



**SECURE
METRIC**
— BERHAD —

201701019864 (1234029-D)

Annual Report 2025

**FORMULA FOR
STRONG DIGITAL
SECURITY**



9TH ANNUAL GENERAL MEETING



Thursday,
21 May 2026



Auditorium @ Resource Centre (MRANTI), Taman
Teknologi Mranti, Lebuhraya Puchong-Sg Besi,
57000 Bukit Jalil, Kuala Lumpur



2.30 p.m.

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Notice of Ninth Annual
General Meeting

Proxy Form

FORMULA FOR STRONG DIGITAL SECURITY

Strong security methodology to effectively combat today's increasing digital threats is our top business priority.

Introduction

Securemetric Berhad ("Securemetric" or "the Company") was incorporated as a Private Limited Company in Malaysia on 6 June 2017 and converted into Public Limited Company on 12 September 2017. The Company was listed on 13 November 2018 on the ACE Market of Bursa Malaysia Securities Berhad.

Securemetric and its subsidiaries ("the Group") is a leading regional player in the field of digital security by providing digital security solutions as well as trading of electronic identification products, and other related services across Southeast Asia.

The Group's clientele includes government organisations, accounting industries, financial institutions, Public Certification Authorities, software development companies and IT service providers.

The Group is armed with in-house expertise in the areas of software licensing protection dongles, two-factor authentication ("2FA"), public key infrastructure ("PKI"), centralised authentication management systems ("CENTAGATE®") and electronic identification products.



VISION

To be your trusted digital security partner.



MISSION

Securing the world's digital economy transformation today, tomorrow and beyond.



VALUES

Customers' KPIs as our Priority

The Group believes that by prioritising our customers' KPIs, the Group is able to deliver exceptional value and service, and build long-term relationships with our customers based on trust, collaboration, and mutual success.

Industry Know-How

Our industry know-how is a key differentiator that sets us apart from our competitors and allows us to deliver the best possible products or services to our customers. The Group is committed to staying at the forefront of our industry and leveraging our expertise to help our customers succeed.

Technical Know-How

The Group's team of experts have a strong technical foundation and strive to stay up to date with the latest technologies, tools, and techniques. They use their technical know-how to design, develop, and implement innovative solutions that meet customers' unique needs and requirements. They also solve complex problems, optimise processes, and ensure high-quality standards for their products or services using their technical expertise.

Sharing of Knowledge

The Group values the importance of sharing knowledge and expertise with customers, partners, and the community to drive innovation and achieve success in today's rapidly changing business world. The Group actively encourages employees to share their knowledge and participate in industry associations, conferences, and events to network with other experts and share best practices and insights.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Clifton Heath Fernandez, Independent Non-Executive Chairman

Shireen Chia Yin Ting, Independent Non-Executive Director

Norafizah Binti Zainal Abidin, Independent Non-Executive Director (*appointed on 3 June 2025*)

Law Seeh Key, Non-Independent Executive Director/ Chief Executive Officer

Yong Kim Fui, Non-Independent Executive Director/ Chief Financial Officer

Dato' Ng Wan Peng, Independent Non-Executive Director (*resigned on 29 May 2025*)

AUDIT COMMITTEE

Shireen Chia Yin Ting, *Chairperson*

Norafizah Binti Zainal Abidin,
Member

Clifton Heath Fernandez, *Member*

RISK MANAGEMENT COMMITTEE

Clifton Heath Fernandez, *Chairman*

Shireen Chia Yin Ting, *Member*

Norafizah Binti Zainal Abidin,
Member

Yong Kim Fui, *Member*

Nioo Yu Siong, *Member*

REMUNERATION COMMITTEE

Shireen Chia Yin Ting, *Chairperson*

Norafizah Binti Zainal Abidin,
Member

Clifton Heath Fernandez, *Member*

NOMINATION COMMITTEE

Norafizah Binti Zainal Abidin,

Chairperson

Clifton Heath Fernandez, *Member*

Shireen Chia Yin Ting, *Member*

AUDITORS

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA)
& AF 1018
Level 16, Tower C, Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur, Malaysia
Tel: 03-2788 9999

COMPANY SECRETARY

Tan Kok Aun (MACS 01564)
SSM Practicing Certificate No.
201908003805

PRINCIPAL BANKERS

AmBank (M) Berhad

[Registration No.: 196901000166
(8515-D)]

24 & 26 Jalan Hujan Rahmat 2
Overseas Union Garden
Off Jalan Klang Lama
58200 Kuala Lumpur, Malaysia
Tel: 03-7784 7035
Fax: 03-7784 7041

CIMB Bank Berhad

[Registration No.: 197201001799
(13491-P)]

Ground Floor Wisma Genting
28, Jalan Sultan Ismail
50250 Kuala Lumpur
Wilayah Persekutuan, Malaysia
Tel: 03-2039 3124
Fax: 03-2031 6320

SHARE REGISTRAR

Boardroom Share Registrars
Sdn. Bhd.
[Registration No.: 199601006647
(378993-D)]
11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor, Malaysia
Tel: 03-7890 4700
Fax: 03-7890 4670
Email address: bsr.helpdesk@
boardroomlimited.com

REGISTERED OFFICE

PCA Corporate Advisory PLT
No. 3A, Mezzanine Floor
Jalan Ipoh Kecil
50350 Kuala Lumpur
Wilayah Persekutuan, Malaysia
Tel: 03-4043 5750
Fax: 03-4043 5755
Email address: pcaadvkl@gmail.com

CORPORATE OFFICE

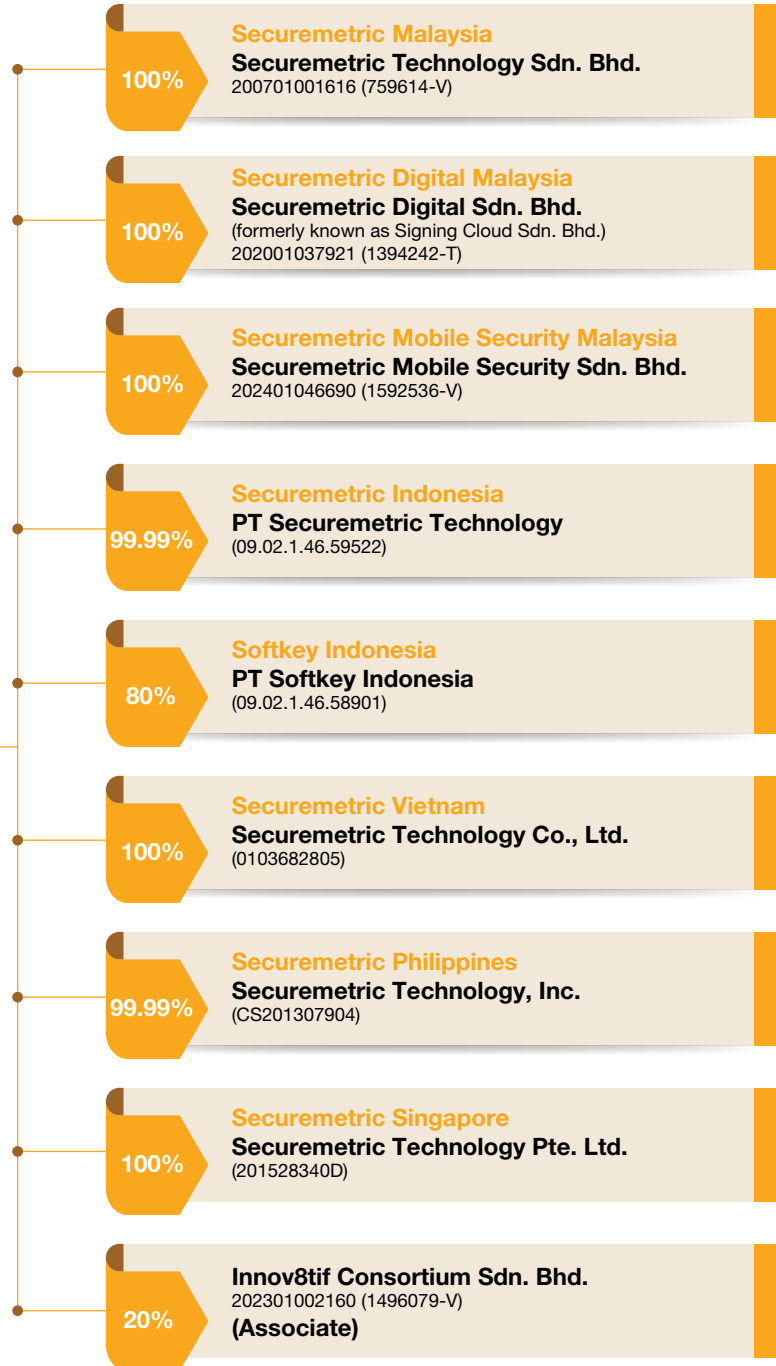
Unit 2-12-01, Level 12
Ho Hup Tower
No.1, Persiaran Jalil 1
Bandar Bukit Jalil
57000 Kuala Lumpur
Wilayah Persekutuan, Malaysia
Tel: 03- 4818 8225
Website: www.securemetric.com
Email address: ir@securemetric.com

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia
Securities Berhad
Stock Name: SMETRIC
Stock Code: 0203



CORPORATE STRUCTURE



FINANCIAL HIGHLIGHTS

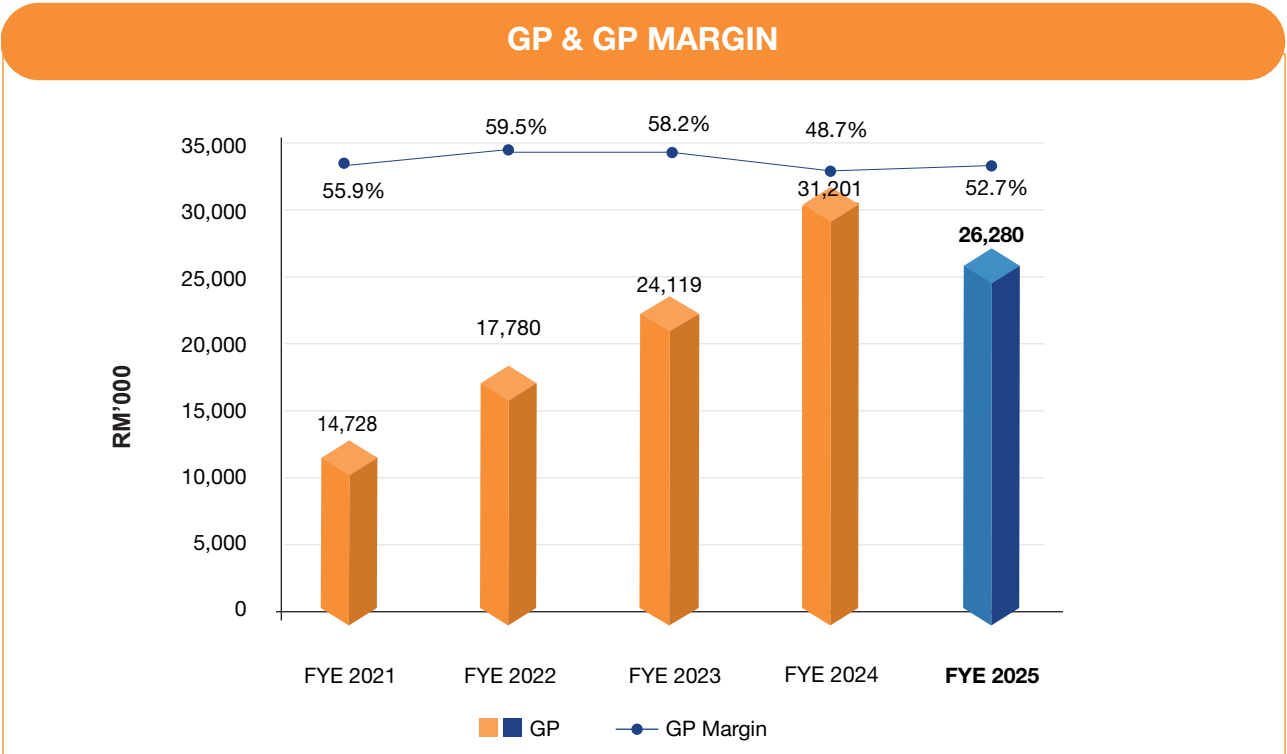
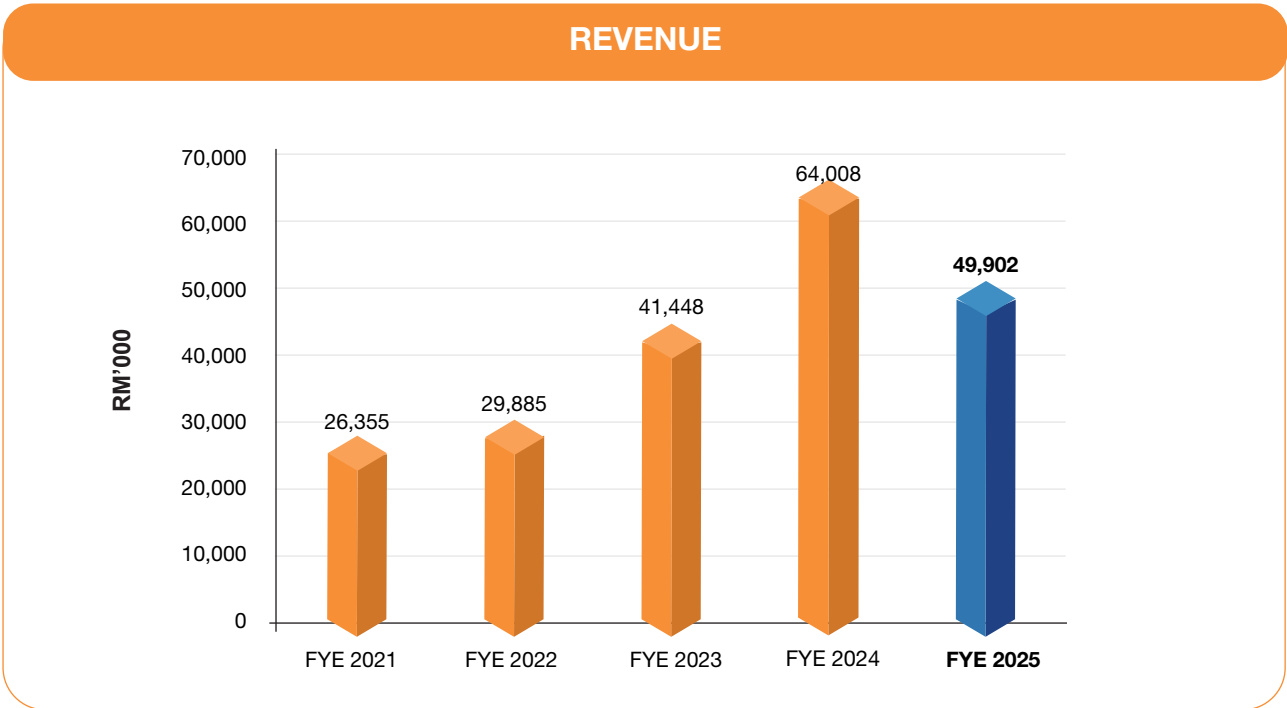
	FYE 2021 RM'000	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FYE 2025 RM'000
PROFITABILITY					
Revenue	26,355	29,885	41,448	64,008	49,902
Gross profit ("GP")	14,728	17,780	24,119	31,201	26,280
(Loss)/Profit before tax ("LBT"/ "PBT")	(1,082)	(858)	212	7,405	3,902
(Loss)/Profit after tax ("LAT"/ "PAT")	(1,860)	(1,797)	(972)	5,067	2,107
Net (loss)/profit attributable to owners of the Company	(1,846)	(1,723)	(891)	5,066	2,083
FINANCIAL POSITION					
Total assets	55,264	57,216	55,399	62,766	63,261
Equity attributable to owners of the Company	42,633	40,676	37,672	40,774	41,683
Total borrowings	1,355	945	1,643	2,967	2,301
Weighted average number of ordinary shares ('000)	552,775	576,506	577,043	577,066	577,066
SHARE INFORMATION					
(Loss)/Earnings per share ("LPS"/ "EPS") (sen)	(0.3)	(0.3)	(0.15)	0.88	0.36
Net assets per share attributable to owners of the Company (sen)	7.4 ⁽¹⁾	7.1 ⁽¹⁾	6.5 ⁽¹⁾	7.1 ⁽¹⁾	7.2⁽¹⁾
Gross gearing ratio (times)	0.03	0.02	0.04	0.07	0.05

Notes:

⁽¹⁾ The net assets per share attributable to owners of the Company is based on actual number of ordinary shares in issue.

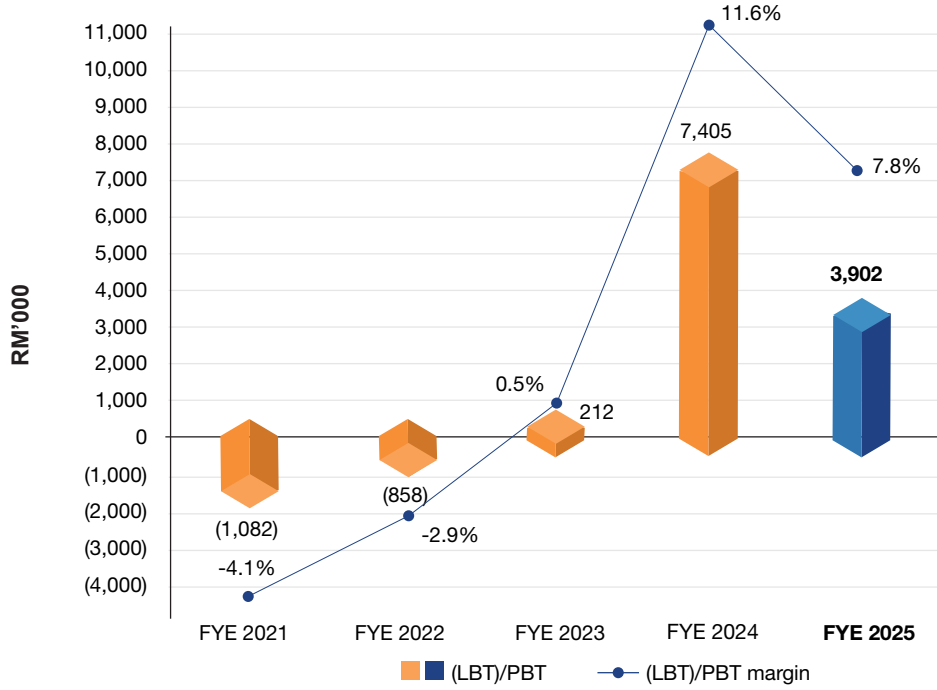


FINANCIAL HIGHLIGHTS
(CONT'D)

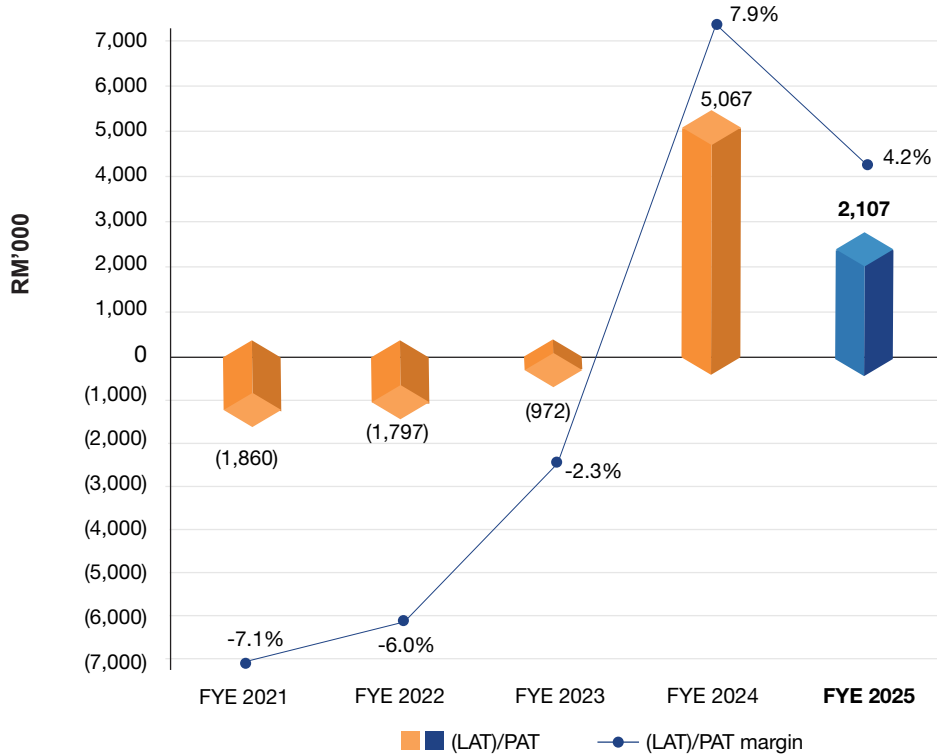


FINANCIAL HIGHLIGHTS
(CONT'D)

(LBT)/PBT & (LBT)/PBT MARGIN



(LAT)/PAT & (LAT)/PAT MARGIN

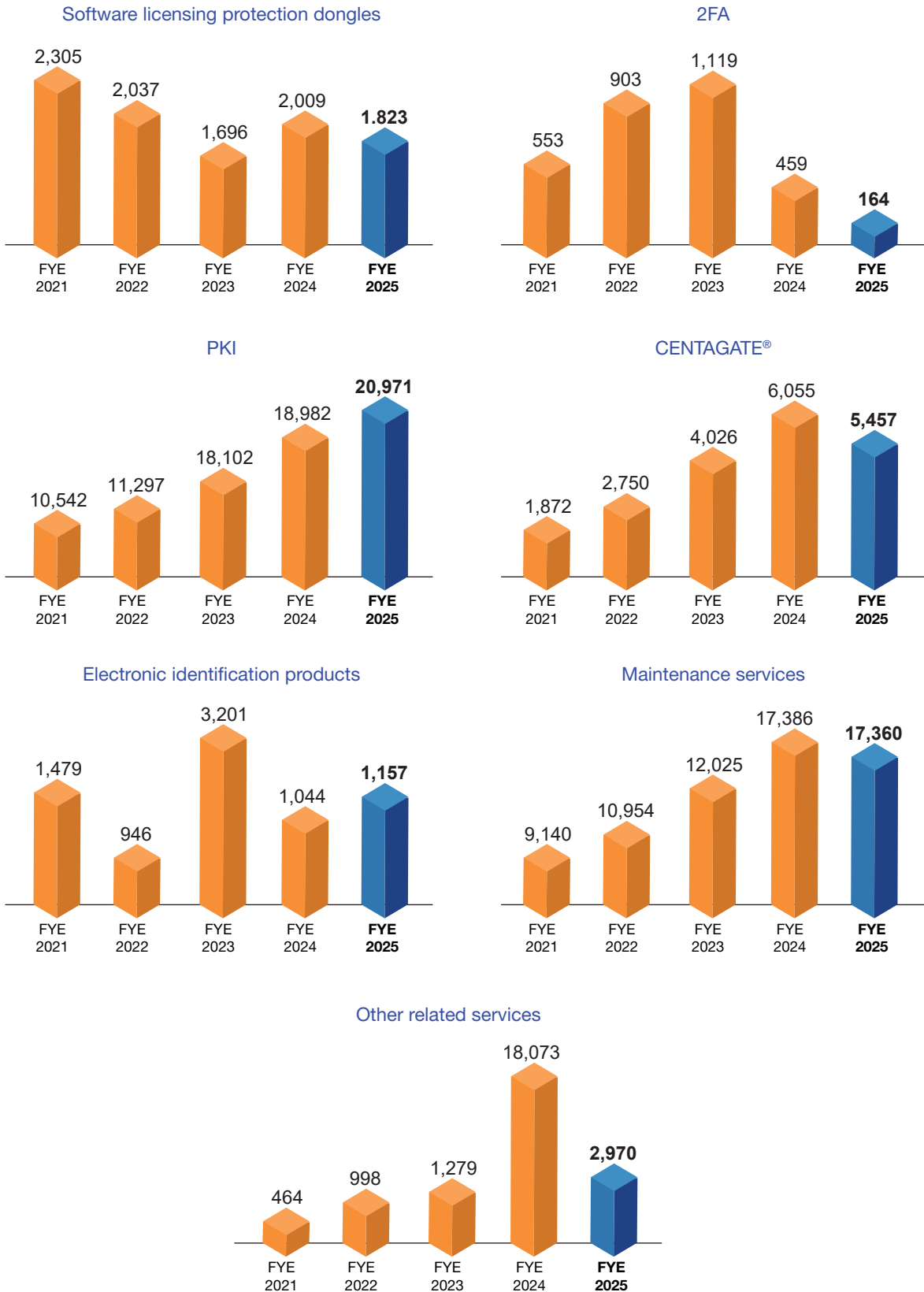




FINANCIAL HIGHLIGHTS

(CONT'D)

REVENUE BY BUSINESS SEGMENTS (RM'000)



CHAIRMAN'S STATEMENT



It is my pleasure, on behalf of the Board of Directors (“Board”) of Securemetric, to present the Annual Report and Audited Financial Statements of the Group for the financial year ended 31 December 2025 (“FYE 2025”).

CLIFTON HEATH FERNANDEZ
Independent Non-Executive Chairman



CHAIRMAN'S STATEMENT

(CONT'D)

The FYE 2025 was marked by a challenging and uncertain global economic environment. Geopolitical tensions, including global tariff disputes and conflicts in the Middle East, continued to create uncertainties in global trade and business sentiment. Despite these challenges, demand for digital security solutions remained supported by the ongoing shift towards digitalisation, increasing cybersecurity awareness, and evolving regulatory requirements. The Group remained focused on operational efficiency, strengthening partnerships, and enhancing its products and services to support sustainable growth.

FINANCIAL HIGHLIGHTS

In FYE 2025, the Group recorded revenue of RM 49.90 million, a decrease of RM14.11 million from RM64.01 million recorded in FYE 2024. The decrease in revenue was mainly due to the decrease in revenue from maintenance services and other related services. However, the decrease was offset by the increase in revenue from digital security solutions and electronic identification products.

Profit after tax and after non-controlling interests stood at RM2.08 million, which represents a decline of RM2.99 million as compared to profit after tax and after non-controlling interests of RM5.07 million in the previous financial year. This was mainly due to lower revenue, which resulted in lower gross profit.

The Group's cash reserve continues to be at a healthy level of RM27.28 million. In view of this, the Group is well-positioned to not only weather the current economic climate but also to expand its businesses, as and when opportunity arises.

For a more in-depth analysis of Securemetric's financial and operational performance, please refer to the Management Discussion & Analysis section of this Annual Report.

ECONOMIC OUTLOOK AND PROSPECTS

Looking ahead, the global economic outlook for 2026 remains cautious amid ongoing geopolitical tensions, including recent developments in the Middle East, as well as broader macroeconomic uncertainties. These external factors, including global economic growth trends, inflationary pressures, foreign exchange volatility and geopolitical developments, may continue to influence customer spending behaviour and project timelines.

According to the International Monetary Fund ("IMF"), global Gross Domestic Product (GDP) growth is projected to remain around 3.3% in 2026 and 3.2% in 2027.

(Source : <https://imf.org/en/publications/weo/issues/2026/01/19/world-economic-outlook-update-january-2026>)

On the domestic front, Malaysia's economy is projected to grow by approximately 4.3% in 2026 and 2027, according to the IMF.

(Source: <https://theedgemaalaysia.com/node/789983>)

Meanwhile, digital adoption continues to accelerate, supporting sustained demand for digital security solutions. Increasing cybersecurity awareness and rising cyber threats further drive the need for secure digital transactions and authentication solutions.

In light of the above, the Group remains focused on strengthening its core business and capturing growth opportunities, while maintaining operational efficiency and prudent cost management.

The Board remains confident in the Group's ability to navigate challenges and is cautiously optimistic about its prospects for the financial year ahead.

APPRECIATION

On behalf of Securemetric's Board, I would like to express my sincere appreciation to our management team and employees for their dedication and commitment throughout the year.

I would also like to thank our valued shareholders, customers, business partners, suppliers, bankers, government agencies, and regulatory authorities for their continued trust and support.

We remain committed to creating long-term value for our shareholders and look forward to the continued growth of the Group in the years ahead.

MANAGEMENT DISCUSSION & ANALYSIS

We hereby present our Group's Management Discussion & Analysis Statement for the FYE 2025

“The FYE 2025 was marked by a challenging operating environment amid global economic uncertainties. Despite these conditions, the Group remained focused on strengthening its core business and maintaining operational efficiency.”

1. OVERVIEW OF THE GROUP'S BUSINESSES AND OPERATIONS

1.1 Core Business and Operations of the Group

The Group is principally involved in the provision of digital security solutions as well as trading of electronic identification products and other related services. The Group maintains a regional presence across Southeast Asia, including Malaysia, Vietnam, the Philippines, Indonesia and Singapore.

Within our Group, Securemetric Malaysia is responsible for research and development (R&D) of software licensing protection dongles, 2FA and PKI. Securemetric Malaysia is also involved in project implementation, as well as the sales and marketing of digital security solutions, maintenance services, other related services, and electronic identification products.

Securemetric Digital Malaysia is responsible for R&D, project implementation, and the sales and marketing of CENTAGATE®, as well as our in-house developed digital signing solution. Securemetric Digital Malaysia is also involved in sales and marketing of maintenance services and other related services.

Securemetric Mobile Security Malaysia focus on the sales and marketing of mobile security solutions, maintenance services and related services.

Securemetric Vietnam, Securemetric Philippines and Securemetric Indonesia are primarily accountable for the implementation of projects related to the provision of digital security solutions, maintenance services and other related services as well as being responsible for the sales and marketing of electronic identification products. Meanwhile, Securemetric Singapore and Softkey Indonesia focus only on the sales and marketing of electronic identification products and other related services.

The Group's core business segments are as follows:

Segments	Principal activities
Digital security solutions	
<ul style="list-style-type: none"> Software licensing protection dongles 	For prevention of unauthorised access, copy, imitation and distribution of software. To protect parties with exclusive rights and ensure only paying customers have access.
<ul style="list-style-type: none"> 2FA 	Aims to enhance access security by enforcing a second authentication factor, a randomly generated One-Time Password.
<ul style="list-style-type: none"> PKI 	To ensure that the sender of data is indeed the source and that the said data has not tampered in transit.
<ul style="list-style-type: none"> CENTAGATE® 	An inclusive software that manages user authentication and supports multi-factor and multi-channel authentication and digital signing solution (“SigningCloud”).
Electronic identification products	
We purchase third party branded electronic identification products from product principals for onward sale to our customers.	
Maintenance services	
Maintenance services arising from service level agreements following the completion of projects, with renewal option.	
Other related services	
We purchase other solutions, applications, and products from third parties for onward sale to our customers.	



MANAGEMENT DISCUSSION & ANALYSIS

(CONT'D)

2. REVIEW OF FINANCIAL RESULTS

The Group registered total revenue of RM49.90 million in FYE 2025 as compared to RM64.01 million in the preceding financial year. On a year-on-year (“y-o-y”) basis, the Group’s revenue has decreased by RM14.11 million or 22.0% due to decrease in revenue from maintenance services and other related services. However, the decrease was offset by the increase in revenue from digital security solutions and electronic identification products.

Our GP margin increased by 4.0% y-o-y from 48.7% in FYE 2024 to 52.7% in FYE 2025. Despite registered an improvement in GP margin, our GP decreased by 15.8% from RM31.20 million in FYE 2024 to RM26.28 million in FYE 2025. The decrease in GP was mainly attributable to lower revenue from other related services.

Administrative expenses decreased by 10.4% y-o-y to RM22.74 million, mainly due to the absence of impairment losses on investments, deposits written off and property, plant and equipment written off during the financial year under review.

The Group recorded a profit before tax of RM3.90 million in FYE 2025, a decline of 47.3% as compared to a profit before tax of RM7.40 million in FYE 2024.

The Group reported a profit after tax (“PAT”) of RM2.11 million in FYE 2025 as compared to PAT of RM5.07 million in FYE 2024, translating to PAT margin of 4.2% and 7.9% respectively.

The Group maintained a healthy financial position with RM27.28 million in cash and cash equivalents at the end of the financial year under review. Total assets have increased to RM63.26 million from RM62.77 million recorded in the last financial year, while shareholders’ equity stood at RM41.68 million as of 31 December 2025, compared to RM40.77 million in the last financial year. This resulted in net assets per share of 7.22 sen as of 31 December 2025, from 7.07 sen as of 31 December 2024.

Geographically, Malaysia contributed around 17.0% to the Group’s revenue, with the balance from the Philippines (34.2%), Vietnam (17.7%), Indonesia (13.3%), Singapore (9.7%) and others (8.1%).

Digital Security Solutions

The digital security solutions segment contributed to the biggest revenue in FYE 2025. This segment delivered a total revenue of RM28.42 million to the Group, which is a 3.3% y-o-y increase from RM27.51 million in FYE 2024. The increase in revenue from this segment was mainly driven by higher PKI revenue.

Electronic Identification Products

For FYE 2025, the electronic identification products segment contributed RM1.16 million to the Group’s revenue. In comparison to the revenue recorded in FYE 2024, this represents an increase of RM0.12 million or 11.5% y-o-y from RM1.04 million. The increase in revenue was mainly attributable to higher contributions from Softkey Indonesia.

Maintenance Services

The maintenance services segment contributed RM17.36 million to the Group’s revenue, representing a marginal 0.17% y-o-y decrease from RM17.39 million in FYE 2024.

Other Related Services

The Group’s other business segments comprise mainly other solutions, applications and products. This segment contributed RM2.97 million to the Group’s revenue, representing an 83.6% y-o-y decrease from RM18.07 million in FYE 2024, mainly attributable to lower revenue contributions from Securemetric Malaysia, Securemetric Digital Malaysia and Securemetric Philippines.

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

3. OPERATIONS REVIEW

Amidst challenging economic conditions, the Group manages to secure new contracts for providing digital security solutions, electronic identification products and other solutions, applications and products in the countries where it operates. Furthermore, the Group delivers reliable maintenance and support contracts to both its current and potential customers.

4. FUTURE PROSPECTS

Cybersecurity continues to gain importance as organisations accelerate digital adoption. According to the Global Cybersecurity Outlook 2026 published by the World Economic Forum, cybersecurity risks are increasing due to rapid technological advancements, geopolitical tensions, and the growing use of artificial intelligence in digital systems.

*(Source: Global Cybersecurity Outlook 2026, World Economic Forum
https://reports.weforum.org/docs/WEF_Global_Cybersecurity_Outlook_2026.pdf)*

In Malaysia, the Economic Outlook 2026 by the Ministry of Finance Malaysia highlights the role of advanced digital technologies and innovation in strengthening economic resilience and supporting long-term growth.

*(Source: Economic Outlook 2026, Ministry of Finance Malaysia
<https://belanjawan.mof.gov.my/pdf/belanjawan2026/economy/economic-2026.pdf>)*

Government budgets and digitalisation initiatives are expected to remain key drivers of demand for the Group's services. As reliance on digital platforms and online transactions increases, demand for digital security and authentication solutions is expected to remain resilient. Recurring maintenance and support services are expected to continue providing a stable revenue base, complemented by selective project-based opportunities.

Nevertheless, procurement timelines may remain phased and subject to budget execution constraints. Accordingly, the Group will continue to adopt a prudent and selective approach in pursuing new projects.

The Group will continue to focus on innovation, strengthen strategic partnerships, expand its market presence, and enhance sales and marketing initiatives to drive revenue growth and market penetration. At the same time, the Group will prioritise scalable and repeatable service offerings, while maintaining discipline in capital investment, resource allocation and cost management.

While broader macroeconomic uncertainties remain, the Board believes that the measures undertaken will position the Group to achieve sustainable operations and growth.

5. ANTICIPATED OR KNOWN RISKS

Rapid changes in technological development

The technology industry is rapidly evolving, presenting both opportunities and challenges. As the Group's products and services are technology driven, its growth and sustainability depend on its ability to adapt to technological developments and changing market demands. To remain competitive in a dynamic technology landscape, the Group continues to enhance its solutions and capabilities. The Group also places emphasis on staff development to ensure employees' skills remain aligned with evolving technological advancements. Through continuous capability development, the Group aims to respond effectively to technological changes and maintain its competitiveness in the industry.

Dependence on key and technical personnel

The Group recognises that its long-term success depends on the expertise and contributions of its key management and technical personnel. The loss of such personnel could affect operational continuity and the Group's competitiveness. To mitigate this risk, the Group offers competitive remuneration packages and employee benefits to attract and retain qualified employees. The Group also emphasises employee development and capability building to strengthen its talent pipeline and support leadership continuity. In addition, the Group periodically reviews its remuneration structure to remain competitive in the labour market and continues to recruit qualified professionals to support its operational and business needs.



MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

5. ANTICIPATED OR KNOWN RISKS (CONT'D)

Credit risk

Uncertain global and domestic economic conditions may expose the Group to credit risk, particularly in relation to longer collection periods and potential losses arising from irrecoverable trade receivables. To mitigate this risk, the Group adopts prudent credit management and continuously monitors the creditworthiness of its customers. The Group also performs periodic reviews of outstanding receivables to ensure timely collection and minimise potential credit losses.

Fluctuation in foreign currency exchange rates

The Group is exposed to transactional foreign currency risks arising from sales and purchases conducted in currencies other than its functional currency. A substantial portion of the Group's purchases is denominated in United States Dollar and Euro, while expenses and sales in Malaysia are primarily denominated in Ringgit Malaysia. Expenses incurred by foreign subsidiaries are generally denominated in their respective local currencies. Fluctuations in foreign exchange rates may therefore affect the Group's costs and financial performance.

The Group does not maintain a formal hedging policy for its foreign exchange exposure. Instead, the Group adopts an ongoing monitoring approach to ensure that net foreign currency exposures remain within acceptable levels.

Political, economic and regulatory risks

Political, economic and regulatory developments in Malaysia and other countries may have a significant impact on the Group's performance. These uncertainties include potential social unrest, changes in political leadership, and shifts in government policies such as regulations, customs duties, interest rates, tariffs and taxes.

Changes in government policies or regulatory frameworks may affect the Group's business operations, including potential delays in project implementation or the delivery of shipments. Such developments may lead to increased costs and may adversely affect the Group's revenue and profitability.

Ability to secure new projects and customers

The Group's financial performance is closely linked to its ability to secure contracts and projects in a timely manner, as its core business operates on a project-based model. The Group's pipeline of projects may fluctuate depending on market demand, competition and the availability of project opportunities. Failure to maintain a sufficient pipeline of projects could adversely affect the Group's financial performance and future prospects.

To mitigate this risk, the Group continues to focus on expanding its recurring income streams, including maintenance services and other recurring solutions, to support more sustainable business growth.

6. DIVIDEND POLICY

The Group does not currently have a fixed dividend policy or predetermined payout ratio. The Board will consider several factors when determining the payment and amount of dividends, including the availability of distributable reserves and cash flows, the Group's operating cash flow requirements and financing commitments, anticipated future operating conditions, as well as future expansion, capital expenditure and investment plans. The Board will also consider the potential impact of tax laws and other regulatory requirements, and whether prior approval from the Group's banks is required.

The Board does not recommend the payment of any dividend in respect of the FYE 2025.

PROFILE OF DIRECTORS



CLIFTON HEATH FERNANDEZ

Independent Non-Executive Chairman



Malaysian

AGE 54



Male

Date of appointment
2 February 2018

Membership of Board Committees:

Chairman of Risk Management Committee
Member of Audit Committee
Member of Remuneration Committee
Member of Nomination Committee



Board attendance in FYE 2025 5/5

Qualification:

He is a fellow of the Chartered Certified Accountant (ACCA, UK). He holds a Chartered Accountancy and a Diploma in Management from The Malaysian Institute of Management (AMIM) and is a Certified Management System, Lead Auditor for ISO 9001 / 45001/ 14001 etc. He is also a Chartered Internal Auditor, IIA, C.A (M), Asean CPA and a member of Chartered Quality Institute, UK and INSOL International.

Working Experience:

He is currently the Training and Certification Director of Unicert International Sdn. Bhd. His career has encompassed a spectrum of industries, involving standards and improvement in projects, compliance, quality, financial, auditing, education, human resources and credit control. He conducts training, certification audit & placement consultancy for clients in Southeast Asia region.

He also acts as an independent reviewer and evaluation body to ensure that compliance issues/ concerns with organisations are being appropriately evaluated, investigated and resolved.

Present Directorship in Public Company and Listed Entity:

None

Declaration:

- No family relationship with any director and/or major shareholder of the Group.
- No conflict of interest or potential conflict of interest, including any interest in any competing business with the Company and its subsidiaries.
- No conviction of offenses within the last five (5) years other than traffic offenses, if any.
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



PROFILE OF DIRECTORS (CONT'D)



SHIREEN CHIA YIN TING

Independent Non-Executive Director



Malaysian

AGE 52



Female

Date of appointment
2 February 2018

Membership of Board Committees:

Chairperson of Audit Committee
Chairperson of Remuneration Committee
Member of Risk Management Committee
Member of Nomination Committee



Board attendance in FYE 2025 5/5

Qualification:

She graduated in 1996 from Middlesex University, United Kingdom and she was certified as a Chartered Accountant by the Malaysian Institute of Accountants.

Working Experience:

Shireen Chia Yin Ting is an experienced finance and corporate governance professional with a strong background across the aviation, hospitality, engineering and digital sectors. She holds a Bachelor of Arts in Accounting and Finance from Middlesex University, United Kingdom, and is a Chartered Accountant registered with the Malaysian Institute of Accountants.

She spent over a decade with AirAsia Berhad, where she was part of the management team involved in the airline's transformation into a leading low-cost carrier and its successful listing on the Kuala Lumpur Stock Exchange. She later held senior leadership roles, including Group Chief Financial Officer of Tune Hotels Group of Companies and General Manager at Malaysia Marine and Heavy Engineering Sdn. Bhd., overseeing financial management and business optimisation initiatives.

Shireen currently serves as an Independent Non-Executive Director of Catcha Digital Berhad and Securemetric Berhad, where she contributes her expertise in financial oversight, risk management and corporate governance, and serves on various Board Committee.

Present Directorship in Public Company and Listed Entity:

Catcha Digital Berhad

Declaration:

- No family relationship with any director and/or major shareholder of the Group.
- No conflict of interest or potential conflict of interest, including any interest in any competing business with the Company and its subsidiaries.
- No conviction of offences within the last five (5) years other than traffic offences, if any.
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF DIRECTORS (CONT'D)



**NORAFIZAH BINTI
ZAINAL ABIDIN**
Independent Non-Executive Director



Malaysian

AGE 55



Female

Date of appointment
3 June 2025

Membership of Board Committees:

Chairperson of Nomination Committee
Member of Audit Committee
Member of Remuneration Committee
Member of Risk Management Committee



Board attendance in FYE 2025 2/2

Qualification:

She graduated with a Bachelor of Science in Business & Management Studies from University of Bradford, United Kingdom and obtained a Diploma in Business Studies from MARA Institute of Technology Malaysia.

Working Experience:

Norafizah is a seasoned executive and highly motivated professional with over 20 years of successful experience in the Digital Trust & Security industry, particularly in Public Key Infrastructure (PKI), digital identity, and trust services. She has a proven track record in regulatory compliance, strategic planning, and the successful delivery of complex digital trust projects across government and private sectors.

She began her career at Post DigiCert Sdn Bhd (1998-2005), progressing from Marketing Executive to Business Development & Marketing Manager. During her tenure, she played a key role in promoting the early adoption of digital signature solutions among government agencies.

From 2005 to 2014, she served as Head of Business Development & Customer Support at MSC Trustgate.com Sdn Bhd, driving business growth and managing PKI operations, while also strengthening industry credibility through frequent speaking engagements.

Between 2014 and 2017, she was Head of Business Development & Compliance at Telekom Applied Business Sdn Bhd, playing a key role in maintaining its Certification Authority (CA) license and overseeing end-to-end project implementation.

At Raffcomm Technologies Sdn Bhd (2017-2019), she served as Head of Business & Compliance, where she was instrumental in obtaining CA status and establishing internal governance and compliance frameworks.

From 2019 to 2021, she served as Group Chief Operating Officer at both Raffcomm Technologies Sdn Bhd and Raffcomm Sdn Bhd, leading major projects in digital signature, identity, and cybersecurity. Her expertise in governance, risk, and compliance has consistently enabled the alignment of regulatory requirements with business objectives, reinforcing stakeholder trust.

Present Directorship in Public Company and Listed Entity:

None

Declaration:

- No family relationship with any director and/or major shareholder of the Group.
- No conflict of interest or potential conflict of interest, including any interest in any competing business with the Company and its subsidiaries.
- No conviction of offences within the last five (5) years other than traffic offences, if any.
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



PROFILE OF DIRECTORS
(CONT'D)



LAW SEEH KEY
*Non-Independent Executive Director/
Co-Founder/Chief Executive Officer*



Malaysian

AGE 54



Male

Date of appointment
2 February 2018

Membership of Board Committees:
None



Board attendance in FYE 2025 5/5

He is accountable for its overall strategic direction and oversees business development activities, particularly on significant projects and partnerships. In addition, he assumes the responsibility of identifying, examining, and assessing potential investment opportunities. With more than 20 years of experience in the ICT and digital security industry, he has a wealth of knowledge and expertise in this field.

Qualification:

He graduated with a degree in Bachelor of Science in Information System from Campbell University, North Carolina, United States of America in July 1996.

Working Experience:

He began his career with IBI Systems (M) Sdn. Bhd. in October 1996 as a Business Development Manager. He was responsible for setting up and managing computer retail chain outlets as well as leading the company’s sales division. In February 2001, he left IBI System (M) Sdn. Bhd. and co-founded Softkey Malaysia, where he was responsible for leading and managing its overall business operations and strategic direction.

In January 2007, he co-founded Securemetric Malaysia and assumed the role of Chief Executive Officer.

Present Directorship in Public Company and Listed Entity:

None

Declaration:

- No family relationship with any director and/or major shareholder of the Group.
- No conflict of interest or potential conflict of interest, including any interest in any competing business with the Company and its subsidiaries.
- No conviction of offences within the last five (5) years other than traffic offences, if any.
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF DIRECTORS (CONT'D)



YONG KIM FUI

**Non-Independent Executive Director/
Chief Financial Officer**



Malaysian

AGE 54



Male

Date of appointment
2 February 2018

Membership of Board Committees:

Member of Risk Management Committee



Board attendance in FYE 2025 5/5

He is responsible for planning, implementing, managing and overseeing financial and compliance management, as well as human resources oversight and related activities for the Group. Additionally, he plays a leading role in identifying, evaluating, and assessing potential investment opportunities. Moreover, he is accountable for the strategic planning and execution of various fundraising initiatives.

Qualification:

He graduated in 1996 from the University of Southern Queensland and is a registered member of the Malaysian Institute of Accountant. He is also a Certified Practising Accountant (CPA) in Australia.

Working Experience:

He began his career in accounting practice with Coopers & Lybrand (now known as PricewaterhouseCoopers) as auditor specialising in the financial and manufacturing sectors. During his tenure, he was exposed to transactions involving review of profit and cashflow forecast for corporate restructuring, tax investigation and review of financial statements for debt facilities and bonds.

Having garnered enough experience and expertise, he subsequently founded a company rendered accounting, taxation and advisory services targeting mainly SMEs to assist and support their growth. In December 2016, he left the company and joined Securemetric Malaysia as Chief Financial Officer overseeing the financial preparation process and issuance of financial information, tax, budgeting and capital planning, implementation of standard operating procedure for the finance division, and the implementation of ISO 9001, ISO 10002 and ISO 27001 for Securemetric Group. He was involved in assisting our Group to obtain a grant from the Ministry of Science, Technology and Innovation, fully in charge of Securemetric's listing exercise and successfully listed Securemetric in the ACE Market of Bursa Malaysia Securities Berhad. He successfully identified investors and facilitated the fundraising exercise.

Present Directorship in Public Company and Listed Entity:

Synergy House Berhad

Declaration:

- No family relationship with any director and/or major shareholder of the Group.
- No conflict of interest or potential conflict of interest, including any interest in any competing business with the Company and its subsidiaries.
- No conviction of offences within the last five (5) years other than traffic offences, if any.
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



PROFILE OF KEY SENIOR MANAGEMENT

Nioo Yu Siong Chief Operating Officer



Malaysian



52



Male

Date of appointment

17 January 2007

Membership of Board Committees:

Member of Risk Management Committee

He is responsible for our internal operations, including production planning, procurement, inventory management and logistics.

Qualification:

He graduated with a Diploma in Computer Engineering from Institut Teknologi Pertama, Kuala Lumpur in December 1995.

Working Experience:

He began his career with Computer Zone Sdn. Bhd. in May 1996, as a computer technician responsible for the assembly and repair of computers. In March 1997, he left Computer Zone Sdn. Bhd. to join PC Partners (Johor) Sdn. Bhd., a subsidiary of IBI Systems, as an Assistant Technical Manager. He led technical teams to provide on-site maintenance service, repair and assembly of new computers as well as the set-up of cybercafés through the provision of computer, network cabling and management systems. In April 2000, he left PC Partners (Johor) Sdn. Bhd. to join IBI Systems (M) Sdn. Bhd. as the Technical Manager responsible for overseeing technical teams located at company headquarters and branches. In March 2003, he left IBI Systems (M) Sdn. Bhd. to join Softkey Malaysia as Operations Manager responsible for overall internal operations.

In January 2007, he co-founded Securemetric Malaysia and assumed the position of Chief Operating Officer.

Present Directorship in Public Company and Listed Entity:

None

Declaration:

- No family relationship with any director and/or major shareholder of the Group.
- No conflict of interest or potential conflict of interest, including any interest in any competing business with the Company and its subsidiaries.
- No conviction of offences within the last five (5) years other than traffic offences, if any.
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PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

Wo Swee Teck

Managing Director of Securemetric Malaysia



Malaysian



AGE 50



Male

Date of appointment

2 April 2018

Membership of Board Committees:

None

He is responsible for ensuring regulatory compliance and driving business growth by developing strategies, overseeing daily operations, managing budgets, leading the local team, and building strong relationships with stakeholders. He ensures alignment with group objectives while adapting to local market needs and fostering innovation.

Qualification:

He graduated with a Diploma in Marketing from the Polytechnic of Port Dickson.

Working Experience:

His career in solution sales began at Alphamatic Systems, where he served as an account manager, followed by a role at GHL Systems. His tenure at MSC Trustgate proved pivotal, as it equipped him with in-depth knowledge and expertise in Securemetric's core solutions and offerings. Prior to joining Securemetric, he held the position of Assistant Vice President at Maybank, where he was responsible for Strategic Alliances for eChannels, further solidifying his experience in the industry.

Present Directorship in Public Company and Listed Entity:

None

Declaration:

- No family relationship with any director and/or major shareholder of the Group.
- No conflict of interest or potential conflict of interest, including any interest in any competing business with the Company and its subsidiaries.
- No conviction of offences within the last five (5) years other than traffic offences, if any.
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

Leo Nugraha Kusuma

Country Manager of Securemetric Indonesia and Softkey Indonesia



Indonesian



46



Male

Date of appointment

03 January 2006

Membership of Board Committees:

None

He is responsible for ensuring regulatory compliance and driving business growth by developing strategies, overseeing daily operations, managing budgets, leading the local team, and building strong relationships with stakeholders. He ensures alignment with group objectives while adapting to local market needs and fostering innovation.

Qualification:

He graduated with a Degree in Computer Science from Bina Nusantara University, Jakarta, Indonesia in October 2002, along with informal certifications from various institutions and organisations such as The Institute of Indonesia Chartered Accountants and Indonesian Financial Transactions Reports and Analysis Center in 2005.

Working Experience:

He started his working journey with UOB Bank (previously known as Bank Buana Indonesia) in late 2002 as an Operational Clerk, responsible for checking and verifying all clearing bills, cheques, and demand deposits. In 2003, he left UOB Bank to join Hana Bank (previously known as Bank Bintang Manunggal) as a Junior Information Technical Engineer. He became a team member responsible for ensuring that all banks activities related to Information Technology were functioning properly and for testing new applications from Indonesia Central Bank (Bank Indonesia).

In 2005, he was promoted as Senior Technical Supervisor, leading technical teams at Bank Bintang Manunggal. In 2006, he began his career in Securemetric Group by joining Softkey Indonesia as Sales Engineer, responsible for developing awareness of security devices, such as security license dongles, in the Indonesia market and providing the best solution to Indonesian software developer companies to secure their applications and businesses.

In 2008, he was appointed as Senior Business Development Manager, and in 2015, he also joined Securemetric Indonesia and was promoted as VP of Business Development for both companies, demonstrating outstanding performance as a leader in the company since then.

In 2022, he was appointed as Country Manager in Indonesia.

Present Directorship in Public Company and Listed Entity:

None

Declaration:

- No family relationship with any director and/or major shareholder of the Group.
- No conflict of interest or potential conflict of interest, including any interest in any competing business with the Company and its subsidiaries.
- No conviction of offences within the last five (5) years other than traffic offences, if any.
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

Nguyen Hong Thu Country Manager of Securemetric Vietnam



Vietnamese



AGE 38



Female

Date of appointment

1 July 2022

Membership of Board Committees:

None

She is responsible for ensuring regulatory compliance and driving business growth by developing strategies, overseeing daily operations, managing budgets, leading the local team, and building strong relationships with stakeholders. She ensures alignment with group objectives while adapting to local market needs and fostering innovation.

Qualification:

She graduated with a Bachelor of Business Administration from Hanoi University, Vietnam in 2012.

Working Experience:

She started her career in 2009 at an Israeli company that introduced Vietnam's first time-share services (Project Alma Resort Cam Ranh) as a sales representative, supporting market development and customer acquisition. In 2010, she joined Tran Hong Quan Trading Company as a Sales Executive, handling the promotion and sales of residential and office properties. In 2012, she joined Securemetric Vietnam as a Sales Admin and Assistant to the Business Development Manager. Over the years, she progressed to Finance Executive before transitioning back to business development in 2016 as a Business Development Manager, overseeing key accounts. Since 2022, she has been appointed as the Country Manager of Securemetric Vietnam.

Present Directorship in Public Company and Listed Entity:

None

Declaration:

- No family relationship with any director and/or major shareholder of the Group.
- No conflict of interest or potential conflict of interest, including any interest in any competing business with the Company and its subsidiaries.
- No conviction of offences within the last five (5) years other than traffic offences, if any.
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

Jureza Taculma Biocarles Country Manager of Securemetric Philippines



Filipinos



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Female

Date of appointment

06 January 2022

Membership of Board Committees:

None

She is responsible for ensuring regulatory compliance and driving business growth by developing strategies, overseeing daily operations, managing budgets, leading the local team, and building strong relationships with stakeholders. She ensures alignment with group objectives while adapting to local market needs and fostering innovation.

Qualification:

She graduated with a Bachelor of Science in Business Administration from Mariano Marcos State University in 2004.

Working Experience:

She began her career as a Marketing Executive at Bank of Tokyo Lease and Finance Phils., where she gained experience in financial marketing and client relations. She then transitioned into account management and has held various roles over the years, consistently achieving business and operational goals. She has developed a diverse skill set and contributed to organisational projects and initiatives across multiple industries, including Banking, Programming & Development, Telecommunications & System Integration companies.

Prior to her current role, she was with GMO GlobalSign, where she progressed from Sales Team Lead to Senior Sales Team Lead and eventually Sales Manager, leading teams to achieve sales targets and expand market presence. Currently, she serves as the Country Manager at Securemetric Philippines, overseeing operations, business development, and strategic initiatives to drive growth and market expansion.

Present Directorship in Public Company and Listed Entity:

None

Declaration:

- No family relationship with any director and/or major shareholder of the Group.
- No conflict of interest or potential conflict of interest, including any interest in any competing business with the Company and its subsidiaries.
- No conviction of offences within the last five (5) years other than traffic offences, if any.
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

SUSTAINABILITY STATEMENT

“

INTRODUCTION

This Sustainability Statement (“Statement”) highlights the Group’s activities, practices and achievements of its sustainable development and social responsibility in the environmental, social and governance (“ESG”) areas for FYE 2025.

”

SCOPE OF THE STATEMENT

This Statement covers the Group and discloses information about our major business activities, which comprises the provision of digital security solutions, mobile security solutions, as well as trading of electronic identification products and other related services. It covers the sustainability performance of our significant operations for the FYE 2025.





SUSTAINABILITY STATEMENT

(CONT'D)

REPORTING PERIOD & STANDARD

The reporting period is the same as that of the financial year of the Group (1 January 2025 to 31 December 2025) and will be published on an annual basis in accordance with ACE LR from Bursa Securities.

GLOBAL REPORTING INITIATIVE STANDARD

This statement was prepared in adherence to the “Core” reporting requirements of the Global Reporting Initiative (“GRI”) Standards, which are the most widely adopted and globally recognised sustainability reporting guidelines. A GRI Index located at the end of the statement indicates the location of the relevant disclosures.

INDEPENDENT ASSURANCE

The ESG performance data presented in this statement have been primarily sourced from the Group’s internal information systems and original records to ensure their accuracy. The Group did not seek external assurance for this sustainability statement but instead relied on the Board oversight to ensure the accuracy of the data.

COMMITMENT TO SUSTAINABILITY

We strive to achieve ongoing growth and profitability in a secure, compassionate, and sustainable environment. Sustainability has always been a core component of our company culture, and we acknowledge that sustainable practices are crucial factors in investors’ investment decisions.

The Group’s sustainability procedures are in conformity with Bursa Securities’s *Sustainability Reporting Guide (3rd Edition)*, which states that ESG risks and opportunities must be linked to our governance framework and social obligations. This enables the public to assess and evaluate our corporate achievements and behaviour.

The Board places great importance on sustainability as a core value and recognises its impact on investors’ decisions. As a socially responsible Group, we prioritise the well-being of our stakeholders while being mindful of our environmental impact. Upholding high ethical standards and procedures in contributing to the communities positively where we operate are essential to our business practices. We are dedicated to integrating ESG considerations across the Group and promoting sustainable practices in all facets of our operations. We recognise that sustainability is an ongoing effort and are dedicated to continuous improvement and innovation to reduce our negative environmental impacts and increase our positive contributions to society.

SUSTAINABLE DEVELOPMENT GOALS

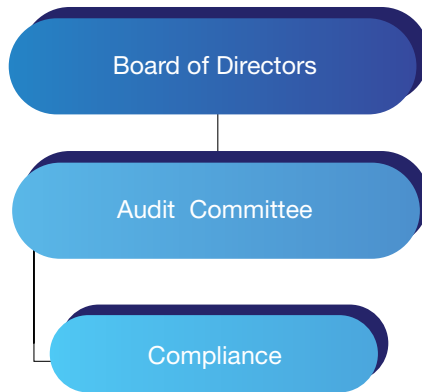
The Company understands the context of its desired impact and its role in the greater global effort for its specific impact area. This year we also align with United Nations Sustainable Development Goals (“UN SDGs”):



SUSTAINABILITY STATEMENT
(CONT'D)

GOVERNANCE STRUCTURE

As part of the Group’s commitment towards sustainability, we have established a clear governance structure to ensure compliance and performance. The Group’s sustainability governance structure is as follows:



STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a crucial element in communicating our sustainability priorities. Engaging with stakeholders enables us to gain a more complete understanding of our materiality issues and concerns, and to capture the key aspects and impacts of our sustainability journey.

The table below lists our key stakeholder groups and their respective areas of interest as well as methods by which the Group engages them.

Stakeholders	Areas of Interest	Engagement Method
Shareholders	<ul style="list-style-type: none"> Financial and operational performance Return on investment 	<ul style="list-style-type: none"> Annual & extraordinary general meetings Quarterly reports Annual reports Company website Announcements and other disclosures through Bursa Link
Board of Directors	<ul style="list-style-type: none"> Corporate strategy Corporate governance Risk oversight and ESG integration 	<ul style="list-style-type: none"> Board meetings
Investors	<ul style="list-style-type: none"> Transparent, ethical, and sustainable business 	<ul style="list-style-type: none"> Analysts briefing
Customers	<ul style="list-style-type: none"> Customer satisfaction Data privacy Product responsibility Quality assurance 	<ul style="list-style-type: none"> Customers’ satisfaction survey Launches/Marketing events Face-to-face interactions Customer support centre
Suppliers	<ul style="list-style-type: none"> Supplier performance review Forging strategic partnership 	<ul style="list-style-type: none"> Supplier survey New supplier evaluation Supplier periodical performance evaluation



SUSTAINABILITY STATEMENT

(CONT'D)

STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholders	Areas of Interest	Engagement Method
Government and authorities	<ul style="list-style-type: none"> Compliance of law and regulations Standards and certifications 	<ul style="list-style-type: none"> Compliance with government legislative and regulatory body framework E-mails/letters Dialogues with the authorities
Employees	<ul style="list-style-type: none"> Recognition, remuneration and benefits Career development and training Workplace health and safety Organisational updates Fair employment practices Financial and sustainability performance of the company 	<ul style="list-style-type: none"> Performance appraisal Training and development Email communication Departmental meetings Employees engagement activities
Communities	<ul style="list-style-type: none"> Community events Job creations 	<ul style="list-style-type: none"> Social contribution Job opportunities Internship positions

RISK AND OPPORTUNITIES

The Board understands the importance of addressing sustainability risks and opportunities in an integrated and strategic manner to support the Group's long-term strategy and success. The Board proactively considers sustainability issues when overseeing the planning, performance, and long-term strategy of the Company, to ensure the Company remains resilient, can deliver durable and sustainable value as well as maintain the confidence of its stakeholders.

Type of risk	Related risk/opportunities	Risk response
Strategic	Growing investor interest in ESG issues (Diversity, health and safety, corporate governance and etc)	The Group strives to integrate critical ESG issues into its business operations and continually monitor progress.
Operational	Changing weather patterns and increased natural disaster disturbing operations and business continuity	The Group is aware of the rapid climate changes and their potential impact, we are taking proactive measures to ensure business continuity by elaborating a comprehensive disaster preparedness plan.
Compliance	Increase client/investor confidence with regards our products and services and business practice	The Group aims to build a strong reputation for our products, services, and business practices and to increase confidence among our clients and investors by adhering to ethical business practices.

SUSTAINABILITY STATEMENT (CONT'D)

MATERIALITY ASSESSMENT

A materiality assessment is an exercise to gauge what are the most noteworthy environmental, social, and governance issues that are material or important to the Group. Below is the assessment process.



The Board conducted a materiality assessment, collecting views from our stakeholders on key material sustainability matters that may have a significant ESG impact on our business or substantively influence the assessment and decisions of our stakeholders. The Board reviews material sustainability matters annually.

Applying materiality helps the Group to identify topics that are most important to act on statement to stakeholders. Through our stakeholder engagement and materiality assessment processes, and taking our operating environment into consideration, the following are the material matters identified for the financial year under review, which are reported based on environmental, social and governance pillars.



Environmental (Cultivating sustainability for a better tomorrow)

- Resource management
- Energy consumptions
- Emission management



Social (Creating positive societal impacts)

- Employment
- Diversity and inclusion
- Training and education
- Social contribution
- Occupational health and safety



Governance (Building trust, enhance organisational resilience and long-term success)

- Corporate governance
- Licensing (standards and certification)
- Supply chain and responsible sourcing



SUSTAINABILITY STATEMENT

(CONT'D)

ENVIRONMENTAL



The Group is dedicated to environmental sustainability and aims to make responsible decisions that involve conserving and being good stewards of the environment. As a digital security solutions provider, our carbon footprint is limited to the energy and resources we consume within the office environment. In FYE 2025, there were no incidents of non-compliance or penalties related to environmental issues. The Board and management are committed to continuously reviewing and improving our current environmental management system and practices to ensure compliance with regulatory and customer requirements. Maintaining this unblemished record remains a top priority to the Group.

RESOURCE MANAGEMENT

The Group acknowledges the environmental impact of our consumption and is committed to reducing these effects through responsible resource management. Implementing resource-efficient practices not only benefits the environment but also improves cost-effectiveness for the Group. We encourage the adoption of digital technologies to reduce businesses' carbon footprints.

a. Digital transformation

Digital transformation has the potential to revolutionise environmental sustainability. The Group has implemented digital workflows into our business processes and is using our in-house developed solution "SigningCloud" for digital signing on most of our business documents to enhance both efficiency and sustainability. The improvements and digitalisation in our internal processes directly reduce paper usage, which can significantly reduce our environmental impact and promote sustainability.

b. Waste management & Recycling Initiative

Following stakeholder engagement in July 2025, waste management was identified as an area for enhancement within the Group's environmental practice. In response, the Group has now introduced waste segregation measures within its office premises including dedicated recycling bins for papers, glass and general waste.

This initiative aims to:

- Promote responsible disposal habits among employees
- Reduce landfill contribution
- Encourage recycling culture within the workplace.
- The Group will continue to strengthen awareness and explore future tracking mechanism to monitor recyclable waste volumes.

c. Data protection and cyber security

Data protection and cyber security are important components of environmental sustainability, and this objective is achieved by being certified for ISO/IEC 27001:2022. The Group recognises that maintaining the highest standard of data security and privacy is imperative to our stakeholders. Thus, we are dedicated to ensuring the data stored across our systems, databases, and networks is being adequately safeguarded.

Together with all our employees, our Information Technology ("IT") team, which is responsible for overseeing, implementing, and maintaining various systems, is required to sign a Non-Disclosure Agreement ("NDA") to ensure all confidential information is not disclosed to any personnel who do not have the authorisation to view or access the said confidential information. Additionally, our data management is governed through IT policies and procedures such as password, email, and internet policy, with other safeguarding measures in place to protect the confidential information stored in the information technology system.

SUSTAINABILITY STATEMENT (CONT'D)

ENERGY CONSUMPTIONS

The Group acknowledges the global concern about climate change driven by increasing energy usage and understands the importance of using energy efficiently to address it. We are committed to continually monitoring our efforts to demonstrate our dedication to sustainability.

Our daily office activities contribute to this energy consumption. We support the use of energy-efficient appliances and lighting fixtures that consume less power. Additionally, we encourage our employees to promptly turn off any unnecessary energy sources, especially when they are not in use.

For FYE 2025, the Group recorded total energy consumption of 122,805 kWh, compared to 144,611 kWh in FYE 2024, reflecting a reduction of approximately 15.1%. This decrease demonstrates the Group's ongoing efforts in improving energy efficiency and optimising operational practices as part of its environmental sustainability commitment.

EMISSION MANAGEMENT

As the Groups embarking on ESG initiatives, it is crucial for us to monitor our carbon footprint and by disclosing Scope 3 emissions in Categories 6 (Business Travel) and 7 (Employee Commuting). This approach aligns with the Green House Gas (GHG) Protocol Scope 3 Calculation Guidance (2013). Emission, CO₂e (kg) = Distance x Emissions factor of vehicle.

The adoption of this distance-based methodology aims to ensure the disclosure is aligned with international and industry practices, improve credibility and thus provide better insights for all stakeholders.

SOCIAL



The Group firmly believes that employees are the most important and valuable assets to the Group, forming the core competitive advantage of the Group. They are the main driving force behind the continuous innovation of the Group.

EMPLOYMENT

Our employees are one of our most valuable assets. The Group believes in and is committed to implementing fair employment practices, upholding human rights principles, and investing in developing and training of our people. As at FYE 2025, the Group has a total workforce of 142 employees, compared to 148 employees in FYE 2024.

We strive to foster an inclusive and performance driven work environment to attract, retain and develop our talents. As an equal opportunity employer, the Group has instituted a fair system to ensure equal opportunities and non-preferential treatment for all employees. There is no preference or prejudice towards religion, age, ethnicity, any physical disability, or gender. Employees are required to observe and adhere to all relevant policies and practices. The Group makes a conscious effort to maintain diversity in the middle management, to generate creativity and innovation and improve the organisation's culture. There were no reported incidents of discrimination raised by our employees in FYE 2025.



SUSTAINABILITY STATEMENT

(CONT'D)

EMPLOYMENT (CONT'D)

The Group remains committed to fostering a healthy, safe, and secure workplace for all employees. Across all business segments, no workplace grievance cases were reported in FYE 2025, consistent with FYE 2024, reflecting a positive and harmonious working environment.

a. Employee remuneration and benefit

The Group recognises the valuable contribution of all employees and strongly believes in fair remuneration, setting packages that are competitive and sufficient to attract, retain, and motivate personnel. When setting remuneration packages, the Group considers regulatory requirements, salary, and employment conditions by benchmarking against companies within the same industry. In addition to the competitive remuneration offered, we continue to improve our employee benefits.

The Group is fully compliant with local labour regulations across our operations, as well as minimum wage laws, where such laws exist. Being in the industry, we are dedicated to constantly reviewing our employment policies, benefits, and remuneration practices to ensure compliance with updated employment laws and to keep up with the best industry practices, to provide optimal working conditions for our people.

b. Performance and career development review

Performance career development review for all full-time employees should be performed during the annual performance appraisal process. This process allows two-way communication and engagement between supervisors and subordinates to assess the performance of the employee.

Upon completion of the appraisal process, consideration of career advancement such as promotion, quantum of salary increments, and annual variable bonus will be determined based on the performance appraisal results. Employees are assessed and remunerated fairly based on their experience, qualifications, and performance.

The Group shall continue to provide training and education opportunities through development programmes wherever applicable and promote a conducive corporate environment where everyone could achieve their potential.

DIVERSITY AND INCLUSION

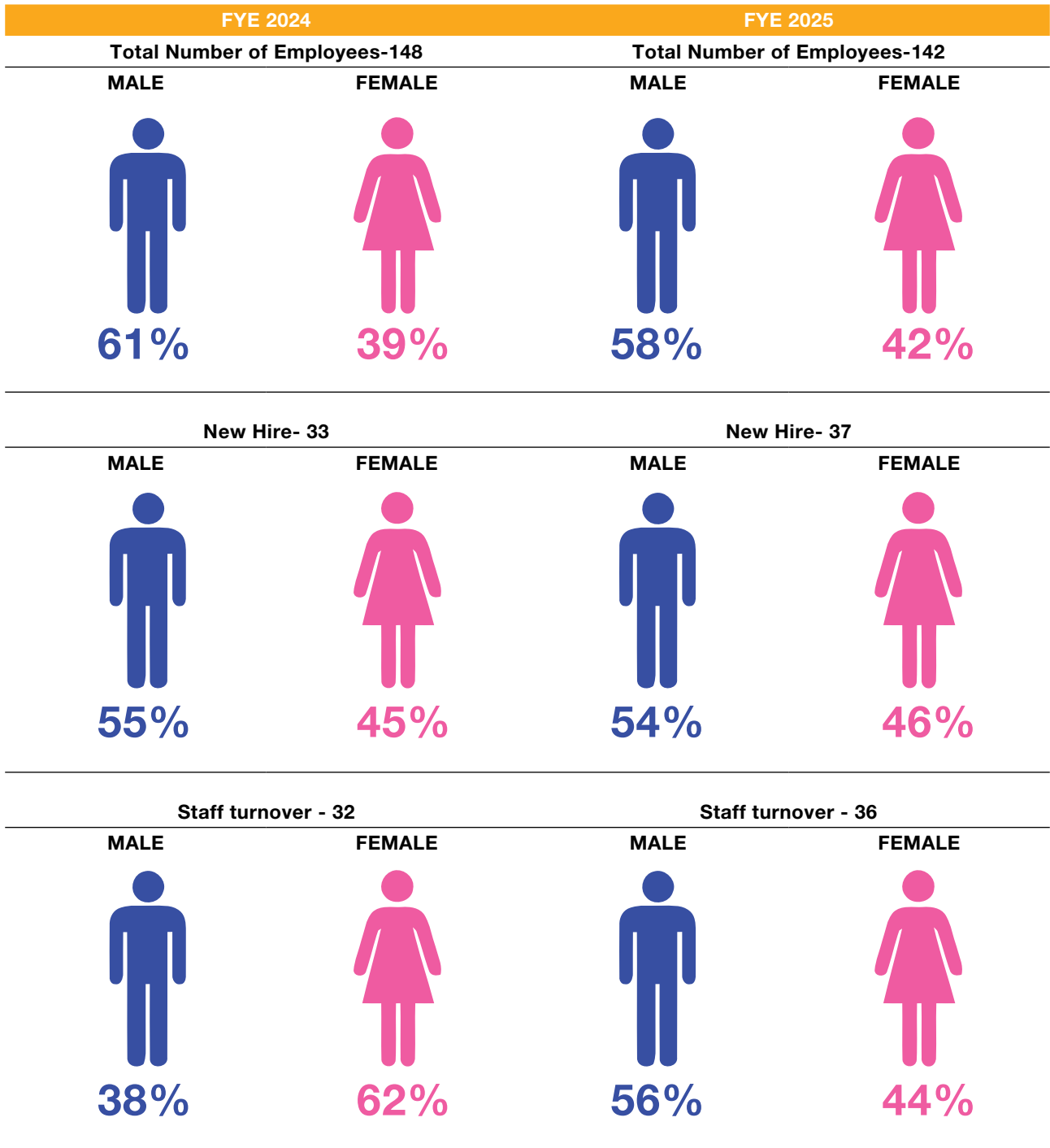
Diversity refers to the differences in workforce by gender, age, ethnicity, and disability. This measure is considered across the Board, from the Directors to the management and the rest of the workforce.

In the appointment and recruitment process, we pride ourselves on being an employer that provides equal opportunities and continuously seeks to promote it regardless of religious belief, age, marital status, gender, family status, or any disability. Our commitment in that respect applies to all areas of the working environment, all employment activities, resource allocation, and all employment terms and conditions. Every employee is given an equal opportunity to rise in their careers through hard work and dedication. We draw strength from the diversity and inclusiveness that is prevalent in our workplace.

SUSTAINABILITY STATEMENT
(CONT'D)

DIVERSITY AND INCLUSION (CONT'D)

As at FYE 2025, the total number of employees comprised 142 employees and interns. The following charts present the composition of the Group's human capital for FYE 2024 and FYE 2025.



As part of our commitment to fostering an inclusive and supportive workplace, we promote health and wellness initiatives, including Mental Health Awareness programs to educate employees on early detection and prevention. We also celebrate major festive occasions, such as Chinese New Year, Hari Raya, Deepavali, and Christmas to embrace cultural diversity and strengthen workplace unity. Additionally, we organise various employee engagement activities, such as birthday celebrations and team-building events, to promote participation, collaboration, and well-being.



SUSTAINABILITY STATEMENT (CONT'D)

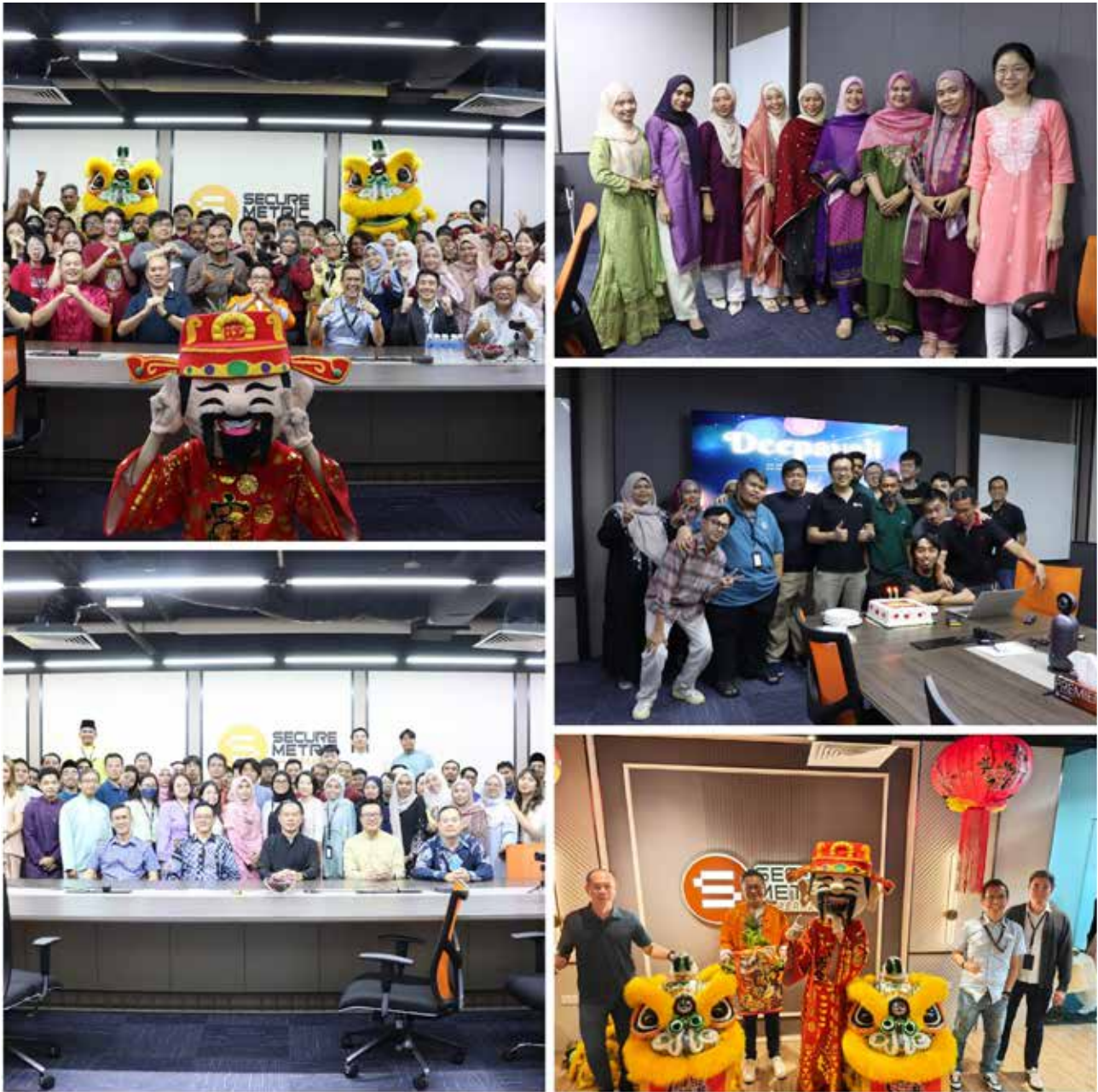
DIVERSITY AND INCLUSION (CONT'D)



Mental health awareness

SUSTAINABILITY STATEMENT (CONT'D)

DIVERSITY AND INCLUSION (CONT'D)



Festive Celebration (Malaysia)



SUSTAINABILITY STATEMENT (CONT'D)

DIVERSITY AND INCLUSION (CONT'D)



Employee Engagement Activities

SUSTAINABILITY STATEMENT (CONT'D)

DIVERSITY AND INCLUSION (CONT'D)



Employee Engagement Activities



SUSTAINABILITY STATEMENT (CONT'D)

DIVERSITY AND INCLUSION (CONT'D)



Employee Engagement Activities

SUSTAINABILITY STATEMENT (CONT'D)

TRAINING AND EDUCATION

The Group's human capital is developed and strengthened through investment in our people. Continuous training and professional development programmes have helped to boost the technical knowledge and soft skills of our employees, positioning them in good stead to elevate the performance standard quality, which is necessary for the Group to meet the ever-changing needs of our customers. The Group is committed in developing staff to achieve their best and maximise their potential. The Group reviews the adequacy and suitability of the training requirements of the staff on a regular basis.

In addition to on-the-job and ad-hoc trainings, the Group also provides various learning and development opportunities for employees to enhance their skills and competencies. The Group also supports and encourages employees to pursue further education and professional qualifications relevant to their roles. We believe in investing in our employees' personal and professional development as it not only benefits them but also contributes to the overall success of our business.

The Group is committed to allocate budget and plan skills upgrading to equip employees to meet strategic targets of the Group. We believe that more skilled employees enhance the Group's human capital and contribute to employees' satisfaction, which will then enhance overall performance.

Training Records	FYE 2024	FYE 2025
Total Training hours	2,433	2,872
Average training hours per employees	14.93	20.23

SOCIAL CONTRIBUTION

The Group continues to extend our values and contribution to the communities where we operate through partnering with a local university to offer an extensive internship program.

It helps to develop a skilled workforce, fosters innovation, and contributes to the overall economic and social development of the community. In FYE 2025, the Group offered internship opportunities to 7 interns, compared to 9 interns in FYE 2024, as part of our commitment to developing young talent and supporting workforce readiness.

Apart from the above, during FYE 2025, the Group contributed to community development by supporting digital inclusion through laptop donations. The donated laptops were intended to assist beneficiaries in accessing essential digital tools for learning and productivity, particularly in an increasingly digital-driven environment. Securemetric has donated laptop to Sekolah Menengah Kebangsaan Seri Tasik and Sekolah Menengah Kebangsaan Yu Hua.

Through this initiative, we aim to reduce the digital divide and support inclusive access to technology, in line with our ESG values of social contribution and community empowerment.



SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL CONTRIBUTION (CONT'D)



SUSTAINABILITY STATEMENT (CONT'D)

OCCUPATIONAL HEALTH AND SAFETY

Safety is an integral part of our business, and a key focus area for our Board and management. We take pride in building a safe, conducive, and healthy work life balance workplace as our commitment to developing our people.

There were no fatalities across the Group in FYE 2025, consistent with FYE 2024. The Group continues to uphold its health and safety standards while encouraging employee wellbeing through various health and recreational initiatives. During the year, activities such as weekly badminton sessions, a company Sport Day, and organised hiking programmes were conducted to promote a healthy and active lifestyle among employees





SUSTAINABILITY STATEMENT

(CONT'D)

GOVERNANCE



CORPORATE GOVERNANCE

The Group conducts business responsibly and fairly, adhering to the long-standing business philosophy of providing our customers with the highest quality at the most competitive price. The Group upholds the principles of corporate governance, the Code of Ethics and compliance and adheres to anti-bribery and corruption practices. Corporate governance is incorporated into our Group's working culture to ensure sustainability. We have an anti-bribery and corruption policy and whistle blower policy in place.

Other preventive and control actions against corruption, such as dedicated training for all employees is implemented to ensure the proper functioning of the Group. Training is also included in the induction of new employees. During the financial year, the Company has conducted anti-bribery and corruption policy training and no instances, or complaints of suspected corrupt or unethical behaviour were reported to us. It is the Group's goal to maintain zero tolerance for corruption.

Please refer to the Corporate Governance Overview Statement section in this Annual Report for more information.

Licensing (standards and certification)

CERTIFICATIONS	COMPANY
ISO 9001:2015 Quality management system	• Securemetric Malaysia
ISO 10002:2018 Customer complaint handling	
ISO 27001:2022 Information security management system	
ISO 9001:2015 Quality management system	• Securemetric Indonesia • Securemetric Vietnam
ISO 10002:2018 Customer complaint handling	
ISO 27001:2022 Information security management system	• Securemetric Digital Malaysia
ISO 9001:2015 Quality management system	
ISO 27001:2022 Information security management system	• Securemetric Philippines
ISO 9001:2015 Quality management system	
ISO 10002:2018 Customer complaint handling	
Product certification (SIRIM) for wireless card reader	• Securemetric Malaysia

SUSTAINABILITY STATEMENT (CONT'D)

SUPPLY CHAIN AND RESPONSIBLE SOURCING

The Group firmly believes that its suppliers and subcontractors are key business partners that can create a positive economic impact, thereby enhancing stakeholder returns. To this end, the Group maintains a stringent vendor selection process that considers vendors' past track records and adherence to occupational health and safety standards.

We have also developed procurement policies and guidelines, such as:

- Quality policy and procedures in selecting and evaluating vendors; and
- Personal Data Protection Notice for customer/suppliers.

As the Group operating in highly specialised niche, our expenditure on local suppliers is yet to be included in this FYE 2025 statement. However, we will continue to remain fully committed to responsible procurement while generating positive economic and social benefits for the local community in which we operate.

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

This statement has been prepared in accordance with the GRI Standards: Core option.

Category	Disclosure	Description	Page Reference and Remarks
GRI 102: General Disclosures	102-1*	Name of the organisation	Cover page
	102-2 *	Activities, brands, products, and services	Overview of The Group's Businesses and Operations
	102-3 *	Location of headquarters	Unit 2-12-01, Level 12, Ho Hup Tower, No.1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur
	102-4 *	Location of operations	Notes to the Financial Statements (Page 92-139)
	102-5 *	Ownership and legal form	Notes to the Financial Statements (Page 92-139)
	102-6 *	Markets served	Notes to the Financial Statements (Page 92-139)
	102-7 *	Scale of the organisation	Corporate Structure (Page 4)
	102-8 *	Information on employees and other workers	Social (Page 31-41)
	102-9 *	Supply chain	Governance (Page 42-43)
	102-10 *	Significant changes to the organisation and its supply chain	No significant changes
	102-11 *	Precautionary principle or approach	Vision, Mission, and Value (Page 2)
	102-12 *	External initiatives	Sustainable Development Goals (Page 26)
	102-13 *	Membership of associations	Securemetric Malaysia is a member of the following associations: <ul style="list-style-type: none"> • Persatuan Industri Komputer dan Multimedia Malaysia (PIKOM) • Associate membership FIDO Alliance, Inc



SUSTAINABILITY STATEMENT

(CONT'D)

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX (CONT'D)

Category	Disclosure	Description	Page Reference and Remarks
GRI 102: Strategy	102-14 *	Statement from senior decision-maker	Chairman's statement (Page 9)
GRI 102: Ethics and Integrity	102-16 *	Values, principles, standards, and norms of behaviour	Vision, Mission and Value (Page 2)
GRI 102: Governance	102-18 *	Governance structure	Governance Structure (Page 27)
GRI 102: Stakeholder engagement	102-40 *	List of stakeholder groups	Stakeholder Engagement (Page 27-28)
	102-41 *	Collective bargaining agreements	None
	102-42*	Identifying and selecting stakeholders	Stakeholder Engagement (Page 27-28)
	102-43 *	Approach to stakeholder engagement	Stakeholder Engagement (Page 27-28)
	102-44 *	Key topics and concerns raised	Materiality Assessment (Page 29)
GRI 102: Reporting practice	102-45 *	Entities included in the consolidated financial statements	Corporate Structure (Page 4)
	102-46 *	Defining statement content and topic Boundaries	Scope of Statement (Page 25)
	102-47 *	List of material topics	Materiality Assessment (Page 29)
	102-48*	Restatements of information	Information from prior reports has not been restated.
	102-49 *	Changes in reporting	No significant changes from previous reporting periods in the list of material topics and topic boundaries.
	102-50 *	Reporting period	Reporting Period and Standard (Page 26)
	102-51 *	Date of most recent statement	FYE 2024 Sustainability Statement
	102-52 *	Reporting cycle	Reporting Period and Standard (Page 26)
	102-53 *	Contact point for questions regarding the statement	Contact us @ ir@securemetric.com
	102-54 *	Claims of reporting in accordance with the GRI Standards	Core option
	102-55 *	GRI content index	GRI content index (Page 43-45)
102-56 *	External assurance	The Group has not sought external assurance for this sustainability statement	

SUSTAINABILITY STATEMENT (CONT'D)

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX (CONT'D)

Category	Disclosure	Description	Page Reference and Remarks
GRI 204: Procurement Practices	204-1	Proportion of spending on local suppliers	Governance (Page 42-43)
GRI 307: Environmental Compliance	DMA	Management approach disclosures	Environmental (Page 30-31)
	307-1	Non-compliance with environmental laws and regulations	Environmental (Page 30-31)
GRI 401: Employment	DMA	Management approach disclosures	Social (Page 31-41)
	401-1	New employee hires and employee turnover	Social (Page 31-41)
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social (Page 31-41)
	401-3	Parental leave	Social (Page 31-41)
GRI 403: Occupational Health and Safety	DMA	Management approach disclosures	Social (Page 31-41)
	403-1	Occupational Health and Safety Management System	Social (Page 31-41)
	403-9	Work-related injuries	Social (Page 31-41)
GRI 404: Training and Education	DMA	Management approach disclosures	Social (Page 31-41)
	404-1	Average hours of training per year per employee	Social (Page 31-41)
	404-2	Programs for upgrading employee skills and transition assistance programmes	Social (Page 31-41)
	404-3	Percentage of employees receiving regular performance and career development reviews	Social (Page 31-41)
GRI 205: Anti-corruption	DMA	Management approach disclosures	Governance (Page 42-43)
	205-3	Confirmed incidents of corruption and actions taken	Governance (Page 42-43)



SUSTAINABILITY STATEMENT






(CONT'D)

RELATIONSHIP WITH UN SDG

Sustainability Development Goals		Detailed Information
	No Poverty	Economic growth and job creation
	Zero Hunger	Our pantry is equipped with a variety of essentials food
	Good Health and Well-being	To ensures healthy lives and promote well-being for all at all ages
	Quality Education	Training and development for staff
	Gender Equality	No employment discrimination policy
	Clean Water and Sanitation	Workplace sanitisation protocols is implemented, and air purifier being installed
	Affordable and Clean Energy	Using at least 4-star electrical appliances in the company
	Decent Work and Economic Growth	Youth employment program
	Industry, Innovation and Infrastructure	Provision of digital solution provided as business service
	Reduced Inequalities	Workplace is without bias
	Sustainable Cities and Communities	Stakeholder engagement
	Responsible Consumption and Production	Promise to deliver of quality, safety services

SUSTAINABILITY STATEMENT (CONT'D)

RELATIONSHIP WITH UN SDG (CONT'D)

Sustainability Development Goals	Detailed Information	
	Climate Action	Reduce CO2 emission
	Life Below Water	Install drinking water purifier in workplace
	Life On Land	<ul style="list-style-type: none"> • Build a small garden in workplace • We have incorporated indoor plants into our office decoration
	Peace, Justice and Strong Institutions	Providing fair and impartial support for all sorts of workers' complaints
	Partnerships for the Goals	Sustainability statement initiative



SUSTAINABILITY STATEMENT

(CONT'D)

PERFORMANCE DATA TABLE FROM BURSA MALAYSIA'S ESG REPORTING PLATFORM

Securemetric Berhad Date & Time: 2026-04-20_09:35:34
 BMLR Transition Period FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Environment - Energy consumptions	Total energy consumption	kWh	122,805	-	Internal
Environment - Waste management	Recycling and waste management initiatives	Number	1 recycling initiative implemented (paper, glass, general waste segregation)	-	Internal
Social- Employment	Total workforces	Number of employees	142	-	Internal
Social- Diversity and Inclusion	Gender diversity	%	Male 58% / Female 42%	-	Internal
Social- Employment	Employee turnover	Number	36	-	Internal
Social- Workplace practices	Workplace grievance cases	Number	0	-	Internal
Social- Community/ Society	Total number of beneficiaries of the investment in communities	Number	7 interns + 20 laptop donations	-	Internal
Social - Community/ Society	Internship programmed participation	number of interns	7	-	Internal
Social - Training and Education	Total hours of training by employee category	Hours	2,872	-	Internal
Social - Training and Education	Average training hours per employee	Hours	20.23	-	Internal
Social - Health and safety	Number of work-related fatalities	Number	0	-	Internal
Social - Health and safety	Number of employees trained on health and safety standards	Number	0	All employees	Internal
Governance- Anti-Corruption	Percentage of employees who have received training on anti-corruption	%	100%	100%	Internal
Governance- Anti-Corruption	Confirmed incidents of corruption and action taken	Number	0	0	Internal
Governance- Corporate Governance	Whistleblowing cases reported	Number	0	0	Internal

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-20_09:35:34

Page 1 of 2

Securemetric Berhad Date & Time: 2026-04-20_09:35:34
 BMLR Transition Period FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Governance- Certifications	Number of active management system certifications	Number	12	12	Internal
Governance- Certifications	External certification audits conducted	Number	5	5	Internal
Governance - Supply Chain & Responsible Sourcing	Suppliers evaluated in accordance with formal supplier selection procedure	% of suppliers assessed via selection procedure	100%	-	Internal

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CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Securemetric is committed to uphold the high standards of corporate governance throughout the Group with the ultimate objective of realising long-term shareholder value while taking into account the interest of other stakeholders. This corporate governance overview statement sets out the extent to which the Company has applied the practices encapsulated in the Principles of the Malaysian Code on Corporate Governance (“MCCG”) except where stated otherwise.

Details of the Group’s application of each practices set out in the MCCG are disclosed in the Corporate Governance Report, which is available on the Group’s website at <https://www.securemetric.com/corporate-governance/>.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The Board is responsible for the oversight and overall management of the Company and has developed corporate objectives and position descriptions including the limits to management’s responsibilities, which the management are aware and are responsible for meeting.

The Board has a formal schedule of matters reserved to itself for decision, which includes the overall Group strategy and direction, investment policy, major capital expenditures, consideration of significant financial matters and review of the financial and operating performance of the Group.

The Board understands the principal risks of all aspects of the business that the Group is engaged in recognising that business decisions require the incurrence of risk. To achieve a proper balance between risks incurred and potential returns to shareholders, the Board ensures that there are in place systems that effectively monitor and manage these risks with a view to the long term viability of the Group.

The principal roles and responsibilities assumed by the Board are as follows:

- (a) Reviewing and providing guidance on the Company’s and the Group’s annual budgets, development of risk policies, major capital expenditures, acquisitions and disposals;
- (b) Monitoring corporate performance and the conduct of the Group’s business and to ensure compliance with best practices and principles of corporate governance;
- (c) Identifying and implementing appropriate systems to manage principal risks. The Board undertakes this responsibility through the Risk Management Committee;
- (d) Reviewing and ensuring the adequacy and soundness of the Group’s financial system, internal control systems and management information system and that they are in compliance with the applicable standards, laws and regulations;
- (e) Ensuring a transparent Board nomination and remuneration process including management, ensuring the skills and experiences of the Directors are adequate for discharging their responsibilities whilst the caliber of the Independent Non-Executive Directors bring independent judgment in the decision making process;
- (f) Ensuring a proper succession plan is in place;
- (g) Monitoring major litigation;
- (h) Approving all financial reports to be published and related stock exchange announcements;
- (i) Monitoring other material reporting and external communications by the Group;
- (j) Approving the dividend policy and payment of dividends;
- (k) Appointing external auditors (subject to shareholders’ approval); and
- (l) Considering and reviewing the social, ethical and environmental impact of the Group’s activities and determining, monitoring and reviewing standards and policies to guide the Group in this regard.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

I. Board Responsibilities (Cont'd)

The Independent Non-Executive Directors of the Company play a key role in providing unbiased and independent views, advice and contributing their knowledge and experience toward the formulation of policies and in the decision-making process. The Board structure ensures that no individual or group of individuals dominates the Board's decision-making process. Although all the Directors have equal responsibility for the Company's and the Group's operations, the role of the Independent Directors are particularly important in ensuring that the strategies proposed by the Executive Directors are deliberated on and have taken into account the interest, not only of the Company, but also that of the shareholders, employees, customers, suppliers and the community.

The Board had appropriately delegated specific tasks to four (4) Board Committees; namely Audit Committee, Risk Management Committee, Nomination Committee and Remuneration Committee. All the Board Committees have its own Terms of Reference and has the authority to act on behalf of the Board within the authority as lay out in the Terms of Reference and to report to the board with the necessary recommendation.

To ensure balance of power and authority, accountability and independent decision making, the roles of the Chairman and the Chief Executive Officer are distinct and separated.

The Chairman, Mr. Clifton Heath Fernandez is responsible for leadership, ensuring effective functioning of the Board and providing oversight over the operations of the Group.

The Chief Executive Officer, Mr. Law Seeh Key supported by the management, is responsible for the day-to-day management of the operations of the Group, implementation of the Group's policies, business direction and development of the Group.

The Company has formalised and adopted a Board Charter which sets out a list of specific roles and functions which are reserved to the Board and other matters that are important for good corporate governance. The Board Charter is accessible through the Company's website at <https://www.securemetric.com/corporate-governance/> and will be reviewed annually to ensure it remains consistent with the Board's objectives, responsibilities and practices.

Conducting our business with the highest standards of ethics is essential to the Company. The Board acknowledges its role in setting the "tone at the top" to embed this as the culture for the Group. To this end, the Board adopted and implemented a Code of Conduct and Ethics for Directors, management and employees of the Group. The Code of Conduct and the Code of Ethics are made available on the Company's website at <https://www.securemetric.com/corporate-governance/>. The Board has formalised a Whistle-Blowing Policy, with the aim to provide an avenue for raising concerns related to possible breach of business conduct, non-compliance of laws and regulatory requirements as well as other malpractices. The details of the Whistle-Blowing Policy are available for reference at the Company's website at <https://www.securemetric.com/corporate-governance/>.

In addition to the Code of Conduct, the Company has further established the Anti-Corruption and Bribery Policy to comply with enforcement of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018). The Anti-Corruption and Bribery Policy is to ensure that all Directors, management and employees are aware of their obligation to disclose and not to be involved in any corruption, bribes, conflict of interest or similar unethical acts that they may have in order to prevent the occurrence of bribery and corrupt practices in relation to the Group's business.

The Anti-Corruption and Bribery Policy can be accessed through the Company's website at <https://www.securemetric.com/corporate-governance/>.

The Board has established and adopted the Fit and Proper Policy, with the aim to guide the Company's Nomination Committee and the Board in their review and assessment of candidates who are to be appointed onto the Board as well as directors who are seeking for re-election. The Fit and Proper Policy are made available on the Company's website at <https://www.securemetric.com/corporate-governance/>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

I. Board Responsibilities (Cont'd)

As part of the Group's commitment towards sustainability, the Board has established a clear governance structure to ensure compliance and performance. Please refer to the Sustainability Statement section of this Annual Report.

The Board is supported by qualified and competent Company Secretary who is responsible for ensuring that the Company's constitutions, procedures, policies and regulations are complied with. Also ensuring that, all obligations required by the regulatory and under the ACE Market Listing Requirements ("ACE LR") of Bursa Malaysia Securities Berhad ("Bursa Securities") are fulfilled in a timely manner. The Board is regularly updated and advised by the Company Secretary on any new statutory and regulatory requirements in relation to their duties and responsibilities. The Board recognises that the Company Secretary is suitably qualified and capable of carrying out the duties required. The Board is satisfied with the service and support rendered by the Company Secretary in discharge of her functions.

Board Meetings are scheduled for every quarter with additional meetings to be convened as and when required. During the financial year under review, the Board met a total of five (5) times. The attendance of the Directors who held office during the financial year is set out below:

Names of Directors	Attendance at meeting	Percentage of Attendance
Executive Directors		
Law Seeh Key	5/5	100%
Yong Kim Fui	5/5	100%
Non-Executive Directors		
Clifton Heath Fernandez	5/5	100%
Shireen Chia Yin Ting	5/5	100%
Norafizah Binti Zainal Abidin <i>(appointed to the Board on 3 June 2025)</i>	2/2	100%
Dato' Ng Wan Peng <i>(resigned on 29 May 2025)</i>	3/3	100%

The Board is satisfied with the level of time commitment given by the Directors of the Company towards fulfilling their duties and responsibilities. This is evidenced by the attendance record of the Directors as set out herein above.

Although the Board does not have a policy requiring each Director to attend a specific number and types of training sessions each year, to keep abreast of industry developments and trends, the Directors are encouraged to attend various external professional programmes deemed necessary to ensure that they are kept abreast on various issues facing the changing business environment within which the Group operates, in order to fulfil their duties as Directors. Any Director appointed to the Board is required to complete the Mandatory Accreditation Program ("MAP") within four (4) months from the date of appointment.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

I. Board Responsibilities (Cont'd)

Briefings, seminars, conferences, workshops, and others attended by the Directors of the Company during the FYE 2025 are summarised as stated below:-

Directors	Seminar / Conference / Workshop
Clifton Heath Fernandez	<ol style="list-style-type: none"> 1. Implementing a Central AI Management System: Navigating ISO 42001 Compliance 2. 2026 Budget Engagement Session of the Ministry of Human Resources (KESUMA) with Industry 3. Master Trainer - Kaizen Institute 4. OSH Coordinator - Hopedwell 5. AI future - Govloop 6. TXA Expo - Transport Ministry
Norafizah Binti Zainal Abidin	<ol style="list-style-type: none"> 1. Mandatory Accreditation Programme Part I
Shireen Chia Yin Ting	<ol style="list-style-type: none"> 1. MIA International Accountants Conference 2025 - Collaborative Leadership for a Sustainable Future 2. MIA Accounting & Financial Technology Showcase 2025
Law Seeh Key	<ol style="list-style-type: none"> 1. Advocacy Session on Corporate Disclosure briefing by Company Secretary on update on listing requirement/ MCGG
Yong Kim Fui	<ol style="list-style-type: none"> 1. MIA International Accountants Conference 2025 - Collaborative Leadership for a Sustainable Future 2. Conduct of Directors and Common Breaches of The Listing Requirements

II. Board Composition

The Board currently consists of five (5) members, comprising the Independent Non-Executive Chairman, two (2) Executive Directors, and two (2) Independent Non-Executive Directors during the FYE 2025. The Independent Non-Executive Directors fulfilled the criteria of “Independence” as prescribed under the ACE LR. This complies with the ACE LR which requires at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, are Independent Directors. All Independent Non-Executive Directors are independent of management and have no family or business relationships with the Executive Directors and major shareholders which would interfere with the exercise of their independent judgment.

The Board acknowledges the call by the Government and MCGG for Boards to comprise at least 30% women on board. The Board composition currently comprises two (2) women Directors, representing 40% of the total number of board members.

The Board is satisfied that its current size and composition reflects an appropriate balance of Executive and Non-Executive Directors which is adequate for the scope and nature of the Group’s business and operations.

The Board reviews and assesses the independence of directors annually based on the criteria set by the Nomination Committee. One of the assessment criteria is the ability of the individual director to exercise objectivity in the discharge of his or her responsibilities in the interest of the Company. During the financial year, a self-declaration was conducted at each Board meeting where all Directors declared the nature of their interest in the Company, whether direct or indirect, or any circumstance which may potentially affect their independence. The Board had also carried out independence assessment of its Non-Executive Directors in terms of their relationship and dealings with the Company and the Board is of the view that all the Non-Executive Directors remain independent.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

II. Board Composition (Cont'd)

The Board is of the view that, throughout their tenure, the Independent Directors have consistently demonstrated independence in character and judgment, and have always acted in the best interests of the Company without fear or favor. The Independent Directors had provided independent view based on their experience and knowledge that allow for diverse and objectives perspectives on the Group's business and direction. The Board believes that the length of service on the Board did not impair the objectivity of these Independent Directors. Moreover, the Independent Directors had made significant contributions to the Board in view of their enough breadth of understanding of the Group's activities and corporate history that will continue to add value to the Board.

In accordance with the Board Charter, the tenure of an Independent Director should not exceed a cumulative term of nine (9) years from the date of first appointment as Director. In the event the Board wishes to retain the independence status of an Independent Director who has served for more than nine (9) years, Board justification and shareholders' approval are required. Two-tier voting process will be applied in the Annual General Meeting ("AGM") for retaining any Independent Director serving beyond nine (9) years.

As at the date of this statement, the term of service of the Independent Directors is less than nine (9) years.

The Board currently does not have a formal policy on its boardroom or gender diversity. The Board welcomes suitably and qualified female Director to come on the Board subject to the evaluation and assessment by the Nomination and Remuneration Committee following the criteria set by the MCCG and the ACE LR.

III. Remuneration

The Remuneration Committee is authorised by the Board to establish a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors. The remuneration of Directors shall be the ultimate responsibility of the full Board after considering the recommendations of the Remuneration Committee.

The Remuneration Committee was established to assist the Board in developing remuneration policies and procedures that enable the Group to attract, motivate and retain qualified Directors and Key Senior Management personnel. Full details of the functions and duties of the Remuneration Committee are stated in its Terms of Reference which is available on the Company's website at <https://www.securemetric.com/corporate-governance/>.

During the financial year, the Remuneration Committee had carried out the following activities:

- (a) reviewed and assessed the performance and the remuneration package of the Executive Directors; and
- (b) reviewed and assessed the Directors' fees and benefits payable for the FYE 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The Audit Committee comprises the following members:

Chairperson

Shireen Chia Yin Ting
Independent Non-Executive Director

Members

Clifton Heath Fernandez
Independent Non-Executive Chairman

Norafizah Binti Zainal Abidin (*appointed on 3 June 2025*)
Independent Non-Executive Director

The Chairperson of the Audit Committee is not the Chairman of the Board. The Audit Committee Report is set out separately in this Annual Report. Full details of the Audit Committee's duties and responsibilities are stated in its Terms of Reference which is available on the Company's website.

The Audit Committee was established to assist the Board in ensuring the integrity of financial reporting and the existence of a sound internal control system within the Group. The Audit Committee also monitors compliance with established policies and procedures and assesses the suitability, objectivity and independence of both the external and internal audit functions.

In compliance of the Rule 15.12(1)(h) of the ACE LR of Bursa Securities, the Audit Committee reviews and reports to the Board on any related party transaction and conflict of interest situation that arose, persist or may arise within Securemetric or its subsidiaries including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts.

The Board, through its Audit Committee maintains a formal and transparent relationship with its External Auditors and the Internal Auditors to enhance the effectiveness of the overall audit process. The Audit Committee assessed the performance and effectiveness of the External Auditors annually, considering amongst others, their qualifications, effectiveness of the audit process, quality of service and their independence.

During the course of their audit, the External Auditors highlighted to the Audit Committee matters pertaining to the financial reporting. Private meetings between them will be held twice during each financial year without the presence of the Management and Executive Directors, to discuss any issues that may require the attention of the Audit Committee.

The full details of the role of the Audit Committee in relation to the External Auditors are set out in the Audit Committee Report of this Annual Report.

II. Risk Management and Internal Control Framework

The Board is fully aware of its overall responsibility of continually maintaining a sound system of internal control, which covers not only financial controls but also operational and compliance controls as well as risk management, and the need to review its effectiveness regularly in order to safeguard shareholders' investments and the Company's assets. The internal control system is designed to identify the risks to which the Group is exposed and mitigate the impacts thereof to meet the particular needs of the Group.

As an effort to enhance the system of internal control, the Board together with the assistance of external professional Internal Audit firm will undertake to review the existing risk management process in place within the various business operations, with the aim of formalising the risk management functions across the Group. This function also acts as a source to assist the Audit Committee and the Board to strengthen and improve current management and operating style in pursuit of best practices.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

I. Communication with Stakeholders

The Company is committed to ensure that timely, accurate and complete information about the Company is provided equally to its shareholders, stakeholders and to the general investing public. Timely information is critical towards building and maintaining the Group's corporate credibility, market integrity and promotes investor confidence.

It has always been the Company's practice to maintain a good relationship with its shareholders. Major corporate developments and happenings have always been duly and promptly announced to all shareholders in line with Bursa Securities' objectives of ensuring transparency and good corporate governance practices.

The Company also actively engages all its stakeholders through various platforms including the announcements via Bursa LINK, disclosures on Bursa Securities's website and engagement through the investor relation function.

The Group's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, annual report, corporate announcements to Bursa Securities.

II. Conduct of General Meetings

General meetings are the important platform for the shareholders to exercise their rights in the Company, either in AGM or Extraordinary General Meetings.

Shareholders are invited to the general meetings through a notice of meeting that specify the venue, day and hour of the meeting, as well as the business of the meeting. The notice of meeting together with the annual report is sent to the shareholders at least 28 days prior to the AGM, so as to maximise their attendance and to provide sufficient time for them to consider the business to be discussed at the meeting. Concurrently, the notice of AGM is advertised in a nationally circulated English daily newspaper. In order to facilitate informed decision by the shareholders, notice of meeting is also accompanied by explanatory notes on the items of business to further explain the nature of business of the meeting.

The Audit Committee Chairperson, the Risk Management Committee Chairman, the Nomination Committee Chairperson and the Remuneration Committee Chairperson were being informed that questions relating to the Committee under their purview will be addressed by them accordingly.

The Company conducts a poll voting on each resolution tabled during the general meetings to support shareholders participation. As the number of shareholders of the Company is not large, the Company currently conducts manual poll voting instead of electronic poll voting. With the poll voting, each shareholder presents in person or represented by proxy at the general meeting will be entitled to vote on a one-share, one-vote basis. At least one (1) scrutineer is appointed to validate the votes cast at the meeting.

The Board of Directors is aware of and in full support of effective shareholders' participation at the AGM. The minutes of AGM will be published on the Company's website no later than 30 business days after the general meeting.

This Corporate Governance Overview Statement is made in accordance with the resolution of the Board of Directors dated 17 April 2026.

AUDIT COMMITTEE REPORT

The Board of the Company is pleased to present the Audit Committee (“AC”) Report to provide insights on the discharge of the AC’s function during the FYE 2025, in compliance with Rule 15.15 of the ACE LR of Bursa Securities.

COMPOSITION

The AC comprises three (3) members, all of whom are Independent Non-Executive Directors.

The current composition of the AC is as follows:

Name	Designation	Directorate
Shireen Chia Yin Ting	Chairperson	Independent Non-Executive Director
Clifton Heath Fernandez	Member	Independent Non-Executive Chairman
Norafizah Binti Zainal Abidin <i>(appointed on 3 June 2025)</i>	Member	Independent Non-Executive Director

The Chairperson of the AC, Ms. Shireen Chia Yin Ting is certified as a Chartered Accountant by the Malaysian Institute of Accountants.

The composition of the AC and the qualifications of the members comply with Rule 15.09 (1) of the ACE LR of Bursa Securities.

TERMS OF REFERENCE

The Terms of Reference (“TOR”) of the AC, covering its scope of duties and responsibilities, authority and other relevant matters, is made available on the Company’s website at <https://www.securemetric.com/corporate-governance/>.

The TOR of the AC was reviewed and revised and subsequently approved by the Board in November 2023.

MEETINGS AND MINUTES

Meetings shall be held not less than four (4) times a year and will normally be attended by the Chief Financial Officer and other management, if necessary. The presence of external and/ or internal auditors will be requested, if required. Other members of the Board and management may attend meetings upon the invitation of the AC. Both the internal and/or external auditors may request a meeting if they consider it to be necessary. The AC shall meet with the external and internal auditors at least twice a year without the presence of executive members of the Board.

Minutes of each AC meeting was properly recorded and tabled for confirmation at the following AC meeting. The Chairperson of the AC reports to the Board on activities undertaken and key recommendations for the Board’s consideration and decision.

During the FYE 2025, the AC held a total of five (5) meetings. The Chief Financial Officer, internal auditors and external auditors have been invited to attend the AC meetings to present their audit plans and their subsequent audit findings. The AC had two (2) private sessions with the external auditors without the presence of Executive Board members and management.



AUDIT COMMITTEE REPORT (CONT'D)

MEETINGS AND MINUTES (CONT'D)

The details of attendance of the AC members are as follows:

Committee Members	Meeting Attendance
Shireen Chia Yin Ting (Chairperson)	5/5
Clifton Heath Fernandez	5/5
Norafizah Binti Zainal Abidin (<i>appointed to the Board on 3 June 2025</i>)	2/2
Dato' Ng Wan Peng (<i>resigned on 29 May 2025</i>)	3/3

TERM OF OFFICE & PERFORMANCE

In order to assess the term of office of the AC members and performance of the AC in accordance with Rule 15.20 of the ACE LR, each of the AC members has performed the self and peer assessment and the results were tabled to the Nomination Committee for review and discussion prior to presenting the reports to the Board for evaluation. The Board was satisfied with the performance of the AC and confirmed that they have discharged their functions and carried out their duties and responsibilities effectively in accordance with the TOR.

SUMMARY OF ACTIVITIES OF THE AC

The main activities carried out by the AC during the FYE 2025 were summarised as follows:-

Financial Reporting

- reviewed the audited financial statements of the Company prior to submission to the Board for their perusal and approval. This was to ensure compliance of the financial statements with the provisions of the Companies Act, 2016 and the applicable approved accounting standards as per Malaysian Accounting Standards Board; and
- reviewed the unaudited quarter financial results before recommending them for Board's approval, focusing particularly on:
 - Any change in accounting policies
 - Significant adjustments arising from audit
 - Compliance with accounting standards and other legal requirements

External Audit

- reviewed the external audit plan, outlining the audit scope, audit process and areas of emphasis based on the external auditors' presentation of audit plan;
- reviewed the external audit review memorandum and audit planning memorandum and the response from the management;
- reviewed the audit and non-audit fees and recommended to the Board for approval;
- reviewed the performance and effectiveness of the external auditors in the provision of statutory audit services and recommend to the Board for approval on the re-appointment of external auditors; and
- reviewed and evaluated the factors relating to the independence of the external auditors.

Internal Audit

- reviewed the internal audit plan presented by the internal auditors;
- reviewed the reports from the internal auditors and assessed the internal auditors' findings and the management's responses and the necessary recommendations;
- reviewed and discussed the effective implementation of the action plans taken by the management in response to audit findings and weaknesses identified during the audit review;
- monitored the follow-up internal audit report on the internal audit findings and the implementation status based on the internal auditors' recommendations; and
- reviewed and assessed the competency of the internal audit function.

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF ACTIVITIES OF THE AC (CONT'D)

Related Party Transactions and Conflict of Interest

At each quarterly meeting, the AC reviewed the recurrent related party transactions ("RPT") and conflict of interest situation that may arise within the Company and its Group including any transaction, procedure or course of conduct that raises questions of management integrity.

The AC reviews the RPT and conflict of interest situation presented by the management prior to the Company entering into such transaction. The AC also ensure that the adequate oversight over the controls on the identification of the interested parties and possible conflict of interest situation before entering into transaction.

Others

- reviewed the Corporate Governance Report, Corporate Governance Overview Statement, Statement on Risk Management and Internal Control and the AC Report before recommending to the Board for approval and inclusion in the Annual Report; and
- reviewed the TOR prior to recommending for Board's approval.

INTERNAL AUDIT FUNCTION

The primary function of the internal audit is to assist the Board and AC in providing an independent review of the adequacy and effectiveness of the governance, risk management and internal control processes within Group, based on the risk-based internal audit plan reviewed and approved by the AC.

The internal audit function is independent and performs audit assignments with impartiality, proficiency and due professional care. The internal auditors report directly to the AC.

The internal audit function is outsourced to a professional service firm, namely Talent League Sdn. Bhd. and the internal audit was carried out in accordance with the International Standards for the Professional Practices of Internal Auditing, 2017 of the International Professional Practices Framework adopted and recommended by the Institute of Internal Auditors Malaysia.

The AC has obtained a written confirmation upon engagement of the internal auditors that they will act as an independent service provider in providing professional services and will not undertake to perform any obligation of the Company, whether regulatory or contractual.

Summary of Works of the Internal Audit Function for FYE 2025

During the FYE 2025, the summary of works undertaken by the internal auditors comprised the following:-

- reviewed compliance with policies, procedures and standards, relevant external rules and regulations;
- assessed the adequacy and effectiveness of the Group's system of internal control and recommended appropriate actions to be taken where necessary;
- the internal audits performed met the objective of highlighting to the AC the audit findings which required follow-up actions by the management, any outstanding audit issues which required corrective actions to be taken to ensure an adequate and effective internal control system within the Group, as well as any weaknesses; and
- formulated the internal audit plan and presented the plan to the AC for review and approval.

Total costs incurred for FYE 2025

Total costs incurred for the outsourced internal audit function of the Group for FYE 2025 amounted to RM50,000.

This AC Report is made in accordance with the Resolution passed by the Board of Directors on 17 April 2026.



NOMINATION COMMITTEE REPORT

The Nomination Committee (“NC”) comprises exclusively of Independent Non-Executive Directors and is chaired by Norafizah Binti Zainal Abidin, the Independent Non-Executive Director. The composition of the NC and the meeting attendance of each member during the FYE 2025 is set out below:

Name	Designation	Directorate	Meeting Attendance
Norafizah Binti Zainal Abidin (appointed on 3 June 2025)	Chairperson	Independent Non-Executive Director	0/0
Dato’ Ng Wan Peng (resigned on 29 May 2025)	Chairperson	Independent Non-Executive Director	1/1
Clifton Heath Fernandez	Member	Independent Non-Executive Chairman	1/1
Shireen Chia Yin Ting	Member	Independent Non-Executive Director	1/1

The NC is responsible for recommending suitable appointments to the Board, taking into consideration the Board structure, size, composition and the required mix of expertise and experience which the director should bring to the Board. The NC annually review the effectiveness of the Board as a whole, the committees of the Board and the contribution of each Director. The NC has its own Terms of Reference which deals with its authority and duties, which is available at the Company’s website at <https://www.securemetric.com/corporate-governance/>.

SUMMARY OF ACTIVITIES UNDERTAKEN BY THE NOMINATION COMMITTEE

The activities undertaken by the NC during the financial year review are as follows:

- Reviewed the current Board structure, size and composition with an aim to achieving a balance of views on the Board;
- Reviewed and assessed the effectiveness of the Board as a whole, the various Board Committees as well as the contribution of each individual Director;
- Assessed the independence of Independent Directors based on criteria set out in the Listing Requirements;
- Reviewed the character, experience, integrity, competence and time commitment of the Directors, Chief Executive Officer and the Chief Financial Officer;
- Reviewed and recommended the re-election of Directors at Annual General Meeting; and
- Reviewed the terms of office and performance of the AC and each of its members.

BOARD APPOINTMENTS AND RE-ELECTION OF DIRECTORS

The NC has been entrusted with the responsibility to identify, evaluate, select and recommend to the Board of any suitable candidate with the required credential to be appointed as a Director of the Company.

The Company has adopted Directors’ Fit and Proper Policy which set out procedures to ensure a formal, rigorous and transparent process for appointment and re-election of Directors of the Company. In evaluating the suitability of candidates for the Board, the NC taken into consideration the following aspects, in line with the Directors’ Fit and Proper Policy of the Company, as follows:

(a)	Character and integrity (i) Probity (ii) Personal integrity (iii) Financial integrity (iv) Reputation
(b)	Experience and competence (i) Qualifications, training and skills (ii) Relevant experience and expertise (iii) Relevant past performance or track record
(c)	Time and commitment (i) Ability to discharge role having regard to other commitments (ii) Participation and contribution in the board or track record

NOMINATION COMMITTEE REPORT (CONT'D)

BOARD APPOINTMENTS AND RE-ELECTION OF DIRECTORS (CONT'D)

In the case of candidates for the position of Independent Non-Executive Directors, the NC shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors based on the criteria prescribed in the ACE LR of Bursa Securities.

The Board may appoint an individual to be a Director by having selection process for new appointees as recommended by the NC to the Board. The appointed individual will stand for re-election at the next AGM in accordance with the Constitution of the Company. The suitable candidates to be considered for the appointment as Directors are facilitated through recommendations from the Directors, management and shareholders of the Company. The NC may seek professional advice from independent search firms as and when NC considers necessary to identify and short-list suitable candidates.

In FYE 2025, the Company appointed a new Independent Non-Executive Director, Norafizah Binti Zainal Abidin, whose expertise and experience will contribute to the Company.

Pursuant to the Company's Constitution, one-third (1/3) of the Board is subject to retirement by rotation at each AGM provided always that each Director shall retire at least once in every three (3) years and the retiring Director shall be eligible for re-election. Further, a retiring Director shall retain office until the conclusion of the AGM at which he retires.

Based on the annual assessment, the NC is satisfied with the performance of the Directors who are standing for re-election and has recommended to the Board for their proposed re-election in accordance with the Constitution of the Company. The Board supported the NC's recommendation to re-elect the eligible Directors standing for re-election at the forthcoming 9th AGM of the Company. The Directors who are retiring shall abstain from deliberations and decisions on their own eligibility to stand for re-election at the meetings of the Board.

BOARD ASSESSMENT AND ANNUAL EVALUATION

The Board through the NC conducted an annual evaluation to review the performance of each individual Director and the effectiveness of the Board and its Board Committees as well as the independence of Independent Non-Executive Directors. The annual evaluation was conducted through customised questionnaires guided by the Corporate Governance Guide of Bursa Securities.

The results of the annual evaluation and comments by the Directors were tabled and discussed at the NC meeting and thereafter reported at the Board meeting by the Chairperson of the NC. All evaluations carried out by the NC are properly documented.

Pursuant to Rule 15.20 of the ACE LR of Bursa Securities, the NC of a listed issuer must review the term of office and performance of an AC and each of its members annually to determine whether such AC and members have carried out their duties in accordance with their terms of reference. The NC had reviewed and assessed the performance of each of the members of the AC and was satisfied with the performance and effectiveness of the AC and each of its members.

The NC had upon its annual evaluation conducted on 17 April 2026, concluded that the Directors have discharged their duties satisfactory, objectively and professionally. The NC was also satisfied with the performance of the Board and its Board Committee.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Securemetric is pleased to present the Statement on Risk Management and Internal Control which outline the nature and scope of risk management and internal control system for the FYE 2025, pursuant to Rule 15.26(b) of ACE LR of Bursa Securities, Malaysian Code on Corporate Governance issued in 2021 and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guideline”) pursuant to Guidance Note 11 of ACE LR.

BOARD’S RESPONSIBILITIES

The Board acknowledges its overall responsibility for the risk management and internal control system to cover the financial, compliance and operational controls of the Group as well as reviewing the adequacy, integrity, and effectiveness of the Group’s system of risk management and internal controls. The Group’s system is designed to manage the key areas of risk within an acceptable risk profile, rather than eliminating, the risk of not adhering to achieve the policies and business objectives and goals. The system of risk management and internal controls of the Group provides reasonable but not absolute assurance against occurrence of any material misstatement, losses, fraud or breaches of laws or regulations.

The Board believes that the review on the adequacy and effectiveness of the system of internal control and risk management is a concerted and continuous process. Such reviews are conducted through the various committees established by the Board and management. The Board has, through the Risk Management Committee, carried out the process of identifying, evaluating, monitoring and managing the key operational and financial risks affecting the achievement of its corporate objectives throughout the period.

The Board is of the view that the system of internal controls in place for the financial year under review is sound and adequate after taking into consideration of the costs and benefits to safeguard the Group’s assets and to protect the stakeholders’ interests in ensuring achievement of the business objectives and enhancing shareholder value.

RISK MANAGEMENT

The Board recognises risk management as an integral part of system of internal control and good management practice in pursuit of its strategic objectives. The Board also acknowledges that all areas of the Group’s activities do involve some degree of risk and is committed to ensure that the Group has an effective risk management framework which allows the Group to identify, evaluate, manage and monitor risks within defined risk parameters that affect the achievement of the Group’s business objectives.

To carry out an effective risk management framework, the Board has oversight of the risk management through the Risk Management Committee, while the Chief Operating Officer reports to the Risk Management Committee on the processes, findings and remedial actions taken by management. The new risk will be identified by taking into consideration of the Group’s business objectives, strategies and targets, and external environmental factors. This covers matters such as, responses to significant risk identified, output from monitoring processes, and changes made to the system of risk management and internal controls.

The Board has formalised a Risk Management framework (“framework”) aids to the achievement of Group’s objectives and strategies by instilling continuous process of identifying, evaluating, profiling, mitigating, reporting and monitoring significant business risks that the Group may face.

The Group’s Framework encompasses the following:

- Risk management shall be an integral part of the Group’s culture and embedded into day-to-day management of operations, processes and structures and should be extensively applied in all decision-making and strategic planning;
- To report, monitor and continuous performance review on the risk profile faced by the Group in a proactive, responsible and accountable manner;
- Continuous implementing and monitoring of underlying risk management process and practices; and
- Risk management processes should apply to aim opportunities by balancing risks incurred, managing uncertainties and minimising threats associated to the opportunities.

The above framework facilitates and enhances the ability of the Board and management to manage risks within defined risk parameters and risk standards at the acceptable tolerance level.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

INTERNAL AUDIT FUNCTIONS AND EFFECTIVENESS OF INTERNAL CONTROL

The Group has outsourced its internal audit function to an independent professional service provider, Talent League Sdn. Bhd. ("IA Consultant"). The duty of the internal audit function is to examine and evaluate major processes of operations of the Group in order to assist the Board in the effective discharge of the Board's responsibilities.

The IA Consultant aims to advise management on areas for improvement, highlight on significant findings in respect of any non-compliance and subsequently perform follow-up reviews to determine the extent to which the recommendations have been implemented.

The IA Consultant reports independently to the Audit Committee. In the course of performing its duties, the IA Consultant has unrestricted access to all functions, records, documents, personnel, or any other resources or information, at all levels throughout the Group. Being an independent third party, the IA Consultant is able to perform the internal audit function with impartiality, proficiency and due professional care.

The IA Consultant adopts a risk-based approach and prepares its audit strategy and plan based on the risk profiles of the Group. The performance of the internal audit function is carried out as per the annual audit plan approved by the Audit Committee. The internal control findings, weaknesses and recommendations as well as the management responses and action plan were deliberated during the quarterly reviews with the Audit Committee. The key management team is responsible for ensuring correction, corrective actions, preventive actions and recommendations on reported weaknesses are attended within the required time frame.

During the financial year under review, the IA Consultant had conducted various risks-based internal audit ("RBIA") assignments every quarter and made recommendations in improving the system of internal controls to the Risk Management Committee. The areas of RBIA audit covered during the financial year were as follows:

- Q1 2025: Revenue Management (Securemetric Malaysia)
- Q2 2025: Branch Reporting (Securemetric Vietnam)
- Q3 2025: Tax Governance Review and Security Framework (Securemetric Berhad, Securemetric Malaysia and Securemetric Digital Malaysia)
- Q4 2025: Revenue Management (Securemetric Digital Malaysia)

OTHER KEY INTERNAL CONTROLS

The Board is committed in maintaining a strong control structure and environment to facilitate the proper conduct of the Group's businesses and operations. The key processes that have been established in reviewing the adequacy and integrity of the system of internal controls are as stated below:

- **Organisational Structure**

The Group has in place an organisational structure that is aligned to business efficacy and operational requirements, with clearly defined lines of accountability, responsibility and delegated authority. The Board is the pinnacle of the corporate governance structure of the Group. The Board is assisted not only by the key management team, but also by delegation of authority to the independent board committees such as the Audit, Risk Management, Nomination and Remuneration Committees in specific areas for enhanced internal control and corporate governance. These Board Committees are all governed by clearly defined terms of reference.

- **Executive Review and Management Meetings**

There has been active participation by the Executive Directors in the day-to-day running of business operations, and regular dialogues with management of the respective business units.

Management meetings, attended by the Executive Directors and respective Head of Department are held on a monthly basis to identify, discuss and report on operational performance, business strategy, financial and key management issues for effective monitoring and decision making. In addition to the regular meetings, other ad hoc meetings are convened as and when necessary to stay on course of achieving the Group's goal and objectives.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

OTHER KEY INTERNAL CONTROLS (CONT'D)

- **Policies, Procedures and Financial Authority Limits**

The Group has in place, documented policies and procedures to govern the financial and operational functions, and internal control system of the Group. The objectives of the policies and procedures are to ensure ethical conduct, compliance with applicable laws and regulations, internal control principles and mechanisms are embedded in operations and that there is a clear line of responsibility and accountability among the business units of the Group. Some of the key policies and procedures implemented within the Group are:

(a) Group's Authority Manual

The Group's Authority Manual assigns authority to the Board and to the appropriate level of management staff to exercise control on the Group's commitment of both capital and operational expenditures. It provides limits to enable decisions to be taken timely and at the same time, provides check and balance on the amounts and types of commitments that management can undertake on behalf of the Group. The Authority Manual is approved by the Board and is regularly updated as and when is necessary, in line with the changes in the organisation.

(b) Operational Manuals

Operational manuals for business units are available within the Group. It sets out policies and procedures for day-to-day operations and act as guidance to employees on the necessary steps to be taken in a given set of circumstances. The manuals enable tasks to be carried out with minimal supervision.

(c) IT Policies and Procedures

The IT Security Policy incorporates the Corporate Policy among others, the usage of personal computer software, e-mail and internet; management of IT assets, security implementation for the antivirus level protection and hardware systems support procedures. It is established to achieve and maintain confidentiality, integrity, availability, authenticity and reliability of information and data processing.

(d) Whistle Blowing Policy

The Group's whistle blowing policy guides employees of the Group in communicating and reporting instances of illegal or immoral conduct to the appropriate parties within the Group and at the same time, protecting these employees against victimisation, discrimination or being disadvantaged in any way arising from such communications. Arrangements are in place for the proportionate and independent investigations on all allegations or reports from within or outside the Group with appropriate follow up actions. The policy builds into the Group's culture, abhorrence for fraud, and that any conduct of this nature will not be tolerated. It also promotes a transparent and open environment for fraud reporting within the Group.

(e) Group Communication Policy

The Board has also adopted a Communication Policy to ensure that all decisions made are communicated promptly to all staff at all levels within the Group and to enable the Group to communicate effectively with its shareholders, major investors, other stakeholders and public, generally with the intention of giving them a clear picture of the Group's performance and operations.

(f) Human Resource Policy

The Group has implemented a Human Resource Policy and Code of Conduct that sets out general employment terms and conditions and sets the tone for control consciousness and employee conduct. It is designed to provide guidelines to employees with the objective of ensuring issues and matters during the tenure of their employment are properly understood by all employees. It is a written guideline which clearly defines the organisation's vision, mission, culture, values, policies, company's expectations of employees and employee's expectations toward the Company.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

OTHER KEY INTERNAL CONTROLS (CONT'D)

- **Policies, Procedures and Financial Authority Limits (Cont'd)**

- (f) Human Resource Policy (Cont'd)

The Group has also incorporated Succession Planning policies and procedures within the Human Resource Policy. This is part of the Group's organisational development initiative to ensure leadership and talent continuity for all key positions and to enhance the Group's capability to systematically identify, evaluate, develop, deploy and retain those who are qualified, eligible and suitable to be potential successors for Senior Level Mission Critical Positions.

In addition, internal control procedures have been set out in a series of other standard operating practice manuals and business process manuals to serve as guidance for proper measures to be undertaken and are subject to regular review, enhancement and improvement to ensure that they stay relevant and to align with the best practices.

- (g) Corporate Liability Policy

The Group adopted an Anti-Corruption and Bribery Policy ("ACBP") to show the Group's commitment to transparency, integrity and accountability. Any forms of bribery and corruption are unacceptable and will not be tolerated. ACBP has control measures to detect and prevent bribery as well as proper training and communication of such policies and procedures.

- **Strategic Business Planning, Budgeting and Reporting**

A Group strategic business planning process is in place where the financial planning is correlated to the Group's strategic business plans. The Group performs an annual budgeting and forecasting exercise including development of business strategies and establishment of key performance indicators against which units within the Group can be evaluated. The Group's strategic direction is also reviewed annually in light of the prevailing market conditions and significant market risks.

Financial performance and monthly management accounts which serve as a monitoring tool are circulated to key management staff and regularly compared against budget, with detailed explanations provided for material variances, reviews of internal and external factors contributing to performance, and management actions taken to improve the results. Variances against budget are analysed and reported internally on a monthly basis in management meetings.

- **Performance Reporting and Monitoring**

On a quarterly and annual basis, the financial performance and progress of key projects are reported and reviewed by the Board to enable them to gauge the Group's achievement of its annual targets and review any key financial and operational issues.

The Audit Committee reviews the quarterly financial statements with the Executive Directors before it recommends to the Board for approval to release the financial results to Bursa Malaysia Securities Berhad. The audited financial statements are reviewed with the external auditors before recommending them to the Board for tabling them to the shareholders at the annual general meeting.

- **Investment Appraisal**

Major investment proposals on mergers and acquisitions as well as long-term business investments are thoroughly reviewed and appraised by the Audit Committee, before recommending them to the Board.

- **Insurance and Physical Safeguards**

Adequate insurance provision and security measures on major assets of the Group are provided to ensure that it sufficiently safeguarded against any mishap that will result in material losses to the Group.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

OTHER KEY INTERNAL CONTROLS (CONT'D)

- **Regular Visits**

The Group conduct regular visits to operating units by members of the Board and management.

ASSURANCE STATEMENT BY KEY MANAGEMENT TEAM

The Chief Executive Officer and Chief Financial Officer have provided assurance to the Board, to the best of their knowledge and belief, that the Group's risk management and internal control system were operating adequately and effectively in all material aspects, to meet the Group's objectives during the financial year under review until the date of this Statement on Risk Management and Internal Control.

REVIEW OF THE STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL BY EXTERNAL AUDITORS

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

- (a) has not been prepared in accordance with the disclosures required by Section 7 of the Statement on Risk Management and Internal Control (SORMIC): Guidelines for Directors of Listed Companies (SORMIC Guide 2025), or
- (b) is factually inaccurate.

The principles of AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and the Management. The report from the external auditors was made solely for, and directed solely to the Board of Directors in connection with their compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and for no other purposes or parties. The external auditors do not assume responsibility to any person other than the Board of Directors in respect of any aspect of this report.

CONCLUSION

The Board is of the opinion that the system of risk management and internal control that has been instituted throughout the Group is satisfactory and has not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Company's 2025 Annual Report. The Board and the management will continue to review and take measures to strengthen and improve the internal control environment from time to time based on the recommendations proposed by the IA Consultant.

The Board recognises that the development of the system of internal control is an ongoing process as part of its efforts in managing the risks faced by the Group. Consequently, the Board maintains an ongoing commitment to further strengthen the control environment within the Group.

This Statement on Risk Management and Internal Control is issued in accordance with a resolution of the Board of Directors dated 17 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

The following disclosures are made in accordance with Part A of Appendix 9C of the Listing Requirements of Bursa Malaysia Securities Berhad:-

STATUS OF UTILISATION OF PROCEEDS

Utilisation of proceeds from private placement exercise

On 3 August 2021, 40,476,000 new Securemetric Shares, which were issued at RM0.139 each, were listed on the ACE Market of Bursa Malaysia Securities Berhad pursuant to Securemetric's private placement exercise ("Private Placement"). On 28 July 2025, Securemetric announced that the Company has extended the timeframe of the utilisation of proceeds raised from the Private Placement for certification costs till 2 August 2027.

The details of the utilisation of the proceeds from the Private Placement was as follows:

Details of utilisation	Proposed utilisation	Actual utilisation	Deviation: Surplus/ (Deficit)	Balance	Estimated timeframe for utilisation of proceeds
	RM'000	RM'000	RM'000	RM'000	
Working capital	2,951	(2,978)	27	-	Utilised
Certification costs	1,280	(121)	-	1,159 ⁽²⁾	Within 72 months (By August 2027)
IT infrastructure	1,280	(1,280)	-	-	Utilised
Expenses for Private Placement	115	(88)	(27) ⁽¹⁾	-	Utilised
Total	5,626	(4,467)	-	1,159	

Note:

- (1) The excess of RM0.027 million had been utilised for general working capital requirements of the Group.
(2) The timeframe for utilisation is by 2 August 2027, which represents a further extension of 24 months from the existing revised timeframe for utilisation (by 2 August 2025), as announced via Bursa on 18 May 2023.

Audit and Non-Audit Fees

During FYE 2025, the amount of audit and non-audit fees paid and payable by the Company and the Group to its External Auditors are as follows:

	Company RM'000	Group RM'000
Statutory audit fee		
- Crowe Malaysia PLT	120	175
- Member firms of Crowe Malaysia PLT	-	16
- Other firms	-	48
Non-statutory audit fees		
- Crowe Malaysia PLT	5	5



ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

Material Contracts

During FYE 2025, there were no material contracts entered into by the Company and its subsidiaries involving Directors, Chief Executive and/or major shareholders.

Contracts Relate to a Loan

There was no contracts which relate to a loan entered into by the Company and its subsidiaries involving Directors, Chief Executive and/or major shareholders during FYE 2025.

Employees Share Issuance Scheme

There was no Employees Share Issuance Scheme during FYE 2025.

Recurrent Related Party Transactions

During FYE 2025, there was no material Recurrent Related Party Transactions of a revenue or trading nature which requires shareholders' mandate.

Revaluation Policy on Landed Properties

The Company does not have a revaluation policy as it does not own any landed properties.

Disclosure of Financial Data for Shariah Screening

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

(a) Group Total Income and Total Assets

Financial year ended 31 December		Group	
Total Income	Remarks	2025 RM	2024 RM
Revenue		49,901,700	64,008,452
Other Income		745,471	1,565,809
Total		50,647,171	65,574,261
Total Assets		63,261,330	62,765,596

(b) Business Activities

Financial year ended 31 December		Group	
Shariah Non-Compliant Activities	Remarks	2025 RM	2024 RM
Interest income	Conventional	89,914	255,096
Total		89,914	255,096

ADDITIONAL COMPLIANCE INFORMATION
(CONT'D)

(c) Component of Financial Position

(i) Cash Component

Financial year ended 31 December

Islamic Account / Instruments

	Remarks	Group 2025 RM	2024 RM
Deposits with licensed bank		10,931,484	9,857,437
Cash at bank (exclude cash in hand)		7,412,395	1,296,771
Cash in hand		1,188	3,459

Total		18,345,067	11,157,667
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Conventional Account / Instruments

Deposits with licensed bank		1,200,000	280,713
Cash at bank (exclude cash in hand)		8,202,381	13,656,837

Total		9,402,381	13,937,550
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(ii) Debt Component

Financial year ended 31 December

Conventional Borrowing

	Remarks	Group 2025 RM	2024 RM
Current			
Hire purchase payables		88,104	110,489
Non-Current			
Hire purchase payables		421,055	310,320

Total		509,159	420,809
--------------	--	----------------	---------



DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for the preparation of financial statements of the Group and of the Company for each financial year which have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia (the "Act") so as to give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and the results and cash flows of the Group and of the Company for the financial year then ended.

In preparing the financial statements of the Group and of the Company for the FYE 2025, the Directors have:

- adopted and applied the appropriate and relevant accounting policies consistently;
- prepared the financial statements on a going concern basis, with reasonable expectation that the Group and Company have adequate resources to continue in operational existence in the foreseeable future;
- made judgments and estimates that are reasonable and prudent; and
- complied with applicable approved accounting standards in Malaysia.

The Directors are responsible to ensure that the Group and the Company keep proper accounting and other records which disclosed the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure the financial statements of the Group and of the Company comply with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Act in Malaysia.

The Directors have general responsibility for taking such reasonable steps to safeguard the assets of the Group and of the Company and to detect and prevent fraud and other irregularities.

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DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding.

The information on the name, country of incorporation, principal activities, and effective equity interest held by the Company in each subsidiary company are set out in the "Subsidiaries" section of this report.

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

RESULTS

	The Group RM	The Company RM
Profit after taxation for the financial period	2,106,735	232,511
Attributable to:-		
Owners of the Company	2,083,198	232,511
Non-controlling interests	23,537	-
	2,106,735	232,511

DIVIDENDS

No dividend was recommended by the directors for the financial period.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial period, no options were granted by the Company to any person to take up any unissued shares in the Company.

DIRECTORS' REPORT (CONT'D)

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial period which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial period.

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

CHANGE OF CIRCUMSTANCES

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



DIRECTORS' REPORT (CONT'D)

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial period were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial period in which this report is made.

DIRECTORS

The names of directors of the Company who served during the financial period and up to the date of this report are as follows:-

Law Seeh Key
Yong Kim Fui
Clifton Heath Fernandez
Shireen Chia Yin Ting
Norafizah Binti Zainal Abidin (Appointed on 3.6.2025)
Dato' Ng Wan Peng (Resigned on 29.5.2025)

The names of directors of the Company's subsidiaries who served during the financial period and up to the date of this report, not including those directors mentioned above, are as follows:-

Nioo Yu Siong
Endah Lestari
Leo Nugraha Kusuma
Tan Yung Hui, Gabriel
Mary Jacqueline B. Haro
Carlo C. Carranza
Kevin C. Espiritu
Jureza T. Biocarles
Jeramie M. Mercado
Sea Chong Seak (Resigned on 22.12.2025)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial period in shares of the Company and its related corporations during the financial period are as follows:-

	← Number of Ordinary Shares →			
	At 1.1.2025	Bought	Sold	At 31.12.2025
The Company				
<i>Direct Interests</i>				
Law Seeh Key	170,675,210	-	-	170,675,210
Yong Kim Fui	11,386,200	100,000	-	11,486,200

By virtue of their shareholdings in the Company, Law Seeh Key and Yong Kim Fui are also deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares, options over unissued shares or debentures of the Company or its related corporations during the financial year.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' BENEFITS

Since the date of incorporation, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" section of this report) 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 except for any benefits which may be deemed to arise from transactions entered into the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 30(b) to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	The Group/ The Company RM
Fees	145,500
Salaries, bonuses and other emolument	1,330,000
Contributions to defined contribution benefits	159,600
Contributions to social security benefits	2,500
Other benefits	22,886
Estimated monetary value of benefits-in-kind	15,000
	1,675,486

INDEMNITY AND INSURANCE COSTS

During the financial year, the amount of insurance effected for the directors and officers of the Company and its subsidiaries was RM500,000.

SUBSIDIARIES

The details of the Company's subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Effective Equity Interest %	Principal Activities
Securemetric Technology Sdn. Bhd. ("Securemetric Malaysia") #	Malaysia	100	Provision of digital security solutions as well as trading of electronic identification products, and other related services
Securemetric Technology Co., Ltd. ("Securemetric Vietnam") #	Vietnam	100	Provision of digital security solutions as well as trading of electronic identification products, and other related services
Securemetric Technology, Inc. ("Securemetric Philippines")*	Philippines	99.99	Provision of digital security solutions as well as trading of electronic identification products, and other related services



DIRECTORS' REPORT (CONT'D)

SUBSIDIARIES (CONT'D)

The details of the Company's subsidiaries are as follows (Cont'd):-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Effective Equity Interest %	Principal Activities
PT Securemetric Technology ("Securemetric Indonesia")*	Indonesia	99.99	Provision of digital security solutions as well as trading of electronic identification products, and other related services
Securemetric Technology Pte. Ltd. ("Securemetric Singapore")*	Singapore	100	Trading of electronic identification products, and other related services
PT Softkey Indonesia ("Softkey Indonesia")*	Indonesia	80	Trading of electronic identification products, and other related services
Securemetric Digital Sdn. Bhd. (formerly known as Signing Cloud Sdn. Bhd.) ("Securemetric Digital Malaysia") #	Malaysia	100	Provision of digital security solutions and other related services
Securemetric Mobile Security Sdn. Bhd. ("Securemetric Mobile Security Malaysia") #	Malaysia	100	Provision of mobile security solutions, digital security solution and other related services

These subsidiaries were audited by member firms of Crowe Global of which Crowe Malaysia PLT is a member.

* These subsidiaries were audited by other firms of chartered accountants.

The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

AUDITORS

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

The details of the auditors' remuneration for the financial year are as follows:-

	The Group RM	The Company RM
Audit fees	238,628	120,000
Non-audit fees	5,000	5,000
	243,628	125,000

Signed in accordance with a resolution of the directors dated 17 April 2026.



STATEMENT BY DIRECTORS

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

We, Law Seeh Key and Yong Kim Fui, being two of the directors of Securemetric Berhad, state that, in the opinion of the directors, the financial statements set out on pages 83 to 139 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 of 31 December 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 17 April 2026.

Law Seeh Key

Yong Kim Fui

STATUTORY DECLARATION

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

I, Yong Kim Fui (MIA Membership No: 16784), being the director primarily responsible for the financial management of Securemetric Berhad, do solemnly and sincerely declare that the financial statements set out on pages 83 to 139 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Yong Kim Fui,
at Kuala Lumpur
in the Federal Territory
on this 17 April 2026

Yong Kim Fui

Before me

Commissioner for Oaths



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SECUREMETRIC BERHAD

(INCORPORATED IN MALAYSIA) REGISTRATION NO: 201701019864 (1234029 - D)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Securemetric Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 83 to 139.

In our opinion, the accompanying financial statements gives a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial 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 for our opinion.

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF SECUREMETRIC BERHAD
(INCORPORATED IN MALAYSIA) REGISTRATION NO: 201701019864 (1234029 - D) (CONT'D)

Key Audit Matters (Cont'd)

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
<p><u>Expected credit losses ("ECL") on trade receivables</u></p> <p>As at 31 December 2025, the Group recognises trade receivables which are subject to impairment assessment under MFRS 9 <i>Financial Instruments</i>. Management applies the simplified approach and recognises lifetime ECL for trade receivables.</p> <p>A significant portion of the trade receivables ageing profile is past due, including balances that are substantially overdue. In these circumstances, the measurement of lifetime ECL involves significant judgement in determining the appropriate loss rates, including the assessment of expected recoverability, customer-specific factors and the incorporation of forward-looking information where relevant. The estimation uncertainty is heightened due to the delinquency profile and the inherent subjectivity in predicting future cash collections.</p> <p>Accordingly, we considered the impairment of trade receivables to be a key audit matter.</p>	<p>Our audit procedures, among others, included the following:</p> <ul style="list-style-type: none"> • We obtained an understanding of the Group's impairment policy for trade receivables and assessed whether the application of lifetime ECL under the simplified approach is consistent with the requirements of MFRS 9; • We evaluated management's ECL methodology and key assumptions by assessing the appropriateness of the segmentation of receivables (where applicable), the basis for determining loss rates and the consideration of qualitative factors, including customer and collection-specific information; • We tested the accuracy of the underlying data used in the ECL computation, including the trade receivables ageing and relevant customer information, on a sampling basis; • We performed procedures on subsequent receipts after the reporting date to assess recoverability of selected past due receivables and considered the implications for management's ECL assessment; • We assessed whether management's conclusions were consistent with the delinquency profile, collection status and available supporting information; and • We evaluated the adequacy and appropriateness of related disclosures in the financial statements, including key judgements and estimation uncertainty, to ascertain compliance with applicable financial reporting standards.



INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF SECUREMETRIC BERHAD
(INCORPORATED IN MALAYSIA) REGISTRATION NO: 201701019864 (1234029 - D) (CONT'D)

Key Audit Matters (Cont'd)

We have determined the matters described below to be the key audit matters to be communicated in our report. (Cont'd)

Key audit matters	How our audit addressed the key audit matter
<p><u>Fair value measurement of unquoted equity investment designated at FVOCI and retrospective restatement (Group and Company)</u></p> <p>As disclosed in Note 9 to the financial statements, the Group and the Company hold an unquoted equity investment designated at Fair Value through Other Comprehensive Income ("FVOCI") in accordance with MFRS 9, <i>Financial Instruments</i>. As the auditor newly appointed for the financial year ended 31 December 2025, we performed audit procedures over opening balances in accordance with International Standard of Auditing 510 <i>Initial Audit Engagements – Opening Balances</i>. During the procedure, we noted that the investment had been carried forward from prior periods at its investment date carrying amount rather than being measured at fair value as required by MFRS 13 <i>Fair Value Measurement</i>.</p> <p>Management identified this as a prior period error and corrected it during the year through a retrospective restatement in accordance with MFRS 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> (refer Note 33).</p> <p>This matter was considered to be a key audit matter because the determination of fair value for an unquoted equity investment is generally a Level 3 fair value measurement under MFRS 13 and involves significant judgement and estimation uncertainty, including the selection of valuation methodology and the use of unobservable inputs.</p> <p>In addition, the retrospective restatement impacted opening balances and comparative information, increasing the risk of material misstatement arising from the completeness and accuracy of the restatement adjustments and related disclosures for both the Group and the Company.</p>	<p>Our audit procedures, among others, included the following:</p> <ul style="list-style-type: none"> • We obtained management's assessment of the prior period error and evaluated the appropriateness of the accounting treatment applied in correcting the error, including the classification and designation at FVOCI under MFRS 9, fair value measurement requirements under MFRS 13 and retrospective restatement requirements under MFRS 108. • We evaluated the competence, capabilities and objectivity of the external valuer engaged by management, and the scope of their work, in accordance with the principles of ISA 500 <i>Audit Evidence</i> and, where applicable, ISA 620 <i>Using the Work of an Auditor's Expert</i>. • We assessed the external valuation report and challenged whether the valuation approach and key assumptions were appropriate and consistent with MFRS 13, including testing the mathematical accuracy of the valuation model, assessing the reasonableness of key unobservable inputs by reference to available market/industry information where applicable, and performing sensitivity analyses over key assumptions to evaluate the potential range of fair values and the impact on other comprehensive income and equity. • We assessed the completeness and accuracy of the retrospective restatement for both the Group and the Company by verifying the adjustments to opening balances as at 1 January 2025 and comparative information, including the related equity/OCI components, and evaluating whether the restatement had been applied consistently across affected line items in accordance with MFRS 108. • We evaluated the adequacy of the related disclosures, including the fair value measurement and fair value hierarchy disclosures required by MFRS 13 (and related financial instrument disclosures where applicable), the FVOCI disclosures under MFRS 9, and the prior period error and retrospective restatement disclosures under MFRS 108, with specific reference to Note 9 and Note 33.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF SECUREMETRIC BERHAD
(INCORPORATED IN MALAYSIA) REGISTRATION NO: 201701019864 (1234029 - D) (CONT'D)

Information Other than the Financial Statements and Auditors' Report Thereon

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

Our opinion on the financial statements of the Group and of the Company does not cover the Directors' Report 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 Directors' Report and, in doing so, consider whether the Directors' Report 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 the Directors' Report, 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 and the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SECUREMETRIC BERHAD

(INCORPORATED IN MALAYSIA) REGISTRATION NO: 201701019864 (1234029 - D) (CONT'D)

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

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:- (Cont'd)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 to the financial statements.

OTHER MATTERS

- (1) The financial statements of the Group and of the Company for the preceding financial year were audited by another firm of auditors whose report dated 25 April 2025, expressed an unmodified opinion on those statements.
- (2) 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.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Kuala Lumpur

17 April 2026

Lou Hoe Yin
03120/04/2028 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2025

Note	The Group		The Company	
	31.12.2025 RM	31.12.2024 RM (Restated)	31.12.2025 RM	31.12.2024 RM (Restated)
ASSETS				
NON-CURRENT ASSETS				
5	-	-	15,067,861	15,067,859
6	5,681,929	5,716,099	5,580,000	6,900,000
7	1,828,004	2,145,482	664,392	588,188
8	2,090,007	2,888,634	635,505	1,112,134
9	5,726,010	2,595,790	5,726,010	2,595,790
10	196,372	191,277	-	-
11	874,000	997,793	-	-
12	415,392	593,644	-	-
	16,811,714	15,128,719	27,673,768	24,943,973
CURRENT ASSETS				
13	1,285,504	1,296,802	-	-
14	1,867,068	188,048	-	-
11	7,481,491	12,327,107	-	-
12	7,963,720	8,397,285	251,073	759,133
	104,385	332,418	-	37,616
15	-	-	2,260,174	1,017,652
16	12,131,484	10,138,150	-	-
	15,615,964	14,957,067	89,705	140,714
	46,449,616	47,636,877	2,600,952	1,955,115
	63,261,330	62,765,596	30,274,720	26,899,088
				34,289,375
				1,659,654
				9,521,616
				24,767,759
				2,799,900
				556,539
				32,421
				7,273,002
				1,659,654
				9,521,616
				34,289,375
				1,659,654
				9,521,616
				24,767,759
				2,799,900
				556,539
				32,421
				7,273,002
				1,659,654
				9,521,616
				34,289,375
				1,659,654
				9,521,616
				24,767,759
				2,799,900
				556,539
				32,421
				7,273,002
				1,659,654
				9,521,616
				34,289,375
				1,659,654
				9,521,616
				24,767,759
				2,799,900
				556,539
				32,421
				7,273,002
				1,659,654
				9,521,616
				34,289,375
				1,659,654
				9,521,616
				24,767,759
				2,799,900
				556,539
				32,421
				7,273,002
				1,659,654
				9,521,616
				34,289,375
				1,659,654
				9,521,616
				24,767,759
				2,799,900
				556,539
				32,421
				7,273,002
				1,659,654
				9,521,616
				34,289,375
				1,659,654
				9,521,616
				24,767,759
				2,799,900
				556,539
				32,421
				7,273,002
				1,659,654
				9,521,616
				34,289,375
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				9,521,616
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				2,799,900
				556,539
				32,421



STATEMENTS OF FINANCIAL POSITION
AT 31 DECEMBER 2025
(CONT'D)

	Note	The Group		The Company	
		31.12.2025 RM	31.12.2024 RM (Restated)	31.12.2025 RM	31.12.2024 RM (Restated)
EQUITY AND LIABILITIES					
EQUITY					
Share capital	17	41,399,638	41,399,638	41,399,638	41,399,638
Reserve	18	(17,131,427)	(15,961,218)	(14,012,046)	(3,295,350)
Retained earnings/ (Accumulated losses)		17,414,990	15,335,833	10,284,558	(7,109,413)
Equity attributable to owners of the Company		41,683,201	40,774,253	37,672,150	23,744,128
Non-controlling interests	5	170,588	185,848	203,465	-
TOTAL EQUITY		41,853,789	40,960,101	37,875,615	23,744,128
NON-CURRENT LIABILITIES					
Lease liabilities	19	1,370,008	2,062,444	975,537	654,893
Contract liabilities	14	806,062	935,408	1,059,940	-
Employee defined benefit plan	20	187,313	199,253	220,201	-
		2,363,383	3,197,105	2,255,678	654,893
CURRENT LIABILITIES					
Contract liabilities	14	11,603,088	10,448,796	6,181,565	-
Trade payables	21	4,434,530	2,249,614	3,361,046	-
Other payables and accruals	22	1,852,843	3,960,854	4,431,387	163,841
Amount owing to subsidiaries	15	-	-	-	94,500
Lease liabilities	19	931,034	904,686	667,429	1,865,578
Current tax liabilities		222,663	1,044,440	626,508	470,648
		19,044,158	18,608,390	15,267,935	2,500,067
TOTAL LIABILITIES		21,407,541	21,805,495	17,523,613	3,154,960
TOTAL EQUITY AND LIABILITIES		63,261,330	62,765,596	55,399,228	26,899,088
				30,274,720	34,289,375

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	The Group		The Company	
		2025 RM	2024 RM (Restated)	2025 RM	2024 RM (Restated)
REVENUE	23	49,901,700	64,008,452	4,907,532	-
COST OF SALES		(23,621,712)	(32,807,074)	-	-
GROSS PROFIT		26,279,988	31,201,378	4,907,532	-
OTHER INCOME		745,471	1,565,809	762,554	1,459,309
ADMINISTRATIVE EXPENSES		(22,741,823)	(25,382,442)	(5,367,908)	(2,721,289)
FINANCE COSTS		(105,226)	(108,732)	(33,352)	(31,655)
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS	24	(242,450)	(97,493)	-	(5,753,002)
SHARE OF RESULT OF AN ASSOCIATE, NET OF TAX		(34,170)	226,106	-	-
PROFIT/(LOSS) BEFORE TAXATION	25	3,901,790	7,404,626	268,826	(7,046,637)
INCOME TAX EXPENSE	26	(1,795,055)	(2,337,242)	(36,315)	-
PROFIT/(LOSS) AFTER TAXATION		2,106,735	5,067,384	232,511	(7,046,637)

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



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

	Note	The Group		The Company	
		2025 RM	2024 RM (Restated)	2025 RM	2024 RM (Restated)
OTHER COMPREHENSIVE (EXPENSES)/INCOME					
<u>Item that will be reclassified subsequently to profit or loss</u>					
Foreign currency translation differences		(4,335,379)	(1,761,663)	-	-
<u>Item that will not be reclassified subsequently to profit or loss</u>					
Remeasurement on employee defined benefit plan, net of tax		(7,888)	(17,125)	-	-
Fair value changes of equity investments		3,130,220	(204,110)	3,130,220	(204,110)
TOTAL OTHER COMPREHENSIVE (EXPENSES)/ INCOME		(1,213,047)	(1,982,898)	3,130,220	(204,110)
TOTAL COMPREHENSIVE INCOME/ (EXPENSES) FOR THE FINANCIAL YEAR		893,688	3,084,486	3,362,731	(7,250,747)
PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		2,083,198	5,066,518	232,511	(7,046,637)
Non-controlling interests		23,537	866	-	-
		2,106,735	5,067,384	232,511	(7,046,637)
TOTAL COMPREHENSIVE INCOME/ (EXPENSES) ATTRIBUTABLE TO:-					
Owners of the Company		908,948	3,102,103	3,362,731	(7,250,747)
Non-controlling interests		(15,260)	(17,617)	-	-
		893,688	3,084,486	3,362,731	(7,250,747)
EARNINGS PER SHARE (SEN)					
- Basic	27	0.36	0.88		
- Diluted	27	0.36	0.88		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	← Non-Distributable					→ Distributable			
	Share Capital RM	Fair Value Reserve RM	Foreign Currency Reserve RM	Other Reserves RM	Merger Reserves RM	Retained Earnings RM	Total RM	Non- Controlling Interest RM	
The Group									
Balance at 1.1.2024	41,399,638	-	284,693	3,274	(11,004,663)	10,284,558	40,967,500	203,465	41,170,965
- As previously reported	-	(3,295,350)	-	-	-	-	(3,295,350)	-	(3,295,350)
- Prior year adjustment	33								
Balance at 1.1.2024, as restated	41,399,638	(3,295,350)	284,693	3,274	(11,004,663)	10,284,558	37,672,150	203,465	37,875,615
Profit after taxation for the financial year	-	-	-	-	-	5,066,518	5,066,518	866	5,067,384
Other comprehensive expenses for the financial year:									
- Fair value changes of equity investments	-	(204,110)	-	-	-	-	(204,110)	-	(204,110)
- Foreign currency translation differences	-	-	(1,745,062)	-	-	(15,243)	(1,760,305)	(18,483)	(1,778,788)
Total comprehensive (expenses)/ income for the financial year	-	(204,110)	(1,745,062)	-	-	5,051,275	3,102,103	(17,617)	3,084,486
At 31.12.2024	41,399,638	(3,499,460)	(1,460,369)	3,274	(11,004,663)	15,335,833	40,774,253	185,848	40,960,101

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



STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

	Non-Distributable					Distributable			Total Equity RM
	Share Capital RM	Fair Value Reserve RM	Foreign Currency Translation Reserve RM	Other Reserves RM	Merger Reserves RM	Retained Earnings RM	Controlling Interest RM	Non- Controlling Interest RM	
The Group									
Balance at 1.1.2025	41,399,638	(3,499,460)	(1,460,369)	3,274	(11,004,663)	15,335,833	40,774,253	185,848	40,960,101
Profit after taxation for the financial year	-	-	-	-	-	2,083,198	2,083,198	23,537	2,106,735
Other comprehensive expenses for the financial year:									
- Fair value changes of equity investments	-	3,130,220	-	-	-	-	3,130,220	-	3,130,220
- Foreign currency translation differences	-	-	(4,300,429)	-	-	(4,041)	(4,304,470)	(38,797)	(4,343,267)
Total comprehensive income/ (expenses) for the financial year	-	3,130,220	(4,300,429)	-	-	2,079,157	908,948	(15,260)	893,688
At 31.12.2025	41,399,638	(369,240)	(5,760,798)	3,274	(11,004,663)	17,414,990	41,683,201	170,588	41,853,789

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

	Note	Share Capital RM	Fair Value Reserve RM	Accumulated Losses RM	Total Equity RM
The Company					
Balance at 1.1.2024					
- As previously reported		41,399,638	-	(7,109,413)	34,290,225
- Prior year adjustment	33	-	(3,295,350)	-	(3,295,350)
Balance at 1.1.2024, as restated		41,399,638	(3,295,350)	(7,109,413)	30,994,875
Loss after taxation/Total comprehensive expenses for the financial year		-	-	(7,046,637)	(7,046,637)
Other comprehensive expenses for the financial year:					
- Fair value changes of equity investments	33	-	(204,110)	-	(204,110)
Total comprehensive expenses for the financial year		-	(204,110)	(7,046,637)	(7,250,747)
Balance at 31.12.2024/1.1.2025		41,399,638	(3,499,460)	(14,156,050)	23,744,128
Profit after taxation/Total comprehensive income for the financial year		-	-	232,511	232,511
Other comprehensive income for the financial year:					
- Fair value changes of equity investments		-	3,130,220	-	3,130,220
Total comprehensive income for the financial year		-	3,130,220	232,511	3,362,731
Balance at 31.12.2025		41,399,638	(369,240)	(13,923,539)	27,106,859

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



STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(loss) before taxation	3,901,790	7,404,626	268,826	(7,046,637)
Adjustments for:-				
Allowance for slow moving inventories	30,477	64,205	-	-
Deposit written off	-	510,924	-	465,200
Depreciation of property, plant and equipment	605,323	584,473	97,322	46,812
Depreciation of right-of-use assets	1,154,624	1,101,731	476,629	317,752
Dividend income	-	-	(379,357)	-
Gain on disposal of :				
- property, plant and equipment	(3,704)	(122)	-	-
- right-of-use assets	(62,130)	-	-	-
Gain on termination lease liabilities	-	(9,504)	-	-
Interest expenses	105,226	108,732	33,352	31,655
Interest income	(529,021)	(376,916)	(1,064)	(3,302)
Inventories written off	3,441	12,218	-	-
Impairment losses on:				
- amount owing from subsidiaries	-	-	-	5,753,002
- investment in an associate	-	1,320,000	-	1,320,000
- trade receivables	289,176	121,423	-	-
Property, plant and equipment written off	20	182,345	-	-
Reversal of impairment losses on trade receivables	(46,726)	(23,930)	-	-
Reversal of allowance for slow moving inventories	-	(863)	-	-
Share of results of an associate	34,170	(226,106)	-	-
Unrealised (gain)/loss on foreign exchange	(29,553)	(11,255)	4	(7)
Operating profit before working capital changes	5,453,113	10,761,981	495,712	884,475
(Increase)/Decrease in inventories	(22,620)	435,689	-	-
Decrease/(Increase) in receivables	4,644,987	(8,563,336)	508,060	(667,794)
Increase/(Decrease) in payables	688,724	(1,553,317)	260,362	69,341
(Decrease)/Increase in contract assets/ (liabilities)	(654,074)	6,837,242	-	-
CASH FROM OPERATIONS	10,110,130	7,918,259	1,264,134	286,022
Income tax paid	(2,620,239)	(1,917,012)	(25,845)	(5,195)
Income tax refund	245,060	76,706	32,421	-
Exchange fluctuation adjustment	(4,074,828)	(1,782,706)	-	-
NET CASH FROM OPERATING ACTIVITIES	3,660,123	4,295,247	1,270,710	280,827

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

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES					
Additions to pledged fixed deposits with licensed banks		(11,320)	(12,347)	-	-
Dividend received		-	-	379,357	-
Interest received		529,021	376,916	1,064	3,302
Net movement in amount owing by subsidiary company		-	-	(1,242,522)	502,346
Purchase of property, plant and equipment		(407,542)	(1,341,635)	(173,526)	(635,000)
Purchase of right-of-use assets		(73,785)	(75,601)	-	-
Proceeds from disposal of property, plant and equipment		4,334	280	-	-
Proceeds from disposal of right-of-use assets		115,000	-	-	-
NET CASH FROM/(FOR) INVESTING ACTIVITIES		155,708	(1,052,387)	(1,035,627)	(129,352)
CASH FLOWS FOR FINANCING ACTIVITIES					
Interest paid		(105,226)	(108,732)	(33,352)	(31,655)
Net movement in amount owing to subsidiary company		-	-	217,912	(1,334,422)
Repayment of lease liabilities		(1,016,649)	(906,491)	(470,648)	(304,345)
NET CASH FOR FINANCING ACTIVITIES		(1,121,875)	(1,015,223)	(286,088)	(1,670,422)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		2,693,956	2,227,637	(51,005)	(1,518,947)
EFFECT OF FOREIGN EXCHANGE TRANSLATION		(53,045)	25,991	(4)	7
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		24,643,411	22,389,783	140,714	1,659,654
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	28(c)	27,284,322	24,643,411	89,705	140,714

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office : No. 3A, Mezzanine Floor,
Jalan Ipoh Kecil,
50350 Kuala Lumpur.

Principal place of business : Unit 2-12-01, Level 12, Ho Hup Tower,
No. 1, Persiaran Jalil 1,
Bandar Bukit Jalil,
57000 Kuala Lumpur.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of Company and its subsidiaries as of the end of the reporting year. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements of the Group and of the Company are presented in Ringgit Malaysia (“RM”) which is the Company’s functional and presentation currency.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 17 April 2026.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 121: Lack of Exchangeability

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

3. BASIS OF PREPARATION (CONT'D)

3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysia Accounting Standards Board (“MASB”) but are not yet effective for the current financial period:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121: Translation to a Hyperinflationary Presentation Currency	1 January 2027
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon its initial application.

MFRS 18 ‘Presentation and Disclosure in Financial Statements’ will replace MFRS 101 ‘Presentation of Financial Statements’ upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: “operating”, “investing” and “financing” and introduces 2 new subtotals: “operating profit or loss” and “profit or loss before financing and income tax”. In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group has yet to be assessed.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment and Right-of-use Assets

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment and right-of-use assets are based on commercial factors which could change significantly as a result of technical innovations and competitors’ actions in response to the market conditions. The Group and the Company anticipates that the residual values of its property, plant and equipment and right-of-use assets will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. The carrying amount of property, plant and equipment and right-of-use assets as at the reporting date is disclosed in Notes 7 and 8 to the financial statements respectively.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(b) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 13 to the financial statements.

(c) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying amounts of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Notes 11 and 14 to the financial statements respectively.

(d) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group and the Company to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group and the Company use judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amount of other receivables as at the reporting date is disclosed in Note 12 to the financial statements.

(e) Defined benefit plans

A defined benefit plan is a pension plan that is not a defined contribution plan. Defined benefit plan is an approved fund independent of the Group's finances and defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of services and compensation.

The liability in respect of a defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for actuarial gains/losses and unrecognised past service cost. The Group determines the present value of the defined benefit obligation and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period.

The defined benefit obligation, calculated annually using the Projected Unit Credit Method, is determined by independent actuaries, considering the estimated future cash outflows using market yields at reporting date of Government securities which have currency and terms to maturity approximating the terms of the related liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. The actuarial gains and losses are not subsequently reclassified to profit or loss in subsequent period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(e) Defined benefit plans (Cont'd)

Past-service costs are recognised immediately in profit or loss.

The Group recognises gains and losses on the settlement of a defined benefit plan when settlement occurs.

The carrying amount of defined benefit plans as at the reporting date is disclosed in Note 20 to the financial statements.

(f) Income Taxes

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

(g) Discount Rates used in Leases

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

(h) Fair Value Estimates for Unquoted Financial Assets

The Group and the Company carry certain financial assets that are not traded in an active market at fair value. The Group and the Company use its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The amount of fair value changes would differ if the Group used different valuation methodologies and assumptions and would eventually affect profit and/or other comprehensive income.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

(a) Lease Terms

Some leases contain extension options exercisable by the Group and the Company before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances, including past practice and any costs that will be incurred to change the asset if an option to extend is not exercised. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

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

Financial Assets Through Other Comprehensive Income

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

(b) Financial Liabilities

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

4.3 BASIS OF CONSOLIDATION

The Group applies the acquisition method of accounting for all business combinations, except for those involving entities under common control, which are accounted for using the merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the financial statements of the Group at their carrying amounts reported in the individual financial statements. The consolidated statements of profit or loss and other comprehensive income reflect the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital of the merger entities is reflected within equity as merger reserve or merger deficit, as appropriate. The merger deficit is adjusted against suitable reserves of the merger entities to the extent that laws or statutes do not prohibit the use of such reserves.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.4 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries which are eliminated on consolidation, are stated in the financial statements of the Company at cost less impairment losses, if any.

4.5 INVESTMENTS IN ASSOCIATES

Investments in associates are accounted for using the equity method in the financial statements of the Group.

4.6 PROPERTY, PLANT AND EQUIPMENT

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

Subsequent to the initial recognition, all property, plant and equipment, other than freehold lands and buildings, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Office equipment	10%
Computer and IT equipment	33%
Furniture and fittings	10%
Renovation	10%
Motor vehicles	20%
Hostel equipment	10%

4.7 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group apply the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

4.8 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out method and comprises all costs of purchase plus other costs incurred in bringing the inventories to their present location and condition.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	31.12.2025 RM	31.12.2024 RM
Unquoted shares, at cost:-		
In Malaysia	10,167,000	10,167,000
Outside Malaysia	4,900,861	4,900,861
At 31 December	15,067,861	15,067,861

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Effective Equity Interest		Principal Activities
		2025 %	2024 %	
<i>Subsidiaries of the Company</i>				
Securemetric Technology Sdn. Bhd. ("Securemetric Malaysia") #	Malaysia	100	100	Provision of digital security solutions as well as trading of electronic identification products, and other related services
Securemetric Technology Co., Ltd. ("Securemetric Vietnam") #	Vietnam	100	100	Provision of digital security solutions as well as trading of electronic identification products, and other related services
Securemetric Technology, Inc. ("Securemetric Philippines")*	Philippines	99.99	99.99	Provision of digital security solutions as well as trading of electronic identification products, and other related services
PT Securemetric Technology ("Securemetric Indonesia")*	Indonesia	99.99	99.99	Provision of digital security solutions as well as trading of electronic identification products, and other related services
Securemetric Technology Pte. Ltd. ("Securemetric Singapore")*	Singapore	100	100	Trading of electronic identification products, and other related services
PT Softkey Indonesia ("Softkey Indonesia")*	Indonesia	80	80	Trading of electronic identification products, and other related services
Securemetric Digital Sdn. Bhd. (formerly known as Signing Cloud Sdn. Bhd.) ("Securemetric Digital Malaysia") #	Malaysia	100	100	Provision of digital security solutions and other related services
Securemetric Mobile Security Sdn. Bhd. ("Securemetric Mobile Security Malaysia") #	Malaysia	100	100	Provision of mobile security solutions, digital security solution and other related services

These subsidiaries were audited by member firms of Crowe Global of which Crowe Malaysia PLT is a member.

* These subsidiaries were audited by other firms of chartered accountants.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interest		The Group	
	2025 %	2024 %	31.12.2025 RM	31.12.2024 RM
PT Softkey Indonesia ("Softkey Indonesia")	80	80	170,588	185,848

(b) The summarised financial information (before intra-group elimination) for a subsidiary that has non-controlling interests that is material to the Group is as follows:-

	Softkey Indonesia	
	31.12.2025 RM	31.12.2024 RM
<u>At 31 December</u>		
Non-current assets	993,378	1,164,890
Current assets	343,359	292,952
Non-current liability	(73,431)	(74,671)
Current liabilities	(25,091)	(68,658)
Net assets	1,238,215	1,314,513
<u>Financial Year Ended 31 December</u>		
Revenue	864,057	651,256
Profit for the financial year	117,686	4,331
Total comprehensive expenses	(76,298)	(88,092)
Total comprehensive expenses attributable to non-controlling interests	(15,260)	(17,617)
Net cash flows from operating activities	110,332	72,745
Net cash flows used in investing activities	(2,368)	(17,185)
Net cash flows used in financial activities	-	(70,000)

6. INVESTMENT IN AN ASSOCIATE

	The Group		The Company	
	31.12.2025 RM	31.12.2024 RM	31.12.2025 RM	31.12.2024 RM
Unquoted shares in Malaysia, at cost	8,600,000	8,600,000	8,600,000	8,600,000
Share of post-acquisition reserve	101,929	136,099	-	-
Less: Accumulated impairment losses	8,701,929 (3,020,000)	8,736,099 (3,020,000)	8,600,000 (3,020,000)	8,600,000 (3,020,000)
	5,681,929	5,716,099	5,580,000	5,580,000



NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

6. INVESTMENT IN AN ASSOCIATE (CONT'D)

(a) The details of the associate is as follows:-

Name of Associate	Principal Place of Business and Country of Incorporation	Percentage of Ownership		Principal Activities
		2025	2024	
		%	%	
Innov8tif Consortium Sdn. Bhd. *	Malaysia	20	20	Investment holding

* The associate was audited by other firms of chartered accountants.

(b) The summarised audited financial information for the associate that is material to the Group is as follows:-

	Innov8tif Consortium Sdn. Bhd.	
	31.12.2025 RM	31.12.2024 RM
<u>At 31 December</u>		
Non-current asset	30,175,033	30,338,430
Current asset	13,614	21,326
Non-current liability	(29,112,500)	(29,112,500)
Current liabilities	(6,600)	(6,860)
Net assets	1,069,547	1,240,396
<u>12 months Period Ended 31 December</u>		
Revenue	-	-
(Loss)/Profit for the financial year	(170,849)	1,130,531
Total comprehensive (expenses)/income	(170,849)	1,130,531
Group's share of results for the financial year	(34,170)	226,106
Carrying amount of the Group's interests in the associate	213,909	248,079

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

7. PROPERTY, PLANT AND EQUIPMENT

The Group	At	Additions	Disposal/ Written off	Depreciation Charges	Exchange Differences	At
	1.1.2025					RM
	RM	RM	RM	RM	RM	RM
31.12.2025						
<i>Carrying Amount</i>						
Office equipment	142,231	6,019	-	(26,376)	(4,207)	117,667
Computer and IT equipment	722,245	399,208	(650)	(418,813)	(35,975)	666,015
Furniture and fittings	117,426	2,315	-	(16,231)	(3,845)	99,665
Renovation	614,489	-	-	(66,147)	(2,557)	545,785
Motor vehicles	545,511	-	-	(77,046)	(72,463)	396,002
Hostel equipment	3,580	-	-	(710)	-	2,870
	2,145,482	407,542	(650)	(605,323)	(119,047)	1,828,004
The Group	At	Additions	Disposal/ Written off	Depreciation Charges	Exchange Differences	At
	1.1.2024					RM
	RM	RM	RM	RM	RM	RM
31.12.2024						
<i>Carrying Amount</i>						
Office equipment	116,729	82,738	(26,940)	(28,700)	(1,596)	142,231
Computer and IT equipment	582,585	487,713	(169)	(392,536)	(14,620)	722,245
Furniture and fittings	67,788	105,347	(32,115)	(23,001)	(593)	117,426
Renovation	128,826	662,581	(123,231)	(53,731)	44	614,489
Motor vehicles	673,950	-	-	(85,496)	(42,943)	545,511
Hostel equipment	1,381	3,256	(48)	(1,009)	-	3,580
	1,571,259	1,341,635	(182,503)	(584,473)	(59,708)	2,145,482



NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

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

The Group	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM	
31.12.2025				
Office equipment	230,578	(112,911)	117,667	
Computer and IT equipment	3,810,975	(3,144,960)	666,015	
Furniture and fittings	210,925	(111,260)	99,665	
Renovation	659,715	(113,930)	545,785	
Motor vehicles	634,420	(238,418)	396,002	
Hostel equipment	12,935	(10,065)	2,870	
	5,559,548	(3,731,544)	1,828,004	
31.12.2024				
Office equipment	236,379	(94,148)	142,231	
Computer and IT equipment	3,689,218	(2,966,973)	722,245	
Furniture and fittings	217,924	(100,498)	117,426	
Renovation	704,057	(89,568)	614,489	
Motor vehicles	729,857	(184,346)	545,511	
Hostel equipment	12,935	(9,355)	3,580	
	5,590,370	(3,444,888)	2,145,482	
	At 1.1.2025 RM	Additions RM	Depreciation Charges RM	At 31.12.2025 RM
The Company				
31.12.2025				
<i>Carrying Amount</i>				
Computer and IT equipment	-	172,311	(33,784)	138,527
Furniture and fittings	-	1,215	(39)	1,176
Renovation	588,188	-	(63,499)	524,689
	588,188	173,526	(97,322)	664,392

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

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

	At 1.1.2024 RM	Additions RM	Depreciation Charges RM	At 31.12.2024 RM
The Company				
31.12.2024				
<i>Carrying Amount</i>				
Renovation	-	635,000	(46,812)	588,188
<hr/>				
		At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
The Company				
31.12.2025				
Computer and IT equipment		172,311	(33,784)	138,527
Furniture and fittings		1,215	(39)	1,176
Renovation		635,000	(110,311)	524,689
		<hr/>	<hr/>	<hr/>
		808,526	(144,134)	664,392
<hr/>				
31.12.2024				
Renovation		635,000	(46,812)	588,188
		<hr/>	<hr/>	<hr/>



NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

8. RIGHT-OF-USE ASSETS

The Group	At 1.1.2025 RM	Addition RM	Termination of lease of contract RM	Exchange Differences RM	Depreciation Charges RM	At 31.12.2025 RM
31.12.2025						
<i>Carrying Amount</i>						
Buildings	1,827,116	129,836	-	(60,720)	(727,230)	1,169,002
Motor vehicles	404,008	320,785	(52,870)	-	(150,980)	520,943
Computer server	657,510	18,966	-	-	(276,414)	400,062
	2,888,634	469,587	(52,870)	(60,720)	(1,154,624)	2,090,007
The Group	At 1.1.2024 RM	Addition RM	Termination of lease of contract RM	Exchange Differences RM	Depreciation Charges RM	At 31.12.2024 RM
31.12.2024						
<i>Carrying Amount</i>						
Buildings	562,909	2,265,304	(290,758)	(9,110)	(701,229)	1,827,116
Motor vehicles	554,616	-	-	-	(150,608)	404,008
Computer server	565,191	342,213	-	-	(249,894)	657,510
	1,682,716	2,607,517	(290,758)	(9,110)	(1,101,731)	2,888,634

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

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

- (a) The motor vehicle of the Group with carrying amount of RM 520,943 (31.12.2024: RM404,008) are pledged as securities for the related lease liabilities.

	At 1.1.2025 RM	Additions RM	Depreciation Charges RM	At 31.12.2025 RM
The Company				
31.12.2025				
<i>Carrying Amount</i>				
Building	1,112,134	-	(476,629)	635,505

	At 1.1.2024 RM	Additions RM	Depreciation Charges RM	At 31.12.2024 RM
The Company				
31.12.2024				
<i>Carrying Amount</i>				
Building	-	1,429,886	(317,752)	1,112,134

9. OTHER INVESTMENTS

	The Group/ The Company		
	31.12.2025 RM	31.12.2024 RM (Restated)	1.1.2024 RM (Restated)
<u>Non-current</u>			
Investments at Fair Value Through Other Comprehensive Income			
Unquoted shares, at fair value	5,726,010	2,595,790	2,799,900
Unquoted shares, at cost	4,000,000	4,000,000	4,000,000
Less: Accumulated impairment losses recognised	(4,000,000)	(4,000,000)	(4,000,000)
	-	-	-



NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

9. OTHER INVESTMENTS (CONT'D)

The unquoted equity investment designated at fair value through other comprehensive income ("FVOCI") is measured at fair value using valuation techniques that incorporate significant unobservable inputs. Accordingly, the investment is classified within Level 3 of the fair value hierarchy in accordance with MFRS 13 *Fair Value Measurement*.

Valuation technique

Fair value is determined using the Discounted Free Cash Flow to Firm ("FCFF") method, whereby projected future free cash flows and a terminal value are discounted using an appropriate weighted average cost of capital ("WACC"). The valuation reflects assumptions that market participants would apply at the reporting date.

The discounted cash flow approach performed by independent professional valuer are based on the following significant unobservable inputs:-

<u>Unobservable Inputs</u>	<u>Input applied (range)</u>	<u>Impact on fair value</u>
(a) Discount rate (WACC)	15.49% to 18.16%	Higher WACC reduces fair value
(b) Terminal growth rate	Nil	Higher rate increases fair value
(c) Revenue growth rate	15% to 30% per annum	Higher growth increases fair value
(d) Operating margins	Based on approved forecast	Higher margins increase fair value
(e) Discount for lack of control	23.8%	Higher DLOC reduces fair value

The discount rate is derived using the Capital Asset Pricing Model, incorporating market risk premium, country risk premium, illiquidity premium and comparable company betas. Terminal value was determined using a perpetuity model with a nil growth rate.

Sensitivity analysis

The valuation is sensitive to changes in key unobservable inputs. Management estimates that:

- (a) An increase/(decrease) of 1% in WACC would result in a material change in fair value; and
- (b) An increase/(decrease) of 3.0% change in forecast free cash flows would result in a significant movement in fair value.

Management considers the valuation assumptions and resulting fair value to be reasonable and supportable as at the reporting date.

The following table shows a reconciliation of level 3 fair value:-

	The Group/ The Company		
	31.12.2025	31.12.2024	1.1.2024
	RM	RM	RM
		(Restated)	(Restated)
At 1 January	2,595,790	2,799,900	6,095,250
Fair value changes recognised in other comprehensive income	3,130,220	(204,110)	(3,295,350)
At 31 December	5,726,010	2,595,790	2,799,900

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

10. DEFERRED TAX ASSETS/(LIABILITIES)

The Group	At 1 January RM	Recognised in Profit or Loss RM	Recognised in other comprehensive income RM	(Over)/Under provision in prior year RM	Exchange Differences RM	At 31 December RM
31.12.2025						
<i>Deferred Tax Assets</i>						
Deferred revenue	6,988	31,627	-	12,271	(4,748)	46,138
Lease liabilities	155,939	(16,235)	-	3,775	(15,617)	127,862
Unabsorbed capital allowance	65,479	(65,479)	-	-	-	-
Others	184,579	(13,108)	(5,205)	1,066	(24,529)	142,803
	412,985	(63,195)	(5,205)	17,112	(44,894)	316,803
<i>Deferred Tax Liabilities</i>						
Accelerated capital allowance	(72,353)	85,109	-	(12,756)	-	-
Right-of-use assets	(153,730)	21,368	-	(5,011)	15,128	(122,245)
Others	4,375	(2,885)	-	655	(331)	1,814
	(221,708)	103,592	-	(17,112)	14,797	(120,431)
	191,277	40,397	(5,205)	-	(30,097)	196,372



NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

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

The Group	At 1 January RM	Recognised in Profit or Loss RM	Recognised in other comprehensive income RM	(Over)/Under provision in prior year RM	Exchange Differences RM	At 31 December RM
31.12.2024						
<i>Deferred Tax Assets</i>						
Deferred revenue	22,268	(14,404)	-	-	(876)	6,988
Lease liabilities	122,092	41,973	-	-	(8,126)	155,939
Unutilised capital allowances	132,987	(11,759)	-	(55,749)	-	65,479
Others	213,206	(16,473)	1,242	-	(13,396)	184,579
	490,553	(663)	1,242	(55,749)	(22,398)	412,985
<i>Deferred Tax Liabilities</i>						
Accelerated capital allowances	(117,645)	(10,457)	-	55,749	-	(72,353)
Right-of-use assets	(119,853)	(40,503)	-	-	6,626	(153,730)
Others	(16,364)	19,929	-	-	810	4,375
	(253,862)	(31,031)	-	55,749	7,436	(221,708)
	236,691	(31,694)	1,242	-	(14,962)	191,277

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

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

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:

	The Group	
	31.12.2025 RM	31.12.2024 RM
Other deductible temporary differences	3,136,962	637,255
Unutilised capital allowances	193,296	719,467
Unused tax losses		
- expires year of assessment 2030	4,984,440	4,984,440
- expires year of assessment 2031	3,523,006	3,269,878
- expires year of assessment 2032	3,468,810	3,468,810
- expires year of assessment 2033	1,677,928	1,677,928
- expires year of assessment 2034	1,157,704	445,406
- expires year of assessment 2035	3,315,694	-
- Indefinite	3,093,640	2,553,500
	24,551,480	17,756,684

11. TRADE RECEIVABLES

	Note	The Group	
		31.12.2025 RM	31.12.2024 RM
Third parties	(a)	9,036,835	13,791,140
Less: Allowance for impairment losses		(681,344)	(466,240)
		8,355,491	13,324,900
Allowance for impairment losses:-			
At 1 January		466,240	371,705
Addition during the financial year		290,080	121,423
Reversal during the financial year		(47,630)	(23,930)
Exchange differences		(27,346)	(2,958)
At 31 December		681,344	466,240
Analysed by:-			
Current assets		7,481,491	12,327,107
Non-current assets	(b)	874,000	997,793
		8,355,491	13,324,900

(a) The Group's normal trade credit terms range from 30 to 90 (31.12.2024 - 30 to 90) days. Credit terms are determined on a case-by-case basis based on management's assessment of customer profiles.

(b) The long term trade receivables relate to a subsidiary and arose from a court approved postponement of a customer's debt payment obligations. The outstanding balance is contractually recoverable in 2030 and has been measured at present value. Accordingly, the receivable is classified as non current.



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12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	31.12.2025 RM	31.12.2024 RM	31.12.2025 RM	31.12.2024 RM
Other receivables:-				
Third parties	1,332,516	1,701,653	-	-
Related party	-	566,000	6,000	566,000
	1,332,516	2,267,653	6,000	566,000
Deferred costs	6,009,163	5,839,633	-	-
Deposits	302,494	343,821	150,990	150,810
Prepayments	734,939	539,822	94,083	42,323
	8,379,112	8,990,929	251,073	759,133
Analysed by:-				
Current assets	7,963,720	8,397,285	251,073	759,133
Non-current assets	415,392	593,644	-	-
	8,379,112	8,990,929	251,073	759,133

- (a) The amount owing by related parties are unsecured, interest-free and repayable on demand.
- (b) Included in the other receivables of the Group is a refundable performance security bonds amounting to RM1,255,238 (31.12.2024: RM1,680,243) and are repayable within next twelve months upon the issuance of sales invoices.
- (c) Deferred costs represent advance payment to suppliers for hardware and software support and maintenance. The advances to suppliers are unsecured and interest-free. The amount owing will be offset and recognised as cost of sales upon satisfying the performance obligation.

13. INVENTORIES

	The Group	
	31.12.2025 RM	31.12.2024 RM
Goods-in-transit	566,187	42,147
Finished goods	719,317	1,254,655
	1,285,504	1,296,802
Recognised in profit or loss:-		
Inventories recognised as cost of sales	6,029,380	8,169,277
Allowance for slow moving inventories	30,477	64,205
Reversal of allowance for slow moving inventories	-	(863)
Inventories written off	3,441	12,218

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

14. CONTRACT ASSETS/(LIABILITIES)

Contract Assets

	The Group	
	31.12.2025 RM	31.12.2024 RM
At 1 January	188,048	2,882,591
Performance obligations performed	2,285,600	193,419
Transfer to trade receivables	(600,168)	(2,773,491)
Exchange differences	(6,412)	(114,471)
At 31 December	1,867,068	188,048
Represented by:-		
Contract assets relating to software, consultancy and installation services	1,867,068	188,048

- (a) The contracts assets primarily relate to the Group's right to consideration for work completed on service maintenance and software but not yet billed as at the reporting date. The amount will be transferred to trade receivables when the Group issues billing in the manner as established in the contracts with customers.

Contract Liabilities

	The Group	
	31.12.2025 RM	31.12.2024 RM
At 1 January	11,384,204	7,241,505
Contract liabilities at the beginning of financial year recognised as revenue	(9,800,990)	(5,791,779)
Performance obligations performed	(30,338,457)	(36,640,008)
Cash received/Amounts billed for unfulfilled performance obligations	42,357,196	46,955,559
Exchange differences	(1,192,803)	(381,073)
At 31 December	12,409,150	11,384,204
Represented by:-		
Contract liabilities relating to software, consultancy and installation services	12,409,150	11,384,204

- (b) Contract liabilities primarily relate to advances received from customers to render software, consultancy and installation services. The amount will be recognised as revenue when the performance obligations are satisfied.

- (c) The transaction price allocated to unsatisfied and/or partially unsatisfied performance obligations as at the reporting date are as follows:-

	The Group	
	31.12.2025 RM	31.12.2024 RM
Within 1 year	11,603,088	10,448,796
More than 1 year	806,062	935,408
Total	12,409,150	11,384,204



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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
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15. AMOUNTS OWING BY/TO SUBSIDIARY COMPANIES

	The Company	
	31.12.2025	31.12.2024
	RM	RM
Amount owing by subsidiaries		
<u>Current</u>		
Non-trade balances	8,013,176	6,770,654
Less: Allowance for impairment losses	(5,753,002)	(5,753,002)
	2,260,174	1,017,652
Amount owing to subsidiaries		
<u>Current</u>		
Non-trade balances	2,083,490	1,865,578

- (a) The non-trade balances represent unsecured payments made on behalf. The amounts owing are repayable on demand and are to be settled in cash.

16. FIXED DEPOSITS WITH LICENSED BANKS

- (a) The fixed deposits with licensed banks of the Group at the end of the reporting period bore effective interest rates ranging from 2.50% to 5.50% (31.12.2024 – 2.80% to 6.00%) per annum. The fixed deposits have maturity periods ranging from 1 to 12 (31.12.2024 - 1 to 12) months for the Group.
- (b) Included in the fixed deposits with licensed banks of the Group at the end of the reporting period was an amount of RM463,126 (31.12.2024 – RM451,806) which has been pledged to a licensed bank as security for banking facilities granted to a subsidiary.

17. SHARE CAPITAL

	The Group/The Company			
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	Number of shares		RM	RM
Issued and Fully Paid-Up				
Ordinary Shares				
At 1 January/ 31 December	577,066,000	577,066,000	41,399,638	41,399,638

- (a) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

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18. RESERVES

	Note	31.12.2025 RM	The Group 31.12.2024 RM (Restated)	1.1.2024 RM (Restated)
Fair value reserve	(a)	(369,240)	(3,499,460)	(3,295,350)
Foreign currency translation reserve	(b)	(5,760,798)	(1,460,369)	284,693
Other reserves	(c)	3,274	3,274	3,274
Merger reserve	(d)	(11,004,663)	(11,004,663)	(11,004,663)
		(17,131,427)	(15,961,218)	(14,012,046)

	Note	31.12.2025 RM	The Company 31.12.2024 RM (Restated)	1.1.2024 RM (Restated)
Fair value reserve	(a)	(369,240)	(3,499,460)	(3,295,350)

(a) Fair Value Reserve

The fair value reserve represents the cumulative fair value changes (net of tax, where applicable) of investments designated at fair value through other comprehensive income.

(b) Foreign Exchange Translation Reserve

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from the Group's presentation currency.

(c) Other Reserve

Other reserve comprises of tax amnesty. The subsidiaries, namely Securemetric Indonesia and Softkey Indonesia participated in the Tax Amnesty Program in accordance with Law No. 11/2016. Both subsidiaries paid the related redemption money amounting to RM3,274 (31.12.2024: RM3,274) and recorded the declared tax amnesty assets under other reserve.

(d) Merger Reserve

The merger reserve arose from the difference between the nominal value of shares issued by the Company and the nominal value of the shares of subsidiary acquired under the merger method of accounting.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
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19. LEASE LIABILITIES

	The Group		The Company	
	31.12.2025 RM	31.12.2024 RM	31.12.2025 RM	31.12.2024 RM
At 1 January	2,967,130	1,642,966	1,125,541	-
Additions	395,802	2,531,916	-	1,429,886
Interest expense recognised in profit or loss	105,226	108,732	33,352	31,655
Termination of lease contract	-	(300,262)	-	-
Repayment of principal	(1,016,649)	(906,491)	(470,648)	(304,345)
Repayment of interest expenses	(105,226)	(108,732)	(33,352)	(31,655)
Exchange differences	(45,241)	(999)	-	-
	2,301,042	2,967,130	654,893	1,125,541
Analysed by:-				
Current liabilities	931,034	904,686	488,166	470,648
Non-current liabilities	1,370,008	2,062,444	166,727	654,893
	2,301,042	2,967,130	654,893	1,125,541

20. EMPLOYEE DEFINED BENEFIT PLAN

	The Group	
	31.12.2025 RM	31.12.2024 RM
Present value of defined benefit obligations	187,313	199,253

The subsidiaries in Indonesia operate an unfunded defined benefit retirement benefit scheme for its employees based on the provisions of Labour Law No. 13/2003. The latest independent actuarial report is dated 22 January 2026.

(a) Movement in the present value of defined benefits obligations of the Group are as follows:-

	The Group	
	31.12.2025 RM	31.12.2024 RM
At 1 January	199,253	220,201
Recognised in profit or loss:-		
- Current service costs	41,446	(24,464)
Remeasurement recognised in other comprehensive income:-		
- Effects of experience adjustment	(21,979)	18,367
Exchange differences	(31,407)	(14,851)
At 31 December	187,313	199,253

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

20. EMPLOYEE DEFINED BENEFIT PLAN (CONT'D)

- (b) The principal actuarial assumptions at the end of the reporting period are as follows:

	The Group	
	31.12.2025	31.12.2024
Discount rate at 31 December	6.6%- 6.7%	7.1%
Expected rate of salary increases	4.0%	4.0%
Normal retirement age	59 years	58 years

- (c) The effect of changes in the principal actuarial assumptions on the present value of unfunded obligations of the Group are as follows:

	The Group	
	+1% RM	-1% RM
31.12.2025		
(Decrease)/Increase of present value of unfunded obligations		
- Discount rates	(37,910)	45,568
- Expected salary	45,446	(37,945)
31.12.2024		
(Decrease)/Increase of present value of unfunded obligations		
- Discount rates	(42,868)	50,803
- Expected salary	50,684	(42,900)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.



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(CONT'D)

21. TRADE PAYABLES

	The Group	
	31.12.2025	31.12.2024
	RM	RM
Third parties	4,434,530	2,249,614

(a) The normal trade credit term granted to the Group range from 30 to 90 (31.12.2024 – 30 to 90) days.

22. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
Other payables	423,776	1,566,632	35,758	941
Goods and services tax payable	76,337	212,002	-	-
Accruals	1,352,730	2,182,220	388,445	162,900
	1,852,843	3,960,854	424,203	163,841

23. REVENUE

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Revenue from Contracts with Customers				
Sales of goods	11,659,423	16,733,742	-	-
Service	38,242,277	47,274,710	-	-
Management fees	-	-	4,907,532	-
	49,901,700	64,008,452	4,907,532	-
<u>Recognised at a point in time</u>				
At a point in time	31,656,247	46,010,462	4,907,532	-
Over time	18,245,453	17,997,990	-	-
	49,901,700	64,008,452	4,907,532	-

(a) The information on the disaggregation of revenue by geographical market is disclosed in Note 31.2 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

23. REVENUE (CONT'D)

- (b) Revenue from the sale of goods is recognised at a point in time when goods have been delivered and accepted by customers. Revenue relating to consultancy and installation services are recognised at a point in time upon completion of the services and acceptance by customers.

Service revenue relating to support and maintenance services, including subscription-based services, is recognised over time as the services are rendered, as customers simultaneously receive and consume the benefits of the services.

Revenue from management fees are recognised in the period in which the services are rendered.

- (c) The information about the performance obligations in contracts with customers is summarised below:-

Nature of Goods or Services	Timing and Method of Revenue Recognition	Significant Payment Terms	Variable Considerations	Warranty and Obligation for Returns or Refunds
Sales of goods	When the goods are delivered and accepted by customers.	Credit periods ranging from 30 - 90 days from the invoice date.	Not applicable.	Not applicable.
Service revenue	Over time revenue recognition using the cost incurred method as the contracts would meet the no alternative use and the Company has rights to payment for work performed.	Credit periods ranging from 30 - 90 days from the invoice date.	Not applicable.	Not applicable.

24. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Impairment losses:				
- trade receivables	289,176	121,423	-	-
- amount owing by subsidiary company	-	-	-	5,753,002
Reversal of impairment losses:				
- trade receivables	(46,726)	(23,930)	-	-
	242,450	97,493	-	5,753,002



NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

25. PROFIT/(LOSS) BEFORE TAXATION

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(loss) before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration				
- statutory				
- Crowe Malaysia PLT	175,000	-	120,000	-
- member firms of auditors of Crowe Malaysia PLT	15,517	-	-	-
- other auditors	48,111	249,505	-	142,000
- non-statutory	5,000	5,000	5,000	5,000
Allowance for slow moving inventories	30,477	64,205	-	-
Deposit written off	-	510,924	-	465,200
Depreciation:				
- property, plant and equipment	605,323	584,473	97,322	46,812
- right-of-use assets	1,154,624	1,101,731	476,629	317,752
Impairment loss on:				
- amount owing by subsidiary company	-	-	-	5,753,002
- investment in an associate	-	1,320,000	-	1,320,000
- trade receivables	289,176	121,423	-	-
Inventories written off	3,441	12,218	-	-
Non-executive Directors' remuneration				
- fees	145,500	114,000	145,500	114,000
- allowance	7,600	5,400	7,600	5,400
Lease expenses relating to short-term lease				
- hostel	30,600	30,600	-	-
- office	2,097	29,111	-	-
Property, plant and equipment written off	20	182,345	-	-
Compensation from an associate	-	(1,120,000)	-	(1,120,000)
Dividend income	-	-	(379,357)	-
Gain on termination of lease liabilities	-	(9,504)	-	-
Gain on disposal of:				
- property, plant and equipment	(3,704)	(122)	-	-
- right-of-use assets	(62,130)	-	-	-
Loss/(Gain) on foreign exchange:				
- realised	288,630	189,452	389	14
- unrealised	(29,553)	(11,255)	4	(7)
Interest income	(529,021)	(376,916)	(1,064)	(3,302)
Interest expenses	105,226	108,732	33,352	31,655
Reversal of allowance for slow moving inventories	-	(863)	-	-
Reversal of impairment on trade receivables	(46,726)	(23,930)	-	-
Staff cost:				
- fees	145,500	114,000	145,500	114,000
- salaries, bonuses and other emolument	13,384,492	13,604,922	3,071,503	6,000
- defined contribution plan	1,261,088	1,379,918	370,168	-
- social security contributions	194,155	171,408	24,353	-
- others benefit	511,583	372,603	86,611	-
- defined benefit plan	41,446	(24,464)	-	-

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
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26. INCOME TAX EXPENSE

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Current tax expense:-				
- current financial year				
- Malaysian Tax	36,315	558	36,315	-
- Foreign Tax	1,799,137	2,298,559	-	-
- underprovision in the previous financial year	-	6,431	-	-
	1,835,452	2,305,548	36,315	-
Deferred tax expense:				
- relating to originating and recognition of temporary differences	(40,397)	31,694	-	-
	1,795,055	2,337,242	36,315	-

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

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Profit/(loss) before taxation	3,901,790	7,404,626	268,826	(7,046,637)
Tax at the statutory tax rate of 24%	936,429	1,777,110	64,518	(1,691,193)
Tax effects of:-				
Non-taxable income	(185,086)	(341,498)	(91,046)	(268,800)
Non-deductible expenses	479,541	889,754	53,290	1,959,993
Deferred tax assets not recognised during the financial year	827,053	354,585	9,553	-
Utilisation of deferred tax assets previously not recognised	(184,925)	(290,644)	-	-
Differential in tax rates of foreign subsidiaries	(77,957)	(58,496)	-	-
Underprovision of current tax in the previous financial year	-	6,431	-	-
	1,795,055	2,337,242	36,315	-

Domestic income tax is calculated at the Malaysia statutory tax rate of 24% (2024 - 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdiction is calculated at the rates prevailing in the respective jurisdiction.

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28. CASH FLOW INFORMATION (CONT'D)

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

	The Group	
	2025	2024
	RM	RM
Lease liabilities		
At 1 January	2,967,130	1,642,966
<u>Changes in Financing Cash Flows</u>		
Repayment of principal	(1,016,649)	(906,491)
Repayment of interests	(105,226)	(108,732)
	(1,121,875)	(1,015,223)
<u>Other Changes</u>		
Additions during the financial year	395,802	2,531,916
Exchange differences	(45,241)	(999)
Termination of leases	-	(300,262)
Interest expense recognised in profit or loss	105,226	108,732
	455,787	2,339,387
At 31 December	2,301,042	2,967,130
The Company		
	2025	2024
	RM	RM
Lease Liabilities		
At 1 January	1,125,541	-
<u>Changes in Financing Cash Flows</u>		
Repayment of principal	(470,648)	(304,345)
Repayment of interests	(33,352)	(31,655)
	(504,000)	(336,000)
<u>Other Changes</u>		
Additions during the financial year	-	1,429,886
Interest expense recognised in profit or loss	33,352	31,655
	33,352	1,461,541
At 31 December	64,893	1,125,541



NOTES TO THE FINANCIAL STATEMENTS
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28. CASH FLOW INFORMATION (CONT'D)

(c) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Fixed deposits with licensed banks	12,131,484	10,138,150	-	-
Cash and bank balances	15,615,964	14,957,067	89,705	140,714
	27,747,448	25,095,217	89,705	140,714
Less: Fixed deposits pledged to licensed banks (Note 16)	(463,126)	(451,806)	-	-
	27,284,322	24,643,411	89,705	140,714

29. KEY MANAGEMENT PERSONNEL

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
(a) Directors				
<u>Directors of the Company</u>				
Short-term employee benefits:				
- fees	145,500	114,000	145,500	114,000
- salaries, bonuses and other emolument	1,330,000	1,595,600	1,330,000	600
- defined contribution plan	159,600	191,640	159,600	-
- social security contributions	2,500	2,185	2,500	-
- others benefit	22,886	17,650	22,886	5,400
	1,660,486	1,921,075	1,660,486	120,000
<u>Directors of the Subsidiaries</u>				
Short-term employee benefits:				
- salaries, bonuses and other emolument	298,382	358,321	298,382	-
- defined contribution plan	35,811	43,868	35,811	-
- social security contributions	1,250	1,092	1,250	-
- others benefit	43,343	43,325	43,343	-
	378,786	446,606	378,786	-
Total directors' remuneration	2,039,272	2,367,681	2,039,272	120,000

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company was RM 15,000 (2024 – RM15,000).

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30. RELATED PARTY DISCLOSURES

(a) Subsidiaries

The subsidiaries are disclosed in Note 5 to the financial statements.

(b) Significant Related Party Transactions and Balances

The Company carried out the following significant transactions with the related parties during the financial year:-

	The Company	
	2025 RM	2024 RM
<u>Transactions with subsidiaries:</u>		
- Advance given	665,000	520,000
- Advances received	(1,112,672)	(1,300,000)
- Dividend income	(379,357)	-
- Expenses backcharged	(258,881)	(386,849)
- Expenses reimbursement	24,805	-
- Purchase	9,644	-
- Rental income	(382,133)	-
- Shared service income	(4,907,532)	-

31. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Board of Directors as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purpose, the Group is organised into business units based on their services provided.

The Group is organised into 4 main reportable segments as follows:-

- Digital security solutions - involved in the provision of digital security solutions
- Electronic identification products – sales smart card, smart card readers, finger print readers, barcode scanners and barcode printers
- Maintenance services – provision of maintenance services
- Others – provision of other solutions, applications, products, labelling and packaging.

- (a) The chief operating decision makers assess the performance of the reportable segments based on their profit before finance costs and taxation. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Borrowings and investment-related activities are managed on a group basis by the central treasury function and are not allocated to reportable segments.

- (b) Segment assets and liabilities information are not provided to the chief operating decision makers. Hence, no disclosure is made on segment assets and liabilities.

Transactions between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation.



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(CONT'D)

31. OPERATING SEGMENTS (CONT'D)

31.1 BUSINESS SEGMENTS

The Group	Digital Security Solutions RM	Electronic Identification Products RM	Maintenance Services RM	Others RM	Consolidation Adjustments RM	Total RM
2025						
Revenue						
External revenue	28,414,493	1,157,207	17,359,610	2,970,390	-	49,901,700
Inter-segment revenue	9,827,257	3,420	2,672,266	493,274	(12,996,217)	-
Total revenue	38,241,750	1,160,627	20,031,876	3,463,664	(12,996,217)	49,901,700
Results						
Segment profit						5,272,112
Interest income						529,021
Depreciation:						(605,323)
- property, plant and equipment						(1,154,624)
- right-of-use assets						(105,226)
Finance costs						(34,170)
Share of result of an associate, net of tax						
Profit before taxation						3,901,790
Income tax expense						(1,795,055)
Profit after taxation						2,106,735

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31. OPERATING SEGMENTS (CONT'D)

31.1 BUSINESS SEGMENTS (CONT'D)

The Group	Digital Security Solutions RM	Electronic Identification Products RM	Maintenance Services RM	Others RM	Consolidation Adjustments RM	Total RM
2024						
Revenue						
External revenue	27,504,674	1,044,186	17,386,420	18,073,172	-	64,008,452
Inter-segment revenue	7,364,236	22,350	3,353,762	4,662,488	(15,402,836)	-
Total revenue	34,868,910	1,066,536	20,740,182	22,735,660	(15,402,836)	64,008,452
Results						
Segment profit						8,596,540
Interest income						376,916
Depreciation:						(584,473)
- property, plant and equipment						(1,101,731)
- right-of-use assets						(108,732)
Finance costs						226,106
Share of result of an associate, net of tax						7,404,626
Profit before taxation						(2,337,242)
Income tax expense						5,067,384
Profit after taxation						5,067,384



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(CONT'D)

31. OPERATING SEGMENTS (CONT'D)

31.2 GEOGRAPHICAL INFORMATION

Revenue is based on the customers' invoice address.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets consist of property, plant and equipment and right-of-use assets.

	Revenue		Non-current Assets	
	2025 RM	2024 RM	2025 RM	2024 RM
The Group				
<u>Revenue</u>				
- Malaysia	8,500,981	16,924,186	2,657,543	3,309,743
- Vietnam	8,834,715	8,332,542	182,890	211,223
- Philippines	17,037,188	21,087,819	557,257	811,570
- Indonesia	6,655,099	8,928,692	520,024	698,277
- Singapore	4,840,978	5,383,540	297	3,303
- Others	4,032,739	3,351,673	-	-
	49,901,700	64,008,452	3,918,011	5,034,116

The information on the disaggregation of revenue based on geographical region is summarised below:-

The Group	At A Point in Time		Over Time		Total	
	2025 RM	2024 RM	2025 RM	2024 RM	2025 RM	2024 RM
Malaysia	5,295,414	14,438,186	3,205,567	2,486,000	8,500,981	16,924,186
Vietnam	7,281,645	5,812,176	1,553,070	2,520,366	8,834,715	8,332,542
Philippines	10,723,179	16,025,975	6,314,009	5,061,844	17,037,188	21,087,819
Indonesia	2,146,688	4,286,037	4,508,411	4,642,655	6,655,099	8,928,692
Singapore	3,119,025	3,059,072	1,721,953	2,324,468	4,840,978	5,383,540
Others	3,090,296	2,389,016	942,443	962,657	4,032,739	3,351,673
	31,656,247	46,010,462	18,245,453	17,997,990	49,901,700	64,008,452

31.3 MAJOR CUSTOMERS

At the end of the reporting year, the Group's revenue concentration relates to 1 (2024 – nil) major customer, which generated revenue amounting to RM10,731,459 (2024 – nil) which accounted for more than 20% of the Group's total revenue.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

32. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

32.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD") and Euro ("EUR"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes

	USD RM	EUR RM	Total RM
The Group			
2025			
Trade receivables	905,595	128,092	1,033,687
Cash and bank balances	1,934,344	76,369	2,010,713
Trade payables	(1,558,218)	(2,623,642)	(4,181,860)
Currency Exposure	1,281,721	(2,419,181)	(1,137,460)
2024			
Trade receivables	580,837	118,320	699,157
Cash and bank balances	1,059,550	27,123	1,086,673
Trade payables	(1,258,142)	(611,823)	(1,869,965)
Currency Exposure	382,245	(466,380)	(84,135)
		Denominated in USD	
		2025 RM	2024 RM
The Company			
Cash and bank balances		40	223



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(CONT'D)

32. FINANCIAL INSTRUMENTS (CONT'D)

32.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	2025 RM	2024 RM
The Group		
Effects on Profit After Taxation		
USD/RM		
- strengthened by 10%	97,411	29,051
- weakened by 10%	(97,411)	(29,051)
EUR/RM		
- strengthened by 10%	(183,858)	(35,445)
- weakened by 10%	183,858	35,445
The Company		
USD/RM		
- strengthened by 10%	3	17
- weakened by 10%	(3)	(17)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group adopt a policy of obtaining the most favourable interest rates available and by maintaining a balances portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 16 and Note 19 to the financial statements respectively.

NOTES TO THE FINANCIAL STATEMENTS
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(CONT'D)

32. FINANCIAL INSTRUMENTS (CONT'D)

32.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk

	The Group	
	2025	2024
	RM	RM
Fixed rate instruments		
Financial assets	12,131,484	10,138,150
Financial liabilities	(2,301,042)	(2,967,130)
	9,830,442	7,171,020
Fixed rate instruments		
Financial liabilities	(654,893)	(1,125,541)

Interest Rate Risk Sensitivity Analysis

The sensitivity analysis for fixed rate instruments at the end of the reporting period is not presented as change in interest rate would not have impact to the profit or loss and equity.

(iii) Equity Price Risk

The Group and the Company does not have any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

(i) Credit Risk Concentration Profile

The Group does not have any significant credit risk related to any individual customer or counterparty.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position of the Group after deducting any allowance for impairment losses (where applicable).



NOTES TO THE FINANCIAL STATEMENTS
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(CONT'D)

32. FINANCIAL INSTRUMENTS (CONT'D)

32.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group and the Company closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of financial assets at amortised cost and contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficult of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The Group uses a more lagging past due criterion for certain trade receivables when it is more appropriate to reflect their loss patterns.

Trade Receivables and Contract Assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables and contract assets.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

NOTES TO THE FINANCIAL STATEMENTS
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(CONT'D)

32. FINANCIAL INSTRUMENTS (CONT'D)

32.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses (Cont'd)

The expected loss rates are based on the payment profiles of receivables over 12 months (2024 – 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward-looking assumptions which correlate to the historical loss rates.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial years.

Allowance for Impairment Losses

The Group	Gross Amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
2025				
Current (not past due)	2,133,162	-	-	2,133,162
1 to 30 days past due	3,354,233	-	(13,571)	3,340,662
31 to 60 days past due	918,476	-	-	918,476
61 to 90 days past due	1,083,722	-	(2,947)	1,080,775
Over 90 days past due	1,547,242	(657,502)	(7,324)	882,416
Trade receivables	9,036,835	(657,502)	(23,842)	8,355,491
Contract assets	1,867,068	-	-	1,867,068
	10,903,903	(657,502)	(23,842)	10,222,559
2024				
Current (not past due)	7,076,031	-	(16,764)	7,059,267
1 to 30 days past due	2,420,204	-	(7,044)	2,413,160
31 to 60 days past due	2,385,820	-	(227)	2,385,593
61 to 90 days past due	977,306	-	(2,302)	975,004
Over 90 days past due	931,779	(438,595)	(1,308)	491,876
Trade receivables	13,791,140	(438,595)	(27,645)	13,324,900
Contract assets	188,048	-	-	188,048
	13,979,188	(438,595)	(27,645)	13,512,948



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(CONT'D)

32. FINANCIAL INSTRUMENTS (CONT'D)

32.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses (Cont'd)

Trade receivables and contract assets that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

Trade receivables and contract assets that are collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

The movements in the loss allowances in respect of trade receivables and contract assets are disclosed in Notes 11 and 14 to the financial statements respectively.

Other Receivables

The Group and the Company apply the 3-stage general approach to measure expected credit losses for its other receivables and amounts owing by related parties.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group and the Company consider the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

Allowance for Impairment Losses

No expected credit losses are recognised on other receivables as they are negligible.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group and the Company consider the licensed banks have low credit risks. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount Owing by Subsidiaries (Non-trade Balances)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company measures expected credit losses on an individual basis, which aligns with its credit risk management practices on the inter-company balances.

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(CONT'D)

32. FINANCIAL INSTRUMENTS (CONT'D)

32.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Amount Owing by Subsidiaries (Non-trade Balances) (Cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses (Cont'd)

The Company considers loans and advances to subsidiaries to be of low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. This is because the Company is able to determine the timing of payments and the loans and advances are to be in default when the subsidiaries are unable to pay when demanded.

For loans and advances that are repayable on demand, impairment losses are assessed on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The reconciliations of allowance for impairment losses are as follows:-

	The Company	
	2025	2024
	RM	RM
Non-performing		
At 1 January	5,753,002	-
Additions	-	5,753,002
	5,753,002	5,753,002
At 31 December	5,753,002	5,753,002

The allowance for impairment losses (determined on an individual basis) relates to credit impaired subsidiaries that are in significant financial difficulties and have defaulted on payments.

There has been no significant change in the gross amounts of amount owing by subsidiaries that has impacted the allowance for impairment losses.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practices prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.



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(CONT'D)

32. FINANCIAL INSTRUMENTS (CONT'D)

32.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 2 Years RM	Over 2 Years RM
2025						
<u>Non-derivative Financial Liabilities</u>						
Trade payables	-	4,434,530	4,434,530	4,434,530	-	-
Other payables and accruals [^]	-	1,776,506	1,776,506	1,776,506	-	-
Lease liabilities	3.40% - 5.00%	2,301,042	2,453,961	1,022,247	811,453	620,261
Financial guarantees	-	-	26,430	26,430	-	-
		8,512,078	8,691,427	7,259,713	811,453	620,261
2024						
<u>Non-derivative Financial Liabilities</u>						
Trade payables	-	2,249,614	2,249,614	2,249,614	-	-
Other payables and accruals [^]	-	3,748,852	3,748,852	3,748,852	-	-
Lease liabilities	3.24% - 5.00%	2,967,130	3,170,629	1,006,293	972,875	1,191,461
Financial guarantees	-	-	37,144	37,144	-	-
		8,965,596	9,206,239	7,041,903	972,875	1,191,461

[^] Exclude Goods and Services Tax Payable

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(CONT'D)

32. FINANCIAL INSTRUMENTS (CONT'D)

32.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

The Company	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 2 Years RM	Over 2 Years RM
2025						
<u>Non-derivative Financial Liabilities</u>						
Other payables and accruals	-	424,203	424,203	424,203	-	-
Amount owing to subsidiaries	-	2,083,490	2,083,490	2,083,490	-	-
Lease liabilities	3.66%	654,893	672,000	504,000	168,000	-
		3,162,586	3,179,693	3,011,693	168,000	-
2024						
<u>Non-derivative Financial Liabilities</u>						
Other payables and accruals	-	163,841	163,841	163,841	-	-
Amount owing to subsidiaries	-	1,865,578	1,865,578	1,865,578	-	-
Lease liabilities	3.66%	1,125,541	1,176,000	504,000	504,000	168,000
		3,154,960	3,205,419	2,533,419	504,000	168,000



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(CONT'D)

32. FINANCIAL INSTRUMENTS (CONT'D)

32.2 CAPITAL RISK MANAGEMENT

Capital structure is a combination of equity and debt used by an entity to finance its overall operations and growth. The objective of the capital management of the Group and of the Company is to maintain an optimal capital structure and ensuring availability of funds in order to support its businesses and related shareholders value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company monitor and maintain a prudent level of total debt to total equity ratio to optimise shareholders value and to ensure compliance with debt covenants and regulatory, if any.

The debt-to-equity ratio of the Group and the Company at the end of the reporting period are as follows:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Lease liabilities	2,301,042	2,967,130	654,893	1,125,541
Less: Cash and Cash equivalents	(27,284,322)	(24,643,411)	(89,705)	(140,714)
(Net cash)/Net debt	(24,983,280)	(21,676,281)	565,188	984,827
Total equity	41,853,789	40,960,101	27,106,859	23,744,128
Debt-to-equity ratio	*	*	0.02	0.04

* Not applicable as the Group's cash and cash equivalents exceed its borrowings.

There were no changes in the approach to capital management during the financial year.

32.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial Asset				
<u>Amortised Cost</u>				
Trade receivables	8,355,491	13,324,900	-	-
Other receivables *	1,635,010	2,611,474	156,990	716,810
Amount owing by subsidiaries	-	-	2,260,174	1,017,652
Fixed deposits with licensed banks	12,131,484	10,138,150	-	-
Cash and bank balances	15,615,964	14,957,067	89,705	140,714
	37,737,949	41,031,591	2,506,869	1,875,176

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

32. FINANCIAL INSTRUMENTS (CONT'D)

32.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial Liability				
<u>Amortised Cost</u>				
Trade payables	4,434,530	2,249,614	-	-
Other payables and accruals ^	1,776,506	3,748,852	424,203	163,841
Amount owing to subsidiaries	-	-	2,083,490	1,865,578
Lease liabilities	2,301,042	2,967,130	654,893	1,125,541
	8,512,078	8,965,596	3,162,586	3,154,960

* Exclude prepayments and deferred costs

^ Exclude Goods and Services Tax Payable

32.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial Assets				
<u>Amortised Cost</u>				
Net (gains)/losses recognised in profit or loss	(321,928)	1,094,293	(380,421)	5,749,700
Financial Liability				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	105,226	108,732	33,352	31,655

32.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The fair value of the unquoted equity investments is estimated based on discounted cash flow ("DCF") approach. The management assessed the fair value based on additional information obtained from the investee, including updated financial and operational inputs. Management believes that the estimated fair value resulting from this valuation model is reasonable and the most appropriate at the end of the reporting period.

There were no transfers between Levels 1, 2 and 3 during the financial year.



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33. PRIOR YEAR ADJUSTMENTS

During the current financial year, the Group and the Company performed a reassessment of an unquoted equity investment that had previously been designated and measured at fair value through other comprehensive income ("FVOCI") in accordance with MFRS 9, *Financial Instruments*.

The reassessment was initiated following a detailed review of the valuation methodology and key assumptions applied in prior financial years. Management concluded that the valuation approach previously adopted did not comply with the requirements of MFRS 13, *Fair Value Measurement*, as it did not appropriately apply a recognised valuation technique and did not sufficiently reflect market participant assumptions required for a Level 3 fair value measurement. As a result, the prior year measurement did not faithfully represent the fair value of the investment at the respective reporting dates.

In the current financial year, management reassessed the fair value of the investment using a discounted cash flow ("DCF") approach with the help of an independent professional valuer, based on additional information obtained from the investee, including updated financial and operational inputs. Having regard to these circumstances and from the perspective of a market participant, management determined that the DCF method provides the most appropriate basis to estimate the fair value of the investment at the reassessment date.

The adjustment arising from the correction of the prior year measurement has been accounted for as a prior period error in accordance with MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors*. Accordingly, the comparative information has been retrospectively restated, and the opening balance of equity at the beginning of the earliest comparative period presented (including retained earnings and/or the FVOCI reserve, as applicable) has been adjusted accordingly.

A summary of the prior year adjustments is set out below:-

	As Previously Reported RM	Prior Year Adjustments RM	As Restated RM
The Group			
1.1.2024			
Consolidated Statement of Financial Position (Extract):-			
<u>Non-current assets</u>			
Other investments	6,095,250	(3,295,350)	2,799,900
<u>Equity</u>			
Reserve	(10,716,696)	(3,295,350)	(14,012,046)
<hr/>			
The Company			
1.1.2024			
Statement of Financial Position (Extract):-			
<u>Non-current assets</u>			
Other investments	6,095,250	(3,295,350)	2,799,900
<u>Equity</u>			
Reserve	-	(3,295,350)	(3,295,350)
<hr/>			

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(CONT'D)

33. PRIOR YEAR ADJUSTMENTS (CONT'D)

	As Previously Reported RM	Prior Year Adjustments RM	As Restated RM
The Group			
31.12.2024			
Consolidated Statement of Financial Position (Extract):-			
<u>Non-current assets</u>			
Other investments	6,095,250	(3,499,460)	2,595,790
<u>Equity</u>			
Reserve	(12,461,758)	(3,499,460)	(15,961,218)
Statement of Profit or Loss and Other Comprehensive Income (Extract):-			
Fair value changes of equity investments	-	(204,110)	(204,110)
Total other comprehensive expenses	(1,778,788)	(204,110)	(1,982,898)
Total comprehensive income for the financial year	3,288,596	(204,110)	3,084,486
Total other comprehensive income attributable to owners of the Company	3,306,213	(204,110)	3,102,103
The Company			
31.12.2024			
Statement of Financial Position (Extract):-			
<u>Non-current assets</u>			
Other investments	6,095,250	(3,499,460)	2,595,790
<u>Equity</u>			
Reserve	-	(3,499,460)	(3,499,460)
Statement of Profit or Loss and Other Comprehensive Income (Extract):-			
Fair value changes of equity investments	-	(204,110)	(204,110)
Total other comprehensive expenses	-	(204,110)	(204,110)
Total comprehensive expenses for the financial year	(7,046,637)	(204,110)	(7,250,747)
Total other comprehensive expenses attributable to owners of the Company	(7,046,637)	(204,110)	(7,250,747)



ANALYSIS OF SHAREHOLDINGS

AS AT 30 MARCH 2026

SHARE CAPITAL

Total Number of Issued Shares	:	577,066,000 Shares
Issued Share Capital	:	RM 41,399,638.00
Class of Shares	:	Ordinary Shares
Voting Rights	:	Every member of the Company, present in person or by proxy, shall have on a show of hands, one (1) vote or on a poll, one (1) vote for each share held

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Holders	%	No. of Shares	%
1 to 99	3	0.15	120	negligible
100 to 1,000	251	12.42	119,780	0.02
1,001 to 10,000	611	30.25	3,897,500	0.68
10,001 to 100,000	846	41.88	35,490,200	6.15
100,001 to less than 5% of issued shares	306	15.15	353,047,836	61.18
5% and above of issued shares	3	0.15	184,510,564	31.97
Total	2,020	100.00	577,066,000	100.00

DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Clifton Heath Fernandez	-	-	-	-
Law Seeh Key	170,750,210	29.59	-	-
Yong Kim Fui	11,516,200	2.00	-	-
Shireen Chia Yin Ting	-	-	-	-
Norafizah Binti Zainal Abidin	-	-	-	-

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

Name of Shareholders	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Law Seeh Key	170,750,210	29.59	-	-
Phillip Securities (Hong Kong) Ltd (Clients' Account)	40,000,000	6.93	-	-

ANALYSIS OF SHAREHOLDINGS
AS AT 30 MARCH 2026
(CONT'D)

THIRTY (30) LARGEST SHAREHOLDERS AS AT 30 MARCH 2026

No.	Name of Shareholders	No. of Shares	%
1	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAW SEEH KEY	89,510,564	15.51
2	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAW SEEH KEY	55,000,000	9.53
3	AFFIN HWANG NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR PHILLIP SECURITIES (HONG KONG) LTD (CLIENTS' ACCOUNT)	40,000,000	6.93
4	LI JIANJUN	24,024,000	4.16
5	NIOO YU SIONG	23,175,790	4.02
6	LAW SEEH KEY	21,075,000	3.65
7	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG KAH HOE	16,975,600	2.94
8	LOW LAY PING	16,636,600	2.88
9	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM SHAVE HUAT (MARGIN)	9,541,400	1.65
10	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM TECK SENG (7004977)	8,759,900	1.52
11	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEO BOON LEONG	8,594,600	1.49
12	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR KOH THUAN TECK (PW-M00971) 422076	8,000,000	1.39
13	ABDUL HAZIQ BIN MOHAMAD AZMADI	6,921,900	1.20
14	YONG KIM FUI	6,886,200	1.19
15	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TEH SWEE HENG (MM1118)	6,199,800	1.07
16	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TOH ENG KEAT (MY4687)	6,157,500	1.07
17	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOH LIAN SIM	5,485,800	0.95
18	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAW SEEH KEY	5,164,646	0.90
19	MOOMOO NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR SHUM THIN SOON	5,000,000	0.87
20	SHUM THIN SOON	5,000,000	0.87



ANALYSIS OF SHAREHOLDINGS
AS AT 30 MARCH 2026
(CONT'D)

THIRTY (30) LARGEST SHAREHOLDERS AS AT 30 MARCH 2026 (CONT'D)

No.	Name of Shareholders	No. of Shares	%
21	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YONG KIM FUI	4,600,000	0.80
22	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ANDREW LEONG (MY3516)	4,100,000	0.71
23	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KONG KOK CHOY (8092812)	3,628,800	0.63
24	UOBM NOMINEES (TEMPATAN) SDN BHD UNITED OVERSEAS BANK NOMINEES (PTE) LTD FOR YEO BOON LEONG	3,494,300	0.61
25	LIM WOI KOK	3,250,000	0.56
26	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SOE AIK KEONG (6000972)	3,200,000	0.55
27	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHANG SOON KONG	3,000,000	0.52
28	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR DANA MAKMUR PHEIM (211901)	2,924,000	0.51
29	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN SEOW LI (E-KLG)	2,745,200	0.47
30	KWAN LI WEI	2,605,000	0.45
	Total	401,656,600	69.60

NOTICE OF NINTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Ninth Annual General Meeting (“9th AGM”) of the Company will be held at Auditorium @ Resource Centre (MRANTI), Taman Teknologi Mranti, Lebuhraya Puchong - Sg. Besi, 57000 Bukit Jalil, Kuala Lumpur on Thursday, 21 May 2026 at 2.30 p.m., for the following purposes:

AGENDA

ORDINARY BUSINESS

- | | | |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Directors’ and Audit Reports thereon. | Please refer to Explanatory Note 1 |
| 2. | To approve the following payments: | |
| | (a) Directors’ fees to the Non-Executive Directors of up to RM180,000.00 from Ninth Annual General Meeting until the next Annual General Meeting. | Ordinary Resolution 1 |
| | (b) Directors’ allowances to the Non-Executive Directors of up to RM12,000.00 from Ninth Annual General Meeting until the next Annual General Meeting. | Ordinary Resolution 2 |
| 3. | To re-elect the following Directors who are retiring in accordance with Clause 97 of the Company’s Constitution: | |
| | (a) Mr. Clifton Heath Fernandez | Ordinary Resolution 3 |
| | (b) Ms. Shireen Chia Yin Ting | Ordinary Resolution 4 |
| 4. | To re-elect Puan Norafizah Binti Zainal Abidin who is retiring in accordance with Clause 106 of the Company’s Constitution. | Ordinary Resolution 5 |
| 5. | To re-appoint Crowe Malaysia PLT as the Company’s Auditors for the ensuing year and to authorise the Directors to fix their remuneration. | Ordinary Resolution 6 |

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolution:

- | | | |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| 6. | AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 | Ordinary Resolution 7 |
| | <p>“THAT subject always to the Companies Act 2016 (“Act”), Constitution of the Company, ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company at any 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 to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company at the time of issue AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares to be issued on Bursa Securities AND FURTHER THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”</p> | Please refer to Explanatory Note 2 |
| 7. | To transact any other business of the Company of which due notice shall be given in accordance with the Company’s Constitution and the Companies Act 2016. | |



NOTICE OF NINTH ANNUAL GENERAL MEETING (CONT'D)

By Order of the Board
SECUREMETRIC BERHAD

TAN KOK AUN (MACS 01564)
Company Secretary

Kuala Lumpur

Dated this 22th day of April, 2026

NOTES:

1. A member of the Company entitled to be present and vote at the meeting is entitled to appoint a proxy/ proxies, to attend and vote instead of him. A proxy may but need not be a member of the Company and need not be an advocate, an approved company auditor or a person appointed by the Registrar of Companies.
2. A member shall be entitled to appoint more than two (2) proxies to attend and vote at the same meeting.
3. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. If the appointer is a corporation, the Form of Proxy must be executed under its Common Seal or under the hand of its attorney.
5. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), as defined under the Securities Industry (Central Depositories) Act, 1991 there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. A proxy appointed to attend and vote in a meeting of the Company shall have the same rights as the member to speak at the meeting.
7. The duly completed Form of Proxy must be deposited at the registered office of the Company at No. 3A, Mezzanine Floor, Jalan Ipoh Kecil, 50350 Kuala Lumpur Wilayah Persekutuan, Malaysia not less than twenty-four (24) hours before the time for holding the meeting or any adjournment thereof.
8. **General Meeting Record of Depositors**

In respect of deposited securities, only members whose names appear on the Record of Depositors on 14 May 2026 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

NOTICE OF NINTH ANNUAL GENERAL MEETING (CONT'D)

EXPLANATORY NOTES ON SPECIAL BUSINESS

1. Item 1 of the Agenda - Audited Financial Statement for the Financial Year Ended 31 December 2025

The Audited Financial Statements are for discussion only as the approval of the shareholders is not required pursuant to the provisions of Section 340(1)(a) of the Companies Act 2016. Hence, this Agenda is not put forward for voting by the shareholders of the Company.

2. Ordinary Resolution 7 - Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Ordinary Resolution 7 under item 6 above, if passed, will empower the Directors of the Company, from the date of the above Annual General Meeting, with the authority to issue and allot shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting.

The general mandate sought for issue of shares is a renewal of the mandate approved by the shareholders at the last AGM held on 29 May 2025 which will lapse at the conclusion of this 9th AGM.

As at the date of this Notice, no new shares in the Company were issued pursuant to the general mandate granted to the Directors at the last AGM held on 29 May 2025. The general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring cost and time. The purpose of this general mandate is for fund raising exercises including but not limited to further placement of shares for the purpose of funding current and/or future investment projects, working capital and/or acquisition(s).

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

The Directors who are seeking re-election as Director or continuing in office as Independent Non-Executive Director at the 9th AGM of the Company are: -

- (a) Mr. Clifton Heath Fernandez (Clause 97 of the Company's Constitution)
- (b) Ms. Shireen Chia Yin Ting (Clause 97 of the Company's Constitution)
- (c) Puan Norafizah Binti Zainal Abidin (Clause 106 of the Company's Constitution)

Mr. Clifton Heath Fernandez, Ms. Shireen Chia Yin Ting and Puan Norafizah Binti Zainal Abidin have no conflict of interest or potential conflict of interest including any interest in any competitor business with the Company or its subsidiaries.

The Board of Directors, taking into the recommendation of Nomination Committee, supported the above-mentioned Directors of their re-election as Director at the 9th AGM of the Company.

Based on the assessment and evaluation conducted by the Nomination Committee, the retiring Directors met the performance criteria required of an effective and a high-performance Board. In addition, all the Independent Non-Executive Directors have also provided annual declaration/confirmation of independence respectively.

The profiles of the above Directors who are seeking re-election are set out in the Profile of Directors as disclosed on Pages 15, 16 and 17 of the Annual Report.

The details of the above Directors' interest in the securities of the Company are stated on Page 140 of the Annual Report.

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SECUREMETRIC BERHAD
 Registration No. 201701019864 (1234029-D)
 (Incorporated in Malaysia)

I/We _____
 (FULL NAME IN BLOCK LETTERS)

of _____
 (FULL ADDRESS)

being a member/members of **SECUREMETRIC BERHAD**, hereby appoint the following person(s) or failing him, the Chairman of the meeting as my/our proxy/proxies to vote for me/us on my/our behalf, at the Ninth Annual General Meeting of the Company to be held at Auditorium @ Resource Centre (MRANTI), Taman Teknologi Mranti, Lebuhraya Puchong - Sg. Besi, 57000 Bukit Jalil, Kuala Lumpur on Thursday, 21 May 2026 at 2.30 p.m. and any adjournment thereof:

<u>Name of Proxy, NRIC No. & Address</u>	<u>No. of Shares to be represented by Proxy</u>
1. Name: NRIC No.: Mobile number: Email address: Address: _____	
2. Name: NRIC No.: Mobile number: Email address: Address: _____	

NO.	RESOLUTIONS		FOR	AGAINST
1.	Approval of the following payments: (a) Directors' fees to the Non-Executive Directors of up to RM180,000.00 from Ninth Annual General Meeting until the next Annual General Meeting (b) Directors' allowances to the Non-Executive Directors of up to RM12,000.00 from Ninth Annual General Meeting until the next Annual General Meeting	Ordinary Resolution 1 Ordinary Resolution 2		
2.	Re-election of Mr. Clifton Heath Fernandez	Ordinary Resolution 3		
3.	Re-election of Ms. Shireen Chia Yin Ting	Ordinary Resolution 4		
4.	Re-election of Puan Norafizah Binti Zainal Abidin	Ordinary Resolution 5		
5.	Re-appointment of Crowe Malaysia PLT as Auditors	Ordinary Resolution 6		
6.	Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016	Ordinary Resolution 7		

Please indicate with an "X" in the appropriate boxes on how you wish your vote to be cast on the Resolutions specified in the Notice of Meeting. Unless voting instructions are indicated in the space above, the proxy will vote as he/she thinks fit.

Number of shares _____

CDS A/C No. _____

Mobile No. _____

Email address _____

_____ Date _____ Signature of Shareholder



NOTES:

1. A member of the Company entitled to be present and vote at the meeting is entitled to appoint a proxy/proxies, to attend and vote instead of him. A proxy may but need not be a member of the Company and need not be an advocate, an approved company auditor or a person appointed by the Registrar of Companies.
2. A member shall be entitled to appoint more than two (2) proxies to attend and vote at the same meeting.
3. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. If the appointer is a corporation, the Form of Proxy must be executed under its Common Seal or under the hand of its attorney.
5. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), as defined under the Securities Industry (Central Depositories) Act, 1991 there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. A proxy appointed to attend and vote in a meeting of the Company shall have the same rights as the member to speak at the meeting.
7. The duly completed Form of Proxy must be deposited at the registered office of the Company at No. 3A, Mezzanine Floor, Jalan Ipoh Kecil, 50350 Kuala Lumpur Wilayah Persekutuan, Malaysia not less than twenty-four (24) hours before the time for holding the meeting or any adjournment thereof.
8. **General Meeting Record of Depositors**
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**AFFIX
STAMP**

The Company Secretary

SECUREMETRIC BERHAD
Registration No. 201701019864 (1234029-D)

c/o
PCA CORPORATE ADVISORY PLT
No. 3A, Mezzanine Floor
Jalan Ipoh Kecil
50350 Kuala Lumpur
Wilayah Persekutuan, Malaysia

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Fold this flap for sealing



**SECURE
METRIC**
— BERHAD —

Securemetric Berhad
201701019864 (1234029-D)

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www.securemetric.com