022	20,022	-	-
Addition	13,579	-	-	-
Reversal	(2,022)	(2,000)	-	-
At end of financial year/period	29,579	18,022	-	-

The impairment loss on trade receivables was reversed during the financial year as a result of receipts of the amount.

Trade receivables are non-interest bearing and are recognised at their original invoice amounts which represent their fair values on initial recognition.

The payment terms granted to the customers range from cash term to credit term of 60 days (2025: cash term to credit term of 60 days). Other credit terms are assessed and approved by the management on case-by-case basis.

The Group does not hold any collateral as security for the trade receivables as at the end of the reporting year.

During the financial year, the Group did not renegotiate the terms of any trade receivables.

Subsidiary refer to a member of Semico Capital Berhad's group of companies.

The non-trade amounts due from holding company and a subsidiary are unsecured, non-interest bearing and receivable on demand.

Accrued income represents unbilled revenue arising from wholesale and distribution of toys and collectables, whereby goods have been delivered.

Included in prepayments are deposits paid and an advance payment made to suppliers of RM1,162,352 and RM222,059 respectively (2025: RM347,440 and RMNil) which are related to capital expenditure incurred for the purchase of new arcade and amusement machines and procurement of goods.

Material accounting policy information

Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

Lifetime expected credit losses refers to the expected credit losses that result from all possible default events over the expected life of the asset. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

The expected credit losses of the trade receivables are estimated using a provision matrix based on the historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period, including time value of money where appropriate.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

9. SHORT-TERM INVESTMENTS

The short-term investments are managed and invested into money market instruments by fund management companies. The short-term investments are readily convertible to cash.

10. FIXED DEPOSITS WITH A LICENSED BANK

The Group's fixed deposits with a licensed bank amounted to RM50,000 (2025: RMNil) are pledged to a licensed bank to secure the banking facility granted to the Group.

Fixed deposits with a licensed bank bear effective interest at a rate of 2.05% (2025: Nil) per annum and have maturity period of 12 months (2025: Nil).

11. SHARE CAPITAL

	Group			
	2026 No. of ordinary shares Unit	2026 Amount RM	2025 No. of ordinary shares Unit	2025 Amount RM
Issued and fully paid up with no par value:				
Ordinary shares				
At 1 July	267,329,200	10,029,440	670,000*	670,000*
Add:				
- Issued during the financial year	-	-	13,099,600	2,021,208
- Issuance of shares pursuant to Public Issue	92,670,800	23,167,700	-	-
- Bonus shares issued during the financial year	-	-	500,000*	500,000*
- Issuance of shares pursuant to acquisition of subsidiaries	-	-	254,229,600	8,008,232
- Changes in ownership interest	-	-	30,000	30,000
Less:				
- Acquisition of subsidiaries	-	-	(1,200,000)*	(1,200,000)*
- Share issuance expenses	-	(624,192)	-	-
At 30 June	360,000,000	32,572,948	267,329,200	10,029,440

	Company			
	2026 No. of ordinary shares Unit	2026 Amount RM	2025 No. of ordinary shares Unit	2025 Amount RM
Issued and fully paid up with no par value:				
At 1 July/date of incorporation	267,329,200	10,029,440	1	1
Add:				
- Issued during the financial period	-	-	13,099,599	2,021,207
- Issuance of shares pursuant to Public Issue	92,670,800	23,167,700	-	-
- Issuance of shares pursuant to acquisition of subsidiaries	-	-	254,229,600	8,008,232
Less:				
- Share issuance expenses	-	(624,192)	-	-
At 30 June	360,000,000	32,572,948	267,329,200	10,029,440

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

11. SHARE CAPITAL (CONT'D)

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote share without restrictions and rank equally with regard to the Company's residual assets.

* The invested equity constitutes the share capital of Semico Technology, Minexport and De Pop.

12. MERGER DEFICIT

The merger deficit arises as and when the combination take place. It comprises the difference between the cost of merger and the nominal value of shares acquired in Semico Technology, Minexport and De Pop as disclosed in Note 6 to the financial statements.

13. PROVISION OF RESTORATION COSTS

	Group	
	2026	2025
	RM	RM
Non-current	137,239	-
Current	19,493	19,086
	156,732	19,086

Provision of restoration costs comprise estimated costs of dismantling, removal or restoration of leased outlet upon the expiry of tenancy agreement. The reconciliation of the provision of restoration costs is as follows:

	Group	
	2026	2025
	RM	RM
At beginning of financial year	19,086	17,905
Recognised in profit or loss	1,248	1,181
Recognised in right-of-use assets	155,998	-
Reversal	(19,600)	-
At end of financial year	156,732	19,086

14. BORROWINGS

	Group	
	2026	2025
	RM	RM
Non-current		
Unsecured:		
Term loans	-	955,014

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

14. BORROWINGS (CONT'D)

	Group	
	2026	2025
	RM	RM
Non-current (Cont'd)		
Secured:		
Term loans	1,823,302	-
Hire purchase	133,441	176,830
	1,956,743	176,830
	1,956,743	1,131,844
Current		
Unsecured:		
Term loans	-	143,131
Bank overdraft	484,959	236,626
	484,959	379,757
Secured:		
Term loans	668,978	-
Hire purchase	43,389	41,450
	712,367	41,450
	1,197,326	421,207
Total borrowings	3,154,069	1,553,051
Term loans	2,492,280	1,098,145
Hire purchase	176,830	218,280
Bank overdraft	484,959	236,626
	3,154,069	1,553,051

Borrowings are secured by:

Term loan – unsecured

The term loan is unsecured and support by the way of:
(a) Joint and severally guaranteed by the Directors; and
(b) A guarantee from Syarikat Jaminan Pembiayaan Perniagaan Berhad (SJPP) to secure the sum of RM400,000 together with interest thereon.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

14. BORROWINGS (CONT'D)

Borrowings are secured by (Cont'd):

Term loan – secured

The term loan is secured and support by the way of:
(a) Corporate guaranteed by its immediate holding company;
(b) Joint and severally guaranteed by the Directors;
(c) A guarantee from Syarikat Jaminan Pembiayaan Perniagaan Berhad (SJPP) to secure the sum of RM3,600,000 together with interest thereon;
(d) Specific debenture incorporating specific charge over specific debenture over the arcade machines to be financed; and
(e) Memorandum of charge over fixed deposits and/or bank accounts for fixed schedule placement of sinking fund in the form of fixed deposits up to RM500,000.

Bank overdraft – unsecured

The bank overdraft is unsecured and supported by the way of:
(a) Corporate guaranteed by its immediate holding company;
(b) Joint and severally guaranteed by the Directors; and
(c) Against 80% guarantee coverage Syarikat Jaminan Pembiayaan Perniagaan Berhad (SJPP) for the Banking Facilities under Government Guarantee Scheme MADANI (GGSM) for RM720,000.

Hire purchase – secured

The hire purchase is secured and supported by the way of:
(a) First fixed charge on motor vehicle.

In conjunction with the Listing, a subsidiary has obtained the conditional consents from the respective Financiers to discharge the above personal guarantees by substituting the same with a corporate guarantee from the Company upon successful Listing. Until such release and/or discharge are obtained from the respective Financiers, the Directors will continue to provide the personal guarantees for the banking and hire purchase facilities.

On 1 July 2026, the personal guarantee for the overdraft facility was discharged and duly substituted by a corporate guarantee by the Company. In addition, on 17 September 2026, the subsidiary received a supplementary letter from the Financier confirming the release and discharge of the personal guarantee relating to the term loan facility and its replacement with a corporate guarantee provided by the Company.

The effective interest rates per annum are as follows:

	Group	
	2026	2025
	%	%
Bank overdraft	8.20	8.45
Term loans	6.60	6.39 - 10.40
Hire purchase	4.17	4.17

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

15. LEASE LIABILITIES

	Group	
	2026	2025
	RM	RM
Non-current	918,362	65,324
Current	538,435	290,967
	1,456,797	356,291

Set out below are the movements of lease liabilities during the financial year:

At beginning of financial year	356,291	548,721
Additions	1,646,131	276,888
Lease payments		
- principal	(545,625)	(411,425)
- lease interests	(18,216)	(29,393)
Lease interests	18,216	29,393
Early termination of lease contracts	-	(57,893)
At end of financial year	1,456,797	356,291

The maturity analysis of lease liabilities is disclosed in Note 28 to the financial statements.

The effective interest rates of lease liabilities of the Group are charged at rates from 6.60% to 6.89% (2025: 6.40% to 6.89%) per annum.

The following are the amounts recognised in profit or loss:

	Group		Company	
	1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025	1.7.2025 to 30.6.2026	14.10.2024 to 30.6.2025
	RM	RM	RM	RM
Depreciation of right-of-use assets	517,842	367,372	-	-
Interest expense on lease liabilities	18,216	29,393	-	-
Provision for restoration costs	1,248	1,181	-	-
Expenses relating to low-value assets	126,968	9,932	-	-
Expenses relating to short-term leases	41,005	73,005	-	12,133
Total	705,279	480,883	-	12,133

The Group and the Company had total cash outflow for the leases of RM731,814 and RMNil (2025: RM523,755 and RM12,133) respectively.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

16. TRADE AND OTHER PAYABLES

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Trade payables:				
- External parties	255,155	1,540	-	-
Total trade payables	255,155	1,540	-	-
Other payables:				
- External parties	36,178	724,253	-	497,706
- Holding company	-	12,983	-	12,983
- Subsidiaries	-	-	2,117,459	120,720
- Deposits received from customers	-	106,000	-	-
- Accruals	569,865	574,264	82,000	77,500
- Advance received from customer	40,370	161,678	-	-
- Sales and service tax payable	50,852	-	-	-
Total other payables	697,265	1,579,178	2,199,459	708,909
Total trade and other payables	952,420	1,580,718	2,199,459	708,909

The payment terms granted by the suppliers range from cash term to credit term of 60 days (2025: cash term to credit term of 60 days).

The non-trade amounts due to holding company and subsidiaries are unsecured, non-interest bearing and repayable on demand.

17. REVENUE

	Group		Company	
	1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025	1.7.2025 to 30.6.2026	14.10.2024 to 30.6.2025
	RM	RM	RM	RM
Revenue from contracts with customers:				
Revenue recognised at over time:				
- Revenue sharing from arcade and amusement machines	9,464,200	8,177,421	-	-
Revenue recognised at a point in time:				
- Sales of arcade and amusement machines, toys and collectables	21,150,300	17,990,250	-	-
- Rendering of services (Arcade machine for entertainment)	731,861	977,921	-	-
	21,882,161	18,968,171	-	-

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

17. REVENUE (CONT'D)

	Group		Company	
	1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025	1.7.2025 to 30.6.2026	14.10.2024 to 30.6.2025
	RM	RM	RM	RM
Other income:				
- Rental of machine	2,542,560	2,542,560	-	-
- Dividend income	-	-	7,000,000	-
	33,888,921	29,688,152	7,000,000	-
Primary geographical market:				
- Malaysia	33,888,921	29,688,152	-	-

Performance obligations

Revenue is recognised when or as a performance obligation in the contract with customer is satisfied, i.e. when the "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation is a promise to transfer a distinct goods or services (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Group's customary business practices.

Information about the Group's performance obligation are summarised below:

Revenue sharing from arcade and amusement machine is recognised on the accrual basis.

Revenue from sales of goods (arcade and amusement machines, toys and collectables) and rendering of services (arcade and amusement machine for entertainment) is recognised at a point in time when the goods have been transferred or the services have been rendered to the customers and coincides with the delivery of products or services and acceptance by customer.

Rental of machine is recognised on the accrual basis.

Revenue represents the net invoiced value of services rendered or products delivered less returns and discounts allowed.

There were no obligations for rebates, returns, warranty and other similar or related obligations.

There is no significant financing component in the revenue arising from revenue sharing, rental of machines, sales of machines and sales of parts as the sales are made on the normal credit terms not exceeding twelve months.

Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established.

The Group applies practical expedient exemption on disclosure of information on remaining performance obligation that have original expected durations of one year or less.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

18. FINANCE INCOME

	Group		Company	
	1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025	1.7.2025 to 30.6.2026	14.10.2024 to 30.6.2025
	RM	RM	RM	RM
Interest income:				
- Bank balances	130,849	1,116	125,160	-
- Distribution income from short term investments	74,976	-	74,976	-
	205,825	1,116	200,136	-

19. FINANCE COSTS

	Group	
	1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025
	RM	RM
Interest expenses:		
- Bank overdraft	45,290	65,777
- Term loans	169,604	67,796
- Lease liabilities	18,216	29,393
- Provision of restoration costs	1,248	1,181
- Hire purchase	8,482	1,602
	242,840	165,749

20. PROFIT/(LOSS) BEFORE TAX

Profit/(Loss) before tax has been determined after charging/(crediting), amongst other items, the following:

	Group		Company	
	1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025	1.7.2025 to 30.6.2026	14.10.2024 to 30.6.2025
	RM	RM	RM	RM
Charging				
Auditors' remuneration related to:				
- Statutory audits	133,000	100,000	47,000	35,000
- Assurance services	249,000	247,200	249,000	247,200
Bad debts written off	-	1,000	-	-
Deposits written off	47,245	-	-	-
Depreciation of property, plant and equipment	3,166,106	1,788,346	-	-
Depreciation of right-of-use assets	517,842	367,372	-	-
Directors' fees	300,000	37,500	300,000	37,500
Expenses relating to low-value assets	126,968	9,932	-	-
Expenses relating to short-term leases	41,005	73,005	-	12,133

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

20. PROFIT/(LOSS) BEFORE TAX (CONT'D)

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

	Group		Company	
	1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025	1.7.2025 to 30.6.2026	14.10.2024 to 30.6.2025
	RM	RM	RM	RM
Charging (Cont'd)				
Impairment loss on financial assets	13,579	-	-	-
Impairment loss on property, plant and equipment	51,548	-	-	-
Inventories written down	309,772	21,422	-	-
Loss on disposal of property, plant and equipment	120,004	-	-	-
Realised loss on foreign exchange	24,663	37,335	-	-
Property, plant and equipment written off	-	92,863	-	-
Crediting				
Gain on disposal of property, plant and equipment	(2,829)	(6,665)	-	-
Gain on early termination of lease contracts	-	(3,636)	-	-
Reversal of impairment loss on financial assets	(2,022)	(2,000)	-	-
Reversal of provision of restoration costs	(19,600)	-	-	-

21. TAX EXPENSE

	Group		Company	
	1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025	1.7.2025 to 30.6.2026	14.10.2024 to 30.6.2025
	RM	RM	RM	RM
Current tax:				
- Current financial year/period	1,766,876	2,420,190	-	-
- Under/(Over) provision in prior financial year	47,066	(130,439)	-	-
	1,813,942	2,289,751	-	-
Deferred tax:				
- Current financial year/period	189,105	189,058	-	-
- (Over)/Under recognised in prior financial year	(56,000)	70,000	-	-
	133,105	259,058	-	-
Total	1,947,047	2,548,809	-	-

Malaysian income tax is calculated at statutory tax rate of 24% (2025: 24%) of the estimated assessable profits for the financial year/period.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

21. TAX EXPENSE (CONT'D)

The numerical reconciliations between the effective tax rate and the statutory tax rate of the Group and the Company are as follows:

	Group		Company	
	1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025	1.7.2025 to 30.6.2026	14.10.2024 to 30.6.2025
	RM	RM	RM	RM
Profit/(Loss) before tax	4,926,295	9,152,666	4,160,868	(1,460,350)
Tax at Malaysian statutory tax rate of 24% (2025: 24%)	1,182,311	2,196,640	998,608	(350,484)
Tax effects in respect of:-				
Expenses not deductible for tax purposes	840,146	412,608	681,392	350,484
Income not subject to tax	(66,476)	-	(1,680,000)	-
Under/(Over) provision of tax expense in prior financial year	47,066	(130,439)	-	-
(Over)/Under recognised deferred tax liabilities in prior financial year	(56,000)	70,000	-	-
	1,947,047	2,548,809	-	-

22. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing net profit for the financial year attributable to ordinary equity holders of the Group over the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	
	2026	2025
Net profit for the financial year attributable to owners of the Company (RM)	2,979,248	6,033,153
Weighted average number of ordinary shares in issue (unit)	310,237,050	89,117,307
Basic earnings per share (RM)	0.01	0.07

Diluted earnings per share

Diluted earnings per share equals to basic earnings per share because there are no potential dilutive instruments in existence as at the reporting dates.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

23. DIVIDENDS

During the financial year, the following dividends have been paid by the Group and the Company to the owners of the Group and the Company:

	Group and Company	
	2026	2025
	RM	RM
In respect of the financial year ended 30 June 2026		
First interim single tier dividend of 0.50 sen per ordinary share, paid on 20 March 2026	1,800,000	-
Second interim single tier dividend of 0.25 sen per ordinary share, paid on 19 June 2026	900,000	-
	2,700,000	-

In the prior financial year, the following dividends had been paid by the Group to the owners of the Group:

	Group	
	2026	2025
	RM	RM
In respect of the financial year ended 30 June 2025		
First interim single tier dividend of RM16.20 per ordinary share, paid by Semico Technology on 21 December 2024, 24 December 2024 and 27 December 2024	-	1,620,000

On 19 August 2026, third interim single tier dividend of 0.15 sen per ordinary share, amounting to RM540,000 have proposed and approved by the Directors in respect of the financial year ended 30 June 2026. This dividend is not reflected in the financial statements for the current financial year and will be accounted for as an appropriation of retained earnings in the financial year ending 30 June 2027.

The Directors do not recommend any final dividend payment for the current financial year.

24. EMPLOYEE BENEFITS EXPENSE

	Group	
	1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025
	RM	RM
Salaries and other emoluments	3,636,446	2,942,863
Defined contribution plans	415,643	320,852
	4,052,089	3,263,715

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

24. EMPLOYEE BENEFITS EXPENSE (CONT'D)

	Group	
	1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025
	RM	RM
Cost of sales:		
Salaries and other emoluments	1,592,965	1,359,128
Defined contribution plans	180,875	151,294
	1,773,840	1,510,422
Administrative expenses:		
Salaries and other emoluments	2,043,481	1,583,735
Defined contribution plans	234,768	169,558
	2,278,249	1,753,293
	4,052,089	3,263,715

The employee benefits expense of the Group and of the Company included Directors' remuneration as disclosed in Note 25 to the financial statements.

25. DIRECTORS' REMUNERATION

The details of remuneration received and receivable by Directors of the Company and subsidiaries during the financial year are as follows:

	Group		Company	
	1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025	1.7.2025 to 30.6.2026	14.10.2024 to 30.6.2025
	RM	RM	RM	RM
Executive Directors				
Directors of the Company				
Salaries and other emoluments	979,929	877,752	-	-
Defined contribution plans	126,330	104,850	-	-
Benefits-in kind	33,100	5,780	-	-
	1,139,359	988,382	-	-

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

25. DIRECTORS' REMUNERATION (CONT'D)

The details of remuneration received and receivable by Directors of the Company and subsidiaries during the financial year are as follows (Cont'd):

	Group		Company	
	1.7.2025 to 30.6.2026 RM	1.7.2024 to 30.6.2025 RM	1.7.2025 to 30.6.2026 RM	14.10.2024 to 30.6.2025 RM
Non-executive Directors				
Directors of the Company				
Fees	300,000	37,500	300,000	37,500
	300,000	37,500	300,000	37,500
	1,439,359	1,025,882	300,000	37,500

26. RELATED PARTY DISCLOSURES

The Group has related party relationship with its holding company, subsidiaries, related parties and key management personnel.

Related party transactions and balances

Related party transactions have been entered into the normal course of business under normal trade terms. The significant related party transactions of the Group and of the Company are as follows:

	Group		Company	
	1.7.2025 to 30.6.2026 RM	1.7.2024 to 30.6.2025 RM	1.7.2025 to 30.6.2026 RM	14.10.2024 to 30.6.2025 RM
Holding company:				
Payment made on behalf by	-	12,983	-	12,983
Payment made on behalf to	-	3,800	-	-
Subsidiaries:				
Payment made on behalf by	-	-	-	120,720
Advances to	-	-	11,328,270	501,381
Dividends received	-	-	7,000,000	-
Companies in which certain Directors have interests:				
Sales	-	16,610	-	-
Purchase of property, plant and equipment from	-	54,244	-	-
Payment made on behalf to	-	156	-	-

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

26. RELATED PARTY DISCLOSURES (CONT'D)

Related party transactions and balances (Cont'd)

Related party transactions have been entered into the normal course of business under normal trade terms. The significant related party transactions of the Group and of the Company are as follows (Cont'd):

	Group		Company	
	1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025	1.7.2025 to 30.6.2026	14.10.2024 to 30.6.2025
	RM	RM	RM	RM
Persons connected to certain Directors:				
Repair and maintenance charged to	-	135,050	-	-
Rental expense charged by	-	50,000	-	-

The outstanding balances arising from related party transactions are disclosed in Notes 8 and 16 to the financial statements.

Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and the entity that provides key management personnel services to the Group.

The key management personnel consist of Executive Directors of the Company and certain members of senior management of the Group.

The remuneration of the Directors is disclosed in Note 25 to the financial statements.

The remuneration of other key management personnel of the Group during the financial year are as follows:

	Group	
	1.7.2025 to 30.6.2026	1.7.2024 to 30.6.2025
	RM	RM
Salaries and other emoluments	431,023	287,723
Defined contribution plans	51,078	34,428
	482,101	322,151

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

27. CAPITAL COMMITMENTS

	Group	
	2026	2025
	RM	RM
Capital expenditure commitments		
Property, plant and equipment:		
- Approved but not contracted for	-	6,219,734
- Contracted but not provided for	183,960	109,255
	183,960	6,328,989

28. FINANCIAL INSTRUMENTS

28.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost.

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Financial assets				
Trade and other receivables*	6,303,945	3,706,687	2,943,890	501,382
Short term investments	1,053,866	-	1,053,866	-
Fixed deposits with a licensed bank	50,000	-	-	-
Cash and bank balances	13,981,128	3,684,940	12,766,936	33,147
	21,388,939	7,391,627	16,764,692	534,529
Financial liabilities				
Trade and other payables**	901,568	1,580,718	2,199,459	708,909
Borrowings	3,154,069	1,553,051	-	-
	4,055,637	3,133,769	2,199,459	708,909

* Excluded accrued income and prepayments
** Excluded sales and service tax payable

28.2 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. Financial risk management policies are established to ensure that adequate resources are available for the development of the Group's and of the Company's business whilst managing their credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group and the Company operate within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process. The Group and the Company do not engage in the trading of financial assets for speculative purpose nor does it write options. The Group and the Company do not apply hedge accounting.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

28. FINANCIAL INSTRUMENTS (CONT'D)

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

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows:

28.2.1 Credit risk

Credit risk refers to the risk that a counter party will default in its contractual obligations resulting in financial loss to the Group and the Company. The Group and the Company adopt the policy of dealing with customers of appropriate standing to mitigate credit risk and customers who wish to trade on credit terms are subject to credit evaluation. Receivables are monitored on an ongoing basis to mitigate risk of bad debts. For other financial assets, the Group and the Company adopt the policy of dealing with reputable institutions.

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows:

Receivables

Risk management objective, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

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

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

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables are represented by the carrying amounts in the statements of financial position.

None of the Group's financial assets are secured by collateral or other credit enhancements.

Concentration of credit risk

The Group determines concentration of credit risk by identifying and monitoring any significant long outstanding balance owing by any major customer or counter party on an ongoing basis.

The credit risk concentration profile by geographical on trade receivables of the Group as at the reporting date is as follows:

	Group			
	2026		2025	
	RM	%	RM	%
Trade receivables				
Malaysia				
3 customers (2025: 3 customers)	3,041,821	56	2,334,213	72

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

28. FINANCIAL INSTRUMENTS (CONT'D)

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

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (Cont'd):

28.2.1 Credit risk (Cont'd)

Receivables (Cont'd)

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 60 days according to the agreed credit terms. The Group's debt recovery process is as follows:

(a) Above 30 days past due after credit term, the Group will initiate conversation with the customer and assess the rationale given by the customer for the late payment; and

(b) Above 30 days past due, the Group will follow through its conversation with the customer and commence a legal proceeding against the customer, if necessary.

The Group uses an allowance matrix to measure expected credit losses ("ECLs") of trade receivables. Consistent with the debt recovery process, invoices which are past due 30 days will be considered as credit impaired.

The Group applies the simplified approach under MFRS 9 to measure ECLs, which uses a lifetime expected credit loss allowance for all trade receivables. The Group evaluates the ECLs on a case-by-case basis.

The Group considers historical credit losses experience and observable data such as current changes and future forecasts in economic conditions to estimate the amount of ECLs. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

During this process, the probability of non-payment by the trade receivables is adjusted by forward-looking information and multiplied by the amount of the expected losses arising from default to determine the lifetime ECLs for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the profit or loss. On confirmation that the receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

Set out below is the information about the credit risk exposure and ECLs on the Group's trade receivables which are grouped together as they are expected to have similar risk nature:

		Days past due				
Group	Current	1 to 30 days	31 to 60 days	61 to 90 days	More than 91 days	Total
	RM	**RM**	**RM**	**RM**	**RM**	**RM**
2026						
Gross amount	5,443,992	179,564	120,376	167,318	93,475	6,004,725
ECLs (Individual)	-	-	-	-	(29,579)	(29,579)
Net balance	5,443,992	179,564	120,376	167,318	63,896	5,975,146

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

28. FINANCIAL INSTRUMENTS (CONT'D)

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

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (Cont'd):

28.2.1 Credit risk (Cont'd)

Receivables (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

Set out below is the information about the credit risk exposure and ECLs on the Group's trade receivables which are grouped together as they are expected to have similar risk nature (Cont'd):

		Days past due				
Group (Cont'd)	Current	1 to 30 days	31 to 60 days	61 to 90 days	More than 91 days	Total
	RM	**RM**	**RM**	**RM**	**RM**	**RM**
2025						
Gross amount	3,124,650	182,041	170,267	13,644	212,792	3,703,394
ECLs (Individual)	-	-	-	-	(18,022)	(18,022)
Net balance	3,124,650	182,041	170,267	13,644	194,770	3,685,372

Trade receivables that are neither past due nor impaired are credit worthy receivables with good payment records with the Group.

Other receivables

The net carrying amount of other receivables are considered reasonable approximate of their fair values.

The maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. At the end of the reporting year/period, there was no indications that other expected credit loss of other receivables is determined individually after considering the financial strength of the other receivables. Based on management's assessment, the probability of the default of these receivables is low and hence, no allowance has been made.

Cash and bank balances

The credit risk for cash and bank balances is considered negligible, since the counterparties are reputable financial institutions with high quality external credit ratings and have no history of default. Consequently, the Group and the Company are of the view that the allowance is not material and hence, it is not provided for.

28.2.2 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due as a result of shortage of funds.

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

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

28. FINANCIAL INSTRUMENTS (CONT'D)

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

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (Cont'd):

28.2.2 Liquidity risk (Cont'd)

The summary of the maturity profile based on the contractual undiscounted repayment obligations of the Group and of the Company are as follows:

		Maturity		
	Total	Current	Non-current	
	contractual			More than
Group	cash flows	Within 1 year	2 to 5 years	5 years
	RM	**RM**	**RM**	**RM**
2026				
Non derivative financial liabilities				
Unsecured:				
Borrowings	484,959	484,959	-	-
Trade and other payables*	901,568	901,568	-	-
Lease liabilities	1,587,621	607,522	980,099	-
Secured:				
Borrowings	2,964,202	867,093	2,097,109	-
	5,938,350	2,861,142	3,077,208	-
2025				
Non derivative financial liabilities				
Unsecured:				
Borrowings	1,620,443	457,808	884,727	277,908
Trade and other payables*	1,580,718	1,580,718	-	-
Lease liabilities	369,980	302,480	67,500	-
Secured:				
Borrowings	241,316	49,932	191,384	-
	3,812,457	2,390,938	1,143,611	277,908

* Excluded sales and service tax payable

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

28. FINANCIAL INSTRUMENTS (CONT'D)

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

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (Cont'd):

28.2.2 Liquidity risk (Cont'd)

The summary of the maturity profile based on the contractual undiscounted repayment obligations of the Group and of the Company are as follows (Cont'd):

		Maturity		
	Total	Current	Non-current	
	contractual			More than
Company	cash flows	Within 1 year	2 to 5 years	5 years
	RM	**RM**	**RM**	**RM**
2026				
Non derivative financial liabilities				
Unsecured:				
Trade and other payables	2,199,459	2,199,459	-	-
2025				
Non derivative financial liabilities				
Unsecured:				
Trade and other payables	708,909	708,909	-	-

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of financial liabilities at the reporting date.

28.2.3 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to the risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

The Group's interest rate management objective is to manage interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group targets a mix of fixed and floating debts based on assessment of its existing exposure and desired interest rate profile.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

28. FINANCIAL INSTRUMENTS (CONT'D)

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

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (Cont'd):

28.2.3 Interest rate risk (Cont'd)

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the reporting date is as follows:

	Group	
	2026	2025
	RM	RM
Fixed rate instruments		
Financial assets		
Short term investments	1,053,866	-
Fixed deposits with a licensed bank	50,000	-
	1,103,866	-
Financial liabilities		
Lease liabilities	1,456,797	356,291
Hire purchase	176,830	218,280
	1,633,627	574,571
	(529,761)	(574,571)
Floating rate instruments		
Financial liabilities		
Term loans	2,492,280	1,098,145
Bank overdraft	484,959	236,626
	2,977,239	1,334,771

Fair values sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss. Therefore, a change in interest rates as at the reporting date would not affect profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

28. FINANCIAL INSTRUMENTS (CONT'D)

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

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (Cont'd):

28.2.3 Interest rate risk (Cont'd)

Cash flow sensitivity analysis for variable rate instruments

The following table illustrates the sensitivity of profit to a reasonably possible change in interest rate of +/-50 (2025: +/-50) basis points ("bp"). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each year, and the financial instrument held at each reporting date that is sensitive to changes in interest rate. All other variables are held constant.

Group	Impact on profit/equity Increase/(Decrease)	
	+50bp	-50bp
	RM	**RM**
2026	14,886	(14,886)
2025	6,674	(6,674)

28.2.4 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 mostly on its purchases that are denominated in currency other than the functional currency of the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD") and Japanese Yen ("JPY").

Based on carrying amounts as at the reporting date, foreign currency denominated financial liabilities which expose the Group to foreign currency risk are disclosed below:-

	Group	
	2026	2025
	RM	**RM**
Denominated in USD		
Trade and other payables	44,271	-
Denominated in JPY		
Trade and other payables	797	-

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

28. FINANCIAL INSTRUMENTS (CONT'D)

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

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (Cont'd):

28.2.4 Foreign currency risk (Cont'd)

Foreign currency sensitivity analysis

The following table illustrates the sensitivity of the Group's profit and equity to a reasonably possible change in the USD and JPY exchange rate against the Group's functional currency, assuming all other variables held constant.

	Increase/(Decrease) Profit and equity of the Group	
	2026	2025
	RM	**RM**
USD/RM		
Strengthened 2% (2025: 2%)	(885)	-
Weakened 2% (2025: 2%)	885	-
JPY/RM		
Strengthened 2% (2025: 2%)	(16)	-
Weakened 2% (2025: 2%)	16	-

28.3 Fair value of financial instruments

The carrying amounts of financial assets and financial liabilities of the Group and of the Company at the reporting date approximate their fair values due to their short-term nature and insignificant impact of discounting.

28.4 Fair value hierarchy

No fair value hierarchy has been disclosed as the Group and the Company do not have financial instruments measured at fair value.

29. OPERATING SEGMENTS

The Group has arrived at three reportable segments that are organised and managed separately according to the nature of business. The reportable segments are summarised as follows:

Family entertainment	Supply of arcade and amusement machines and its related services as well as operation and management of a family entertainment centre.
Toys and collectables	Wholesale and distribution of toys and collectables.
Investment holding	Investment holding.

The Group has aggregated certain operating segments to form a reportable segment due to the similar nature and operational characteristics of the products.

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

29. OPERATING SEGMENTS (CONT'D)

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

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the financial years.

The inter-segment assets are adjusted against the segment assets to arrive at total assets reported in the statements of financial position.

	Note	Family entertainment RM	Toys and collectables RM	Investment holding RM	Elimination RM	Total RM
2026						
Revenue						
External revenue		16,564,759	17,324,162	-	-	33,888,921
Inter-segment revenue	(i)	3,600	3,974	7,000,000	(7,007,574)	-
Total revenue		16,568,359	17,328,136	7,000,000	(7,007,574)	33,888,921
Results						
Finance income		(2,755)	(2,934)	(200,136)	-	(205,825)
Finance costs		191,544	51,296	-	-	242,840
Depreciation of property, plant and equipment		3,056,434	109,672	-	-	3,166,106
Depreciation of right-of-use assets		401,714	116,128	-	-	517,842
Other non-cash expenses	(ii)	216,441	1,607,252	-	(1,305,996)	517,697
Tax expense		1,206,493	740,554	-	-	1,947,047
Segment profit	(iii)	3,494,412	1,255,123	3,960,732	(5,694,004)	3,016,263
Assets						
Segment assets	(iv)	25,849,728	8,781,841	34,772,925	(24,258,016)	45,146,478
Additions to non-current assets	(v)	11,854,813	457,694	-	-	12,312,507
Liabilities						
Segment liabilities	(vi)	3,194,793	3,113,947	2,199,459	(7,555,779)	952,420

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

29. OPERATING SEGMENTS (CONT'D)

	Note	Family entertainment RM	Toys and collectables RM	Investment holding RM	Elimination RM	Total RM
2025						
Revenue						
External revenue		13,793,441	15,894,711	-	-	29,688,152
Inter-segment revenue	(i)	73,620	9,219	-	(82,839)	-
Total revenue		13,867,061	15,903,930	-	(82,839)	29,688,152
Results						
Finance income		(1,116)	-	-	-	(1,116)
Finance costs		124,537	41,212	-	-	165,749
Depreciation of property, plant and equipment		1,680,407	107,939	-	-	1,788,346
Depreciation of right-of-use assets		280,794	86,578	-	-	367,372
Other non-cash expenses	(ii)	83,562	19,422	-	-	102,984
Tax expense		1,440,604	1,108,205	-	-	2,548,809
Segment profit/(loss)	(iii)	4,918,193	3,310,647	(1,460,350)	-	6,768,490
Assets						
Segment assets	(iv)	13,572,948	8,075,721	9,277,999	(10,191,732)	20,734,936
Additions to non-current assets	(v)	5,386,869	142,581	-	-	5,529,450
Liabilities						
Segment liabilities	(vi)	2,732,849	322,459	708,909	(2,183,499)	1,580,718

Notes to the nature of adjustments and eliminations to arrive at amount reported in the consolidated financial statements:

(i) Inter-segment revenues are eliminated on consolidation.

(ii) Other major non-cash expenses/(income) consist of the following items are presented in the respective notes to the financial statements:

	2026 RM	2025 RM
Bad debts written off	-	1,000
Deposits written off	47,245	-
Loss/(Gain) on disposal of property, plant and equipment	117,175	(6,665)
Gain on early termination of lease contracts	-	(3,636)
Impairment loss on financial assets	13,579	-
Impairment loss on property, plant and equipment	51,548	-
Inventories written down	309,772	21,422
Reversal of impairment loss on financial assets	(2,022)	(2,000)
Reversal of provision of restoration costs	(19,600)	-
Property, plant and equipment written off	-	92,863
	517,697	102,984

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

29. OPERATING SEGMENTS (CONT'D)

Notes to the nature of adjustments and eliminations to arrive at amount reported in the consolidated financial statements (Cont'd):

(iii) The following items are added to/(deducted from) segment profit to arrive at "profit after tax" presented in the statements of profit or loss and other comprehensive income:

	2026 RM	2025 RM
Segment profit	3,016,263	6,768,490
Finance income	205,825	1,116
Finance costs	(242,840)	(165,749)
Profit after tax	2,979,248	6,603,857

(iv) The following items are added to segment assets to arrive at total assets reported in the statements of financial position:

	2026 RM	2025 RM
Segment assets	45,146,478	20,734,936
Deferred tax assets	191,000	46,000
Tax recoverable	337,736	-
Total assets	45,675,214	20,780,936

(v) Additions to non-current assets other than the financial instruments and deferred tax assets consist of:

	2026 RM	2025 RM
Property, plant and equipment	10,510,378	5,252,562
Right-of-use assets	1,802,129	276,888
Total assets	12,312,507	5,529,450

(vi) The following items are added to segment liabilities to arrive at total liabilities reported in the statements of financial position:

	2026 RM	2025 RM
Segment liabilities	952,420	1,580,718
Deferred tax liabilities	552,529	274,424
Lease liabilities	1,456,797	356,291
Provision of restoration costs	156,732	19,086
Borrowings	3,154,069	1,553,051
Tax payable	205,318	622,773
Total liabilities	6,477,865	4,406,343

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

29. OPERATING SEGMENTS (CONT'D)

Business segments

(a) Geographical information

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

	Revenue RM	Non-current assets RM
2026		
Malaysia	33,888,921	17,496,621
2025		
Malaysia	29,688,152	8,954,665

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

	2026 RM	2025 RM
Property, plant and equipment	15,712,381	8,599,712
Right-of-use assets	1,593,240	308,953
Deferred tax assets	191,000	46,000
	17,496,621	8,954,665

(b) Information about major customers

The following are the major customers with revenue equal to or more than ten percent of revenue of the Group:

	RM	%	Operating segment
2026			
Customer A	8,362,667	25	Family entertainment
Customer B	4,511,676	13	Toys and collectables
Customer C	3,907,573	12	Toys and collectables
	16,781,916	50	
2025			
Customer A	6,313,386	21	Family entertainment
Customer B	5,884,250	20	Toys and collectables
Customer C	3,059,877	10	Toys and collectables
	15,257,513	51	

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2026

30. CAPITAL MANAGEMENT

Total capital managed at the Group's and at the Company's level are the shareholders' fund as shown in the statements of financial position.

The primary objective of the Group's and of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions including the interest rate movements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, sell assets to reduce debt or issue new share capital. No changes were made in the objective, policies or processes during the financial years 30 June 2026 and 30 June 2025.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE REPORTING PERIOD

(i) On 29 October 2025, Bursa Securities had approved the admission of the Company to the Official List and the listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad. The ordinary shares of the Company were listed on the ACE Market of Bursa Malaysia Securities Berhad on 13 January 2026.

(ii) On 29 July 2026, the Company entered into a Joint Venture and Shareholders' Agreement with Chan Kean Seng and Kosmare Sdn. Bhd. to establish a joint venture for the purpose of operating a family entertainment outlet, comprising arcade, card and prize machines, merchandise retail and related activities at Pavilion Bukit Jalil shopping mall, under a brand to be licensed from a brand owner.

Pursuant to the terms of the agreement, the Company has subscribed to 490,000 new ordinary shares in Kosmare Sdn. Bhd. at an issue price of RM1 per share, representing a 49% of the equity interest in Kosmare Sdn. Bhd., for a total subscription price of RM490,000. The family entertainment outlet is targeted to commence operations by 1 December 2026. Following completion of the subscription, the Company has agreed to provide further funding of up to RM1,960,000 to Kosmare Sdn. Bhd..

ANALYSIS OF SHAREHOLDINGS AS AT 30 SEPTEMBER 2026

TOTAL NUMBER OF ISSUED SHARES	:	360,000,000 Ordinary Shares
CLASS OF SHARES	:	Ordinary Shares
VOTING RIGHTS	:	One vote per Ordinary Share
NUMBER OF SHAREHOLDERS	:	708

DISTRIBUTION OF SHAREHOLDINGS

Size of Holding	No. of Holders	% of Holders	No. of Shares Held	% of Shares Held
1 – 99	20	2.825	358	0.000
100 - 1,000	383	54.096	110,036	0.030
1,001 - 10,000	185	26.130	846,306	0.235
10,001 - 100,000	43	6.073	1,769,500	0.492
100,001 to less than 5% of shares	75	10.593	119,072,200	33.076
5% and above of issued shares	2	0.283	238,201,600	66.167
Total	**708**	**100.000**	**360,000,000**	**100.000**

DIRECTORS' SHAREHOLDINGS

The Directors' Shareholdings based on the Register of Directors' Shareholdings of the Company are as follows:-

	No. of Shares Held			
Name of Directors	**Direct Interest**	**%**	**Indirect Interest**	**%**
DATO' SRI RAMLI BIN MOHAMED YOOSUF	230,000	0.064	-	-
TAI LEE CHUEN	-	-	238,363,600**	66.212**
ANG SEW FONG	-	-	-	-
ANDREA HUONG JIA MEI	-	-	-	-
OOI GUAN HOE	50,000	0.014	-	-
YAP CHOO CHENG	200,000	0.056	-	-

Note:-

** *Deemed interest by virtue of his shareholding in MARC Experience Ventures Sdn Bhd pursuant to Section 8 of the Companies Act, 2016.*

SUBSTANTIAL SHAREHOLDERS

The substantial shareholders (holding 5% or more of the issued capital) based on the Register of Substantial Shareholders of the Company and their shareholdings are as follows:-

	No. of Shares Held			
Name of Shareholders	**Direct Interest**	**%**	**Indirect Interest**	**%**
MARC EXPERIENCE VENTURES SDN. BHD.	238,363,600	66.212	-	-
TAI LEE CHUEN	-	-	238,363,600**	66.212

Note:-

** *Deemed interest by virtue of his shareholding in MARC Experience Ventures Sdn Bhd pursuant to Section 8 of the Companies Act, 2016.*

ANALYSIS OF SHAREHOLDINGS AS AT 30 SEPTEMBER 2026

THIRTY (30) LARGEST SHAREHOLDERS

No	Name	No. of shares held	%
1	MARC EXPERIENCE VENTURES SDN. BHD.	198,201,600	55.056
2	ABB NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MARC EXPERIENCE VENTURES SDN BHD	40,000,000	11.111
3	EQUITIC DYNAMIC CORE PLT	13,099,100	3.639
4	HSBC NOMINEES (ASING) SDN BHD J.P. MORGAN SECURITIES PLC	10,973,600	3.048
5	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR LEE GAIK CHENG (SMART)	9,584,000	2.662
6	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR VOULTIER SDN.BHD	8,000,000	2.222
7	CITIGROUP NOMINEES (ASING) SDN BHD UBS AG	7,080,300	1.967
8	NG KUAN HUA	6,000,000	1.667
9	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOW PENG SIAN @ CHUA PENG SIAN (M&A)	5,906,000	1.641
10	CHONG TZE SHENG	4,000,000	1.111
11	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE EU JIN	3,039,000	0.844
12	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE GAIK CHENG	2,970,800	0.825
13	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOK KOK KHONG (7015464)	2,865,000	0.796
14	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM KIM HUAT HOLDINGS SDN BHD	2,700,000	0.750
15	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOK KOK KHONG	2,500,000	0.694
16	CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR BARCLAYS CAPITAL SECURITIES LTD (SBL/PB)	2,238,900	0.622
17	KODA CAPITAL SDN. BHD.	2,199,500	0.611
18	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NOMIS SIM SIANG LENG	2,000,000	0.556
19	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SAM YIN THING	1,834,300	0.510
20	TEW CHIAN HOW	1,711,600	0.475
21	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR SOH MENG HAI (SMART)	1,544,400	0.429
22	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI (M&A)	1,468,100	0.408
23	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOW WEI CHEN	1,453,300	0.404
24	TAN LYE BENG	1,000,000	0.278
25	OASIS MARINE SDN. BHD.	952,100	0.264
26	KOH CHIN SONG	949,000	0.264
27	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI	948,000	0.263
28	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SAM YIN THING (7005713)	885,000	0.246
29	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KELVIN KOH JUN XIONG (7000334)	860,300	0.239
30	ONG LEE LING	813,000	0.226
	TOTAL	**337,776,900**	**93.827**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Second Annual General Meeting ("2nd AGM") of Semico Capital Berhad ("Semico" or the "Company") will be held at Greens III, Sport Wing of Tropicana Golf & Country Resort of Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor, Malaysia, on Tuesday, 24 November 2026 at 2.00 p.m. or at any adjournment thereof for the transaction of the following businesses:

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 Auditors thereon. *Please refer to Explanatory Note 1*

2. To approve the payment of Directors' Fees and other benefits up to RM330,000 payable to the Non-Executive Directors of the Company for the period commencing from 25 November 2026 until the conclusion of the next AGM of the Company in the year 2027. *Ordinary Resolution 1*

3. To re-elect Ms Ang Sew Fong, who is retiring and being eligible, had offered herself for re-election pursuant to Clause 106(1) of the Company's Constitution. *Ordinary Resolution 2*

4. To re-appoint Messrs. Grant Thornton Malaysia PLT (AF 0737) as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. *Ordinary Resolution 3*

As Special Business

5. To consider and if thought fit, to pass with or without any modifications, the following resolutions:

   AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 ("ACT") *Ordinary Resolution 4*

   THAT pursuant to Sections 75 and 76 of the ACT and subject always to the ACT, the Company's Constitution, the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental/ regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time 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 issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company or such higher percentage as Bursa Securities allowed for the time being and that the Directors be and are hereby also empowered to obtain approval from Bursa Securities for the listing of and quotation for the additional shares so issued.

   AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

6. To transact any other business of which due notice shall have been given.

By Order of the Board
SEMICO CAPITAL BERHAD

TAN TONG LANG (MAICSA 7045482/ SSM PC No. 202208000250)
THIEN LEE MEE (LS0010621/ SSM PC No. 201908002254)
Company Secretaries
Kuala Lumpur
23 October 2026

NOTICE OF ANNUAL GENERAL MEETING

Notes:-

1. A member of the Company who is entitled to attend, speak, and vote at this 2nd AGM may appoint a proxy to attend, speak and vote on his/her behalf. A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.

2. A member (other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 entitled to attend and vote at the meeting is entitled to appoint a maximum of 2 proxies to attend, participate, speak and vote on his/her behalf.

3. Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("**Omnibus Account**") as defined under the Securities Industry (Central Depositories) Act 1991, one (1) or more proxies may be appoint to attend on the same occasion. Where a member appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment of two (2) or more proxies shall not be valid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.

4. The Form of Proxy shall be signed by the appointer or his/her attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.

5. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority by a notary public, shall be deposited at Poll Administrator, Aldpro Corporate Services Sdn. Bhd. at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur or alternately, the Form of Proxy may also be submitted electronically via Digerati Portal at https://semico-agm.digerati.com.my or email to admin@aldpro.com.my not less than forty-eight (48) hours before the time appointed for holding the 2nd AGM or any adjournment thereof, otherwise the instrument of proxy should not be treated as valid.

6. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available a Record of Depositors as of 17 November 2026 and only Members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at this meeting and entitled to appoint proxy or proxies.

7. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the 2nd AGM will be put to vote by way of poll.

Personal data privacy:

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 2nd 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 2nd AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 2nd 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.*

Explanatory Notes to Ordinary and Special Business:

1. Item 1 of the Agenda

Agenda No. 1 is meant for discussion only as Section 340(1)(a) of the ACT provides that the audited financial statements are to be laid in the general meeting and do not require a formal approval of the shareholders. Hence, this Agenda item is not put forward for voting.

NOTICE OF ANNUAL GENERAL MEETING

2. Ordinary Resolution 1: To approve the payment of Directors' Fees and other benefits payable to Non-Executive Directors of the Company

Pursuant to Section 230(1) of the ACT, fees and benefits payable to the Directors of a public company or a listed company and its subsidiaries shall be approved by shareholders at a general meeting. The Directors' benefits payable comprise meeting attendance allowances and other claimable benefits.

In determining the estimated total amount of Directors' benefits, the Board has considered various factors, among others, the estimated claimable benefits and estimated number of meetings for the Board and Board Committees held for the period commencing from the date immediately after the 2nd AGM until the conclusion of the next AGM of the Company in the year 2027.

In the event the proposed amount is insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for additional fees to meet the shortfall.

3. Ordinary Resolutions 2 : Re-election of Directors

Clause 106(1) of the Company's Constitution provides that an election of Directors shall take place each year at the AGM of the Company, where one-third of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third shall retire from office and be eligible for re-election, PROVIDED ALWAYS that Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

Ms Ang Sew Fong and Ms Andrea Huong Jia Mei are standing for re-election as Directors in accordance with Clause 106(1) of the Constitution at the forthcoming 2nd AGM of the Company. Ms Ang Sew Fong will retire and being eligible to, has offered herself for re-election at the forthcoming 2nd AGM of the Company. However, Ms Andrea Huong Jia Mei has expressed her intention not to seek for re-election at the forthcoming 2nd AGM of the Company. Upon the conclusion of the 2nd AGM, Ms Andrea Huong Jia Mei will retire as Independent Non-Executive Director of the Company.

Pursuant to Practice 5.7 of the Malaysian Code on Corporate Governance, the Board has through the Nomination Committee, considered their assessment and agreed that they meet the criteria as prescribed by Rule 2.20A of AMLR on character, experience, integrity, competence and time commitment to effectively discharge their role as Directors.

The Board collectively agreed that Ms Ang Sew Fong had met the criteria as prescribed by Rule 2.20A of the AMLR of Bursa Securities on character, experience, integrity, competence and time commitment to effectively discharge her role as Director and recommended that Ms Ang Sew Fong be re-elected as Director of the Company.

4. Ordinary Resolution 3: Re-appointment of External Auditors, Messrs. Grant Thornton Malaysia PLT

The Board, through the Audit and Risk Management Committee, had reviewed and was satisfied with the performance and independence of Messrs. Grant Thornton Malaysia PLT ("GT") during the financial year under review. The Board has therefore recommended the re-appointment of GT as external auditors of the Company for the financial year ending 30 June 2027.

5. Ordinary Resolution 4: Authority To Issue And Allot Shares pursuant to Sections 75 And 76 of the Companies Act, 2016

The proposed Ordinary Resolution 4, if passed, will empower the Directors of the Company to allot and issue new shares in the Company at any time, to such person or persons, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit ("General Mandate"), provided that the number of shares issued pursuant to this General Mandate, when aggregated with the total number of any such shares issued during the preceding twelve (12) months, does not exceed 10% of the total number of issued shares of the Company at the time of issue. This General Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

NOTICE OF ANNUAL GENERAL MEETING

The General Mandate sought is a new mandate, if approved, will provide flexibility for the Company for any possible including not limited to further placement of shares, for the purpose of funding future investment project(s), working capital and/or acquisitions.

Clause 61 of the Company's Constitution provides as follows:

Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible Securities shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares or Securities in such manner as they think most beneficial to the Company. The Directors may likewise, also dispose of any new shares or Securities which (by reason of the ratio which the new shares or Securities bear to the shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause. The Directors may, likewise, also dispose of any new shares or Securities which (by reason of the ratio which the new shares or Securities bear to shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING
(PURSUANT TO RULE 8.29(2) OF THE AMLR OF BURSA SECURITIES)

1. The Executive Director namely Ms Ang Sew Fong, who is seeking re-election as Director of the Company at the 2nd AGM of the Company. The profile of the retiring Director is set out in the Directors' Profile of the Annual Report.

2. The detailed information relating to the General Mandate for issue of securities under Rule 6.04 of the AMLR of Bursa Securities is set out under Explanatory Note 5 for Ordinary Resolution 4 of the Notice of 2nd AGM of the Company.

SEMICO CAPITAL BERHAD
[Registration No. 202401043120 (1588966-W)]
(Incorporated in Malaysia)

No. of shares held	CDS Account no.

FORM OF PROXY

I/We _____ [Full Name in Block Letters]
NRIC /Passport No/Registration No. _____
of _____ [Full Address],
_____[Email Address], _____ [Contact No.] being a member(s) of SEMICO CAPITAL BERHAD [Registration No. 202401043120 (1588966-W)]("the Company"), hereby appoint:-

		Proxy 1 Proportion of shareholdings	
Full Name in Block Letters			
Email Address		**No. of Shares**	**%**
NRIC No.			
Full Address			
Contact No.			

		Proxy 2 Proportion of shareholdings	
Full Name in Block Letters			
Email Address		**No. of Shares**	**%**
NRIC No.			
Full Address			
Contact No.			

or failing him/her*, the Chairman of the Meeting as my/our* proxy to vote for me/us* and on my/our* behalf at the Second Annual General Meeting ("2nd AGM") of the Company to be held at Greens III, Sport Wing of Tropicana Golf & Country Resort of Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor, Malaysia on Tuesday, 24 November 2026 at 2.00 p.m. or at any adjournment thereof, as indicated below:

Please indicate with an "X" or "√" in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the Proxy will vote or abstain from voting at his/her discretion.*

Resolutions	Subject	FOR		AGAINST	
		Proxy 1	**Proxy 2**	**Proxy 1**	**Proxy 2**
Ordinary Resolution 1	To approve the payment of Directors' Fees and other benefits up to RM330,000 payable to the Non-Executive Directors of the Company for the period commencing from 25 November 2026 until the conclusion of the next AGM of the Company in the year 2027.				
Ordinary Resolution 2	To re-elect Ms Ang Sew Fong as Director				
Ordinary Resolution 3	Re-appointment of Messrs. Grant Thornton Malaysia PLT				
Ordinary Resolution 4	Authority To Issue And Allot Shares pursuant to Sections 75 And 76 Of The Companies Act, 2016				

Signed this _____ day of _____ 2026

_____
Signature/ Common Seal of Shareholder

Notes:

1. A member of the Company who is entitled to attend, speak, and vote at this 2nd AGM may appoint a proxy to attend, speak and vote on his/her behalf. A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
2. A member (other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 entitled to attend and vote at the meeting is entitled to appoint a maximum of 2 proxies to attend, participate, speak and vote on his/her behalf.
3. Where a member of the Company is an exempt authorised nominee who holds shares in the Company for multiple beneficial owners in one securities account ("**Omnibus Account**") as defined under the Securities Industry (Central Depositories) Act 1991, one (1) or more proxies may be appointed to attend on the same occasion. Where a member appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment of two (2) or more proxies shall not be valid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
4. The Form of Proxy shall be signed by the appointer or his/her attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.
5. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority by a notary public, shall be deposited at Poll Administrator, Aldpro Corporate Services Sdn. Bhd. at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur alternately, the Form of Proxy may also be submitted electronically via Digerati Portal at https://semico-agm.digerati.com.my or email to admin@aldpro.com.my not less than forty-eight (48) hours before the time appointed for holding the 2nd AGM or any adjournment thereof, otherwise the instrument of proxy should not be treated as valid.
6. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available a Record of Depositors as of 17 November 2026 and only Members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at this meeting and entitled to appoint proxy or proxies.
7. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the 2nd AGM will be put to vote by way of poll.

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AFFIX
STAMP

THE POLL ADMINISTRATOR OF
SEMICO CAPITAL BERHAD
[Registration No. 202401043120 (1588966-W)]

Aldpro Corporate Services Sdn. Bhd.
B-21-1, Level 21, Tower B
Northpoint Mid Valley City,
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur

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WWW.SEMICO.COM.MY

SEMICO CAPITAL BERHAD
(Registration No. 202401043120 (1588966-W)

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68100 Kuala Lumpur, Malaysia.

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