PANDA ECO SYSTEM BERHAD

(Registration No. 202201028635 (1474332-M))

(Incorporated in Malaysia)

REACHING TOWARD EXCELLENCE

ANNUAL REPORT 2025

WHAT'S INSIDE

01 OVERVIEW

02 Panda Eco System at A Glance
04 Corporate Overview
05 Corporate Information
06 Corporate Structure

02 PERFORMANCE

07 In The News
08 Key Corporate Milestones
10 5 Year Financial Highlights
12 Director's Profile
18 Key Senior Management's Profile
23 Chairman's Statement
26 Management Discussion And Analysis
34 Sustainability Statement

03 GOVERNANCE

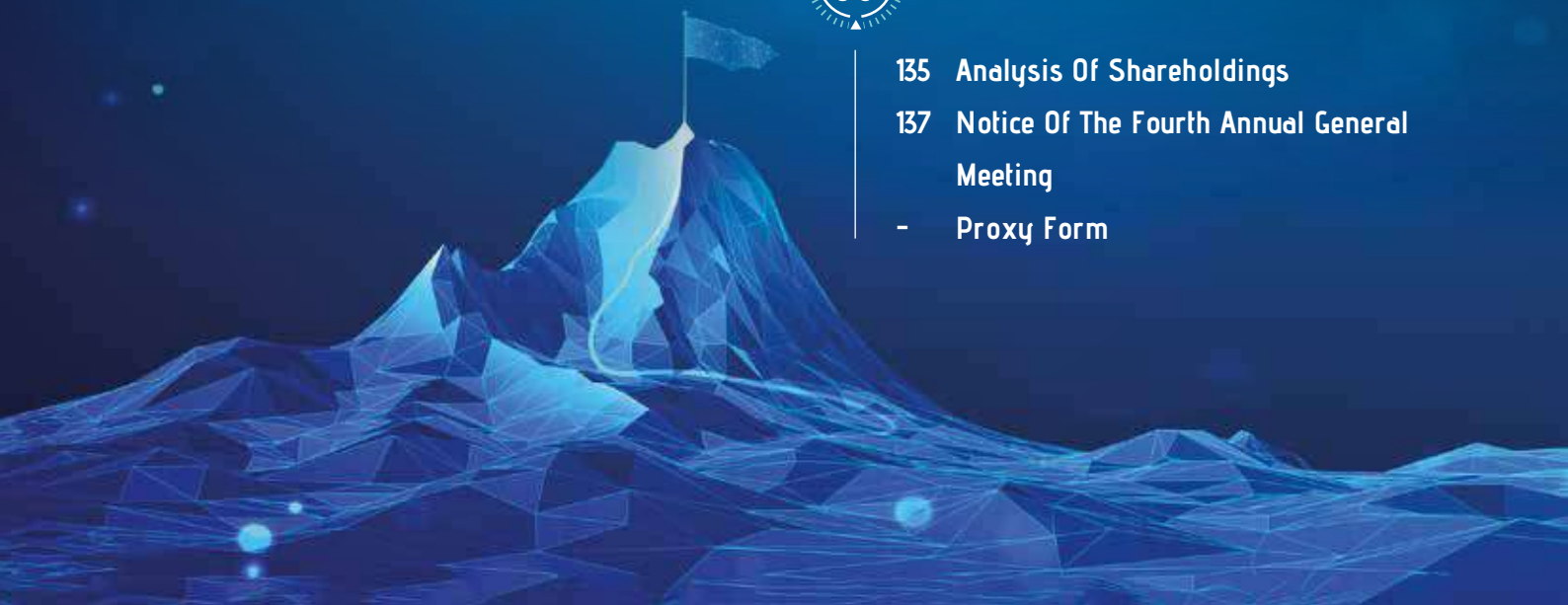
54 Corporate Governance Overview Statement
64 Audit And Risk Management Committee Report
67 Statement On Risk Management And Internal Control
73 Additional Compliance Information
76 Disclosure Of Financial Data For Shariah Screening
78 Statement On Directors' Responsibility

04 FINANCIAL STATEMENTS

79 Financial Statements

05 OTHER INFORMATION

135 Analysis Of Shareholdings
137 Notice Of The Fourth Annual General Meeting
- Proxy Form



PANDA ECO SYSTEM AT A GLANCE

OUR BUSINESS MODEL

	RETAIL MANAGEMENT ECO-SYSTEM DEVELOPMENT, CUSTOMISATION, IMPLEMENTATION AND INTEGRATION	OTHER BUSINESSES
Business Segments SOLUTIONS	• HQ Centralised Management, Store Operations and Financial Management • Omni-channel Engagement • XBridge B2B • E-vendor portal	• Trading of third-party software • Trading of IT hardware • Software customisation, implementation and integration of process control and automation solutions
REVENUE MODEL	• **One-off** - Software license fee - Project implementation charges - Outright sale of IT hardware - Training fee • **Recurring** - Software license maintenance fee - Subscription fee - Cloud server management service fee	• **One-off** - Outright sale of IT hardware and third-party software licence fee - Project customisation and implementation fee - Training fee • **Recurring** - Support maintenance fee

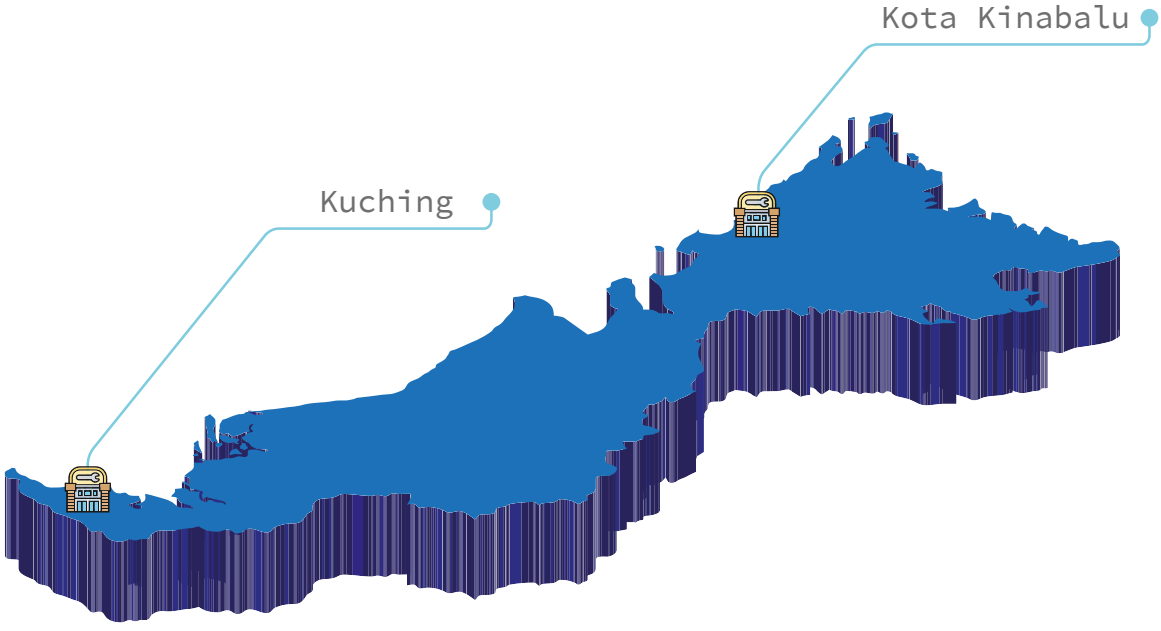
OUR PRESENCE

PANDA ECO SYSTEM AT A GLANCE
(CONT'D)

RETAIL MANAGEMENT ECO-SYSTEM DEVELOPMENT, CUSTOMISATION, IMPLEMENTATION AND INTEGRATION

CUSTOMER SEGMENTS

- Retailers particularly:
  - Grocery retail stores including hypermarkets, supermarkets and mini markets
  - Convenience stores
  - General merchandise retailers including houseware and kitchenware retailers and departmental stores
  - Specialty stores such as stationery, baking ingredient product stores and book stores
- Retail product suppliers
- F&B service providers
- Companies in other industries including trading and manufacturing industries (for the trading of third-party software and IT hardware, and software customisation, implementation and integration of process control and automation solutions)



CORPORATE OVERVIEW

Our History Goes A Long Way

The idea of developing a comprehensive Retail ERP solution that works seamlessly for modern retailing struck the minds of the cofounders in 2003. The thought was soon put into action with the establishment of KC Software House in Melaka. The partnership was subsequently transformed into a private limited company named Panda Software House Sdn Bhd in 2010 where "Panda" was officially adopted as the brand of the company's product.

Our Commitment To Excellence

The commitment to build an efficient Retail Management Eco-system for retailers propels our development team to be forward thinking and innovative. The passion to perfecting our solution has positioned us to stay ahead of our competitors in terms of technology advancement. We are known in the market as the expert in handling retail chain store operations particularly Supermarket cum General Merchandise Stores as more than 90% of our customers are in such segment.

Passion

To provide seamless and efficient retail management solutions for retailers.

PANDA ECO SYSTEM BERHAD®
(Registration No. 202201028635 (1474332-M))
(Incorporated in Malaysia)

Our Core Values

- Compliance to Confidentiality
- Disruptive Innovation
- Culture of Excellence
- Diversity and Inclusion
- Professional and Ethical
- Customer Centric
- Invest Beyond Value
- Drive Revenue Growth

Delivering Service Excellence Is In Our DNA

Panda Eco System is headquartered in Melaka, the historical city of Malaysia. To ensure service excellence is delivered to our customers, we have setup 5 services hubs at Kuala Lumpur, Johor Bahru, Kuching, Kota Kinabalu and Kuantan.

We employ a team of more than 180 highly trained professionals and dedicated engineers equipped with skillsets, domain knowledge and experiences to support our enterprise customers in achieving higher productivity via automation.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Cheok Kian Hing
Non-Independent Non-Executive Chairman
(Appointed on 30 June 2025)

Loo Chee Wee
Chief Executive Officer/Executive Director

Tay Kheng Seng
Chief Technology Officer/Executive Director

Chan Kam Chiew
Independent Non-Executive Director

Dato' Leanne Koh Li Ann
Independent Non-Executive Director

Siew Suet Wei
Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Chairman
Chan Kam Chiew
Independent Non-Executive Director

Member
Dato' Leanne Koh Li Ann
Independent Non-Executive Director

Siew Suet Wei
Independent Non-Executive Director

NOMINATION COMMITTEE

Chairperson
Siew Suet Wei
Independent Non-Executive Director

Member
Dato' Leanne Koh Li Ann
Independent Non-Executive Director

Chan Kam Chiew
Independent Non-Executive Director

REMUNERATION COMMITTEE

Chairperson
Dato' Leanne Koh Li Ann
Independent Non-Executive Director

Member
Chan Kam Chiew
Independent Non-Executive Director

Siew Suet Wei
Independent Non-Executive Director

COMPANY SECRETARY

Khoo Ming Siang
MAICSA 7034037
SSM PC No. 202208000150

REGISTERED OFFICE

Unit 521, 5th Floor
Lobby 6, Block A
Damansara Intan
No. 1, Jalan SS20/27
47400 Petaling Jaya
Selangor Darul Ehsan
Telephone: +603-7732 0792

SPONSOR

M & A Securities Sdn Bhd
45 & 47, Levels 3 and 7
The Boulevard
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Telephone: +603-2284 2911

COMPANY WEBSITE

www.panda-eco.com

HEADQUARTERS/PRINCIPAL PLACE OF BUSINESS

28, 28-1, 30, 30-1, 32-1 and 34-1
Jalan PPM 13
Plaza Pandan Malim Business Park
75250 Melaka
Telephone : +606-332 3966
Email : info@pandasoftware.my

AUDITORS

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants
52, Jalan Kota Laksamana 2/15
Taman Kota Laksamana, Seksyen 2
75200 Melaka
Telephone : +606-282 5995
Facsimile : +606-283 6449

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Telephone : +603-2783 9299
Facsimile : +603-2783 9222

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad
Stock Name : PANDA
Stock Code : 0290

PRINCIPAL BANKER

Public Islamic Bank Berhad
17, 19 & 21, Jalan Rahmat 2
Taman Malim Jaya
75250 Melaka
Telephone: +606-334 6397
Facsimile: +606-334 6412

CORPORATE STRUCTURE

PANDA ECO SYSTEM BERHAD
Registration No. 202201028635
(1474332-M)

100%

PANDA SOFTWARE HOUSE SDN. BHD.
Registration No. 200901011049
(854073-K)

100%

REXBRIDGE SDN. BHD.
Registration No. 201401030716
(1106802-H)

100%

KK COMPUTER SDN. BHD.
Registration No. 199701026999
(442497-A)

100%

GROSS SYNERGY SDN. BHD.
Registration No. 199201019333
(250837-P)

100%

020 DIGITAL SDN. BHD.
Registration No. 202001021320
(1377640-W)

100%

DAY ONE TECHNOLOGY SDN. BHD.
Registration No. 201301037399
(1067228-W)

51%

AGENTIS SOLUTIONS SDN. BHD.
Registration No. 202601014521
(91676619-M)

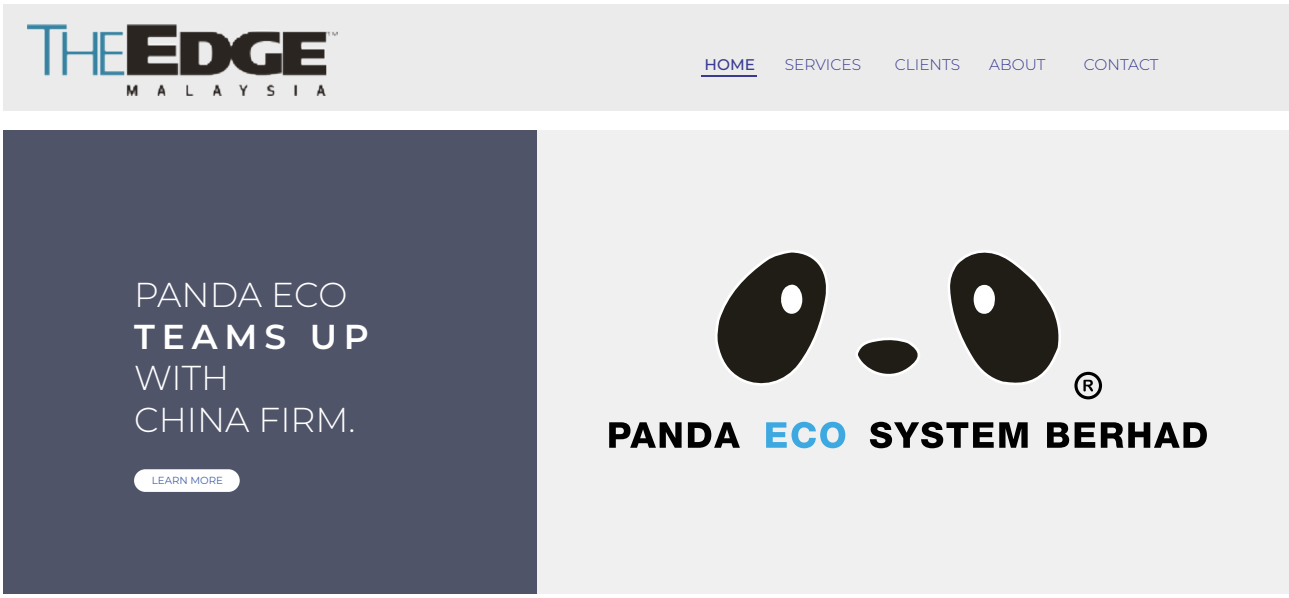
51%

CENTRA SOLUTIONS SDN. BHD.
Registration No. 202401047153
(1592999-K)

51%

ANJAK CENTRA SDN. BHD.
Registration No. 2026010866
(1672964-W)

IN THE NEWS



PANDA ECO TEAMS UP WITH CHINA FIRM TO BRING AUTOMATED WAREHOUSING AND LOGISTICS TECH TO MALAYSIA

By Justin Lim / theedgemalaysia.com 07 Aug 2025, 06:56 pm

KUALA LUMPUR (Aug 7): Panda Eco System Bhd (KL:PANDA) has signed an agreement with Chinese firm Tianjin Master Logistics Equipment Co Ltd to bring its automated warehousing and intelligent logistics technologies to Malaysia.

The retail management solutions provider said in a bourse filing on Thursday that the memorandum of understanding authorises Panda Eco to implement Tianjin Master's logistics solutions locally.

Panda Eco will handle project management, technical setup, system integration and support. Both companies will jointly manage marketing and business development in Malaysia.

The agreement is for 12 months, unless extended by mutual written agreement or terminated by either party with a 30-day written notice.

Tianjin Master specialises in the design and manufacturing of a complete range of automated logistics equipment, such as shuttles, stacker cranes and conveyor systems, and holds over 20 patents and software rights. It has nearly 100 automated warehouse systems implemented across China and global markets.

Panda Eco chief executive officer cum executive director Loo Chee Wee said the company sees rising demand for automation in retail, warehousing and logistics, driven by the need for scalability, real-time tracking and streamlined operations within increasingly complex supply chains.

"Tianjin Master's solutions, which have been successfully deployed across various industries, are designed to optimise warehouse operations, enhance inventory management and enable seamless integration within the broader supply chain ecosystem. These capabilities align well with our existing warehouse management system, allowing us to offer a robust and integrated solution that enhances operational efficiency and scalability," Loo said in a statement.

Panda Eco's shares closed down half a sen or 1.85% to 26.5 sen on Thursday, giving the company a market capitalisation of RM183 million.

Edited By Presenna Nambiar

KEY CORPORATE MILESTONES

2003

Established KC Software House

The entity was co-founded in Melaka by 2 partners who share the same vision and possess the passion to develop a Retail Management Eco-system that provides efficient retail management solutions for retailers.

2005

1st customer – Fresco Supermarket

The pilot version of KC POS system was released and implemented in Fresco Supermarket, Melaka. Fresco remains our loyal customer since the 1st day of deployment.

2008

1st chain store customer – Hero Supermarket

The management of Hero, best known as the founders of the Giant Hypermarket chain from which they divested in 1999, decided to convert their POS system to KC POS for their operations.

2010

Awarded MSC Status

Panda Software was incorporated in 2009 and Panda ERP was adopted as our brand. Panda Software House was awarded the MSC Pioneer Status (currently known as (Malaysia Digital Status) Company by MDEC in 2010.

2013

Implemented for 30th customer

Panda ERP Solution successfully deployed for the 30th customer. We earned the recognition of being the expert in handling retail operations as most of our clients are grocery chain store operators.

2015

Malaysia GST certified solution for POS

Panda ERP Solution was certified as a GST compliant software by the Royal Customs of Malaysia. Such certification enabled us to convince more retailers to switch to Panda.

KEY CORPORATE MILESTONES
(CONT'D)

2025

Strategic Acquisitions and Launching of two new solutions

On 16 June 2025, we completed the acquisitions of Gross Synergy Sdn. Bhd. and Day One Technology Sdn. Bhd. and launched two new solutions: Sub-let Rental Management System and Retail Income Management System which strengthened our eco-systems' capabilities and expanded our solution offerings.

2024

Launched E-invoicing Module and Business Analytical Dashboard

E-invoicing platform was launched during the year which enables our retail customers to seamlessly integrate their existing retail management eco-system with the LHDN portal, ensuring full compliance. We successfully onboarded 58 retailers for the E-invoicing platform in year 2024.

Meanwhile, Business Analytical Dashboard provides realtime insights into sales performance and key business metrics. We have secured 2 customers as of to date.

2023

Debuted on the ACE Market of the Bursa Malaysia Securities Berhad

Panda Eco System Berhad debuted on the ACE Market of the Bursa Malaysia Securities Berhad on 27 November 2023.

2020

Established 3 more service and support hubs in Malaysia

We employ a team of more than 60 highly trained professionals and dedicated engineers to support our customers. Additionally, 3 service and support hubs have been set up in JB, Kuching and Kota Kinabalu.

2019

Implemented for 100th customer and set up KL service hub

Panda ERP Solution successfully implemented for the 100th customer with total sites exceeding 1,000 and more than 5,000 POS system deployed. The service & support hub @ Kuala Lumpur was established.

2018

Omni-channel retailing and digital engagement

Panda embraced omni-channel retailing by launching our 1st e-commerce application for Cziplee. We also introduced Panda Web CRM and Member Loyalty App to our customers.

5 YEARS FINANCIAL HIGHLIGHTS

Figures in RM'000, unless indicated otherwise	FY2021	FY2022	FY2023	FY2024	FY2025
Revenue	20,003	20,982	23,769	31,161	**43,772**
Gross Profit	11,352	11,650	12,924	17,216	**19,066**
Earnings Before Interest, Taxes, Depreciation, & Amortisation ("EBITDA")	10,601	8,588	6,280	10,562	**13,387**
Profit Before Tax ("PBT")	10,430	8,472	6,306	11,083	**12,284**
Profit After Tax ("PAT")	7,900	7,048	4,303	8,083	**8,751**
Profit attributable to the owners of the Company	7,900	7,048	4,303	8,083	**9,221**
Earnings Per Share (sen)	1.41#	1.25#	0.75*	1.20*	**1.35^**
Total Assets	14,014	16,483	38,572	45,194	**63,895**
Total Liabilities	3,708	3,869	6,101	7,996	**15,706**
Shareholders' Equity	10,306	12,614	32,471	37,198	**48,561**

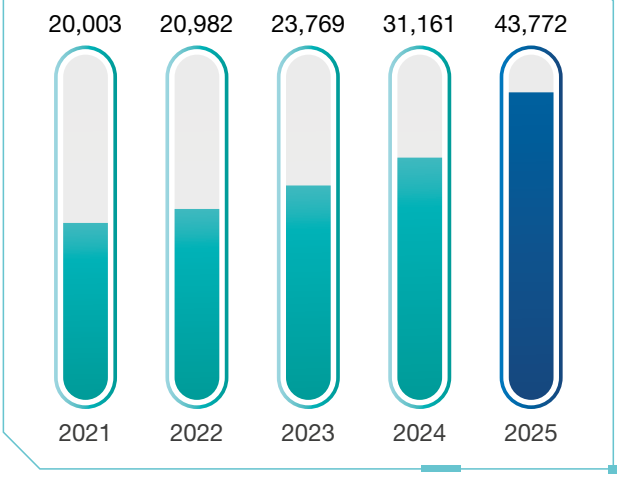
^ Adjusted for the 690,649,674 Shares issued pursuant to the completion of the acquisitions of Gross Synergy Sdn. Bhd. and Day One Technology Sdn. Bhd.

* Adjusted for the 671,187,000 Shares issued pursuant to the completion of the Initial Public Offering ("IPO")

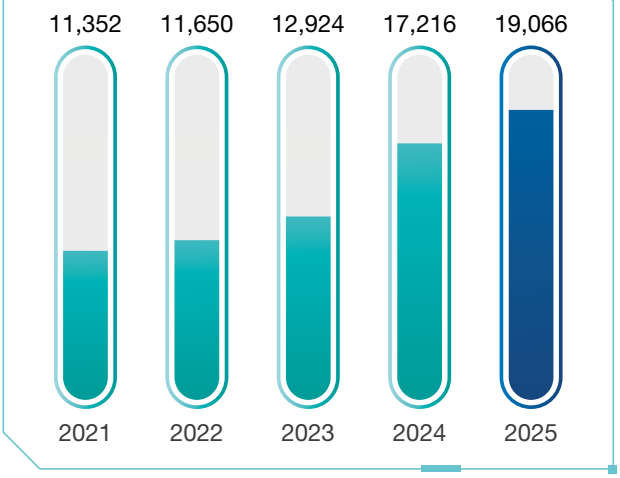
Calculated over enlarged share capital of 561,900,200 Shares before IPO

5 YEARS FINANCIAL HIGHLIGHTS
(CONT'D)

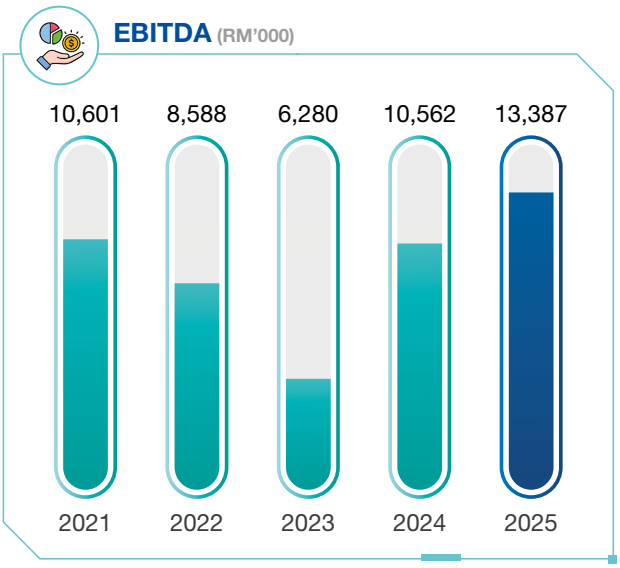
REVENUE (RM'000)



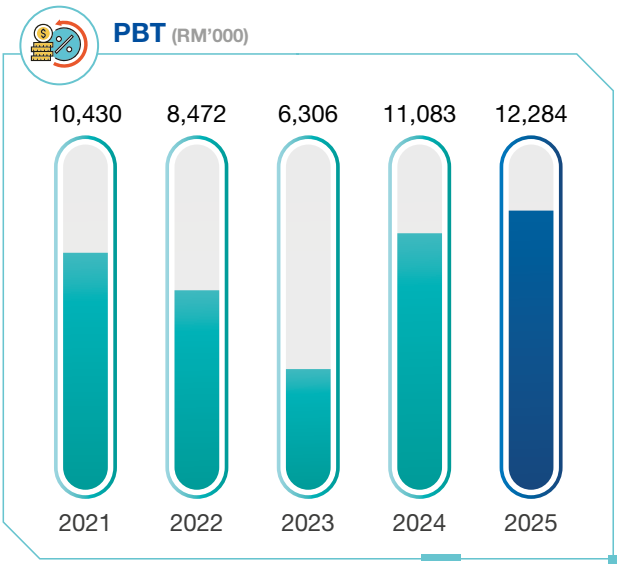
GROSS PROFIT (RM'000)



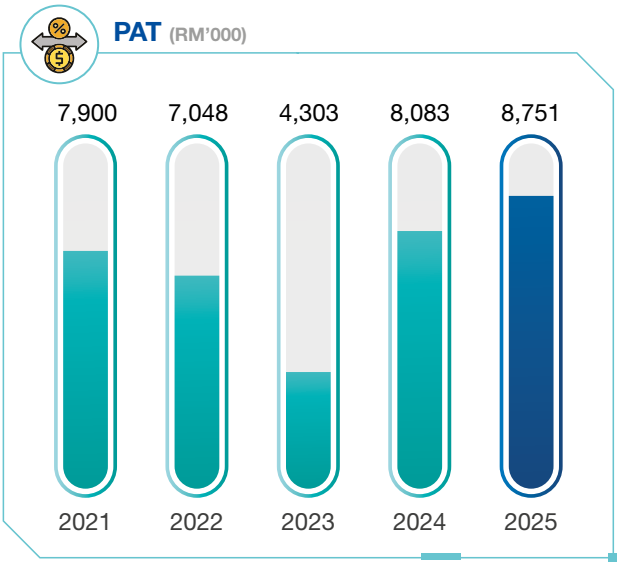
EBITDA (RM'000)



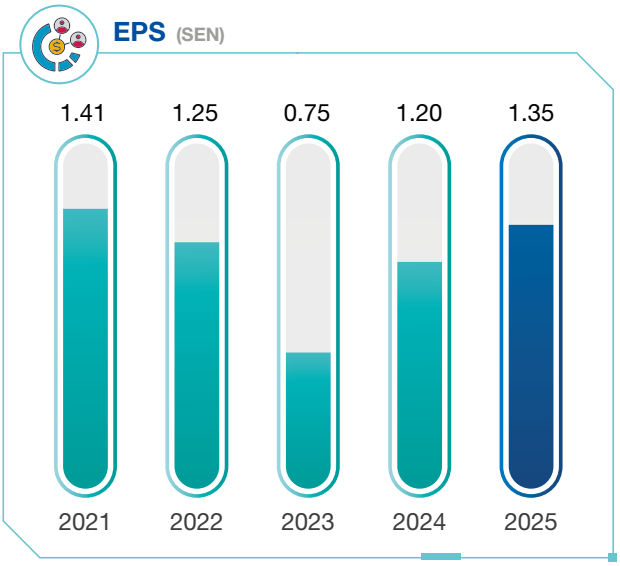
PBT (RM'000)



PAT (RM'000)



EPS (SEN)



DIRECTOR'S PROFILE

CHEOK KIAN HING

Non-Independent Non-Executive Chairman

63 Years Old

Male

Malaysian

Date Appointed to the Board

30 June 2025

Membership of Board Committee:

None

Mr. Cheok Kian Hing ("**Mr. Cheok**") possesses over 35 years of experience across the retail technology, telecommunications, international trade, and infrastructure sectors. His professional footprint spans multiple key markets, including Malaysia, the USA, China, and Myanmar.

He holds a Bachelor of Arts in Business Administration from Southern Illinois University, USA, graduating in 1986. This academic foundation has supported his long-standing career in international business development and cross-border operations.

Mr. Cheok's foundational experience began in the mid-1980s as the Head of Business Development for Pilecon Engineering Bhd, where he established new retail and import/export divisions. He subsequently served as a director in a family-owned property and construction firm, gaining insights into capital markets and infrastructure development.

In 1992, Mr. Cheok co-founded Gross Synergy Sdn Bhd ("**GSSB**") and Day One Technology Sdn Bhd ("**DOTSB**"), which serve as retail technology solution providers in Malaysia. For over three decades, he has guided these companies through successive cycles of digital evolution, focusing on the delivery of technology systems to grocery retailers and Fast-Moving Consumer Goods chains. In his current role as Chairman, he continues to lead the group's strategic partnerships, enterprise sales, and regional expansion initiatives.

Additionally, Mr. Cheok has been active in the garment manufacturing and export industry since 2001. He established a contract manufacturing business serving the U.S. retail and wholesale markets, with production facilities in China and Myanmar. His responsibilities in this sector encompass the end-to-end supply chain, including sourcing, international logistics, and strict compliance with global trade and labour standards.

Between 2014 and 2020, Mr. Cheok further diversified his expertise as the Chairman and Co-Founder of the Myanmar National Telematics Control Centre. In this role, he oversaw the establishment of Myanmar's first national vehicle monitoring system, utilising GPS and real-time analytics to manage city buses and commercial fleets. The project required high-level coordination with international technology providers and local regulatory authorities to improve road safety and data transparency. These diverse leadership roles provide Mr. Cheok with a broad perspective on public-private sector collaboration, which he applies to his current board-level oversight and strategic advisory duties.

Mr. Cheok does not hold any directorship in other public companies and listed issuers.

DIRECTOR'S PROFILE
(CONT'D)

LOO CHEE WEE

Chief Executive Officer/Executive Director

56 Years Old

Male

Malaysian

Date Appointed to the Board
20 January 2023

Membership of Board Committee:
None

Mr. Loo Chee Wee ("**Mr. Loo**") is our substantial shareholder and Chief Executive Officer/Executive Director. He is in charge of planning and executing long-term objectives for the Group, managing our sales and marketing activities including identifying markets and business opportunities and approaching potential customers, and managing and maintaining key customer relationships.

He graduated from Stockton University, USA (formerly known as Richard Stockton State College) with a Bachelor of Arts (Computer Science) and Bachelor of Arts (Finance) in 1992.

He began his career in August 1993 when he joined Ban Hin Lee Bank Berhad (presently under the CIMB Group Holdings Berhad group of companies) as Credit Analyst. As Credit Analyst, he was responsible for assisting in screening loan requests and evaluating clients' financial information and risk ratios. In December 1994, he was promoted to Head of Credit of the Melaka branch, where he was in charge of overseeing and managing the credit department as well as recommending loan applications for approval.

He was subsequently transferred to the Miri Branch in October 1996 where he was designated as Assistant Branch Manager. During his tenure, he oversaw and monitored the daily business operational activities and managed employees based at the Miri branch office. In December 1997, he assumed the position of Relief Assistant Branch Manager for the Central and Southern regions of Peninsular Malaysia (including Kuala Lumpur, Selangor, Negeri Sembilan, Melaka and Johor). As a Relief Assistant Branch Manager, he was tasked to assume the functional responsibilities as an interim Assistant Branch Manager of branch offices in the Central and Southern regions of Peninsular Malaysia.

In September 2000, he joined Jasin Shopping Centre Sdn Bhd (his family-owned company) as Manager and was later promoted to Director in September 2003. During his tenure, he was in charge of overseeing the daily operational activities of the company's grocery retail outlet including management of supply chain and inventory levels, overseeing IT functions, monitoring of financial performance and cashflow as well as developing sales and marketing strategies.

In May 2001, he set up Fimmex Trading Sdn Bhd, a company involved in the trading of consumable products and was appointed as Director. He later sold his equity interest in Fimmex Trading Sdn Bhd.

Through his experience in Jasin Shopping Centre Sdn Bhd, he developed a retail management solution that was tailored for grocery retailers. As such, in February 2003, he left his role as Director in Fimmex Trading Sdn Bhd to set up KC Software House, a partnership, with our Chief Technology Officer and Executive Director, Mr. Tay Kheng Seng. He was responsible for the business development and marketing of solutions in KC Software House, and contributed to the development of our retail management solution by providing his insights on the needs and requirements of grocery retailers. The business of KC Software House was gradually transferred to Panda Software House Sdn Bhd from 2009, and the business partnership of KC Software House ceased in June 2011. Mr. Loo was appointed as Executive Director of Panda Software House Sdn Bhd where he focused on the business development of the company. At the same time, he took on a non-executive director role in Jasin Shopping Centre Sdn Bhd until his resignation in October 2022. Mr. Loo also co-founded Rexbridge Sdn Bhd in August 2014 and 020 Digital Sdn Bhd in July 2020.

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

DIRECTOR'S PROFILE
(CONT'D)

TAY KHENG SENG

Chief Technology Officer/Executive Director

58 Years Old

Male

Malaysian

Date Appointed to the Board
20 January 2023

Membership of Board Committee:
None

Mr. Tay Kheng Seng ("**Mr. Tay**") is our substantial shareholder, Chief Technology Officer/Executive Director. He is in charge of managing and leading the Software Development department which is responsible for the software development and maintenance of the Group's Retail Management Eco-system. He also communicates with relevant departments to provide solutions for feedback received from customers.

He graduated from University Sains Malaysia with a Bachelor of Applied Science in 1993.

Upon graduation, he began his career with Likom Computer System Sdn Bhd as Production Engineer in October 1993. During his tenure, he was involved in the management and maintenance of machinery and equipment as well as enhancement of operational efficiency in terms of production workflows and spaces. He left Likom Computer System Sdn Bhd in June 1994 and subsequently joined Aiwa Electronics (Malaysia) Sdn Bhd as Officer, Purchasing Department in July 1994, where he was responsible for the sourcing and procurement of raw materials.

In August 1997, he co-founded KK Computer Sdn Bhd as its Managing Director with his spouse, Ms. Bong Kok Choo ("**Ms. Bong**"). KK Computer Sdn Bhd was then involved in the trading of IT hardware and third-party software. In February 2003, he co-founded KC Software House, a business partnership, with Mr. Loo Chee Wee, and was instrumental in the development of our retail management solutions.

The business of KC Software House was gradually transferred to Panda Software House Sdn Bhd from 2009, and the business partnership of KC Software House ceased in June 2011. Mr. Tay was appointed as Executive Director of Panda Software House Sdn Bhd where he continued to be in charge of the development of our Retail Management Eco-system. He also co-founded Rexbridge Sdn Bhd in August 2014 and 020 Digital Sdn Bhd in July 2020.

Mr. Tay is the spouse of Ms. Bong, the Business Development Director of KK Computer Sdn Bhd. He does not hold directorships in other public companies and listed issuers.

DIRECTOR'S PROFILE
(CONT'D)

CHAN KAM CHIEW

Independent Non-Executive Director

61 Years Old

Male

Malaysian

Date Appointed to the Board

20 January 2023

Membership of Board Committee:

- Chairman of the Audit and Risk Management Committee
- Member of Remuneration Committee
- Member of Nomination Committee

Mr. Chan Kam Chiew qualified as a Certified Public Accountant and is a member of the Malaysian Institute of Certified Public Accountants ("**MICPA**"). He is also a member of the Malaysian Institute of Accountants ("**MIA**"), the Institute of Corporate Directors Malaysia and the MFRS Application and Implementation Committee of the Malaysian Accounting Standards Board ("**MASB**").

He began his career with Peat Marwick (now known as KPMG PLT ("**KPMG**")) in Malaysia as an Audit Assistant in December 1984. He then served in KPMG San Francisco office in USA from September 1991 to April 1993. Upon his return to Malaysia, he was promoted to Audit Manager of KPMG in May 1993. Subsequently, he became a partner in the Assurance services of KPMG in Malaysia from October 1998 until his retirement in December 2020.

He has more than 36 years of experience in providing audit and business advisory services to a wide range of public listed companies and multinational corporations in various industries, which included those in automotive, real estate investment trust, property development and construction, oil and gas, electronics and information technology, freight and shipping, industrial manufacturing, food and beverages, retail and consumer and banking and financial services.

In addition to statutory audits, he had led various engagements that included initial public offerings and reverse takeovers and mergers, local and cross border acquisitions, financial due diligence reviews, as well as provided financial advisory services and review of policies and procedures.

He had served on the Board of MASB for 2 terms from May 2012 to April 2018. He had also served as a member and chaired a few working groups of MASB. He was an examiner for the Regulatory and Financial Reporting Framework examination for the MICPA.

At present, he is the Group Finance Director of Can-One Berhad and Box-Pak (Malaysia) Berhad, both of which are listed on the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

He is also an Independent Non-Executive Director of Kerjaya Prospek Group Berhad, LGMS Berhad and Well Chip Group Berhad, all of which are listed on the Main Market of Bursa Securities.

DIRECTOR'S PROFILE
(CONT'D)

DATO' LEANNE KOH LI ANN

Independent Non-Executive Director

53 Years Old

Female

Malaysian

Date Appointed to the Board

20 January 2023

Membership of Board Committee:

- Chairperson of the Remuneration Committee
- Member of Audit and Risk Management Committee
- Member of Nomination Committee

Dato' Leanne Koh Li Ann is a member of the Chartered Tax Institute of Malaysia and the International Fiscal Association. She graduated from the Australian National University, Australia with a Bachelor of Commerce and a Bachelor of Laws in April 1997. Upon her graduation, she chambered with Lee Hishammuddin Allen & Gledhill (formerly known as Lee Hishammuddin) ("**LHAG**") and she was called to the Malaysian Bar in February 1998. She worked as a Legal Assistant in the litigation department and the corporate department at LHAG until February 2000, when she resigned from LHAG and took a break from her career.

In June 2000, she joined KPMG Tax Services Sdn Bhd as Tax Consultant. She was promoted to Executive Director and Partner of the company in May 2006. She has over 20 years of experience in providing corporate tax advisory services for domestic and international transactions, including mergers and acquisitions, inbound and outbound investments, initial public offerings and cross border turnkey construction contracts.

Her portfolio of clients included a wide range of public listed companies and multinational corporations in various industries including those in automotive, real estate investments trust, property development and construction, oil and gas, freight and shipping, ports, industrial manufacturing, food and beverages, hospitality, plantation, securities companies, banking and financial services.

In September 2020, she joined Mah-Kamariyah & Philip Koh ("**MKP**") as Partner in the legal firm's corporate, merger and acquisition department where she provided advice on tax related matters in corporate and mergers and acquisitions as well as advice on insolvency, corporate and commercial restructurings. In January 2023, she resigned from MKP.

She is currently a director of DL Partners Sdn Bhd, which provides business management consultancy services in relation to mergers and acquisition, corporate reorganisation, financial restructuring, capital fundraising via debt and equity, arrangement of financing for acquisitions, strategic business consulting and tax advisory. In addition, she is an Independent Non-Executive Director of Engtex Group Berhad and Inta Bina Group Berhad, both of which are listed on the Main Market of Bursa Securities.

DIRECTOR'S PROFILE
(CONT'D)

SIEW SUET WEI

Independent Non-Executive Director

58 Years Old

Female

Malaysian

Date Appointed to the Board

20 January 2023

Membership of Board Committee:

- Chairperson of the Nomination Committee
- Member of Audit and Risk Management Committee
- Member of Remuneration Committee

Ms. Siew Suet Wei obtained her professional secretarial degree from the Institute of Chartered Secretaries and Administrators (United Kingdom) in 1993 and was admitted as an Associate Member of the Malaysian Association of Institute of Chartered Secretaries and Administrators (MAICSA) in 1995. She is currently a Fellow Member of the MAICSA and a Chartered Governance Professional.

She was the Group Company Secretary of a property development company listed on the Main Market of Bursa Securities from 1993 to 2009 advising the Board of Directors in corporate governance and compliance issues, particularly on the Listing Requirements of Bursa Securities and Companies Act 2016.

She has more than 30 years of experience in corporate secretarial and advisory work as well as investor relations activities. During the course of her career, she has been involved in various initial public offering exercises, corporate arrangements, fund raising, and merger and acquisition activities.

She is currently the Managing Director of a corporate secretarial firm in Kuala Lumpur with a portfolio of clients including companies listed on Bursa Securities. She does not hold any directorship in other public companies and listed issuers.

KEY SENIOR MANAGEMENT'S PROFILE

WANG CHIA BOON

Group General Manager

51 Years Old

Male

Malaysian

Mr Wang Chia Boon is the Group General Manager, working alongside the CEO and CTO to steer the Group's organisational strategy, uphold long-term business sustainability, and ensure robust group governance and business continuity. In this capacity, he oversees group-wide operations to drive sustainable growth, providing high-level management oversight to ensure that internal policies, risk management protocols, and core functions remain seamlessly aligned with the group's strategic objectives. Furthermore, he spearheads the Group's Human Capital and administrative functions, championing talent development and performance excellence to ensure the Group's operational foundation remains both resilient and future-ready.

Graduating from the University of Portsmouth, UK, in 1998, he earned a Bachelor of Science (Honours) in Computing. His professional career commenced in September 1998 as a lecturer at Sunway College, where he conducted computer science degree courses and supervised student final-year projects. In December 1999, he transitioned into the corporate sector, joining Star Cruises as an IT Officer (Acting IT Manager). Within this capacity, he assumed full ownership of the company's Ship IT ecosystem, overseeing infrastructure, network architecture, hospitality and membership solutions, and the fleet-wide management information system. Following the completion of his contract in December 2000, he concluded his tenure with the organisation to pursue further opportunities.

In January 2001, he joined Shell Services International (a subsidiary of the Shell Group) as the Integrated Management Group Technical Lead for Remote Access Services (RAS). In this role, he managed technical support services for telecommunications, remote access, and Microsoft client-server architectures, overseeing a complex environment that encompassed over 110,000 users across the international Shell network.

In January 2004, he transferred to Shell Information Technology International (a subsidiary of the Shell Group) following a promotion to Group Infrastructure Development Engineer for Remote Access Services. In this elevated capacity, he led the end-to-end delivery of remote access solutions, which included defining business requirements, architecting technical specifications, and overseeing the implementation of system frameworks to support the Group's evolving needs.

In February 2007, he was promoted to Business Application Management Specialist at Shell Malaysia Trading (a subsidiary of the Shell Group). In this capacity, he managed the functional support, application management, and service delivery of the Shell Downstream Terminal Automation System. He coordinated operations across the Middle East, Southeast Asia, and Oceania, ensuring seamless deployment and optimisation of terminal automation frameworks across diverse international depots.

In March 2012, he was promoted to the position of Global IT Service Manager at Shell Business Centre (a subsidiary of the Shell Group). During his tenure, he oversaw the end-to-end service delivery of critical cloud-based platforms, including Shell SharePoint and 'Most Confidential' SharePoint services, ensuring robust accessibility and performance for both internal and external stakeholders across the global Shell network.

In May 2020, he resumed his career when he joined Panda Software House and assumed his present role as the Group General Manager.

KEY SENIOR MANAGEMENT'S PROFILE
(CONT'D)

IRENE NG CHA ROU
Group Financial Controller

39 Years Old

Female

Malaysian

Ms Irene Ng Cha Rou is the Group Financial Controller. She oversees the financial operations of the Group and is responsible for the financial affairs of the Group. She graduated with a Bachelor in Business (Major in Accounting and Financial Planning) from the University of Technology, Sydney. She is a member of the Malaysian Institute of Accountants as well as CPA Australia.

She began her career with Horwath (now known as Crowe Malaysia PLT) as an Audit Assistant in March 2009 and was promoted to senior manager subsequently and she left Crowe Malaysia PLT in July 2024.

During her tenure at Crowe Malaysia PLT, she was involved in a number of statutory audit assignments from small and medium-sized companies to large-sized public listed companies and was also a team leader overseeing a portfolio of small to large-sized clients.

She was also involved in the IPO engagements to list on the ACE Market of the Bursa Malaysia Securities Berhad as well as handled special financial audit assignments eg. due diligence and agreed upon procedures work on proposed acquisitions.

In August 2024, she joined Panda Software House Sdn. Bhd. as the Group Financial Controller, which is her present position.

KEY SENIOR MANAGEMENT'S PROFILE
(CONT'D)

BONG KOK CHOO

Business Development Director of KK Computer Sdn Bhd

- 54 Years Old
- Female
- Malaysian

Ms Bong Kok Choo is the Business Development Director of KK Computer Sdn Bhd, where she oversees the Integrated Technology Services division and the Procurement Office. In this capacity, she is responsible for driving core new business development initiatives while ensuring the stability of current business functions through strategic procurement and vendor liaison. Her role is central to the management of customer relationships and training, particularly for IT hardware, infrastructure, and third-party solutions.

Her technical expertise is supported by a long-standing commitment to professional development; having completed an Intermediate Stage Bookkeeping course at the Budi Institute, Malaysia, in 1994, she recently reached a significant academic milestone by earning her Bachelor of Accounting with Honours from Open University Malaysia in September 2025.

Ms. Bong's career began in July 1990 with Syarikat Chong Trading as an Account and Admin Clerk, shortly after her secondary school graduation in 1989. During this tenure, her responsibilities encompassed accounting and administrative functions, inventory control, and after-sales support. In April 1993, she transitioned to Likom Computer System Sdn Bhd as a Clerk; in this capacity, she managed administrative operations and played a key role in assisting the engineering department with its successful application for International Organisation for Standardisation (ISO) certification.

In January 1996, Ms. Bong joined Hakata Communication Sdn Bhd as a Secretary, where she managed payroll, staff databases, and executive scheduling. Her performance led to a promotion in January 1997 to Head of the Account and Admin Department, a key role in which she assumed full oversight of the company's accounting and administrative functions, including the management of payroll processing and departmental operations.

Following this, she co-founded KK Computer Sdn Bhd in August 1997 with her spouse and was appointed Director of Finance and Administration in October 1997. In this founding leadership capacity, she was instrumental in establishing the company's administrative framework and cultivating long-term supplier and customer relationships. Since her redesignation to Business Development Director in December 2009, she has continued to drive the company's strategic growth by balancing new business acquisition with the maintenance of core operational functions.

Bong Kok Choo is the spouse of Tay Kheng Seng, our Chief Technology Officer/Executive Director.

KEY SENIOR MANAGEMENT'S PROFILE
(CONT'D)

KEOW YIH YUN

Director of IT Services and Operations of Panda Software House Sdn Bhd

41 Years Old

Female

Malaysian

Ms Keow Yih Yun is the Director of IT Services and Operations of Panda Software House Sdn Bhd. She is in charge of the overall operations of the Panda Inventory Management solution, Finance solution and Omni-channel Engagement solution, which includes developing and executing project delivery, establishing and implementing standard business operating processes.

She graduated with a Bachelor of Science in Human Psychology from the Liverpool John Moores University, UK in 2008.

She began her career with Carlson Marketing Group Sdn Bhd (which has been presently acquired by Aimia Proprietary Loyalty Sdn Bhd) as a Customer Service and Operation Executive in July 2008. During her tenure, she was responsible for identifying and liaising with vendors and suppliers for reward fulfilments, handling procurement of supplies, as well as providing customer sales support services. In May 2009, she was transferred to the Business Management Department and assumed the position of Account Executive, where she undertook marketing consultancy projects which involved liaising with media agencies and analysing clients' competitors and their marketing activities and strategies. She was promoted to Assistant Account Manager and subsequently to Account Manager in April 2011 and January 2012, respectively.

Through her career progression, she was gradually made to be in charge of developing and managing marketing campaigns, negotiating with vendors and suppliers, as well as developing new partnership opportunities for clients. In April 2013, she was promoted to Account Manager - Brands, where she was responsible for overseeing and leading the loyalty rebranding projects.

In November 2014, she joined Star Solutions (M) Sdn Bhd as Campaign Manager, where she was in charge of managing and overseeing marketing campaigns for various companies.

In May 2016, she joined The Food Purveyor Sdn Bhd (formerly known as Village Grocer Holdings Sdn Bhd) as Marketing Operations Manager. In November 2016, she was redesignated to Marketing Manager. During her tenure, she spearheaded the launch of a digital loyalty application, managed marketing, branding, advertising, promotional, public relations and events related activities for the group.

She joined Panda Software House Sdn Bhd as Business Development Director (CRM) in March 2019. In January 2021, she was reassigned as Business Development Director at 020 Digital Sdn Bhd. In February 2024, she was re-designated as Senior Manager at Panda Software House Sdn Bhd. In November 2024, she was promoted to Director of IT Services and Operations, which is her current role.

KEY SENIOR MANAGEMENT'S PROFILE
(CONT'D)

Notes to Directors' and Key Senior Managements' Profile

1. Family Relationships

Save as disclosed above, none of the Directors and Key Senior Management have any family relationship with any Director and/or major shareholder of the Company.

2. Conflict of Interest

Save for Mr. Loo Chee Wee, Mr. Tay Kheng Seng and Mr. Cheok Kian Hing, none of the Directors and Key Senior Management have any personal interest / conflict of interest / potential conflict of interest, including interest in any competent business with the Company or its subsidiaries. Please refer to the Recurrent Related Parties Transactions Circular to Shareholders dated 27 April 2026 for more information.

3. Conviction of Offences

None of the Directors and Key Senior Management has been convicted for offences within the past five (5) years other than traffic offences (if any) or any public sanction or penalty imposed on him / her by the relevant regulatory bodies during the financial year ended 31 December 2025.

4. Attendance at Board Meetings

The details of attendance of the Directors at the Board Meeting are set out on page 57 of this Annual Report.

5. Directors' shareholdings

The details of the Directors' interest in the securities of the Company are set out in the Analysis of Shareholdings on page 135 of this Annual Report.

6. Directorships in Public Companies and Listed Issuers

Save as disclosed above, none of the Directors and Key Senior Management hold any other directorship of public companies and listed issuers.

CHAIRMAN'S STATEMENT

Dear Shareholders, Partners, and Colleagues,

It is with profound honour and gratitude that I present my inaugural Chairman's Statement to you as the newly appointed Non-Independent Non-Executive Chairman of Panda Eco System Berhad, a position I have assumed since 30 June 2025. As I reflect on the remarkable achievements of financial year 2025 ("FY2025") and the transformative journey that has brought me to this pivotal role, I am filled with optimism and renewed conviction about the extraordinary potential that lies ahead for the Group.

My journey with Panda Eco System has been one of growth and collaboration. For over three decades, I have dedicated my career to building innovative retail management solutions through Gross Synergy Sdn Bhd ("GSSB") and Day One Technology Sdn Bhd ("DOTSB"). When these two companies became part of the Panda family in June 2025, it was not merely a transaction — it was the culmination of a shared vision to reshape the retail landscape in Malaysia and beyond.

As Chairman, I remain committed to guiding the Group towards greater success and strengthening its position as a market leader.

A Transformative Year of Convergence

FY2025 will be remembered as a watershed year for Panda Eco System. The Group achieved record-breaking financial results that underscored the strength of our combined capabilities and the market's sustained demand for comprehensive retail solutions. Revenue surged to RM43.77 million, representing a 40.5% year-on-year increase from RM31.16 million in the prior year. More significantly, profit attributable to owners rose to RM9.22 million, reflecting not only top-line growth but also improved operational leverage.

The Group's strong performance was further reinforced in the fourth quarter, where revenue reached RM13.26 million, an approximately 60% year-on-year increase, and net profit reached RM2.84 million. This momentum was driven in part by the successful integration of GSSB and DOTSB, both of which have exceeded their profit guarantees for the financial year, validating our strategic decision to consolidate our operations and leverage the combined strengths of both organisations.

Against this backdrop of strong financial performance, the Group also recorded a notable shift in its revenue composition, with recurring revenue accounting for approximately 50% of total revenue. This reflects our ongoing strategic transition towards a more subscription and recurring income-based model. The increasing contribution from recurring revenue enhances earnings visibility, strengthens financial resilience, and reduces reliance on cyclical project-based activities, thereby supporting the Group's long-term sustainability and value creation objectives.

Strategic Vision and Market Leadership

Throughout my career, I have witnessed firsthand the evolution of retail technology and the critical importance of staying ahead of market trends. The retail sector is undergoing a profound transformation driven by changing consumer expectations, digital commerce, and the imperative for operational efficiency. Panda Eco System is uniquely positioned to lead this transformation.

Our mission, to build a retail ecosystem that drives revenue growth for retailers, has never been more relevant. With over 200 retailers, our solutions deployed across more than 2,000 outlets and 10,000 point-of-sale systems nationwide, we have established ourselves as the trusted partner for Malaysia's leading retailers, particularly within the supermarket and General Merchandise Store segments. Our market position is the result of more than two decades of unwavering commitment to innovation, customer success, and operational excellence.

CHAIRMAN'S STATEMENT
(CONT'D)

Strategic Vision and Market Leadership (Cont'd)

The integration of GSSB and DOTSB has expanded our technological capabilities and market reach significantly. By combining the strengths of these organisations, we now offer a more comprehensive suite of solutions that address the multifaceted needs of modern retailers. In addition, the Group's establishment of a new subsidiary early in the year, offering third-party point-of-sale and enterprise resource planning solutions with a global presence, further strengthens our ability to serve reputable and multinational retailers. Our end-to-end retail management platform, encompassing store operations, centralised headquarters management, integrated financial systems, and omni-channel engagement, represents a holistic approach to retail evolution.

Driving Synergies and Operational Excellence

As Chairman, one of my primary responsibilities is to ensure that the synergies envisioned at the time of acquisition are fully realised. I am pleased to report that our management team, under the capable leadership of Chief Executive Officer, Loo Chee Wee, has already commenced the systematic integration of our customer portfolios. This cross-selling initiative is designed to drive higher wallet share and deepen our relationships with existing clients.

We are also deploying our combined resources more efficiently across the Group, progressively achieving greater operational efficiencies. The complementary strengths of our three organisations, namely Panda Software House, GSSB, and DOTSB, are creating powerful synergies that enhance our competitive advantage and improve our ability to serve customers with greater agility and sophistication.

Governance and accountability remain paramount. Our Board is composed of experienced directors who bring diverse expertise and perspectives. We are committed to maintaining a high standard of corporate governance, transparency, and ethical conduct. These principles are not merely compliance obligations; they are fundamental to building trust with our stakeholders and ensuring sustainable business growth.

Innovation and Digital Transformation

The future of retail is inextricably linked to digital transformation. Retailers today face unprecedented challenges: evolving consumer behaviours, omni-channel expectations, supply chain complexities, and the need for real-time operational insights. Panda Eco System is at the forefront of addressing these challenges through continuous innovation.

Our commitment to research and development ensures that our solutions remain cutting-edge. We have invested in omni-channel capabilities, including e-commerce integrations, Web-based Customer Relationship Management, and advanced member loyalty applications. These offerings enable our clients to compete effectively in an increasingly digital marketplace while maintaining operational efficiency and profitability.

Looking ahead, we recognise the potential for geographic expansion. The Memorandum of Understanding signed with Tianjin Master Logistics Equipment Co., Ltd. exemplifies our proactive approach to exploring international partnerships and expanding our technological capabilities beyond Malaysia's borders. While we remain focused on deepening our presence in our home market, we are also positioning ourselves to capture opportunities in the broader Southeast Asian region and beyond.

Commitment to Sustainable and Responsible Growth

As we scale our operations, we remain acutely aware of our broader responsibilities to society and the environment. Sustainability is not a peripheral concern for us; it is integral to how we conduct business. By digitising retail operations, our solutions inherently promote paperless environments, optimise supply chain logistics to reduce environmental impact, and enhance resource efficiency for our clients.

Our core values, encompassing compliance with confidentiality, disruptive innovation, culture of excellence, diversity and inclusion, professional and ethical conduct, customer-centricity, investment beyond value, and drive for revenue growth, guide our organisational culture and decision-making. We believe that sustainable business success is built on a foundation of ethical practices, inclusive leadership, and a genuine commitment to the success of our stakeholders.

Our team of over 180 trained professionals, distributed across our headquarters in Melaka and service hubs in Kuala Lumpur, Johor Bahru, Kuantan, Kuching, and Kota Kinabalu, represents our greatest asset. We are committed to fostering a workplace culture that encourages innovation, values diversity, and provides opportunities for professional growth and development.

CHAIRMAN'S STATEMENT
(CONT'D)

Looking Forward: The Next Chapter

As I assume the role of Chairman, I recognise that FY2025 represents not an endpoint, but a launchpad for the next phase of Panda Eco System's evolution. The momentum we have built, the synergies we are beginning to realise, and the expanding market opportunities ahead position the Group well for its next stage of growth and value creation.

Our strategic priorities for the coming years include further deepening our market penetration in Malaysia, optimising the full potential of our recent acquisitions and investments, exploring new market segments within retail, and evaluating strategic opportunities for geographic expansion. We will continue to invest in technology innovation, customer success, and organisational capability building.

The retail industry is at an inflection point. Those who embrace digital transformation, invest in customer-centric solutions, and maintain operational excellence will thrive. Panda Eco System possesses all these attributes. Under the stewardship of our experienced management team and with the support of our dedicated employees and loyal customers, I am confident that we will continue to reshape the next generation of retailing.

Appreciation and Acknowledgement

I would like to express my sincere gratitude to my fellow Board members for their counsel and support during my transition into this role. I also wish to acknowledge the contributions of our former Chairman, Mr. Yap Chee Kheng, who resigned effective 1 December 2024, for his guidance during the Company's formative years as a listed entity. In addition, I would like to extend my appreciation to our Acting Chairperson, Dato' Leanne Koh Li Ann, for her leadership and stewardship during the interim period when the position of Chairman was vacant.

My appreciation extends to our management team, led by Mr. Loo Chee Wee, for their exceptional leadership and execution capabilities. To our dedicated employees across all locations, thank you for your commitment to excellence. To our customers, thank you for your continued trust in our solutions. And to our shareholders, thank you for your confidence in our vision.

Conclusion and Outlook

As we move into 2026, Panda Eco System is well-positioned for sustained growth. Our strong financial foundation, expanded capabilities, experienced leadership, and clear strategic roadmap provide us with the tools to navigate market challenges and seize emerging opportunities.

As we embark on this exciting new chapter, I am reminded of a simple truth: success is not a destination but a continuous journey of improvement, innovation, and commitment to our stakeholders.

Together, we will unlock the full potential of Panda Eco System and reshape the future of retail in Malaysia and beyond.

Thank you for your continued support.

Cheok Kian Hing
Non-Independent Non-Executive Chairman
Panda Eco System Berhad

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL YEAR ENDED 31 DECEMBER 2025

CEO'S FOREWORD

Loo Chee Wee
Chief Executive Officer / Executive Director

The financial year 2025 ("FY2025") marks another transformative chapter for Panda Eco System Berhad ("Panda" or "the Group"). Building on the momentum of our early years as a newly public listed company, we continued to strengthen our market position, expand our technological capabilities, and deliver record financial performance for the third consecutive year. FY2025 was defined by disciplined strategic execution — most notably the successful completion of the acquisitions of Gross Synergy Sdn. Bhd. ("GSSB") and Day One Technology Sdn. Bhd. ("DOTSB") on 16 June 2025 — which significantly broadened our customer base, deepened our technical expertise, and enhanced our product offerings across our Retail Management Eco-system.

During the financial year, the Group achieved revenue of RM43.77 million, representing a 40.5% increase from RM31.16 million in FY2024. Profit after tax rose to RM8.75 million, an increase of 8.3% from RM8.08 million in the preceding year. This strong performance reflects the successful integration of our newly acquired subsidiaries, continued organic growth across our business segments, and sustained demand for integrated retail technology solutions.

The acquisition of GSSB has been particularly transformational. With over 30 years of expertise in point-of-sale (POS) and inventory solutions, GSSB brings an established customer base spanning department stores, supermarkets, hardware chains, convenience stores and distribution centre. Together with DOTSB, these acquisitions have expanded our solution suite, strengthened our engineering capabilities, and enhanced our competitiveness in delivering scalable, end-to-end retail management platforms.

Beyond acquisitions, FY2025 was a year of meaningful operational expansion. On 2 January 2025, we established Centra Solutions Sdn. Bhd. ("CSSB") as a 51% subsidiary to expand our capabilities by incorporating additional third-party POS and enterprise resource planning ("ERP") solutions with global presence, aimed at serving reputable retailers. At the same time, we strengthened our footprint in central region by increasing our headcount in order to provide timely technical support and enhance customer engagement across Malaysia.

During the year, the Group also entered into a strategic collaboration with Tianjin Master Logistics Equipment Co., Ltd to introduce its integrated logistics and automated warehousing solutions to Malaysia. This partnership enhances the Group's ability to offer scalable, automation-driven supply chain solutions, complementing its existing warehouse management system and supporting operational efficiency for customers.

The retail technology landscape continues to evolve rapidly, shaped by digital transformation, regulatory reforms, and shifting consumer expectations. Our proprietary e-invoicing platform, seamlessly integrated with the Lembaga Hasil Dalam Negeri Malaysia ("LHDN") portal, enables retailers to meet compliance requirements while improving operational efficiency. At the same time, increasing adoption of omni-channel retailing and data-driven decision-making has strengthened demand for comprehensive retail management ecosystems — an area where Panda remains well positioned.

Innovation remained central to our strategy. During 2025, the Group launched three new solutions. The Retail Income Management System was introduced to streamline rebate management, while the Sub-let Rental Management System provides comprehensive rental management capabilities. In addition, the Group also introduced a Mobile POS solution, designated to enable businesses to process sales efficiently, manage inventory in real time, and track customer transactions, with support for multiple payment methods and offline operations.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

SUMMARY AND OVERVIEW OF THE GROUP'S BUSINESS

Panda Eco System Berhad and its subsidiaries ("Panda" or "the Group") are technology solutions providers specialising in retail management systems. Established in 2003 in Melaka, Malaysia, the Group has built a robust reputation for delivering comprehensive, integrated retail solutions that power chain stores nationwide.

With over two decades of industry expertise, the Group has developed a robust Retail Management Eco-system — a comprehensive suite of solutions designed to streamline and optimise retail operations. Our ecosystem covers critical operational pillars including POS, warehouse and inventory management, supply chain coordination, customer relationship management, financial reporting, and e-invoicing compliance. By seamlessly connecting stores, suppliers, and back-end functions, our platform enables retailers to integrate data across their entire retail chain, enhancing operational efficiency, strengthening internal controls, and driving actionable business intelligence. This empowers retailers to make informed, insight-led decisions that support sustainable growth.

In addition to proprietary solutions, the Group offers third-party software, IT hardware trading, and customised software development and implementation services. These offerings enable retailers to adopt tailored solutions aligned with their operational scale and strategic objectives.

In FY2025, the Group significantly strengthened its market position through the completion of strategic acquisitions of GSSB and DOTSB. These acquisitions leverage the Group's three decades of expertise in retail POS and inventory solutions to deepen our technical capabilities, broaden our customer base across diverse retail formats — including department stores, supermarkets, hardware chains, convenience stores and distribution centres — and enhanced its ability to deliver a unified retail platform. The enlarged ecosystem has unlocked significant cross-selling and upselling opportunities across our expanded client network.

As of 31 December 2025, the Group supports over 2,000 retail outlets across Peninsular and East Malaysia, Brunei, and Indonesia. Our strategic structure unifies complementary capabilities in software development, system integration, and retail technology services. This scalable platform positions us to capture the growing demand for compliant, scalable, and integrated retail solutions throughout Malaysia and the wider ASEAN region.

BUSINESS SEGMENTS

The Group's business operations comprise the following segments:

I. HQ Centralised Management, Store Operations & Financial Management Solution

Our core solution empowers retailers' headquarters to efficiently manage and monitor their entire business operations. This includes managing daily retail activities, optimising POS systems, controlling pricing and promotions, managing inventory, and ensuring seamless financial information management across their network of stores. This segment represents the backbone of our Retail Management Eco-system and is the Group's primary revenue driver.

II. xBridge B2B Solution & E-Vendor Portal

A digital supply chain platform that facilitates seamless electronic document exchange between retailers and suppliers, enabling paperless operations through the digitisation of transaction documents. The solution reduces manual processes, enhances supply chain efficiency, and supports real-time collaboration between trading parties. The growth in transaction volumes throughout FY2025 highlights increased engagement from both customers and suppliers, further bolstered by the onboarding of new participants to our network.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

BUSINESS SEGMENTS (CONT'D)

The Group's business operations comprise the following segments: (Cont'd)

III. Omni-channel Engagement Solution

Solutions that enable the comprehensive management of retailers' marketing and sales channels. This includes Customer Relationship Management ("CRM"), loyalty programmes, e-commerce platform oversight, mobile application management, digital content administration, and efficient handling of delivery assignments for e-commerce orders. The growth in this segment remained strong, reflecting a strategic shift by retailers toward enhanced customer engagement and omni-channel integration.

IV. Others

This segment comprises the trading of third-party software and IT hardware, along with software customisation, implementation, and integration services to support the deployment of our retail management solutions. This segment provides the critical building blocks for retail modernisation. We facilitate the trading of essential IT hardware and third-party financial software, complemented by expert integration and customisation services. By aligning these technical components with our proprietary retail management solutions, we enable retailers to build scalable, future-proof environments that support both current operations and long-term strategic growth.

REVIEW OF FINANCIAL PERFORMANCE

Revenue

The Group achieved record revenue of RM43.77 million in FY2025, an increase of RM12.61 million or 40.5% from RM31.16 million in FY2024. This marks the third consecutive year of record revenue for the Group. The strong topline growth was driven by:

- Full consolidation of GSSB and DOTSB from 16 June 2025 onwards, contributing approximately RM8.84 million in revenue to the Group;
- Continued organic expansion in the Retail Management Eco-system segment, with the HQ Centralised Management segment growing approximately RM1.48 million organically;
- Higher recurring subscription, maintenance, and implementation income across all solution segments; and
- Increased sales of third-party financial software, driven by the implementation of e-invoicing, which required customers to upgrade their financial module to compliance with the new requirements.

Profitability

Key Metrics	FY2025 (RM'000)	FY2024 (RM'000)
Revenue	43,772	31,161
Gross Profit	19,066	17,216
Profit Before Tax	12,284	11,083
Profit After Tax ("PAT") (Group)	8,751	8,083
PAT Attributable to Owners of the Company	9,221	8,083
Gross Profit Margin	43.6%	55.2%
Basic EPS (sen)	1.35	1.20

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

REVIEW OF FINANCIAL PERFORMANCE

Profitability (Cont'd)

Gross profit increased to RM19.07 million in FY2025, representing an increase of RM1.85 million or 10.7% from RM17.22 million in FY2024. The improvement was mainly attributable to gross profit contributions of approximately RM3.10 million from the newly acquired subsidiaries, GSSB and DOTSB. This was partially offset by higher staff cost arising from the expansion of the Group's workforce. Notwithstanding the increase in gross profit, the gross profit margin declined to 43.6% in FY2025, compared to 55.2% in FY2024. The margin compression was primarily due to higher staff costs incurred during the financial year.

The Group recorded PAT of RM8.75 million in FY2025, representing an 8.3% year-on-year increase from RM8.08 million in FY2024. The growth in PAT was mainly driven by the increase in gross profit, partially offset by operating expenses arising from the consolidation of GSSB and DOTSB during the financial year.

Segmental Performance

Segmental Revenue Contribution	FY2025 (RM'000)	FY2024 (RM'000)	Change
HQ Centralised Management, Store Operations & Financial Management Solution	30,554	20,926	+46.0%
xBridge B2B Solution & E-Vendor Portal	7,071	5,942	+19.0%
Omni-channel Engagement Solution	2,243	1,978	+13.4%
Others	3,904	2,315	+68.6%
Total Revenue	**43,772**	**31,161**	**+40.5%**

HQ Centralised Management, Store Operations & Financial Management

Revenue grew by 46.0% to RM30.55 million (FY2024: RM20.93 million), driven by a combination of organic expansion from new store implementations and recurring maintenance fees, as well as the consolidation of revenue contributed by GSSB and DOTSB. This segment remains the Group's largest revenue contributor, accounting for approximately 70% of total Group revenue in FY2025.

xBridge B2B Solution & E-Vendor Portal

Revenue increased by 19.0% to RM7.07 million (FY2024: RM5.94 million), supported by higher transaction volumes, new customers and supplier onboarding, and higher usage-based recurring subscription fees.

Omni-channel Engagement Solution

Revenue rose by 13.4% to RM2.24 million (FY2024: RM1.98 million) mainly due to higher recurring subscription fees from omni-channel customers as compared to FY2024. As the Group secured new customers and the existing customers increase the number of their outlets, the recurring revenue base expands over time, providing predictable and sustainable income.

Others

Revenue increased by 68.6% to RM3.90 million (FY2024: RM2.32 million), primarily driven by higher sales of third-party software following the implementation of e-invoicing, which prompted customers to upgrade their financial module to ensure compliance with the new requirements.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

FINANCIAL POSITION AND LIQUIDITY

The Group's total assets increased to RM63.90 million as at 31 December 2025 (FY2024: RM45.19 million), reflecting the material impact of the acquisitions completed during the year. The increase was primarily attributable to:

- Recognition of goodwill of RM9.28 million and intangible assets of RM3.92 million (after FY2025 amortisation) arising from the acquisition of GSSB and DOTSB, following the assessment and finalisation of purchase price allocation; and
- Total cash and bank balances as well as fixed deposits with licensed banks maintained at RM35.56 million (FY2024: RM34.00 million), reflecting the strength of operating cash flow generation during the year.

Total liabilities increased to RM15.71 million (FY2024: RM8.00 million), largely due to higher trade and other payables as well as contract liabilities arising from the consolidation of GSSB and DOTSB. The increase was also driven by the accrual of RM2.84 million for the profit guarantee related to GSSB and DOTSB, as it is considered more likely than not to be payable. Borrowings remain minimal at RM0.37 million, comprising lease liabilities and a small hire purchase obligation. The Group continues to maintain a near-zero bank borrowings stance, reflecting our conservative approach to financial management.

Equity attributable to owners of the Group increased to RM48.56 million as at 31 December 2025 (FY2024: RM37.20 million), underpinned by sustained profitability of RM9.22 million attributable to owners and the issuance of new ordinary shares as part of the acquisition consideration, which contributed RM5.55 million to share capital.

DIVIDENDS

The Board of Directors declared a first interim single-tier dividend of 0.25 sen per ordinary share in respect of FY2025, with an entitlement date of 6 January 2026 and payment date of 23 January 2026. In addition, the FY2024 final single-tier dividend of 0.25 sen per share was paid on 26 June 2025, amounting to RM1.68 million. Total dividends paid or payable during FY2025 amounted to RM3.41 million, representing a payout ratio of approximately 36.9% of PAT attributable to owners of the Group.

Although the Group has yet to adopt a formal dividend policy, the Board remains committed to balancing shareholder returns with the need for capital reinvestment to sustain long-term growth. The Board will continue to evaluate dividend distributions on a periodic basis, having regard to the Group's financial position, cash generation, capital requirements, and prevailing growth opportunities.

ANTICIPATED OR KNOWN RISKS

1. Reliance on Key Personnel, Talent Retention, and Technical Expertise

The technology industry demands high technical expertise, making talent acquisition and retention crucial to the Group's success in software development, project execution, business expansion, and after-sales support. The Group's continued success also depends significantly on the sustained contributions of its key management and technical personnel, whose industry knowledge and leadership are vital to our operations. Following the expansion of the Group through acquisitions, maintaining a cohesive team culture, mitigating the risk of over-reliance on specific individuals, and retaining key personnel across multiple entities remains a priority.

To address this, we are dedicated to attracting, developing, and retaining key management and top-tier technical talent through a well-rounded strategy. We place strong emphasis on employee well-being and work-life balance by offering competitive compensation packages supplemented by a comprehensive benefits suite, including outpatient general practitioner (GP) support, health insurance, dental and optical coverage, alongside Personal Accident (PA) protection.

We cultivate a dynamic workplace culture and are committed to continuous learning and upskilling through advanced training programmes and leadership development initiatives that enhance expertise, boost performance, and maximise productivity.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

ANTICIPATED OR KNOWN RISKS

2. Susceptibility to Fluctuations and Prospects of the Retail Industry

Our Retail Management Eco-system is specifically designed to cater to the evolving needs of the retail industry. As a result, our customer base primarily consists of retailers across various formats. Consequently, our performance is closely tied to the resilience of the retail sector, and any sustained downturn or structural challenges faced by the industry could have an adverse effect on our business operations and financial performance.

Despite these risks, including ongoing geopolitical tensions arising from the Iran-Israel conflict, we remain optimistic about the industry's trajectory. The conflict has contributed to heightened global energy price volatility and increased inflationary pressures, which have been widely cited as weakening consumer confidence and weighing on consumer spending in certain markets. Nevertheless, consumer spending is expected to remain supported by rising household incomes, government assistance programmes and positive employment trends. To further reduce reliance on the domestic market, we continue to expand our presence across the ASEAN region. This geographic diversification enhances long-term business resilience.

3. Rapid Technological and Retail Trend Changes

Retail management solutions are constantly evolving, driven by rapid technological advancements — most notably in Artificial Intelligence ("AI"), machine learning, and cloud computing — and by shifting industry trends. Failure to adapt promptly could render our solutions outdated and impact our competitive positioning. The retail industry is also highly dynamic, requiring our solutions to remain agile and responsive to changing market demands.

To mitigate this risk, we proactively monitor and analyse emerging technology and retail trends, enabling us to anticipate industry shifts and align our solutions accordingly. Our in-house development capabilities allow us to swiftly respond to changing retailer demands, technological advancements, and regulatory requirements. We continue to invest in AI-driven analytics, cloud-based platform development, enhanced e-invoicing integration, and omni-channel retailing tools to ensure our solutions remain competitive and relevant.

OUTLOOK AND GROWTH STRATEGIES

The retail sector continues to be a critical component of Malaysia's economic landscape. Notwithstanding global macroeconomic headwinds, Malaysia's domestic retail industry is expected to remain resilient in 2026, supported by sustained consumer spending, favourable employment conditions, and government policies aimed at strengthening household purchasing power.

As e-invoicing requirements are progressively extended to a broader range of businesses, the demand for integrated and compliant retail management platforms is expected to intensify. This regulatory tailwind, combined with growing retailer recognition of the value of data analytics, AI-driven insights, and omni-channel capabilities, creates a highly favourable environment for the Group's comprehensive solutions portfolio.

Against this backdrop, the Group will actively pursue the following growth strategies:

I. Harnessing Full Synergies across the Group

With the acquisitions of GSSB and DOTSB completed in June 2025, and CSSB established as a subsidiary in January 2025, the Group now operates a significantly expanded ecosystem with complementary strengths.

FY2026 is the year of synergy realisation, and the Group will drive cross-entity value creation through:

- Active cross-selling of Panda's Retail Management Eco-system to GSSB's and DOTSB's extensive established customer base spanning department stores, supermarkets, hardware chains, and convenience stores;
- Upselling advanced analytics, e-invoicing, omni-channel, and supply chain solutions to customers of the acquired entities who have not yet adopted these capabilities;
- Leveraging CSSB's focus on multinational retailers and reputable chains to access higher-value contracts;
- Integrating shared technical expertise, development resources, and operational best practices to drive efficiency and accelerate product innovation.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

OUTLOOK AND GROWTH STRATEGIES

I. Harnessing Full Synergies across the Group (Cont'd)

As FY2025 captured approximately seven months of contribution from GSSB and DOTSB post-acquisition, the full-year contribution in FY2026 is expected to be a meaningful revenue driver.

II. Operational Expansion

The Group continues to invest in strengthening its nationwide operational footprint to better serve our growing customer base and improve implementation efficiency:

- Identification of a suitable property to be acquired for a new headquarters in Melaka is in the pipeline, which will provide a modern, purpose-built facility to anchor the Group's long-term operational needs;
- The Central region office in Kuala Lumpur, established in FY2024, is fully operational and serving clients across the Klang Valley, East Coast and Northern region.

III. Regional Growth

The Group continues to push the boundaries of its ASEAN footprint, leveraging its readiness to tap into evolving retail ecosystems and the escalating demand for the next generation of retail solutions:

- Indonesia remains the Group's most immediate regional priority; building on the successful pilot implementation completed in FY2024, the Group is targeting a multi-store rollout with its Indonesian retail partner in FY2026;
- Our presence in Brunei continues to grow, with the Japanese retail franchise store onboarded in FY2024 providing the foundation for further new client acquisition;
- By leveraging the synergies within our expanded organisation, we are well-positioned to replicate our proven model in high-potential markets across the neighbouring region.

IV. Innovation and New Product Development

Innovation remains a cornerstone of the Group's competitive strategy. In FY2025, the Group delivered on its product roadmap commitments with the successful introduction of the Sub-let Rental Management System, Retail Income Management System, and Mobile POS. Looking ahead, the Group will continue to invest in:

- Cloud-based retail management modules, offering scalability and flexibility to customers of varying sizes and operational complexity;
- AI-driven analytics capabilities embedded across our eco-system, enabling retailers to make smarter, data-driven decisions on inventory optimisation, pricing strategy, and personalised customer engagement;
- Enhanced integration with the LHDN e-invoicing portal, ensuring full compliance as the mandate progressively extends to a broader universe of businesses;
- New solution modules targeting unserved operational needs, driven by insights from our enlarged and diversified customer base.

APPRECIATION AND ACKNOWLEDGEMENT

As we reflect on FY2025 — a year of transformative growth, successful acquisitions, and sustained financial performance — I would like to express my sincere appreciation to all stakeholders who have contributed to the continued success of Panda Eco System Berhad.

To our employees across all Group entities: your dedication, professionalism, and collaborative spirit have been exceptional. The integration of GSSB, DOTSB, and CSSB into the Group was a significant undertaking, and your commitment has ensured a smooth and positive transition. I commend each of you for your hard work and the pride you bring to your roles.

To our shareholders: your continued trust and confidence in the Group's strategy and leadership provide us with the conviction to pursue our long-term vision with ambition and discipline. We remain deeply committed to delivering sustainable and growing shareholder value.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

APPRECIATION AND ACKNOWLEDGEMENT

To our customers and business partners: your loyalty and confidence are our greatest motivation. We are privileged to be your technology partner and remain committed to delivering solutions that empower your businesses to thrive in an ever-evolving retail landscape.

I would also like to warmly welcome the teams from Gross Synergy Sdn Bhd, Day One Technology Sdn Bhd, and Centra Solutions Sdn Bhd to the Panda Group family. Your experience, expertise, and customer relationships are invaluable assets that significantly strengthen our combined capabilities and market position.

I extend my gratitude to the Board of Directors for their strategic guidance, governance, and steadfast support throughout this transformative year. Their insights and wisdom have been invaluable in navigating both the opportunities and challenges that defined FY2025.

Entering the next fiscal year (FY2026), Panda Eco System Berhad is poised for success. We are moving forward with an expanded ecosystem, significantly enhanced capabilities, an increasing regional presence, and a highly motivated team committed to our common vision.

We are confident in our ability to create long-term value for all stakeholders and to play a meaningful role in shaping the future of retail technology across Malaysia and the ASEAN region. Together, we will continue to shape a future characterised by progress, innovation, sustainability, and shared success.

Loo Chee Wee
Chief Executive Officer / Executive Director Panda Eco System Berhad

SUSTAINABILITY STATEMENT

CEO MESSAGE

At Panda Eco System Berhad ("Panda Eco System" or "Group"), sustainability remains integral to our long-term strategy and operational discipline. As we progress beyond our initial years as a listed company, our focus has evolved from establishing foundational practices to strengthening governance, enhancing resilience, and embedding sustainability considerations more systematically into our decision-making processes.

The financial year ended 31 December 2025 ("FY2025") marked a year of measured advancement. As an Information and Communication Technology-driven enterprise, we initiated a strategic transition towards AI-augmented software engineering to improve development efficiency, strengthen code quality, and enhance our ability to better serve customers in an increasingly digital marketplace. This transformation is being approached responsibly, with careful evaluation of tools, governance considerations and secure coding practices. Cybersecurity continued to be a key focus, with enhanced monitoring, threat detection, and updated protocols to safeguard data integrity and system resilience.

From a sustainability perspective, the Group continues to enhance governance, oversight, and reporting practices. We are focused on maturing our sustainability disclosures, refining performance indicators, and strengthening the linkage between environmental, social and governance ("ESG") considerations and strategic decision-making.

Sustainability is a progressive journey. As the business grows, we remain committed to continuous improvement, responsible growth, and long-term value creation, guided by the collective efforts of our employees, partners, and stakeholders.

Chief Executive Officer / Executive Director

ABOUT THIS SUSTAINABILITY STATEMENT

This Sustainability Statement demonstrates Panda Eco System's dedication to sustainability, detailing our commitments, initiatives, and performance outcomes for the FY2025. As a listed Information and Communication Technology solutions provider, we recognise that sustainability is integral to long-term business resilience and responsible growth. Having established our foundational sustainability framework in prior years, FY2025 reflects a continued strengthening of governance oversight, risk integration, and operational discipline. We are unwavering in embedding sustainability into our strategy, risk management, and daily operations.

This Sustainability Statement outlines our governance structure, material sustainability matters, key initiatives undertaken during the year, and performance indicators where available, to create sustainable value for our stakeholders while supporting the Group's continued expansion.

Scope of this Statement

This Sustainability Statement covers all operations under the Group's governance authority and management oversight, including Panda Eco System and its principal subsidiaries, except for Gross Synergy Sdn. Bhd. and Day One Technology Sdn. Bhd., which were newly acquired during the reporting period and are currently undergoing integration. As such, they are excluded from the reporting scope for this year.

As the Group strengthens and expands, we are progressively enhancing our data collection processes to improve consistency and comparability across entities. We have taken comprehensive steps to disclose sustainability matters that are most material to our business and stakeholders. Unless otherwise specified, all data in this Statement is sourced internally, reflecting our commitment to transparency and accountability.

SUSTAINABILITY STATEMENT
(CONT'D)

ABOUT THIS SUSTAINABILITY STATEMENT (CONT'D)

Reporting Period, Standards and Guidelines

This Statement covers our sustainability performance for the financial year from 1 January 2025 to 31 December 2025, unless otherwise stated.

It has been prepared in accordance with:

- Bursa Malaysia Securities Berhad ("Bursa Securities") ACE Market Listing Requirements
- Bursa Malaysia Sustainability Reporting Guide (3rd Edition)

Reporting Quality & Data Assurance

At Panda Eco System, we uphold high standards of transparency, accuracy, and accountability in sustainability reporting. All non-financial data and information disclosed in this report are sourced internally from the Group of Companies. Performance data is diligently compiled by the relevant operational departments, reviewed by senior management and respective data owners, and subsequently overseen by the Board. Although the FY2025 Sustainability Statement has not undergone external assurance, robust internal review mechanisms are firmly in place to safeguard data reliability and reporting discipline. As part of our sustainability journey, we are continuously strengthening internal monitoring systems and refining methodologies to ensure even greater robustness in future disclosures.

Limitations and Exclusions

We are committed to transparent and comprehensive sustainability reporting. While certain non-financial and sustainability-related data may be influenced by evolving methodologies, varying reporting capabilities, and data availability, these factors are a natural part of advancing sustainability practices. As an Information and Communication Technology-driven enterprise, certain conventional sustainability metrics may be less directly applicable to our business model. We therefore focus on indicators most relevant to our operations, including energy usage, workforce development, governance practices and IT hardware lifecycle management. This report excludes entities and operations outside the defined reporting boundary. Where estimates are used, they are based on the best available information at the time of reporting. We remain committed to progressively enhancing the scope and quality of our disclosures as our governance and reporting processes mature.

Forward-Looking Statements

This Sustainability Statement may contain forward-looking statements relating to the Group's goals, strategies, operations and projected figures. These statements are based on current assumptions and information available as at the date of this report. Actual results may differ due to factors such as market conditions, regulatory developments and technological changes. The Group undertakes no obligation to update such statements unless required by applicable laws and regulations.

Stakeholder Feedback

As part of our commitment to continuous improvement, we welcome constructive feedback from our stakeholders on our sustainability practices, disclosures and areas for enhancement. Engagement with stakeholders remains essential as we strengthen the integration of sustainability considerations into our governance framework. We invite you to share your comments, enquiries or suggestions regarding this Sustainability Statement by contacting us at: info@panda-eco.com

Your feedback is valued as we continue refining our sustainability approach and enhancing transparency in our reporting.

SUSTAINABILITY STATEMENT
(CONT'D)

ABOUT THIS SUSTAINABILITY STATEMENT (CONT'D)

Our Approach to Sustainability

At the core of our business is a commitment to sustainability, guiding our approach across economic, environmental, social, and governance dimensions. Embedding sustainability into our operations enhances our ability to manage risks, capture opportunities, and create long-term value for our stakeholders and society.

A robust sustainability approach enables the Group to navigate evolving stakeholder expectations, customer needs, market dynamics, and regulatory requirements. During the financial year, we continued to build on the foundation established in the prior year, with ongoing efforts to strengthen our sustainability framework and enhance internal alignment across the Group. While progress remains gradual, the framework continues to guide our approach toward continuous improvement and meaningful impact.

Looking ahead, the Group is focused on leveraging innovation to enhance sustainability outcomes. Initiatives such as AI-assisted software development and Augmented Data Management are being explored to improve operational efficiency, enhance data-driven decision-making, and support more effective monitoring and reporting of sustainability performance.

The Group remains committed to continuously reviewing and refining its sustainability strategy and framework to ensure its relevance in an evolving landscape, in line with applicable best practices, industry standards, and stakeholder expectations. Through ongoing enhancements, we aim to drive sustainable value creation and deliver a positive impact on the economy, environment, society, and our business operations.

SUSTAINABILITY FRAMEWORK

Board Oversight

Enterprise Risk Management Framework

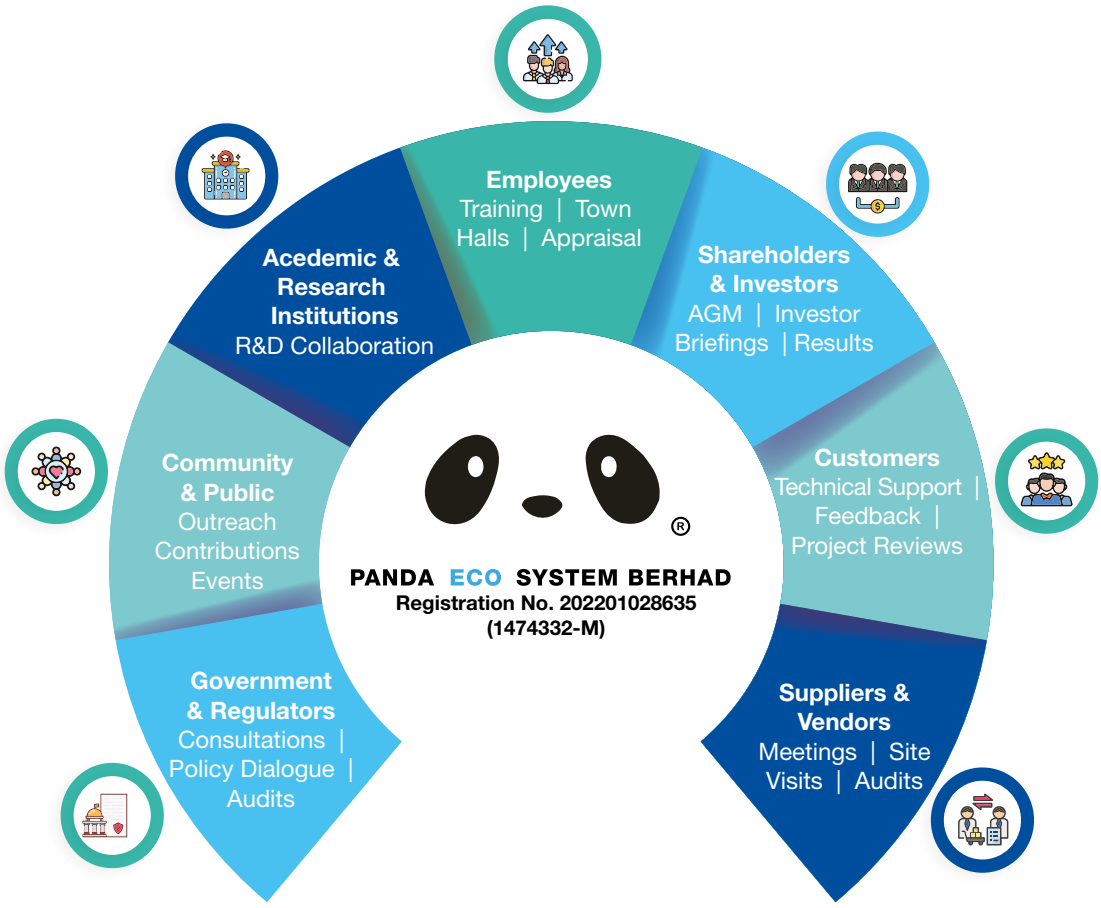
Economic	Environment	Social	Governance
Drive sustainable earnings growth for stakeholders and continue to uphold integrity, responsibility, and strive for long-term value creation.	Committed to minimising environmental footprint from operations and promoting long-term environmental responsibility.	Committed to human rights, ensuring fair labor practices, and promoting ethical and inclusive business practices.	Ensure ethical, transparent, and responsible business practices while strictly complying with regulations.
Area of Focus: • Sustainable Growth & Profitability • Economic & Social Contribution • Risk Management & Resilience • Strategic Shift to AI-Driven Software Engineering & Data Governance	**Area of Focus:** • Climate Change & Carbon Footprint • Resource Efficiency • Regulatory Compliance & Standards Compliance with Environmental Regulations • Environment protection & Energy sustainability	**Area of Focus:** • Employee Wellbeing & Engagement • Labor Practices & Human Rights • Community Engagement & Social Impact • Diversity & Inclusion • Enhancing connectivity & bridging the digital divide	**Area of Focus:** • Board Oversight & Accountability • Regulatory Compliance • Business Ethics & Integrity • Risk Management & Internal Controls

SUSTAINABILITY STATEMENT
(CONT'D)

SUSTAINABILITY GOVERNANCE

At Panda Eco System, we are committed to sustainable and resilient growth. Sustainability considerations are progressively embedded into the Group's operational processes and risk management practices to support accountability and long-term value creation. While a standalone Sustainability Committee has not yet been established, governance of sustainability remains part of the broader responsibilities of Management. At present, senior management actively oversees sustainability operations, ensuring that disclosures, monitoring, and performance reviews are aligned with the Group's growth and business development. This governance approach will continue to evolve in line with our strategic priorities.

STAKEHOLDER ENGAGEMENT



At Panda Eco System, we continue to recognise that effective stakeholder engagement is key to embedding sustainability considerations into our operations and driving long-term value. Our stakeholders include individuals, groups, or entities that influence or are impacted by our activities. During the financial year, as part of our ongoing stakeholder identification process, we have expanded our key stakeholder group from six (6) to seven (7), following the inclusion of an additional stakeholder group. This enhancement reflects our commitment to ensuring a more comprehensive and inclusive approach to stakeholder engagement.

Through a structured and continuous engagement, we aim to strengthen stakeholder relationships, promote transparency, and further refine our sustainability strategies to create sustainable and shared value for all stakeholders.

SUSTAINABILITY STATEMENT
(CONT'D)

STAKEHOLDER ENGAGEMENT (CONT'D)

The table below summarises our key stakeholder groups, their primary areas of interest, and our engagement approaches during the financial year.

Stakeholder Group	Area of Interest	Engagement Approach
Employees	• Career development and digital skill • Job security and business stability • Competitive remuneration & benefits • Equal opportunity • Diversity and inclusion • Work-life balance • Labour and human rights	• Technical and soft skills training • AI workflow transition briefings • Annual performance appraisal • Townhall sessions • Newsletters, email communications and social media • Formal and informal meetings/discussions • Staff engagement sessions • Festive season programmes
Shareholders, Investors & Analysts	• Financial performance and prospects • Business outlook • Growth strategy and innovation • Shareholder value creation • Risk management discipline • ESG practices and sustainability	• Annual & Extraordinary General Meetings • Company announcements on Bursa and news • Investor briefings • Small Group Meetings • Financial results disclosures • Annual Report • Corporate website
Customers	• Service reliability and system stability • Timely project delivery • Innovation and digital capabilities • Building and retaining long-term relationship • Customer satisfaction • Service quality	• Customer technical support • Timely delivery of projects • Customer feedback channels • Project and training evaluation
Suppliers and Vendors	• Fair procurement practices • Consistent and timely delivery of equipment • Building and retaining long-term relationship • Responsible and sustainable business conduct	• Virtual and physical meetings • Operational coordination • Constant and regular communications • Solution piloting • New product webinar • Supplier performance evaluations
Government & Regulatory Authorities	• Corporate governance • Regulatory compliance • Data protection obligations	• Regulatory submissions & disclosures • Audits and inspections • Meetings • Dialogues • MDEC reporting
Community & Public	• Local socio-economic development • Environmental awareness • Community Wellbeing and Engagement	• Innovation programmes • Corporate website • Collaborating on green initiatives • Supporting local initiatives and sponsorship • Feedback channel
Acedemic & Research Institutions	• Innovation and emerging technologies • Ethical AI and Digital Responsibility • Sustainability methodology • Talent development and knowledge transfer	• Joint research projects, pilot programmes and knowledge sharing forums • Co-developing frameworks • Collaborating on environmental risk assessments • Internship, site visit and career fair • Memorandum of Understanding

SUSTAINABILITY STATEMENT
(CONT'D)

MATERIALITY ASSESSMENT

At Panda Eco System, sustainability remains closely aligned with our business strategy and stakeholders expectations. Materiality assessment is a key process that enables the Group to identify Economic, Environmental, Social and Governance ("EESG") matters that present both risks and opportunities to our operations and long-term value creation.

Approach in FY2025

Following our initial internal materiality assessment in FY2024, the Group continued refining this process in FY2025. The leadership team oversaw the review, prioritisation and validation of material matters, taking into consideration stakeholders feedback, the Group's business strategy and growth initiatives, emerging technology-related risks and opportunities, and operational and compliance considerations. In identifying and validating sustainability priorities, the Group continues to reference the United Nations Sustainable Development Goals (UN SDGs), ensuring relevance to the Group's business model. Building on the FY2024 baseline, the FY2025 assessment incorporates new considerations arising from business evolution, technological advancement, and the Group's ongoing efforts to embed sustainability considerations more systematically into decision-making.

Updated Material Matters for FY2025

In FY2025, the Group reviewed its material sustainability matters to better reflect operational realities, emerging technology trends, and evolving stakeholders expectations. Building upon the FY2024 baseline, the Group refined and expanded selected priorities to align with business strategy and risk considerations.

In particular, below are the key enhancements were introduced to strengthen alignment with the Group's strategic direction:

- Strategic Shift to AI-Driven Software Engineering & Data Governance
- Diversity & Inclusion: Enhancing Connectivity & Bridging the Digital Divide
- Cybersecurity & Data Protection

These additions reflect the Group's transition toward a more structured sustainability integration and innovation-driven growth.

SUSTAINABILITY STATEMENT
(CONT'D)

MATERIALITY ASSESSMENT (CONT'D)

Pillar	Material Matter	Relevant UN SDG	Contribution & Rationale
Economic	Financial Performance & Shareholder Value	• SDG 8 – Decent Work and Economic Growth • SDG 9 – Industry, Innovation and Infrastructure	Sustained profitability, dividend distribution and retained earnings growth support economic stability, employment and long-term value creation.
	Local Economic Contribution	• SDG 8 – Decent Work and Economic Growth	Competitive remuneration, incentives and workforce expansion contribute to income generation and local economic participation.
	Strategic Shift to AI-Driven Software Engineering	• SDG 9 – Industry, Innovation and Infrastructure • SDG 8 – Decent Work and Economic Growth	AI-driven development enhances productivity, strengthens digital infrastructure capability and safeguards competitiveness in a rapidly evolving technology landscape.
Environment	Resource Efficiency	• SDG 12 – Responsible Consumption and Production	Digital solutions reduce paper usage and optimise operational processes; internal energy-saving practices promote responsible resource use.
	Sustainable Sourcing	• SDG 12 – Responsible Consumption and Production	IT hardware lifecycle management, refurbishment and recycling initiatives support circular economy principles.
	Environmental Compliance	• SDG 16 – Peace, Justice and Strong Institutions	Zero environmental violations demonstrate regulatory accountability and responsible corporate governance.
	Environmental Protection & Energy Sustainability	• SDG 12 – Responsible Consumption and Production • SDG 13 – Climate Action	Solar energy utilisation, reduce carbon footprint through adoption of renewable energy
Social	Human Rights & Fair Labour Practices	• SDG 8 – Decent Work and Economic Growth • SDG 10 – Reduced Inequalities	Upholding fair employment standards and workplace equality supports inclusive economic participation.
	Training & Development	• SDG 4 – Quality Education	Continuous employee development, including technology and cybersecurity awareness initiatives, enhances workforce capability and resilience.
	Employee Well-being & Workplace Safety	• SDG 3 – Good Health and Well-being	Medical coverage, insurance and wellness initiatives promote a safe and healthy working environment.
	Enhancing Connectivity & Bridging the Digital Divide	• SDG 9 – Industry, Innovation and Infrastructure • SDG 10 – Reduced Inequalities	Delivers cloud-based real-time ERP solutions for retailers, enabling inclusive access to digital tools and supporting sustainable, energy-efficient operations.
	Diversity & Inclusion	• SDG 5 Gender Equality w	Diversity and Inclusion Metrics

SUSTAINABILITY STATEMENT
(CONT'D)

MATERIALITY ASSESSMENT (CONT'D)

Pillar	Material Matter	Relevant UN SDG	Contribution & Rationale
Governance	Regulatory Compliance	• SDG 16 – Peace, Justice and Strong Institutions	Strong compliance culture reinforces transparency, accountability and institutional integrity.
	Board Diversity	• SDG 5 – Gender Equality • SDG 16 – Peace, Justice and Strong Institutions	Diverse board composition enhances governance quality and balanced decision-making.
	Ethical Business Practices & Integrity	• SDG 16 – Peace, Justice and Strong Institutions	Anti-corruption briefing and zero confirmed violations demonstrate ethical conduct and responsible leadership.
	Cybersecurity & Data Protection	• SDG 9 – Industry, Innovation and Infrastructure • SDG 16 – Peace, Justice and Strong Institutions	Strengthened cybersecurity framework through cybersecurity awareness training and safeguards, protecting digital infrastructure, customer data and maintaining stakeholders trust.

1 ECONOMIC

As a listed technology company, Panda Eco System's economic responsibility extends beyond financial performance. We are committed to delivering sustainable long-term value while strengthening innovation, resilience and stakeholders trust. In FY2025, economic sustainability was further anchored by our strategic emphasis on AI-driven software engineering and technology enhancement.

We continue to drive growth through financial discipline, innovation, operational efficiency and prudent capital management, while exploring opportunities to integrate ESG considerations into our enterprise risk management framework.

1.1) Financial Performance

For the FY2025, the Group recorded revenue of RM43.77 million, representing an increase of RM12.61 million compared to RM31.16 million in the preceding year. The growth was primarily driven by the full consolidation of Gross Synergy Sdn. Bhd. ("GSSB") and Day One Technology Sdn. Bhd. ("DOTSB"), from 16 June 2025, following the completion of the acquisitions of these companies, which contributed approximately RM8.84 million. Beyond the impact of these acquisitions, the Group's revenue was further supported by organic growth in the Retail Management Eco-system, covering HQ Centralised Management, Store Operations, and Financial Management, contributed an additional RM1.48 million; recurring subscription, maintenance, and solution implementation income across all segments, contributed an additional RM1.23 million and sales of IT hardware and third-party software contributed an additional RM0.72 million.

Gross profit increased by RM1.85 million to RM19.07 million (FY2024: RM17.22 million), supported largely by gross profit contributions of RM3.10 million from GSSB and DOTSB, although partially offset by higher staff costs arising from additional headcount during the year. Consequently, profit before tax rose by RM1.20 million to RM12.28 million compared to RM11.08 million in FY2024, in line with the improvement in gross profit, however, partially offset by operating expenses arising from the consolidation of GSSB and DOTSB during the financial year.

As the Group continues to deliver revenue growth and profitability, we remains focused on maintaining a strong balance sheet and healthy cash flow. This financial resilience supports our ability to pursue growth opportunities, strengthen our capabilities, and navigate an increasingly competitive retail landscape.

Further details are disclosed in the Management Discussion & Analysis section.

SUSTAINABILITY STATEMENT
(CONT'D)

1 ECONOMIC (CONT'D)

1.2) Shareholder Value

In FY2025, Panda Eco System continued to strengthen shareholder value through disciplined earnings growth, prudent capital management, and consistent governance practices. The Group declared a first interim single-tier dividend of 0.25 sen per ordinary share on 19 December 2025, reflecting the Board's commitment to delivering sustainable returns while preserving financial flexibility.

Equity attributable to owners of the Company increased to RM48.56 million as at 31 December 2025 (FY2024: RM37.20 million), supported by growth in retained earnings and an increase in paid-up share capital following the acquisitions of GSSB and DOTSB during the financial year. Retained earnings rose to RM26.08 million (FY2024: RM20.26 million), underpinned by profit attributable to owners of RM9.22 million for the financial year. This improvement strengthen the Group's capital base and supports long-term expansion initiatives. Correspondingly, net assets per share improved to RM0.07 (FY2024: RM0.06).

The Board evaluates dividend distributions prudently, taking into consideration profitability, operating cash flows, funding requirements for growth initiatives, and overall financial resilience. This balanced approach ensures that Panda Eco System remains well-positioned to pursue strategic opportunities while sustaining long-term value creation for shareholders.

1.3) Strategic Shift to AI-Driven Software Engineering

In FY2025, the Group initiated AI-driven software development as part of its innovation agenda. These early-stage efforts are focused on exploring AI-enabled workflows and tools to enhance efficiency and capability. Under the steer of the Chief Technology Officer, the Software Development Engineering team is actively gearing up to support this transformation. Full-scale implementation is planned for FY2026 as the Group continues to develop and integrate its AI capabilities.

1.4) Local Economic Contribution

The Group continues to support domestic economic growth:

- Majority of supplies sourced locally
- 100% locally employed workforce
- Ongoing skill development initiatives

This reinforces our role in strengthening Malaysia's digital ecosystem while contributing to local employment and capability development.

Employee Remuneration

Beyond financial performance, the Group's contribution to the local economy is reflected through responsible employment practices and fair remuneration. We remain committed to providing competitive and comprehensive compensation packages that support both employee well-being and long-term talent retention. This includes competitive base salaries aligned with market benchmarks, as well as performance recognition and incentive programme that reward contribution and accountability.

In addition, employees are provided with a comprehensive benefits suite, including outpatient general practitioner (GP) support, health insurance, dental and optical coverage, and Personal Accident (PA) protection to safeguard their welfare. We also promote wellness initiatives to support a healthy and sustainable workforce.

Through these measures, the Group not only enhances employee' financial security, but also strengthens organisational resilience and supports sustainable economic participation within the communities in which we operate.

SUSTAINABILITY STATEMENT
(CONT'D)

2. ENVIRONMENT

As an Information and Communication Technology-driven solutions provider, Panda Eco System's environmental footprint remains relatively low compared to asset-heavy industries. Nevertheless, we recognise that responsible environmental management is essential to long-term resilience, operational efficiency and stakeholders trust.

Building upon the foundational initiatives introduced in FY2024, FY2025 marks a refinement of our environmental priorities under four material matters: Resource Efficiency, Sustainable Sourcing, Environmental Protection & Energy Sustainability, and Environmental Compliance. This structured approach better reflects the operational realities of a pure-play IT entity while strengthening measurement, governance and long-term sustainability integration.

2.1) Resource Efficiency

Resource efficiency focuses on how effectively we utilise energy, water and digital infrastructure within our operational footprint.

2.1.1) Eco-Efficient Solutions & Digital Transformation

Our Retail Management Eco-system continues to drive operational optimisation by integrating retail functions into seamless digital workflows. By reducing reliance on paper-based documentation and manual processes, our B2B solution and E-vendor portal facilitate fully digital document exchanges between retailers and suppliers. This reduces physical paperwork, streamlines communication and minimises material waste across the retail value chain. Through automation and digital transformation, our solutions enable customers to operate more efficiently while indirectly contributing to environmental sustainability.

2.1.2) Workplace Energy Efficiency

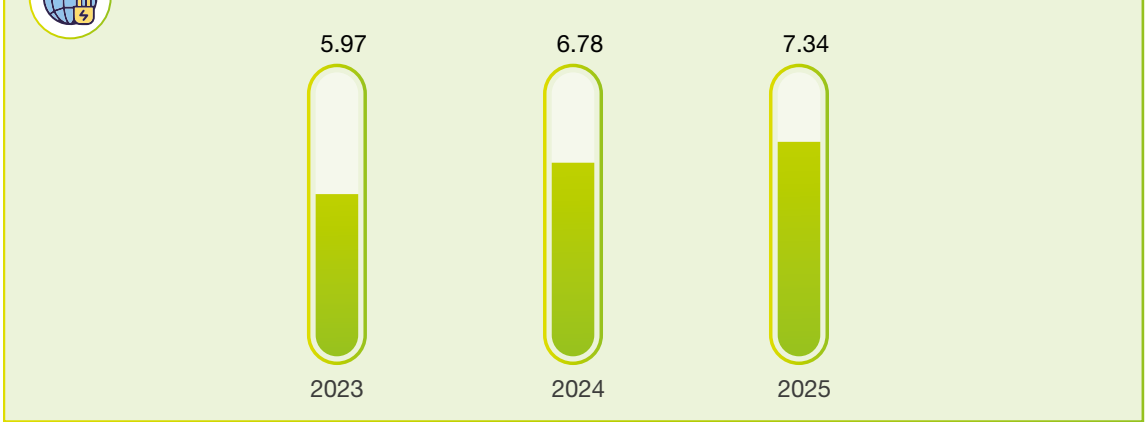
Electricity remains the Group's primary operational resource, powering lighting, air-conditioning, workstations and server infrastructure. While our operations generate minimal direct emissions, electricity usage contributes indirectly to our carbon footprint.

The Group continues to build on the FY2024 initiatives which includes the following:

- 100% LED lighting across office compounds
- Responsible air-conditioning temperature settings
- Promote eco-friendly office
- Switch-off practices for lights, computers and monitors

In FY2025, we enhanced our monitoring practices to improve visibility over energy consumption trends. As part of this measurable approach, we began tracking Energy Intensity, measured as office kilowatt-hour (kWh) usage per square foot. This allows us to assess operational efficiency as the organisation grows and better align energy management with our expansion.

Electricity Usage Per Square Foot (Kwh/Sq Ft)



SUSTAINABILITY STATEMENT
(CONT'D)

2. ENVIRONMENT (CONT'D)

2.1) Resource Efficiency (Cont'd)

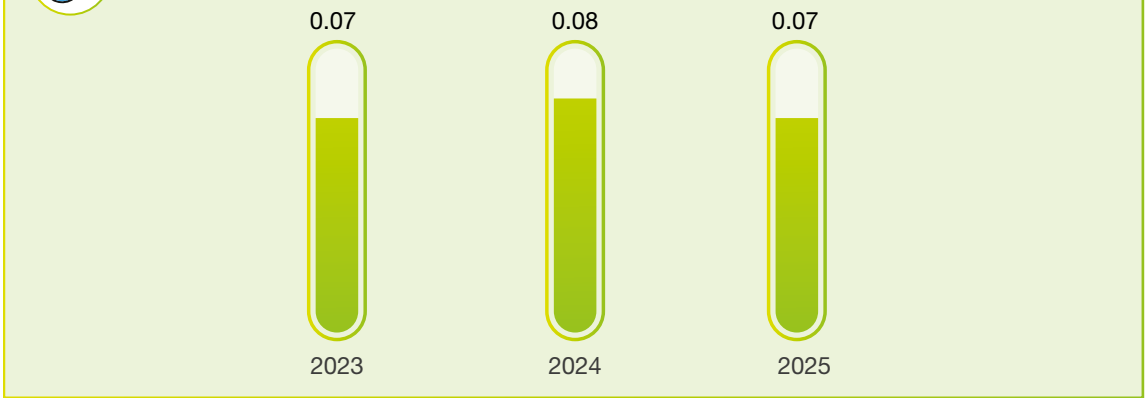
2.1.2) Workplace Energy Efficiency (Cont'd)

Electricity cost per square foot increased from Year 1 to Year 2, despite the overall office floor area remaining largely unchanged. The increase was primarily due to the establishment of centra region office in a commercial office building, where commercial electricity rates are relatively higher, and additional headcount for headquarters. In Year 3, electricity cost further increased due to additional office units and an increase of approximately 60 employees, reflecting expanded operations and workforce growth. In addition to office operations, electricity consumption is influenced by digital infrastructure, including workstations, servers, and networking equipment required to support software development activities. As the organisation scales and headcount grows, monitoring Energy Intensity (kWh per square foot) helps identify efficiency opportunities and optimise energy usage.

2.1.3) Water Management

Water consumption remains minimal to domestic office use. Since FY2024, Automated water gauge have been installed at our headquarters washrooms to enable real-time monitoring, regulate water flow, and prevent unnecessary wastage. Through continued optimisation and employee awareness, we aim to progressively reduce our water footprint while reinforcing responsible resource stewardship.

Water usage per square foot (m3/sq ft)



2.2) Sustainable Sourcing

This material matter focuses on material usage, procurement discipline and lifecycle accountability. As identified in FY2024, waste generated from our operations primarily arises from IT hardware, equipment packaging and general office materials. In FY2025, the Group strengthened its lifecycle management approach to support circular economy principles.

2.2.1) Waste Management – Reducing Waste at the Source

The Group adopts a proactive approach to waste reduction by addressing it at the source of generation. In FY2025, procurement optimisation efforts were strengthened to minimise excess packaging and unnecessary material use, while digital documentation initiatives continued to reduce reliance on paper across operational workflows. Office supply management processes were also streamlined to limit avoidable consumption and improve resource efficiency. These initiatives reflect the Group's progression from general waste awareness in FY2024 toward more structured and measurable waste management practices in FY2025. As part of this effort, the Group introduced a recycling campaign at its headquarters in December 2025. Under this initiative, recyclable materials are collected and managed by an external recycling partner through a scheduled collection service, ensuring that recyclable waste is handled responsibly and diverted from general disposal streams.

SUSTAINABILITY STATEMENT
(CONT'D)

2. ENVIRONMENT (CONT'D)

2.2) Sustainable Sourcing (Cont'd)

2.2.2) Hardware Reuse, Refurbishment & E-Waste Lifecycle

To extend the lifespan of IT hardware and office equipment, the Group strengthened its approach to hardware lifecycle management in FY2025. Functional devices are reallocated internally wherever possible to prevent premature disposal and maximise their useful life. As part of an ongoing initiative to optimise asset utilisation, the Group is currently undertaking a review and clean-up of older hardware assets. Faulty units that can no longer be used will be responsibly recycled through appropriate e-waste channels, while functional laptops and monitors may be offered to employees at a nominal fee. This initiative helps reduce electronic waste while providing equipment with a second lifecycle beyond corporate use. Through these measures, the Group is progressively formalising its e-waste lifecycle management practices, supporting circular resource use, reducing environmental burden and improving the overall efficiency of hardware utilisation prior to end-of-life treatment.

2.3) Environmental Compliance

Environmental compliance remains a non-negotiable element of our governance framework. Consistent with FY2024, the Group recorded zero environmental fines, penalties or non-compliance cases in FY2025. Regulatory obligations are monitored across headquarters and service hubs to ensure continued adherence to applicable environmental laws.

2.4) Environmental Protection & Energy Sustainability

2.4.1) Climate Change & Emissions

Although our solutions-based model generates minimal direct air emissions, we acknowledge our responsibility to manage indirect greenhouse gas impact arising from electricity consumption and digital infrastructure usage. Rather than attempting to measure immaterial industrial waste, FY2025 prioritised measurable and operationally relevant indicators, the "obvious tangibles" within our control.

These include:

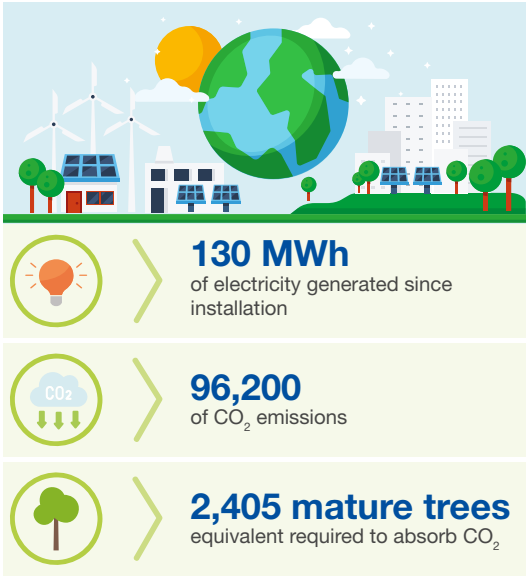
- Energy Intensity: Tracking office kWh usage relative to sq foot
- Cloud Efficiency: Evaluating the carbon implications of hosted environments and server utilisation
- Structured electricity monitoring

2.4.2) Solar Energy Initiative

A key long-term initiative under our Green Energy Project is the 25.5 kWp rooftop solar photovoltaic system installed at our headquarters in May 2022.

Since installation, our solar energy system has generated 130 MWh (cutoff date = 31 Dec 2025) of clean electricity, avoiding approximately 96,200 kg of CO_2 emissions (Based on Malaysia's Grid Emission Factors (2024 provisional values of 0.740 kg CO_2 / kWh) . This impact is equivalent to the annual carbon absorption of about 2,405 mature trees. (Based on the estimation that 1 mature tree can absorb 40kg CO_2 per year)

The solar installation forms part of our broader decarbonisation approach and reinforces our commitment to renewable energy adoption.



SUSTAINABILITY STATEMENT
(CONT'D)

2. ENVIRONMENT (CONT'D)

2.4) Environmental Protection & Energy Sustainability (Cont'd)

2.4.3) Biodiversity

At Panda Eco System, biodiversity is the cornerstone of a resilient and sustainable environment. While our operations are not located in biodiversity-sensitive areas and have minimal direct impact on our ecosystems, we understand the broader responsibility of safeguarding nature. Our commitment extends beyond compliance, as we actively embrace sustainable business practices that reduce environmental impact and support global biodiversity conservation efforts. By integrating eco-conscious strategies into our operations, we contribute to preserving natural resources, ensuring a thriving environment for future generations.

3. SOCIAL

The Group firmly believes that our human capital is the cornerstone of our achievements and the driving force behind our ongoing success. To ensure lasting success, we are committed to upholding the high-level human rights and labour practices standards, treating every individual with respect, dignity, and fairness. As we continue to grow and evolve, we remain steadfast in our dedication to attracting, developing, and retaining top-tier talent. We prioritise creating a dynamic, inclusive, and supportive workplace where every employee has the opportunity to thrive. We are deeply committed to adhering to labour rules, regulations, and international standards. Our ethical decisions and actions reflect our dedication to making a positive impact on both our employees and the communities in which we operate. By fostering a culture of trust, loyalty, and a strong sense of belonging, we lay the foundation for long-term success. We believe that our unwavering dedication to human rights and labour standards is key to driving innovation, growth, and shared prosperity, ensuring that our people continue to thrive alongside the company.

3.1) Human Rights & Fair Labour Practices

Panda Eco System continues to uphold responsible labour standards across all operating entities, guided by our Code of Conduct, which reinforces expectations around dignity, respect, and the prohibition of forced and child labour.

During FY2025, the Group expanded significantly following the acquisition of new subsidiaries, increasing our workforce from 117 to 234 employees. Amid this growth, there were no recorded human rights grievances, labour disputes, whistleblowing reports, or incidents of harassment or bullying.

As the Group grows, we continue to embed fair employment practices and a positive workplace culture as integral components of our risk management approach, supporting employee well-being, retention, and operational resilience across all entities.

3.2) Diversity & Inclusion

Panda Eco System remains committed to fostering an inclusive workplace that is free from all forms of discrimination. This commitment is embedded in our Code of Conduct, which guides our organisational values and expected behaviours. Any breaches are addresed through appropriate disciplinary measures to uphold integrity and accountability.

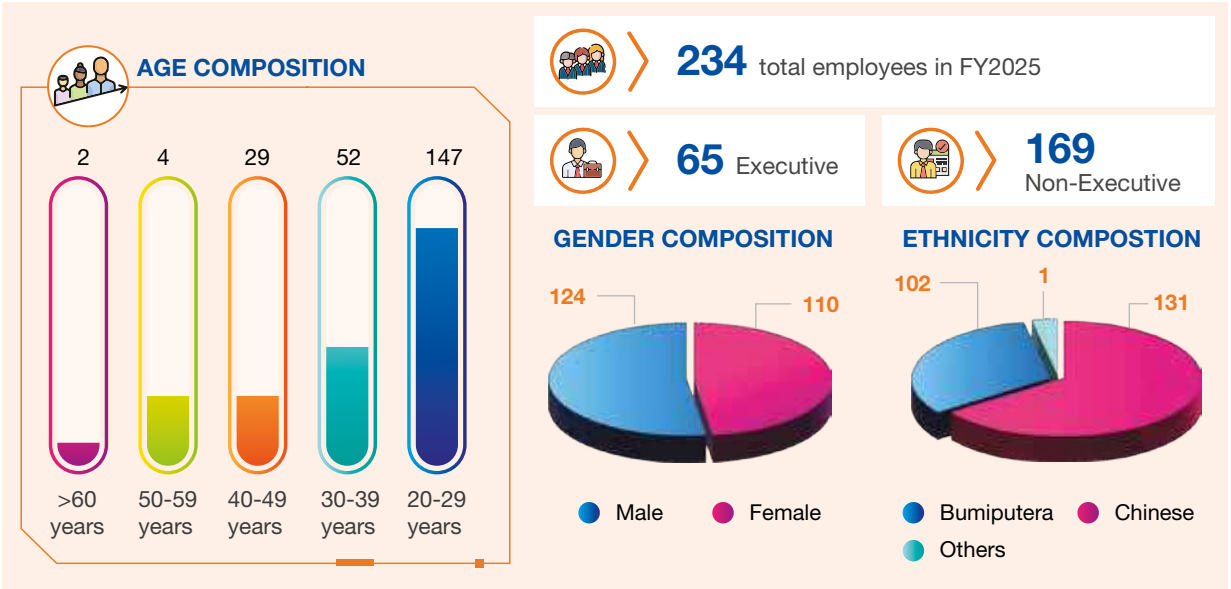
The Group strictly prohibits discrimination in any form, including but not limited to race, colour, age, gender, ethnicity, disability, pregnancy, religion, political affiliation, or marital status. Employment decisions across recruitment, remuneration, promotions, rewards, and training continue to be guided by meritocracy principles.

SUSTAINABILITY STATEMENT
(CONT'D)

3. SOCIAL (CONT'D)

3.2) Diversity & Inclusion (Cont'd)

Following the Group's expansion through the acquisition of new subsidiaries, our workforce increased to 234 employees in FY2025. The Group continues to maintain a diverse workforce across gender, ethnicity, and age groups. A summary of our employee composition is presented in the table below, illustrating our commitment to diversity and inclusion.



We believe that a diverse workforce brings broader perspectives that support innovation and business growth, and we remain committed to fostering an inclusive environment where all employees have equal opportunities to thrive.

SUSTAINABILITY STATEMENT
(CONT'D)

3. SOCIAL (CONT'D)

3.3) Training & Workforce Development

Upskilling remains central to sustaining relevance in a fast-moving technology landscape. Training needs are identified through on role requirements and performance evaluation, with course recommendations reviewed and approved by Management to ensure alignment with both employee development and organisational priorities.

In FY2025, the Group circulated a memorandum establishing minimum training hours per employee, as part of its effort to strengthen learning and development practices. This requirement will be formally implemented in FY2026 to promote consistent upskilling across the organisation. For FY2025, the Group has completed the verification and consolidation of total training hours and the average training hours per employee, strengthening the reliability of its training data. This will support more consistent year-on-year tracking and improved transparency in future reporting.

Looking ahead, the training roadmap will place stronger emphasis on capability-building in emerging priorities, including:

- In FY2026, we will implement a structured cybersecurity and IT policy awareness training program for all employees. The program will focus on strengthening data protection practices, enhancing employee awareness, and promoting responsible digital behaviour across the entites of the Group.
- In FY2026, we will explore the development of computer-based training (CBT) modules, including broader ESG awareness topics where relevant and practical for a software-led business.

3.4) Employee Well-being & Workplace Safety

Employee well-being supports service delivery quality and organisational resilience. The Group continues to provide competitive employee benefits and workplace support practices consistent with FY2024, including medical and insurance coverage and wellness-related initiatives. From a safety standpoint, the Group remains committed to providing a safe working environment at headquarters and during any customer-site activities (where applicable). In FY2025, no injuries, incidents or lost-time cases were reported, and no new safety policies or drills were introduced during the year.

Badminton tournament

Team Building

3.5) Enhancing Connectivity & Bridging the Digital Divide

The Group recognised Connectivity & Convenience – Bridging the Digital Divide as a material social priority. For Panda Eco System, "digital inclusion" is not abstract. It is reflected in service quality, transparent pricing, dependable technical support, and system accessibility, ensuring customers are not excluded by complexity, poor support, or unclear cost structures.

SUSTAINABILITY STATEMENT
(CONT'D)

3. SOCIAL (CONT'D)

3.5) Enhancing Connectivity & Bridging the Digital Divide ICont'd)

The Group's ecosystem are designed to reduce operational friction through end-to-end transaction digitisation:

- Almost all transactions within the Group's ecosystem can be completed electronically, significantly reducing the need for printing in internal workflows.

- Printing is typically limited to essential exceptions, such as:

    - o receipts/tax invoices only upon customer request, and
    - o delivery notes for non-integrated third-party logistics or jurisdiction-specific compliance documentation.

This approach supports customer convenience while reinforcing consistency, transparency and reliability, especially important for retailers with varied levels of digital maturity.

3.6) Community Engagement & Partnerships

In FY2025, the Group focused its community contributions on practical, locally-driven initiatives, supporting healthcare, social causes, and youth development. Activities included blood donation campaigns, support for education, and community infrastructure projects.

In addition to financial and in-kind contributions, the Group engaged in knowledge-sharing and capability-building initiatives with the community, including discussions on emerging technologies and AI-related topics. These efforts reflect the Group's commitment to creating shared value by linking community engagement with skills development, innovation, and knowledge transfer.

Blood Donations Campaigns

Sponsorship for Kontinjen Ping Pong MSS Negeri Melaka

Autism Charity Walk

Study Tour Utim: Software Digital World

SUSTAINABILITY STATEMENT
(CONT'D)

4. GOVERNANCE

The Group believes strong governance is the baseline for sustainable value creation, protecting stakeholders trust, ensuring compliance discipline, and supporting scalable growth. In FY2025, governance structures and core policies remained consistent with FY2024, while operational focus sharpened around cybersecurity strengthening.

4.1) Governance Foundation & Policy Framework

There were no changes to the Group's Board committee structure or governance policy framework in FY2025. However, the Board leadership changed during the year with the appointment of a Non-Independent Non-Executive Chairman on 30 June 2025.

Notwithstanding this leadership change, the overall Board composition remained unchanged, and key governance policies continue to be in place, consistent with FY2024, including:

- Code of Conduct
- Anti-Bribery and Corruption (ABC) Policy
- Fit and Proper Policy
- Whistleblowing Policy and Procedures

These provide the operating guardrails for ethical decision-making, accountability and appropriate escalation.

4.2) Regulatory Compliance & Ethical Conduct

The Group maintained its compliance stance throughout FY2025. There were no confirmed violations of the Code of Conduct or ABC policy, and no regulatory actions reported relating to corporate integrity or governance practices during the year.

4.3) ABC and Training Coverage

In FY2025, all the employees across the existing Group entities received anti-corruption training coverage. For newly acquired/invested entities, refresher and onboarding coverage is planned, with the Group targeting completion for relevant employee groups by Q2 FY2026. This staged approach reflects operational reality post-expansion while keeping expectations clear: integrity standards are uniform across the Group, even as training rollout is phased to ensure completeness.

4.4) Cybersecurity & Data Protection

Cybersecurity and data protection was one of the key risk areas the Group focused on within its Enterprise Risk Management framework in FY2025, addressing identified gaps and strengthening both governance and operational resilience. In November 2025, the Group implemented enhancements including improved monitoring, threat detection, and updated security protocols.

Workforce awareness training on cybersecurity and IT policy is planned for rollout in FY2026, reinforcing that effective cybersecurity relies on technology, people, and processes.

4.5) Reporting Maturity & Forward Actions

The Group is committed to continuously enhancing its sustainability governance and reporting practices to support long-term value creation. During the reporting period, efforts focused on strengthening oversight of ESG matters, improving operational resilience, and raising awareness of sustainability-related risks across the organisation.

The Group continues to invest in employee development, well-being, and community engagement, including programs that build skills, awareness, and capability in emerging areas such as technology and digital innovation.

Looking ahead, the Group aims to further enhance reporting maturity by refining sustainability disclosures, strengthening performance indicators, and ensuring that ESG considerations are increasingly reflected in decision-making and operational priorities.

Panda Eco System Berhad

BMLR Transition Period

Date & Time: 2026-04-20_10:56:16

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Financial Performance & Shareholder Value	Revenue Growth	% YoY	40.50%	Sustain positive growth	Internal
Financial Performance & Shareholder Value	Profit Before Tax	RM million	12.28	Maintain profitability	Internal
Financial Performance & Shareholder Value	Dividend Distribution	Sen per share	0.25	Sustainable payout policy	Internal
Local Economic Contribution	Local Employment	%	100%	Maintain ≥95%	Internal
Local Economic Contribution	Employee Headcount	Number	234	Growth aligned with business expansion	Internal
Local Economic Contribution	Local Supply Chain	%	>95%	Maintain around 90% of local supplier	Internal
Strategic Shift to AI-Driven Software Engineering	AI Adoption Progress	Qualitative (Stage)	Pilot phase	Initial implementation rollout	Internal
Resource Efficiency	Electricity Intensity	kWh / sq ft	7.34	Optimise / stabilise intensity	Internal
Resource Efficiency	Water Intensity	m^3 / sq ft	0.07	Maintain / reduce	Internal
Sustainable Sourcing	E-waste Recycled/Reused	% / Qualitative	Ongoing programme	Formal tracking implementation	Internal
Sustainable Sourcing	Paper Reduction (Digitalisation)	Qualitative	Majority digital workflows	Full digital adoption where feasible	Internal
Environmental Compliance	Non-compliance Incidents	Number	0	Maintain zero	Internal
Environmental Protection & Energy Sustainability	Solar Energy Generated (cumulative)	MWh	130	Increase utilisation efficiency	Internal

Panda Eco System Berhad

BMLR Transition Period

Date & Time: 2026-04-20 10:56:16

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Environmental Protection & Energy Sustainability	CO2 Emissions Avoided	kg CO2	96,200	Increase avoidance	Internal
Human Rights & Labour Practices	Reported Violations	Number	0	Maintain zero	Internal
Human Rights & Labour Practices	Workforce Size	Number	234	Sustainable growth	Internal
Training & Development	Average Training Hours	Hours / employee	Average training hour = 10 hours	Minimum training hour required = 12 hours	Internal
Employee Well-being & Safety	Workplace Incidents	Number	0	Maintain zero	Internal
Diversity & Inclusion	Gender Diversity	% (M/F)	53% / 47%	Maintain balanced ratio	Internal
Diversity & Inclusion	Workforce Diversity (Ethnicity mix)	%	Diverse mix	Maintain diversity	Internal
Digital Inclusion (Bridging Divide)	Digital Transaction Rate	%	Majority digital	Increase adoption	Internal
Regulatory Compliance	Non-compliance Cases	Number	0	Maintain zero	Internal
Ethical Business Conduct	ABC Violations	Number	0	Maintain zero	Internal
Ethical Business Conduct	ABC Training Coverage	%	100% (existing entities)	100% (Groupwide)	Internal

Panda Eco System Berhad

BMLR Transition Period

Date & Time: 2026-04-20_10:56:16

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Board & Governance Oversight	ESG Reporting to Board	Frequency	Ad hoc	At least annually	Internal
Cybersecurity & Data Protection	Security Incidents	Number	0 major incidents	Strengthen monitoring	Internal
Cybersecurity & Data Protection	Cybersecurity Training	%	Not yet implemented	100% rollout	Internal

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of Panda Eco System Berhad ("Panda" or "the Company") is pleased to present the Corporate Governance ("CG") Overview Statement for the financial year ended 31 December 2025 ("FY2025"), which has been prepared in compliance with Rule 15.25 of the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

This CG Overview Statement is based on the following three (3) principles as set out in the Malaysian Code on Corporate Governance ("MCCG"), which was further updated by the Securities Commission of Malaysia ("SC") on 28 April 2021:

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

The enhancement of shareholder value, the promotion of long-term value, and the building of a sustainable business require good corporate governance. To this end, the Board is steadfast towards maintaining high standards of corporate governance within the Company and its subsidiaries ("the Group") and upholding the Principles of MCCG.

This CG Statement is accompanied by a Corporate Governance Report ("CG Report") which provides a detailed articulation of the application of the Group's corporate governance practices as set out in the MCCG throughout the FY2025. This CG Report is available on the Company's website at https://panda-eco.com as well as via an announcement on the website of Bursa Securities.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

The Group acknowledges the vital role played by the Board in the stewardship of the direction and business operations of the Group. To fulfil this role, the Board is responsible for the overall corporate governance of the Group, including its strategic direction, establishing goals for management and monitoring the achievement of these goals, consideration of significant financial matters, review of the financial and operating performance of the Group and undertaking of major investments and capital expenditures.

I. BOARD RESPONSIBILITIES

1.1 Board and Board Committees

The Board consistently acknowledge its crucial responsibility in guiding the direction and operations of the Group towards achieving sustainable, long-term success for its business and, ultimately, enhancing shareholder value. To fulfil this responsibility, the Board establishes strategic objectives and policies for the Group, ensuring the business's sustainability.

The Board is led by a Non-Independent Non-Executive Chairman and comprises two Executive Directors (the Chief Executive Officer ("CEO") and the Chief Technology Officer ("CTO")) and three Independent Non-Executive Directors. All the Directors are from diverse industry and business backgrounds who bring broad business and commercial experience to the Group.

To support the effective discharge of its fiduciary duties and responsibilities, the Board has established the following Board Committees to assist in carrying out its functions:

(a) Audit and Risk Management Committee ("ARMC");
(b) Nomination Committee ("NC"); and
(c) Remuneration Committee ("RC").

Each Committee operates in accordance with clearly defined Terms of Reference ("TOR"). These Committees are authorised by the Board to deal with and to deliberate on matters delegated to them within their respective TORs and report to the Board on their proceedings and deliberation together with its recommendations to the Board for approval. The Board Committees' TORs can be accessed via the Company's website at https://panda-eco.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

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

I. BOARD RESPONSIBILITIES (CONT'D)

1.2 The Chairman of the Board and CEO

The Chairman of the Board is responsible for instilling good governance practices, providing leadership at the Board level, chairing meetings of the Company and the Board, representing the Board to shareholders and together with the Board, reviewing and approving the strategic objectives and policies of the Group. The Chairman also ensures that management's proposals are deliberated by the Directors and are thoroughly examined taking into account the interests of shareholders and other stakeholders.

On 30 June 2025, the Company appointed Mr Cheok Kian Hing as the Non-Independent Non-Executive Chairman of the Company, following the resignation of the former Chairman on 1 December 2024.

The roles of the Chairman of the Board and CEO are held by separate individuals, with a clear division of responsibilities to ensure an appropriate balance of power and authority to promote accountability.

1.3 Qualified and Competent Company Secretary

The Board is supported by a Company Secretary who is experienced and qualified to act as a Company Secretary under Section 235(2) of the Companies Act 2016 and is a registered holder of the Practising Certificate issued by the Companies Commission of Malaysia. All Directors have access to the advice and services of the Company Secretary.

The Board acknowledges that the Company Secretary plays an important role and will ensure that the Company Secretary fulfils the functions for which she has been appointed.

During the FY2025, all Board and Board Committees meetings were properly convened, accurate and proper records of the proceedings and resolutions passed were taken and maintained in the statutory records of the Company.

1.4 Access to Information and Advice

The Board acknowledges the critical role of high-quality information in the decision-making process. To support this, each Director has access to all information within the Company and the Group through the following avenues:

(a) Senior Management participates in Board and/or Board Committee meetings by invitation, providing reports on areas within their responsibilities to facilitate the Board's decision-making process and ensure the effective discharge of the Board's duties, where necessary.

(b) Meeting notices and materials are prepared and circulated to the Directors and/or Board Committee members at least seven (7) days prior to the scheduled meetings, to ensure that each Director has sufficient time to review the papers and make informed decision.

(c) The Company Secretary or his/her representative(s), attends all Board and Board Committee meetings to ensure that deliberations and decisions are accurately recorded and properly documented in the minutes of the meetings.

(d) Directors are provided with regular updates and advice on new regulations, guidelines and directives issued by Bursa Securities, Securities Commission Malaysia and other relevant authorities.

(e) The Directors, collectively or individually, may seek independent professional advice and information in furtherance of their duties at the Company's expense, where necessary.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

I. BOARD RESPONSIBILITIES (CONT'D)

1.5 Board Charter

The Board Charter provides guidance to the Board in the fulfilment of its roles, duties and responsibilities, in line with the principles of good corporate governance, and is available on the Company's website at https://panda-eco.com.

The Board Charter will be reviewed by the Board as and when required and updated in accordance with the needs of the Group and any new or changes in regulations that may impact the discharge of the Board's responsibilities, and in any event, at least once every three (3) years.

1.6 Code of Conduct

The Code of Conduct sets out the general principles and standards of business conduct and ethical behaviour expected of the Group's Directors, Officers and employees in carrying out their duties and responsibilities or when representing the Group.

The Code of Conduct is published on the Company's website at https://panda-eco.com.

The Code of Conduct will be reviewed by the Board as and when required and updated in accordance with the needs of the Group and any new or changes in regulations that may impact the discharge of the responsibilities of the Directors, Officers and employees and in any event, at least once every three (3) years.

1.7 Whistleblowing Policy and Procedures

The Board has adopted a Whistleblowing Policy and Procedures to promote good business conduct and maintain business integrity. It recognises whistleblowing as an important mechanism for the prevention and detection of improper conduct, harassment or corruption in the conduct of the Group's business and operations.

The Whistleblowing Policy and Procedures is published on the Company's website at https://panda-eco.com.

1.8 Fit and Proper Policy

In line with Rule 15.01A of the AMLR, the Board has adopted a Fit and Proper Policy, which serves as a guide to the NC and the Board in their review and assessment of the potential candidates for appointment to the Board as well as the retiring Directors who are seeking for re-election at the Annual General Meeting ("AGM").

The Fit and Proper Policy is published on the Company's website at https://panda-eco.com.

The Fit and Proper Policy will be reviewed by the Board as and when required and updated in accordance with the needs of the Group, and in any event, at least once every three (3) years.

1.9 Anti-Bribery and Corruption Policy

The Company has adopted an Anti-Bribery and Corruption Policy, which sets out the principles, guidelines and requirements for addressing bribery and corrupt practices that may arise in the course of the Group's business and operations.

The Anti-Bribery and Corruption Policy is published on the Company's website at https://panda-eco.com.

The Anti-Bribery and Corruption Policy will be reviewed by the ARMC as and when required, and any updates will be recommended to the Board for approval in accordance with the needs of the Group and any new or changes in regulations in relation to anti-bribery and in any event, at least once every three (3) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

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

II. BOARD COMPOSITION

2.1 Board Composition

The Board currently comprises six (6) members and its composition is set out in the table below:

No.	Name	Designation	Gender
1.	Cheok Kian Hing (Appointed on 30 June 2025)	Non-Independent Non-Executive Chairman	Male
2.	Loo Chee Wee	Chief Executive Officer/Executive Director	Male
3.	Tay Kheng Seng	Chief Technology Officer/Executive Director	Male
4.	Chan Kam Chiew	Independent Non-Executive Director	Male
5.	Dato' Leanne Koh Li Ann	Independent Non-Executive Director	Female
6.	Siew Suet Wei	Independent Non-Executive Director	Female

This complies with the AMLR which requires at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, to be 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 that would interfere with the exercise of their independent judgment. The current Board composition also complies with Practice 5.2 of MCCG, whereby at least half of the Board comprises Independent Directors.

The Company has two (2) women Independent Non-Executive Directors, representing 33% of the Board, which complies with the AMLR, which requires at least one (1) woman Director on the Board. This is also in line with Practice 5.9 of MCCG, which recommends that at least 30% of the Board comprise women directors. The Board supports gender diversity through the participation of two (2) women Directors, which enhances diversity in the Board's deliberation and decision-making process.

The Board members possess diverse backgrounds and experience across various fields. Collectively, they bring a broad range of skills, experience and knowledge to the management of the Group's business. The Executive Directors are responsible for making and implementing operational and corporate decisions, as well as developing, coordinating and implementing business and corporate strategies. The Independent Non-Executive Directors play a key role in providing objective and independent views and advice, and contribute their knowledge and experience to the formulation of policies and the decision-making process.

A brief profile of each Director is presented in the Directors' Profile section of the Annual Report.

2.2 Attendance of Board Meetings

A summary of the attendance of each Director at the Board Meetings held during the FY2025 is as follows:

Name of Directors	Attendance	Percentage of attendance (%)
Cheok Kian Hing (Appointed on 30 June 2025)	2/2	100%
Loo Chee Wee	5/5	100%
Tay Kheng Seng	5/5	100%
Chan Kam Chiew	5/5	100%
Dato' Leanne Koh Li Ann	5/5	100%
Siew Suet Wei	5/5	100%

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

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

II. BOARD COMPOSITION (CONT'D)

2.3 Directors' Training

All Directors are encouraged to participate in relevant training programmes for continuous professional development and to further enhance their skills and knowledge. The Directors are aware that they should receive appropriate training which may be required from time to time to keep them abreast with the current developments in the industry as well as new statutory and regulatory developments including changes in accounting standards. The Executive Directors also participate as speakers and trainers for technical walkthrough of eVendor Portal as well as Sub-Let Rental Management Solutions.

Training programmes and seminars attended by the Directors of the Company during the FY2025 are as follows:

Name of Directors	No.	Seminar / Training Course Title	Date
Cheok Kian Hing	1.	ICDM: Mandatory Accreditation Programme Part I	10 September 2025 to 11 September 2025
Chan Kam Chiew	1.	KPMG Webinar: MFRS Updates 2024	7 January 2025
	2.	Standard Chartered: Global Research Briefing H1 2025	14 January 2025
	3.	Standard Chartered: Global Outlook 2025 – Reverberations	15 January 2025
	4.	BDO Webinar: Cyber Security Act 2024: Everything You Need to Know to Stay Ahead	12 February 2025
	5.	HSBC Webinar: FX Market Outlook	25 March 2025
	6.	UOB Webinar: Impact of 'Liberation Day' Tariffs on Asia	8 April 2025
	7.	LGMS: Cyber Security Act 2024: What Business Must Know	29 April 2025
	8.	KPMG Webinar: Stay ahead of IRB's evolving tax enforcement strategies	23 May 2025
	9.	KPMG Webinar: Sales Tax and Service Tax: Expansion of scope revealed – Key highlights	13 June 2025
	10.	Bursa Malysia/ICDM: Game Changer for Your Digital Transformation Era	17 June 2025
	11.	Anti-Bribery and Anti-Corruption	3 July 2025
	12.	HSBC: Redefining Treasury - Navigating a dynamic environment towards a real-time treasury	17 July 2025
	13.	Bursa Malaysia: Strategic Oversight in Strategic Implementation: Getting Execution Right at the Board Level	28 July 2025
	14.	Standard Chartered: Global Research Briefing H2 2025	29 July 2025
	15.	Rabobank Asia Webinar: "Tariff and FX Talk"	29 July 2025
	16.	CTIM: National Tax Conference 2025	5 August 2025 to 6 August 2025
	17.	IASB-MASB Virtual Outreach on Post-implementation Review of IFRS 16 Leases	26 August 2025
	18.	Bursa Malysia: Board Simulation – Balancing Risks & Opportunity in Sustainability Leadership	9 September 2025
	19.	KPMG: Demystifying Malaysian Withholding Tax	10 September 2025
	20.	MASB Outreach Session on Climate-related and Other Uncertainties in the Financial Statements	15 October 2025
	21.	Standard Chartered Webinar: Asia Rates Strategy	16 October 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

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

II. BOARD COMPOSITION (CONT'D)

2.3 Directors' Training (Cont'd)

Name of Directors	No.	Seminar / Training Course Title	Date
Chan Kam Chiew (Cont'd)	22.	KPMG Tax and Business Summit 2025	23 October 2025
	23.	BDO Tax Seminar on Budget 2026: Growth, Governance & Reform	4 November 2025
	24.	ACCA Sustainability Reporting Progress	5 November 2025
	25.	MIA: Corporate Financial Reporting Conference 2025 - "Elevating Reporting Excellence: Integrating Sustainability"	10 November 2025
	26.	Audit Oversight Board's Conversation with Audit Committee	25 November 2025
	27.	KPMG: 2025 MFRS Updates	2 December 2025
	28.	MIA: Risk Management Conference 2025	8 December 2025
	29.	MIA: ESG and IFRS S1 and S2	23 December 2025
Dato' Leanne Koh Li Ann	1.	KPMG Webinar: MFRS Updates 2024	7 January 2025
	2.	OTC: ABC – Sec 17A Corporate Liability Perspective	19 April 2025
	3.	IFA Asia Pacific Regional Conference	29 May 2025 to 30 May 2025
	4.	KPMG Webinar: Sales Tax and Service Tax: Expansion of scope revealed – Key highlights	13 June 2025
	5.	Bursa Malaysia : Strategic Oversight in Strategic Implementation: Getting Execution Right at the Board Level	28 July 2025
	6.	CTIM: National Tax Conference 2025	5 August 2025 to 6 August 2025
	7.	Bursa Malysia: Board Simulation – Balancing Risks & Opportunity in Sustainability Leadership	9 September 2025
	8.	MASB Outreach Session on Climate-related and Other Uncertainties in the Financial Statements	15 October 2025
	9.	KPMG Tax and Business Summit 2025	23 October 2025
	10.	Audit Oversight Board's Conversation with Audit Committee	25 November 2025
	11.	KPMG: 2025 MFRS Updates	2 December 2025
Siew Suet Wei	1.	ESG Association of Malaysia: SustainAbility Connect: Financing the Future of SMEs	30 April 2025
	2.	SSM: MBRS 2.0 For Preparers – Financial Statements	29 April 2025 to 30 April 2025
	3.	Malaysian Bar: Defrauded in the Age of AI and Deepfakes: Remedies and Risk Management	4 June 2025
	4.	MAICSA: Talk on AML/CFT Essential for Company Secretaries	11 June 2025
	5.	Crowe: Navigating Transfer Pricing in APAC: Audit Realities	18 June 2025
	6.	PwC: Exploring the expanded scope of Sales Tax and Service Tax	20 June 2025
	7.	Bursa Malaysia: Strategic Oversight in Strategy Implementation: Getting Execution Right at the Board Level	28 July 2025
	8.	SSM Corporate Talk-Taklimat Liputan Akta Pembangunan Sumber Manusia Berhad 2001	30 July 2025
	9.	SSM National Conference 2025	18 August 2025 to 19 August 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

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

II. BOARD COMPOSITION (CONT'D)

2.3 Directors' Training (Cont'd)

Name of Directors	No.	Seminar / Training Course Title	Date
Siew Suet Wei (Cont'd)	10.	MSWG: Challenges in the Business World: Risk & Compliance Posed by V.U.C.A.	11 September 2025
	11.	MAICSA Annual Conference 2025	23 September 2025 to 24 September 2025
	12.	SSM Annual Dialogue 2025	10 November 2025
	13.	Audit Oversight Board's Conversation with Audit Committee	25 November 2025
	14.	Webinar: New Disclosure Requirements for Shariah Screening by Bursa Malaysia and the Securities Commission Malaysia	3 December 2025
	15.	MAICSA Regulatory Forum 2025 – Evolving Regulatory Landscape Strengthening Corporate Resilience and Governance Integrity	9 December 2025
	16.	MahWengKwai & Associates: Shareholder Disputes in Family-Owned Companies	10 December 2025

2.4 Nomination Committee

The Board has established a NC to assist the Board in their responsibilities in nominating new nominees to the Board and to assess the performance of the Board, the Board Committees and the Directors of the Company on an on-going basis. Full details of the NC's duties and responsibilities are stated in its TOR which is available on the Company's website.

The NC comprises exclusively of Independent Non-Executive Directors as follows:

1. Siew Suet Wei (Chairperson)
2. Dato' Leanne Koh Li Ann
3. Chan Kam Chiew

The Company's Constitution provides that one-third (1/3) or nearest to one-third (1/3) of the Directors for the time being shall retire from office and be eligible for re-election provided always that all the Directors shall retire from office at least once in every three (3) years, but shall be eligible for re-election. All the retiring Directors will abstain from deliberations and decisions on their eligibility to stand for re-election at the Board Meeting.

In considering whether to recommend a Director who is eligible to stand for re-election, the NC would consider a variety of factors, including:

- the Director's contributions to the Board and ability to continue to contribute productively;
- the Director's attendance at Board and Board Committee meetings;
- the Director's compliance with the MCCG;
- whether the Director continues to possess the attributes, capabilities and qualifications considered necessary or desirable for Board service; and
- the independence of the Director.

The Board has adopted a Fit and Proper Policy which provides a guide to the NC and the Board in their review and assessment of the potential candidates for appointment to the Board of the Group as well as the retiring Director who seek for re-election at the AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

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

II. BOARD COMPOSITION (CONT'D)

2.4 Nomination Committee (Cont'd)

A summary of the attendance of each Director at the NC Meetings held during the FY2025 is as follows:

Name of NC Members	Attendance
Siew Suet Wei	3/3
Dato' Leanne Koh Li Ann	3/3
Chan Kam Chiew	3/3

During the FY2025, the NC performed the following activities in the discharge of its duties:

(a) Reviewed and assessed the size, mix of skill and experience, performance and contribution of the Board and Individual Directors.
(b) Independence of the Independent Directors.
(c) Reviewed the performance of the ARMC, NC and RC.
(d) Reviewed and recommended the re-election of Directors retiring at the Third AGM.
(e) Reviewed and recommended the appointment of Mr Cheok Kian Hing to the Board of the Company.
(f) Reviewed the assessment and evaluation forms for FY2025.

2.5 Remuneration Committee

The RC comprises exclusively of Independent Non-Executive Directors. The members of the RC are as follows:

1. Dato' Leanne Koh Li Ann (Chairperson)
2. Siew Suet Wei
3. Chan Kam Chiew

The RC is responsible for evaluating, deliberating and recommending to the Board the compensation and benefits that are fairly guided by market norms and industry practices for the business the Company is in. The RC is also responsible for evaluating the Executive Directors' remuneration which is linked to the performance of the Executive Director and performance of the Group. Individual Directors do not participate in the discussion and decision-making of their own remuneration to avoid conflict of interest.

The Company aims to set remuneration at levels which are sufficient to attract and retain the Directors and Senior Management needed to run the Company successfully, taking into consideration all relevant factors including the skill function, workload and responsibilities involved, and after giving due consideration to the Group's performance.

Pursuant to Section 230(1) of the Companies Act 2016, fees and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

Directors' remuneration from the Company and the Group for the FY2025 amounted to RM262,083 and RM1,897,671 respectively. Detailed information of Directors' remuneration on a named basis is disclosed under Practice 8.1 of the CG Report. The Board is of the view that the disclosure of the Senior Management's remuneration components will not be in the best interest of the Group given the competitive human resources environment as such disclosure may give rise to talent recruitment and retention issue. Also premised on the confidentiality of the remuneration package of the Senior Management, the Board has adopted a disclosure of the Senior Management's remuneration in bands of RM50,000 on an unnamed basis which is disclosed under Practice 8.2 of the CG Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

II. BOARD COMPOSITION (CONT'D)

2.5 Remuneration Committee (Cont'd)

A summary of the attendance of each Director at the RC Meetings held during the FY2025 is as follows:

Name of RC Members	Attendance
Dato' Leanne Koh Li Ann	3/3
Siew Suet Wei	3/3
Chan Kam Chiew	3/3

During the FY2025, the following is the summary of activities undertaken by the RC:

(a) Reviewed the remuneration package of the Executive Directors and Senior Management for the FY2025.
(b) Reviewed the Directors' fees and benefits payable to Independent Non-Executive Directors for the FY2025.
(c) Reviewed and recommended to the Board the revised key performance indicators for Executive Directors and Key Senior Management in respect of the FY2025.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit and Risk Management Committee

3.1 Effective and Independent ARMC

The Board is assisted by the ARMC which comprises three (3) Independent Non-Executive Directors, to oversee the integrity of the financial statements, compliance with relevant accounting standards and the Group's risk management and internal controls.

The members of ARMC are as follows:

1. Chan Kam Chiew (Chairman)
2. Dato' Leanne Koh Li Ann
3. Siew Suet Wei

The Chairman of the ARMC is not the Chairman of the Board. The ARMC Chairman has full and unrestricted access to Executive Directors, Senior Management, External Auditors and Internal Auditors as well as all information necessary to enable him to discharge his duty. None of the members of the ARMC is a former key audit partner. The ARMC has implemented a policy that mandates a former key audit partner to wait for at least three (3) years before being appointed as a member of the ARMC. This policy is included in the TOR of the ARMC.

The term of office and performance of the ARMC and its members are reviewed by the NC annually to determine whether such ARMC and members have carried out their duties in accordance with the TOR.

3.2 External Auditors

The Management has established a transparent relationship with the External Auditors. The External Auditors has direct access to the ARMC and raise matters of concern in turn if any and to report any non compliance with the accounting standards and other related regulatory requirements.

Before the commencement of the current financial year audit, the ARMC had reviewed and deliberated with the External Auditors on their audit planning memorandum covering the risk areas, approach, emphasis and timeline.

The ARMC assesses the suitability, objectivity and independence of the External Auditors on an annual basis. Upon satisfactory evaluation, the ARMC will recommend their re-appointment to the Board, following which shareholders' approval will be sought at the AGM of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

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

II. Risk Management and Internal Control Framework

4.1 Risk Management and Internal Controls

The Board affirms its responsibilities over the Group's system of risk management and internal control and acknowledges that such a system is an integral part of effective management practice. To this end, the Board confirms that the Group has implemented an ongoing process of identifying, evaluating, monitoring and managing the significant risks faced by the Company and the Group under its risk management and internal control framework. Details of the Group's risk management and internal control framework are set out in the Statement on Risk Management and Internal Control in the Annual Report.

The Board has delegated the review of the adequacy and effectiveness of the Group's risk management and internal control framework to the ARMC.

4.2 Internal Audit Function

The Group's internal audit function is outsourced to an independent professional firm namely Resolve IR Sdn Bhd ("Internal Auditors") to assist the ARMC in managing the risks and establishing the internal control system and processes of the Group by providing an independent assessment of the adequacy, efficiency and effectiveness of the Group's risk management and internal control system and processes.

The Internal Auditors are free from any relationship or conflict of interest, which could impair their objectivity and independence.

PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANING RELATIONSHIP WITH STAKEHOLDERS

I. Engagement with Stakeholders

The Company aims to ensure that the shareholders and investors are kept informed of all major corporate developments, financial performance, AGM and other relevant information by promptly disseminating such information to shareholders and investors via announcements to Bursa Securities and the Company's website at https://panda-eco.com.

The Board believes that a constructive and effective investor relationship is essential in enhancing shareholders' value and recognises the importance of timely dissemination of information to shareholders or stakeholders. The Board is accountable to shareholders as well as other stakeholders of the Company for the performances and operations of the Company. As such, the Board endeavours to provide timely and accurate disclosure of all material information of the Group to the shareholders and investors.

II. Conduct of General Meetings

The AGM represents the principal forum for dialogue and interaction with shareholders. At the AGM, the Board presents the performance and progress of the Company and provides ample opportunity for shareholders to raise questions pertaining to the business activities of the Company. All the Directors and key management personnel are available to provide responses to questions raised by the shareholders during the AGM.

As recommended by the MCCG, the notice of the Fourth AGM and Annual Report 2025 of the Company are sent 28 days prior to the AGM, so as to provide sufficient time for shareholders to read through the Annual Report and make the necessary time for attendance and voting arrangements. The notice of AGM, which sets out the business to be transacted at the AGM, is also published in a major local newspaper.

The Minutes of the Third AGM was also made available on the Company's website.

COMPLIANCE STATEMENT

The Board confirms that the Group has made significant effort to maintain high standards of corporate governance throughout the year under review. The Board acknowledges that achieving good in corporate governance is a continuous process and is committed to play a pro-active role in steering the Group towards a high-level of integrity and ethical standards.

This Corporate Governance Overview Statement was approved by the Board on 17 April 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors ("the Board") of Panda Eco System Berhad ("Panda" or "the Company") is pleased to present the Audit and Risk Management Committee ("ARMC") Report, providing a comprehensive overview of the ARMC's activities, functions, and responsibilities carried out during the financial year ended 31 December 2025 ("FY2025").

OBJECTIVES

The primary objective of the ARMC is to assist the Board in fulfilling its fiduciary duties and responsibilities in accordance with its Terms of Reference, providing additional assurance to the Board by giving an objective and independent view of financial, operational and administrative controls and procedures as well as establishing and maintaining internal controls.

COMPOSITION & ATTENDANCE OF MEETINGS

The ARMC comprises of three (3) members, all of whom are Independent Non-Executive Directors ("INED"). The composition of the ARMC complies with Rule 15.09 (1) of the AMLR and the record of each ARMC member's attendance for FY2025 are set out below:

Name	Designation	Directorate	Meeting Attendance
Chan Kam Chiew	Chairman	Independent Non-Executive Director	5/5
Dato' Leanne Koh Li Ann	Member	Independent Non-Executive Director	5/5
Siew Suet Wei	Member	Independent Non-Executive Director	5/5

The Chairman of the ARMC is a member of Malaysian Institute of Certified Public Accountants ("MICPA") and Malaysian Institute of Accountants ("MIA"), hence complies with Rule 15.09(1)(c)(i) of the AMLR. Profiles of the ARMC members are set out in the Directors' Profile Section of this Annual Report.

The notice of ARMC meeting and relevant meeting papers are distributed in advance, normally seven (7) days prior to the meeting to enable the ARMC to have sufficient time to review the materials and allow for better preparation and understanding of the issues to be discussed. The quorum for a meeting shall be two (2) members and the majority of members present at the meeting must be independent.

The Company Secretary shall be the Secretary of the ARMC and shall be responsible, in conjunction with the ARMC Chairman, for drawing up the agenda and circulating it prior to each meeting. The Company Secretary shall be responsible for recording the minutes of ARMC meetings, which will be circulated to all members and tabled for confirmation at the next ARMC meeting.

The ARMC may call for a meeting as and when required with reasonable notice as the ARMC members deem fit. ARMC members may participate in a meeting through teleconference, telephone call or any other similar or other mode of communication that allows participants to hear each other. Such participation in a meeting shall constitute presence in person at such meeting and shall satisfy the quorum requirement.

The Executive Directors, Group General Manager and Group Financial Controller were invited to ARMC meetings to facilitate direct reporting by Executive Directors and Management and to provide updates on the operations, activities and financial performance of the Group. Representatives from the internal auditors, external auditors and other advisers of the Company and its subsidiaries ("the Group" or "Panda Group") are also invited to attend the ARMC meetings, to discuss specific matters which require their input and advice.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT
(CONT'D)

SUMMARY OF ACTIVITIES OF THE ARMC DURING FY2025

The ARMC reports to the Board on its activities, deliberations and recommendations in discharging its duties and responsibilities. The summary of the work and key matters considered by the ARMC during FY2025 are as follows:

1. Financial Reporting

(a) Reviewed and discussed the unaudited quarterly financial results of Panda Group with the Management and recommended the same for the consideration and approval by the Board before releasing the same to Bursa Malaysia Securities Berhad ("Bursa Securities");

(b) Reviewed and discussed the audited financial statements together with the Directors' and auditor's statements with external auditors and the Management and recommended the same for the consideration and approval by the Board; and

(c) Discussed the key audit matters with external auditors and the Management.

2. Internal Audit and Risk Management

(a) Reviewed the internal audit plan and processes to ensure that the scope of work covered key risk areas;

(b) Reviewed the internal audit reports containing findings on areas of concern and recommendations highlighted by the Internal Audit Function for improvements on the identified weaknesses and the Management responses thereto;

(c) Considered whether the outsourced Internal Auditor engagement team was free from any relationships or conflicts of interest, which could impair their objectivity and independence. It was brought to the ARMC's attention that there was no conflict of interest situation arising from Internal Audit engagement team for the FY2025;

(d) Reviewed the effectiveness of the internal audit process and assessed the performance of the internal audit function; and

(e) Reviewed the Enterprise Risk Management ("ERM") reports of the Group. The ARMC monitored the management of top risks, as well as the performance of relevant Key Risk Indicators and Risk Indicators. The ARMC also proposed several process improvements to ensure effective risk identification and risk mitigation actions to reduce risk impact to an acceptable level.

3. External Audit

(a) Reviewed the external auditors' terms of engagement, audit plan, scope of work, audit fees and non-audit fees for the year under review;

(b) Reviewed the independence, performance and effectiveness of external auditors and made recommendations to the Board on their re-appointment and remuneration;

(c) Reviewed and discussed the significant issues arising from the financial audits: and

(d) Held two (2) private discussions with the external auditors without the presence of Management to ensure no restrictions on the scope of their audit and to discuss any matters that they wish to present.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

SUMMARY OF ACTIVITIES OF THE ARMC DURING FY2025 (CONT'D)

4. Related Party Transactions

(a) Reviewed recurrent related party transactions ("RRPTs") of a revenue or trading nature entered into by the Group on quarterly basis to ensure that:

(i) the amounts transacted were within the approved shareholders' mandate; and

(ii) the transactions were carried out on an arm's length basis and were not detrimental to the Company's minority shareholders and based on terms which were generally not more favourable than to unrelated parties.

(b) Reviewed the Circular to Shareholders ("Circular") in relation to the proposed renewal of shareholders' mandate for existing RRPTs of a revenue or trading nature and recommended the same to the Board for approval prior to issuance of the Circular to shareholders.

5. Conflict of Interest

Reviewed potential conflict of interest situations that may arise and the measures taken to mitigate any potential conflict of interest.

6. Other Matters

Reviewed the Corporate Governance Report, Corporate Governance Overview Statement, Audit and Risk Management Committee Statement, Statement on Risk Management and Internal Control, Management Discussion and Analysis and recommended the same for approval by the Board.

Internal Audit Function

The ARMC recognises the importance of an adequately resourced internal audit function to assist in undertaking a systematic and disciplined approach to assess, evaluate and enhance the effectiveness of the Group's risk management, internal control and governance systems and processes, and to provide reasonable assurance that such systems and processes continue to operate effectively and in compliance with the Group's established objectives.

The Company has outsourced its internal audit function to, Resolve IR Sdn Bhd, an independent professional firm. The Internal Audit Function's primary role is to assist the ARMC in undertaking independent assessment on the adequacy, efficiency and effectiveness of the Group's governance, risk management and internal control.

During FY2025, the Internal Auditors has undertaken the following activities:

1. Conducted internal audit reviews in accordance with the internal audit plan that was approved by the ARMC;

2. Presented results of internal audit reviews together with recommendations for improvement and management's responses to the internal audit results during quarterly ARMC meetings; and

3. Conducted follow-up reviews to verify that corrective actions were implemented by Management within the required timeframe and that internal control weaknesses were appropriately addressed.

Total costs incurred on the outsourced internal audit function of the Group for FY2025 was approximately RM55,000.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("Board") of Panda Eco System Berhad and its subsidiaries ("the Group") is pleased to present its Statement on Risk Management and Internal Control for the financial year ended 31 December 2025 ("FY2025"). This Statement has been prepared in accordance with Rule 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), read in conjunction with ACE Market Guidance Note 11, the Malaysian Code on Corporate Governance ("MCCG") and guided by the Statement on Risk Management and Internal Control – SORMIC Guide 2025, issued by the Institute of Internal Auditors Malaysia ("IIAM").

1. BOARD'S RESPONSIBILITY

The Board acknowledges and affirms its overall responsibility for maintaining an effective and adequate system of risk management and internal control for the Group. This encompasses the establishment of a sound risk management and internal control framework, ensuring that key risks are identified, assessed, monitored and managed in alignment with the Group's strategic objectives and risk appetite.

The system of internal control is designed to manage risks to an acceptable level rather than to eliminate all risks that may impede the achievement of the Group's business objectives. Accordingly, the system can only provide reasonable, but not absolute, assurance against material misstatement, loss or fraudulent activities. The Board acknowledges that identifying, evaluating and managing the significant risks faced by the Group is a continuous process.

The Board, via the Audit and Risk Management Committee ("ARMC"), evaluates the adequacy and effectiveness of the system of risk management and internal control and, where appropriate, requires Management to implement pertinent controls to address emerging issues or areas of control deficiencies. This process has been in place for the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report of the Company.

Consistent with the IIA's Three Lines Model, the Board (as governing body) sets the tone for a risk-aware culture throughout the organisation, while Management (first and second lines) implements and monitors risk management and internal controls, with Internal Audit (third line) providing independent assurance.

2. RISK MANAGEMENT FRAMEWORK

The Board regards risk management as an integral part of the Group's business operations and oversees this area through the ARMC, ensuring its continuing effectiveness. The Group has adopted an Enterprise Risk Management ("ERM") framework, guided by ISO 31000:2018 Risk Management – Principles and Guidelines, an internationally recognised risk management methodology.

Adopting ISO 31000:2018 provides the Group with several key benefits, including:

- Consistency – a standardised language and approach across business units;
- Accountability – clearly defined roles and responsibilities in risk management;
- Strategic Alignment – risk management directly linked to Group objectives and decision-making; and
- Scalability – a framework applicable across all subsidiaries and business activities.

2.1 Risk Management Process

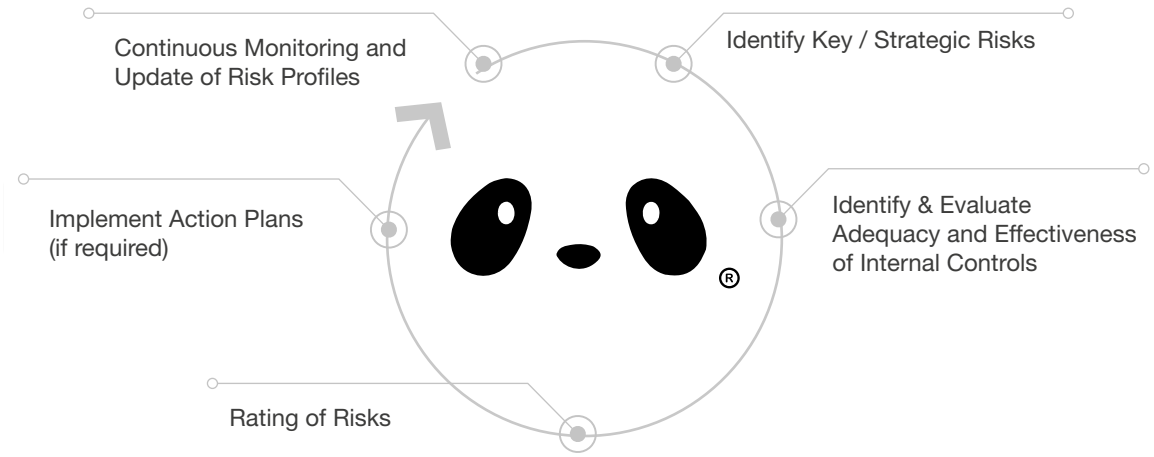
The Group has a structured risk management process for timely identification, assessment of the identified risks, development of relevant risk action plans and continuous monitoring of key risks associated with functions, processes and activities to enable the Group to minimise losses and optimise opportunities.

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

2. RISK MANAGEMENT FRAMEWORK (CONT'D)

2.1 Risk Management Process (Cont'd)

The risk management process undertaken for the financial year under review is summarised below:



Risk identification, evaluation and management are undertaken by Management periodically and subsequently reported to the ARMC. The ongoing risk management process implemented within the Group defines, highlights, reports and manages the key risks within the Group.

The Risk Management Framework of the Group, including the risk management system as well as its processes, is reviewed periodically to ensure the framework continues to be effective, relevant and adequate in light of the business environment of the Group.

During the financial year, risk assessments were conducted with relevant risk owners to update the Group's risk profiles. All risks identified were individually assessed and ranked, having regard to: (i) the potential impact of the identified risk; (ii) the likelihood or frequency of the risk occurring; and (iii) the effectiveness of internal control systems currently in place to mitigate these risks. Risk management activities were reported to the ARMC.

2.2 Risk Appetite

The Board has considered and approved the Group's risk appetite, which defines the level of risk the Group is willing to accept in pursuit of its strategic objectives and value creation. The risk appetite is dynamic in nature and is reviewed at least annually to reflect changes in the Group's business environment and strategic direction.

The risk appetite is communicated to the relevant risk owners across the Group's operating units to ensure that risk-taking activities remain within the approved parameters. Risks that exceed acceptable thresholds will be escalated to the ARMC and the Board for deliberation and appropriate action.

2.3 Environmental, Social and Governance ("ESG") and Other Sustainability Risks

The Board recognises the importance of ESG and other sustainability risks. Such risks – including climate-related risks, human capital matters and regulatory compliance are embedded within the Group's existing risk identification and assessment processes.

The Board continues to monitor developments in compliance with the latest sustainability reporting requirements, including the IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2) as adopted under Malaysia's National Sustainability Reporting Framework ("NSRF"). The Group will progressively enhance its disclosures and integrate sustainability risk management practices to our operation to ensure alignment with the evolving regulatory landscape.

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

2. RISK MANAGEMENT FRAMEWORK (CONT'D)

2.4 Key Risk Areas

During the financial year, the key risk areas monitored by the Board and Management included, among others:

Risk Category	Potential Impact	Key Mitigating Controls
Business Continuity	Inability to secure new contract or sustain business growth within the retail industry due to unattractive solutions and intense competition	Continuously develop or update the product based on the latest market trend; leveraging Group's brand and reputation
Financial & Liquidity	Credit risk arises from the inability to recover outstanding payments from customers, which may result in potential cash flow challenges	Perform financial checks for new customers; monthly collection meeting; credit control policy
Human Capital	Shortage of skilled personnels, and dependency on key personnel.	Attractive remuneration package or benefits; performance management; implementation of a succession planning policy; and provision of continuous professional development through training programs
Cybersecurity & Digital	Risks from IT system failures, data breaches or digital disruption	IT security policies; access controls by dedicated and key personnel; periodic IT reviews; cybersecurity insurance; conduct vulnerability assessments for critical systems or networks

3. INTERNAL CONTROL

The Group's risk management is underpinned by an internal control system which applies to all subsidiaries within the Group, with the exception of Gross Synergy Sdn. Bhd. and Day One Technology Sdn. Bhd., which the acquisitions were completed in 16 June 2025 and are currently undergoing integration into the Group's internal control system. The system of internal controls is designed to: (i) enhance effective operations by addressing key business, operational, financial, compliance and other risks; (ii) ensure proper records and reliable reporting; and (iii) promote adherence to laws, regulations and internal policies governing business conduct.

The Group's internal control system is guided by COSO Internal Control – Integrated Framework, which encompasses the five components of Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities.

Apart from the risk management framework and internal audit, the system of internal controls comprises the following key elements:

3.1 Organisation and Reporting Structure

A formal organisation structure has also been put in place with well-defined scope of responsibilities, clear lines of accountability and appropriate level of delegated authority.

3.2 Policies and Procedures

To ensure the Group has effective internal controls to manage its risks, the Group has developed standard operating procedures ("SOP") and other policies to regulate and guide the employees on the day-to-day operations of the Group.

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

3. INTERNAL CONTROL (CONT'D)

3.3 Code of Conduct

The Group aims to uphold a high level of integrity and ethical values in its business dealings. In line with such aspirations, the Group has put in place a Code of Conduct to cultivate integrity and ethical behaviour in the organisation to educate all employees to maintain the required standards of integrity, ethics, responsibility and professionalism in all business dealings.

3.4 Anti-Bribery and Corruption ("ABC") Policy

ABC policy provides guidance to the Directors, employees and business associates on standard behaviour to which they must adhere to and know how to recognise and deal with bribery and corruption issues.

3.5 Whistleblowing Policy

The policy provides an avenue for employees and other stakeholders to report unethical, unlawful and undesirable conduct in a safe and confidential environment.

3.6 Monitoring and Review

Monthly management accounts are prepared by the Finance Department for Management's review, whilst quarterly financial results are presented to the ARMC and the Board to monitor the Group's progress toward achieving its business objectives. Operational meetings are held to discuss existing or emerging operationals risk and to formulate appropriate mitigation strategies. In additional, the Executive Directors are closely involved in operations and scheduled management meetings held with Key Management, in order to review the performance of the entities within the Group, including, financial performance, technical support, software development and human resource.

4. INTERNAL AUDIT FUNCTION

The Group outsourced its internal audit function ("IA function") to an independent professional firm, namely Resolve IR Sdn Bhd ("RESOLVE") that reports directly to the ARMC. The IA function provides the ARMC with an independent assessment of the adequacy and effectiveness of the Group's system of risk management and internal control.

The internal audit reviews were performed based on an internal audit plan approved by the ARMC. Internal audit review findings, together with Management's responses and action plans, were presented to the ARMC. Follow-up reviews were conducted to confirm that corrective action plans have been duly implemented and the results were presented to the ARMC.

RESOLVE is free from any relationships or conflicts of interest, which could potentially impair the objectivity and independence of the IA function. The ARMC is of the opinion that the IA function is effective and able to functions independently. The IA function is carried out in accordance with the International Professional Practices Framework ("IPPF") issued by the Institute of Internal Auditors.

The IA function is headed by the Chief Executive Officer of RESOLVE, Mr Choo Seng Choon, who is a Fellow of the Association of Chartered Certified Accountants of UK, a Chartered Accountant of the Malaysian Institute of Accountants, and a Chartered Member of The Institute of Internal Auditors Malaysia. Mr Choo has over 25 years of professional experience in internal audit, risk management, corporate governance, performance and business management, Initial Public Offerings, taxation, due diligence and corporate finance. He was assisted by a team of 3 members.

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

5. ROLES AND RESPONSIBILITIES

In line with the IIA's Three Lines Model, the key roles and responsibilities within the Group's risk management and internal control framework are as follows:

5.1 The Board

The Board, through the ARMC, is responsible for:

- Setting and approving the Group's risk appetite and tolerance levels;
- Ensuring a risk-aware culture is embedded throughout the organisation;
- Overseeing the adequacy and effectiveness of the risk management and internal control system;
- Reviewing consolidated risk and control information from Management, internal audit and external audit;
- Approving the annual internal audit plan and assessing the independence and performance of the IA function; and
- Engaging with assurance providers to validate the effectiveness of internal controls and identify areas for improvement.

5.2 Management

Senior Management, led by the Chief Executive Officer, is responsible for:

- Implementing the Board-approved risk management and internal control framework;
- Identifying, assessing and managing risks at the operational level;
- Establishing appropriate structures, processes and controls for the management of operations and risk;
- Ensuring compliance with applicable laws, regulations and the Group's internal policies; and
- Providing periodic assurance to the Board on the adequacy and effectiveness of risk management and internal controls.

5.3 Internal Audit

As the third line, RESOLVE provides independent and objective assurance to the ARMC and the Board on the adequacy and effectiveness of the Group's governance, risk management and internal control systems. RESOLVE operates independently of Management and reports directly to the ARMC.

6. REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement pursuant to the scope set out in the Audit and Assurance Practice Guide 3 ("AAPG 3"), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants, for inclusion in the Annual Report for the FY2025 and reported to the Board that nothing has come to their attention that caused them to believe that this Statement that intended to be included in the Annual Report, in all material respects, has not been prepared in accordance with the disclosures required by Section 7 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems. The External Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will remedy the problems.

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

7. ASSURANCE BY CHIEF EXECUTIVE OFFICER AND PERSON PRIMARILY RESPONSIBLE FOR THE MANAGEMENT OF FINANCIAL AFFAIRS AND SYSTEM OF RISK MANAGEMENT AND INTERNAL CONTROL

The Chief Executive Officer, is the person primarily responsible for the management of the financial affairs of the Group, have provided assurance to the Board that, to the best of his knowledge, the system of risk management and internal control of the Group is operating adequately and effectively in all material respects for the FY2025.

The Board has reviewed the credibility and sufficiency of this assurance in the context of the Group's overall governance, risk management and internal control framework and is satisfied that appropriate processes are in place.

8. BOARD'S CONCLUSION

The Board remains committed to the continuous review and enhancement of the Group's risk management and internal control systems, to enable the Board to make informed decisions and safeguard the Group's investments and assets and the interest of its stakeholders.

The Board is satisfied that the system of risk management and internal control is adequate and effective for the financial year under review. No material losses, contingencies or uncertainties have been identified that would require separate disclosure in this Annual Report as a result of any weakness in the risk management and internal control system.

The Board will continue to take measures to strengthen the risk management and internal control framework in line with evolving regulatory requirements, business needs and global governance best practices, including those set out in the SORMIC Guide 2025.

This Statement is approved by the Board on 17 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

The following disclosures are made in accordance with Part A of Appendix 9C of the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"):

(a) Material Contracts Involving the interests of the Directors and/or Major Shareholders

There was no material contract entered into by the Company and its subsidiaries ("the Group" or "Panda Group"), involving the interests of the Directors and major shareholders, either still subsisting at the end of the financial year ended 31 December 2025 ("FY2025") or entered into since the end of the previous financial year.

(b) Loan Contracts

There were no contracts which relate to a loan entered into by the Company and its subsidiaries during the FY2025.

(c) Recurrent Related Party Transactions of a Revenue or Trading Nature

At the Third Annual General Meeting ("3rd AGM") of the Company held on 26 May 2025, the Company had obtained shareholders' mandate to allow the Group to enter into recurrent related party transactions ("RRPT") of a revenue or trading nature which are necessary for the day-to-day operations of Panda Group and in the ordinary course of business with the related parties. The aforesaid mandate will lapse at the conclusion of the forthcoming Fourth Annual General Meeting ("4th AGM") of the Company.

Pursuant to the Paragraph 3.1.5 of the Guidance Note 8 of the AMLR, details of RRPTs entered during FY2025 were as follows:

Transacting Parties	**Transacting company in the Group**	Interested Directors and Major Shareholders	**Nature of relationship**	**Nature of Transaction**	**Aggregate Value of transactions from 1 January 2025 to 31 December 2025 (RM)**
E-Tech IT Sdn. Bhd. ("E-Tech IT")	KK Computer Sdn. Bhd. ("KK Computer")	Tay Kheng Seng Loo Chee Wee	Tay Kheng Seng and Loo Chee Wee are Panda's Executive Directors and Major Shareholders. Tay Kheng Seng and Loo Chee Wee are also the indirect shareholders of E-Tech IT via Goldcoin Pavilion Sdn. Bhd.	Purchase of computer hardware such as point-of-sale equipment, server and accessories from E-Tech IT.	25,317
E-Tech IT	Panda Software House Sdn. Bhd. ("Panda Software")	Tay Kheng Seng Loo Chee Wee	Tay Kheng Seng and Loo Chee Wee are Panda's Executive Directors and Major Shareholders. Tay Kheng Seng and Loo Chee Wee are also the indirect shareholders of E-Tech IT via Goldcoin Pavilion Sdn. Bhd.	Purchase of computer hardware such as point-of-sale equipment, server, computer and accessories from E-Tech IT.	692,956

ADDITIONAL COMPLIANCE INFORMATION
(CONT'D)

(c) Recurrent Related Party Transactions of a Revenue or Trading Nature (Cont'd)

Transacting Parties	Transacting company in the Group	Interested Directors and Major Shareholders	Nature of relationship	Nature of Transaction	Aggregate Value of transactions from 1 January 2025 to 31 December 2025 (RM)
Loo Chee Wee Tay Kheng Seng	Panda Software	Loo Chee Wee Tay Kheng Seng	Loo Chee Wee and Tay Kheng Seng are Panda's Executive Directors and Major Shareholders.	Rental of office to Panda Software	22,000
Loo Chee Wee Tay Kheng Seng	KK Computer	Loo Chee Wee Tay Kheng Seng	Loo Chee Wee and Tay Kheng Seng are Panda's Executive Directors and Major Shareholders.	Rental of office to KK Computer	14,800
Loo Chee Wee Tay Kheng Seng	020 Digital Sdn. Bhd. ("020 Digital")	Loo Chee Wee Tay Kheng Seng	Loo Chee Wee and Tay Kheng Seng are Panda's Executive Directors and Major Shareholders.	Rental of office to 020 Digital	19,200

Note: Details of related party transactions are disclosed in Note 31 of the Audited Financial Statements, of which none of the actual value of transactions conducted pursuant to the shareholders' mandate during the financial year exceeded the applicable prescribed threshold under Rule 10.09(2) of the ACE Market Listing Requirements of Bursa Securities.

The Company proposes to seek a renewal of the existing RRPT mandate and new RRPT mandate (collectively "Proposed Shareholders' Mandate") at its forthcoming 4th AGM. Details of the Proposed Shareholders' Mandate are as set out in the Circular to Shareholders dated 27 April 2026 which is available on the website of the Company and Bursa Securities.

(d) Audit and Non-Audit Fees

For the FY2025, the amount of audit and non-audit fees paid/payable by the Company and the Group to the External Auditors and/or its affiliated corporations are as follows:

	The Company RM	The Group RM
Audit fees	49,000	175,000
Non-audit fees - Statement of Risk Management and Internal Control	5,000	5,000

(e) Utilisation of Proceeds Raised from Corporate Proposals

The Company was listed on the ACE Market of Bursa Securities on 27 November 2023. As part of the listing exercise, the Company undertook a public issue of 109,286,800 new ordinary shares at an issue price of RM0.16 per share, raising total gross proceeds of RM17.49 million ("IPO Proceeds").

As at 31 December 2025, the status of the utilisation of the IPO Proceeds is as follows:

Details of utilisation of proceeds	Proposed utilisation RM'000	Re-allocation RM'000	Revised utilisation RM'000	Actual utilisation RM'000	Deviation RM'000	Deviation %	Estimated timeframe for utilisation[1]
Research and development of new solutions	2,712	-	2,712	2,712	-	-	Within 36 months
Business expansion							
• Regional expansion in ASEAN countries	1,890	-	1,890	-	1,890	100.00	Within 36 months
• Establishing additional service hubs within Malaysia	2,634	-	2,634	2,124	510	19.36	Within 36 months (previously 24 months)
• Staff cost allocated to Northern region of Peninsular Malaysia	576	(576)	-	-	-	-	
• Rental of service hub for Northern region of Peninsular Malaysia	84	(84)	-	-	-	-	
• Purchase of office equipment for Northern region of Peninsular Malaysia	50	(50)	-	-	-	-	
• Staff cost allocated to East Malaysia and Johor	768	(356)	412	368	44	10.68	
• Staff cost allocated to Central region of Peninsular Malaysia	960	831	1,791	1,424	367	20.49	
• Rental of service hub for Central region of Peninsular Malaysia	96	135	231	132	99	42.86	
• Purchase of office equipment for Central region of Peninsular Malaysia	100	100	200	200	-	-	
Expansion of customer technical support department	1,680	-	1,680	1,680	-	-	Within 24 months
Headquarters' expansion	3,000	-	3,000	-	3,000	100.00	Within 36 months
Working capital	2,833	-	2,833	2,833	-	-	Within 24 months
Estimated listing expenses	2,736	-	2,736	2,736	-	-	Within 1 month
	17,485	**-**	**17,485**	**12,085**	**5,400**		

Note:

(1) From the date of listing of the Company on 27 November 2023.

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

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

(A) Group Total Income and Total Assets

		Group	
		2025	2024
Total Income	**Remarks**	**RM**	**RM**
Revenue		43,772,226	31,161,361
Interest income		862,352	912,842
Other income		15,739	16,544
Other (please specify in the remarks column)	Commission and Incentive received	50,493	43,334
Other (please specify in the remarks column)	Gain on disposal of plant and equipment	8,999	65,250
Other (please specify in the remarks column)	Realised gain on foreign exchange	4,409	-
Total		**44,714,218**	**32,199,331**
Total Assets		**63,894,953**	**45,193,800**

(B) Business Activities

		Group	
		2025	2024
Shariah Non-Compliant Activities	**Remarks**	**RM**	**RM**
Interest income		152,233	111,337
Total		**152,233**	**111,337**

(C) Component of Financial Position

(i) Cash Component

		Group	
		2025	2024
Islamic Account/Instruments	**Remarks**	**RM**	**RM**
Cash at bank (exclude cash in hand)		4,426,933	735,149
Cash in hand		3,777	6,101
Deposits with licensed banks		19,570,492	22,513,989
Total		**24,001,202**	**23,255,239**
Conventional Account/Instruments			
Cash at bank (exclude cash in hand)		9,195,638	9,914,383
Deposits with licensed banks		2,366,076	831,757
Total		**11,561,714**	**10,746,140**

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONT'D)

(C) Component of Financial Position (Cont'd)

(ii) Debt Component

Islamic Financing	Remarks	Group 2025 RM	Group 2024 RM
Current			
Islamic Hire Purchase payable		7,789	-
Non-Current			
Islamic Hire Purchase payable		11,638	-
Total		**19,427**	**-**

Conventional Borrowing	Remarks	Group 2025 RM	Group 2024 RM
Current		N/A	N/A
Total		**N/A**	**N/A**
Non-Current		N/A	N/A
Total		**N/A**	**N/A**

STATEMENT ON DIRECTORS' RESPONSIBILITY
FOR PREPARING THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 ("the Act") to prepare the financial statements for each financial year which have been made out in accordance with applicable Malaysian Financial Reporting Standards, the IFRS Accounting Standards and the requirements of the Act in Malaysia.

The Directors are responsible to ensure that the financial statements 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 of the financial performance and cash flows of the Group and of the Company for the financial year.

In preparing the financial statements for the financial year ended 31 December 2025, the Directors have:

(a) adopted appropriate accounting policies and applied them consistently;
(b) made judgements and estimates that are reasonable and prudent;
(c) ensure that all applicable accounting standards have been followed; and
(d) prepared the financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Act.

The Directors are responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company, and to detect and prevent fraud and other irregularities.

This Statement on Directors' Responsibility for preparing the audited financial statements is approved by the Board of Directors on 17 April 2026.

FINANCIAL STATEMENTS

80 Directors' report

86 Statement by directors

86 Statutory declaration

87 Independent auditors' report

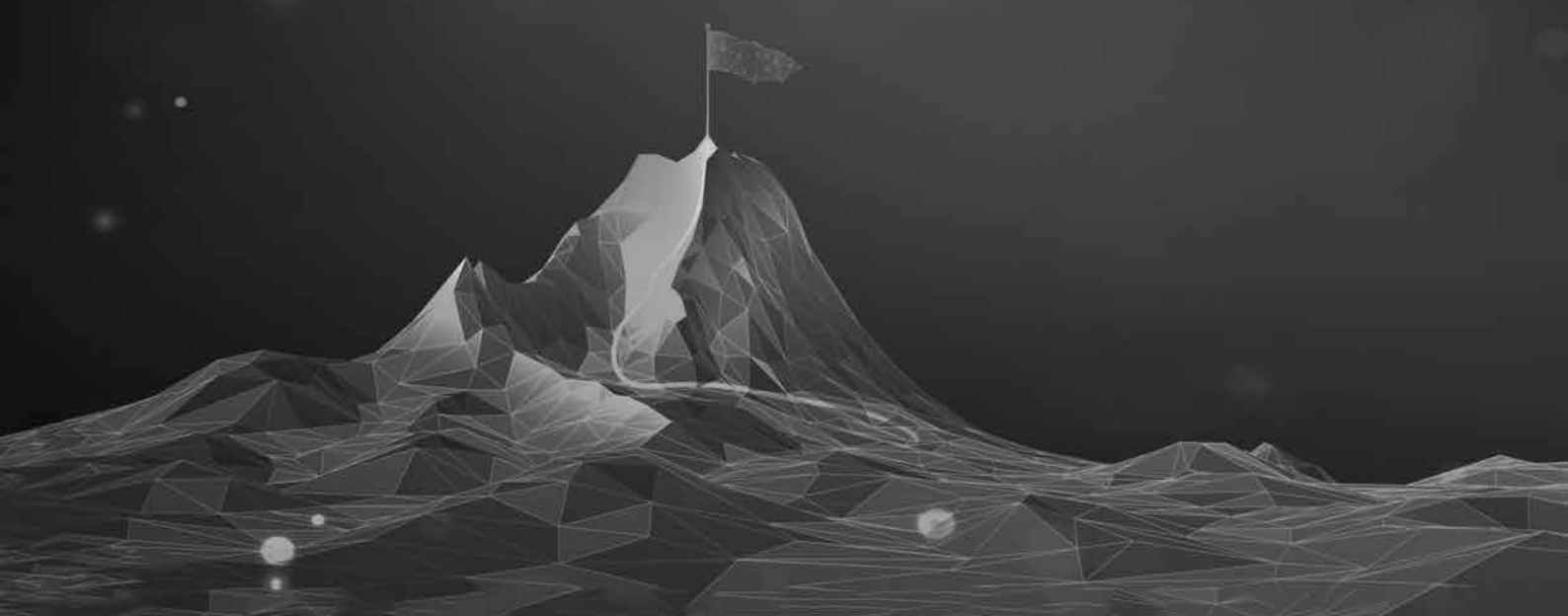
90 Statements of financial position

93 Statements of profit or loss and other comprehensive income

94 Statements of changes in equity

96 Statements of cash flows

98 Notes to the financial statements



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 principal activities of the subsidiaries are to provide software development, software enhancement, customisation, implementation and integration of Information Technology ("IT") solutions as well as IT solutions support, maintenance and training for the use of IT solutions, trading of IT hardware and software, IT technical support and maintenance, consultancy and business development for IT solutions.

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

RESULTS

	The Group RM	The Company RM
Profit after taxation for the financial year	8,751,217	2,870,152

DIVIDENDS

Dividends paid or declared by the Company since 31 December 2024 are as follows:-

	RM
Ordinary Share	
In respect of the financial year 31 December 2024 A final single-tier dividend of RM0.0025 per ordinary share, paid on 26 June 2025	1,677,968
In respect of the financial year 31 December 2025 A first interim single-tier dividend of RM0.0025 per ordinary share, paid on 23 January 2026	1,726,624
	3,404,592

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) the Company increased its issued and paid-up share capital from RM22,172,766 to RM27,719,629 by way of issuance of 19,462,674 new ordinary shares at RM0.285 per share as part of the purchase consideration for the acquisition of the entire equity interest in Gross Synergy Sdn. Bhd. and Day One Technology Sdn. Bhd.

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

(b) there were no issuance of debentures by the Company.

DIRECTORS' REPORT
(CONT'D)

OPTIONS GRANTED OVER UNISSUED SHARES

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

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 all known bad debts had been written off 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 further 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 year 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 year.

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 year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations 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 financial performance of the operations of the Group and of the Company during the financial year 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 year 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 financial performance of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

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

Loo Chee Wee
Tay Kheng Seng
Chan Kam Chiew
Dato' Leanne Koh Li Ann
Siew Suet Wei
Cheok Kian Hing (Appointed on 30 June 2025)

The directors who served in the subsidiaries during the financial year up to the date of this report are as follows:-

Loo Chee Wee
Tay Kheng Seng
Bong Kok Choo
Keow Yih Yun
Loo Siau Sun
Wong Khai Meng
Cheok Kian Hing
Ding Chew Kiat
Ho Soo Cherng
Yeow Cheng Hock

DIRECTORS' INTERESTS

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

	Number of Ordinary Shares				
	At 1.1.2025	Pursuant to the acquisitions of subsidiaries by the Company	Bought	Sold	At 31.12.2025
THE COMPANY					
DIRECT INTERESTS					
Chan Kam Chiew	200,000	-	-	-	200,000
Dato' Leanne Koh Li Ann	200,000	-	-	-	200,000
Siew Suet Wei	200,000	-	-	-	200,000
Cheok Kian Hing	-	5,838,802	-	-	5,838,802
INDIRECT INTERESTS					
Loo Chee Wee #	467,219,800	-	-	(1,500,000)	465,719,800
Tay Kheng Seng *	478,217,200	-	-	(1,500,000)	476,717,200

DIRECTORS' REPORT
(CONT'D)

DIRECTORS' INTERESTS (CONT'D)

	Number of Ordinary Shares				
	At 1.1.2025	Pursuant to the acquisitions of subsidiaries by the Company	Bought	Sold	At 31.12.2025
ULTIMATE HOLDING COMPANY GOLDCOIN CAPITAL SDN. BHD.					
DIRECT INTERESTS					
Loo Chee Wee	100	-	-	-	100
Tay Kheng Seng	100	-	-	-	100

Deemed interested by virtue of his direct substantial shareholding in Goldcoin Capital Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

* Deemed interested by virtue of his direct substantial shareholding in Goldcoin Capital Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 and by virtue of his spouse's shareholding in the Company pursuant to Section 59(11)(c) of the Companies Act 2016.

By virtue of their shareholdings in ultimate holding company, Loo Chee Wee and Tay Kheng Seng are deemed to have interests in shares of the Company and its related corporations during the financial year to the extent of the ultimate holding company's interest, in accordance with Section 8 of the Companies Act 2016.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no directors 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 those transactions entered into the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 31(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 RM	The Company RM
Fees	245,083	245,083
Salaries, bonuses and other benefits	1,395,306	17,000
Defined contribution benefits	257,282	-
	1,897,671	262,083

DIRECTORS' REPORT
(CONT'D)

INDEMNITY AND INSURANCE COST

The Company maintains a Directors' and Officers' Liability Insurance Policy on a group basis. During the financial year, the amount of indemnity coverage and insurance premium paid for the directors and certain officers of the Group were RM5,000,000 and RM10,000 respectively.

There was no indemnity given to or professional indemnity insurance effected for the auditors of the Company.

SUBSIDIARIES

(a) The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 6 to the financial statements.

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

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 2 January 2025, the Company acquired a 51% equity interest in Centra Solutions Sdn. Bhd. ("CSSB"), comprising 51 ordinary shares out of 100 ordinary shares, for a cash consideration of RM51. Consequently, CSSB became a subsidiary of the Company. On 13 January 2025, the Company increased its investment in CSSB from RM51 to RM102,000 when CSSB increased its total paid up share capital to RM200,000.

(b) On 16 June 2025, the Company completed the acquisition of Gross Synergy Sdn. Bhd. ("GSSB") and Day One Technology Sdn. Bhd. ("DOTSB") for a total purchase consideration of RM16,636,138 which was satisfied via a combination of:

    (i) Cash of RM11,089,275; and

    (ii) RM5,546,863 via the issuance of 19,462,674 new ordinary shares in the Company at an issue price of RM0.285 per share.

    (collectively as "Acquisitions")

    Following the completion of the Acquisitions, GSSB and DOTSB became wholly-owned subsidiaries of the Company.

SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 17 March 2026, the Company via its 51% owned subsidiary, Centra Solutions Sdn. Bhd. subscribed for a 51% equity interest in Anjak Centra Sdn. Bhd. ("Anjak"), comprising 51 ordinary shares out of 100 ordinary shares, for a cash consideration of RM51. Consequently, Anjak became an indirect subsidiary of the Company.

On 14 April 2026, the Company subscribed for a 51% equity interest in Agentis Solutions Sdn. Bhd. ("Agentis"), comprising 51 ordinary shares out of 100 ordinary shares, for a cash consideration of RM51. Consequently, Agentis became a subsidiary of the Company.

ULTIMATE HOLDING COMPANY

The ultimate holding company is Goldcoin Capital Sdn. Bhd., a company incorporated in Malaysia.

DIRECTORS' REPORT
(CONT'D)

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	175,000	49,000
Non-audit fees	5,000	5,000
	180,000	54,000

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

Loo Chee Wee

Tay Kheng Seng

STATEMENT BY DIRECTORS

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

We, Loo Chee Wee and Tay Kheng Seng, being two of the directors of Panda Eco System Berhad, state that, in the opinion of the directors, the financial statements set out on pages 92 to 134 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as 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

Loo Chee Wee **Tay Kheng Seng**

STATUTORY DECLARATION

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

I, Loo Chee Wee, being the director primarily responsible for the financial management of Panda Eco System Berhad, do solemnly and sincerely declare that the financial statements set out on pages 92 to 134 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
Loo Chee Wee, NRIC Number: 701225-04-5333
at Melaka
in the state of Melaka
on this 17 April 2026

Loo Chee Wee

Before me

Shahrizah Binti Yahya (No.M084)
Commissioner for Oaths
Melaka, Malaysia

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PANDA ECO SYSTEM BERHAD

(INCORPORATED IN MALAYSIA) REGISTRATION NO: 202201028635 (1474332-M)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Panda Eco System Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 December 2025, 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 92 to 134.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our 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.

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

Key Audit Matter Revenue Recognition (Refer to Note 23 in the financial statements)	**How Our Audit Addressed The Key Audit Matter**
Consolidated revenue recorded by the Group during the year amounted to approximately RM43.77 million. We consider revenue recognition for sale of goods and delivery of services to be a potential cause for higher risk of material misstatement as this required significant judgement in identifying each separate performance obligations in the contracts. This judgement could materiality affect the timing of recognition and amount of revenue recognised. Accordingly, we regard revenue recognition to be a key audit matter.	Our procedures included, amongst others the followings: • Tested the operating effectiveness of internal control over the completeness, accuracy and timing of revenue recognised in the financial statements; • Reviewed the terms of quotations to determine the point of control transfer to the customers on sampling basis; • Verified the recording of sales transactions is recognised in accordance with MFRS 15 Revenue from Contract with Customers; • Reviewed revenue cut-off and credit notes after year end; and • Obtained confirmations from trade receivables as at the financial year end on sampling basis and reviewed collections relating to material trade receivables during and after the financial year end.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PANDA ECO SYSTEM BERHAD (CONT'D)

(INCORPORATED IN MALAYSIA) REGISTRATION NO: 202201028635 (1474332-M)

Key Audit Matters (Cont'd)

Key Audit Matter Recognition of Intangible Assets (Refer to Note 9 in the financial statements)	**How Our Audit Addressed The Key Audit Matter**
The intangible assets of the Group as of 31 December 2025 is approximately RM4.16 million which relates to design and development cost of new software products. An intangible asset can only be recognised when an entity can demonstrate its technical and financial feasibility and the Group's intention to generate future economic benefits (i.e revenue generated from sales of the software products). This involves judgement and the timing to recognise intangible assets. As such, we regard recognition of intangible assets to be a key audit matter.	Our procedures included, amongst others the following: • Reviewed the technical feasibility study of the development projects; • Evaluated the intention of the Group to complete the development projects; • Reviewed future cash flow estimates and the assumptions used by the management for deriving the value in use ("VIU"); and • Evaluated the key assumptions applied such as revenue generated from the development projects and discount rate.

Key Audit Matter Acquisition of Gross Synergy Sdn Bhd ("GSSB") and Day One Technology Sdn Bhd ("DOTSB") and Impairment assessment of goodwill on consolidation arising from the acquisition of GSSB and DOTSB (Refer to Note 29 in the financial statements)	**How Our Audit Addressed The Key Audit Matter**
(i) Acquisition of GSSB and DOTSB On 16 June 2025, the Group completed the acquisition of 100% equity interest in GSSB and DOTSB for a total consideration of RM16.64 million to be satisfied via a combination of cash and issuance of 19,462,674 new ordinary shares in the Company. The Purchase Price Allocation ("PPA") exercise was prepared and finalised with the assistance of an independent external professional advisor ("Advisor") to determine the fair values of the net identifiable assets and liabilities of GSSB and DOTSB. Based on the PPA, the Group recorded, amongst others, newly identifiable assets (customer relationship, software (point-of-sales system) and customer contracts) of RM4.77 million and goodwill of RM9.28 million. The determination of fair values of the intangible assets required significant management judgement and on the underlying assumptions and the estimates used to be applied, we consider this to be a key audit matter.	Our procedures included, amongst others the following: • Obtained the report issued by the Advisor engaged by the management to perform the PPA; • Obtained understanding of the methodology adopted by the Advisor in determining the fair value of the intangible assets and assessed such methodologies are consistent with those used in the industry; • Evaluated the appropriateness and reasonableness of the data used by the Advisor as input into their valuation of intangible assets through interview session whereby significant estimates used by the Advisor in the PPA were discussed and challenged; • Assessed the Advisor's competence, reputation, relevant experience, objectivity, and independence; and • Assessed the adequacy of disclosures in respect of the acquisition in the Group's financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PANDA ECO SYSTEM BERHAD (CONT'D)

(INCORPORATED IN MALAYSIA) REGISTRATION NO: 202201028635 (1474332-M)

Key Audit Matter (Cont'd) Acquisition of Gross Synergy Sdn Bhd ("GSSB") and Day One Technology Sdn Bhd ("DOTSB") and Impairment assessment of goodwill on consolidation arising from the acquisition of GSSB and DOTSB (Cont'd) (Refer to Note 10 in the financial statements)	**How Our Audit Addressed The Key Audit Matter**
(ii) Impairment assessment of goodwill on consolidation arising from the acquisition of GSSB and DOTSB The goodwill arising from the acquisition of subsidiaries amounted to RM9.28 million, which represented 15% of the Group's total assets as at 31 December 2025. The Group is required to perform an annual impairment assessment of the Cash-Generating Unit ("CGU") to which the goodwill has been allocated. The Group estimated the recoverable amount of the recoverable amount of the CGU to which the goodwill is allocated based on value-in-use ("VIU"). We considered this to be a key audit matters as the amount of goodwill is significant, and the determination of the VIU of the CGU involved significant management judgements, estimates and assumptions, particularly on the revenue growth rates, gross profit margins, discount rate and terminal growth rate. These judgements, estimates and assumptions are inherently uncertain.	Our procedures included, amongst others the following: • Obtained an understanding of the relevant processes and internal controls involved in determining the recoverable amount of CGU; • Reviewed the reporting assessment on the goodwill for the specific CGU and evaluate the basis and assumptions used in the forecast for the future cash flows; • Performed sensitivity analysis on key assumptions to impairment models, to understand the impact that reasonable alternative assumptions would have on the overall carrying amount; • Evaluated the discount rates used in deriving the present value of the cash flows; and • Assessed the adequacy of the disclosures made in the financial statements.

Information Other than the Financial Statements and Auditors' Report Thereon

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

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PANDA ECO SYSTEM BERHAD (CONT'D)

(INCORPORATED IN MALAYSIA) REGISTRATION NO: 202201028635 (1474332-M)

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PANDA ECO SYSTEM BERHAD (CONT'D)

(INCORPORATED IN MALAYSIA) REGISTRATION NO: 202201028635 (1474332-M)

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

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

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

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

Tan Guan Seng
03387/08/2026 J
Chartered Accountant

Melaka

17 April 2026

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	NOTE	The Group 2025 RM	The Group 2024 RM	The Company 2025 RM	The Company 2024 RM
ASSETS					
NON-CURRENT ASSETS					
Investment in subsidiaries	6	-	-	22,357,138	5,619,000
Plant and equipment	7	2,270,665	994,901	-	-
Right-of-use assets	8	336,218	212,087	-	-
Intangible assets	9	8,085,880	2,593,771	-	-
Goodwill	10	9,282,266	-	-	-
Deferred tax assets	11	224,400	149,000	-	-
		20,199,429	3,949,759	22,357,138	5,619,000
CURRENT ASSETS					
Inventories	12	412,690	190,692	-	-
Trade receivables	13	5,739,435	3,780,867	-	-
Other receivables, deposits and prepayments	14	1,526,355	2,231,324	209,325	1,901,808
Contract assets	15(a)	72,388	4,200	-	-
Current tax assets		381,740	1,035,579	-	-
Fixed deposits with licensed banks	16	21,936,568	23,345,746	8,080,000	15,050,000
Cash and bank balances		13,626,348	10,655,633	2,091,587	536,676
		43,695,524	41,244,041	10,380,912	17,488,484
TOTAL ASSETS		63,894,953	45,193,800	32,738,050	23,107,484
EQUITY AND LIABILITIES					
EQUITY					
Share capital	17	27,719,629	22,172,766	27,719,629	22,172,766
Merger deficit	18	(5,239,000)	(5,239,000)	-	-
Retained profits		26,079,934	20,263,992	178,800	713,240
Equity attributable to owners of the Company		48,560,563	37,197,758	27,898,429	22,886,006
Non-controlling interest	6	(371,317)	-	-	-
TOTAL EQUITY		48,189,246	37,197,758	27,898,429	22,886,006
NON-CURRENT LIABILITIES					
Lease liabilities	19	124,516	81,249	-	-
Hire purchase payables	20	11,638	-	-	-
Deferred tax liabilities	11	1,401,697	240,400	-	-
		1,537,851	321,649	-	-
CURRENT LIABILITIES					
Trade payables	21	1,206,314	740,805	-	-
Other payables and accruals	22	9,443,379	4,349,834	4,823,534	197,141
Contract liabilities	15(b)	3,284,763	2,443,476	-	-
Lease liabilities	19	225,611	140,278	-	-
Hire purchase payables	20	7,789	-	-	-
Current tax liabilities		-	-	16,087	24,337
		14,167,856	7,674,393	4,839,621	221,478
TOTAL LIABILITIES		15,705,707	7,996,042	4,839,621	221,478
TOTAL EQUITY AND LIABILITIES		63,894,953	45,193,800	32,738,050	23,107,484

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 2025 RM	The Group 2024 RM	The Company 2025 RM	The Company 2024 RM
REVENUE	23	43,772,226	31,161,361	3,700,000	4,000,000
COST OF SALES		(24,706,284)	(13,945,814)	-	-
GROSS PROFIT		19,065,942	17,215,547	3,700,000	4,000,000
OTHER INCOME		941,992	1,037,970	422,759	526,565
ADMINISTRATIVE EXPENSES		(7,883,700)	(6,990,970)	(1,157,689)	(1,184,904)
FINANCE COSTS		(110,606)	(16,341)	-	-
NET REVERSAL OF IMPAIRMENT LOSSES/(NET IMPAIRMENT LOSSES) ON FINANCIAL ASSETS	24	270,776	(163,404)	-	-
PROFIT BEFORE TAXATION	25	12,284,404	11,082,802	2,965,070	3,341,661
INCOME TAX EXPENSE	26	(3,533,187)	(3,000,281)	(94,918)	(115,609)
PROFIT AFTER TAXATION/ TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		8,751,217	8,082,521	2,870,152	3,226,052
PROFIT AFTER TAXATION/ TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
- Owners of the Company		9,220,534	8,082,521	2,870,152	3,226,052
- Non-controlling interest		(469,317)	-	-	-
		8,751,217	8,082,521	2,870,152	3,226,052
EARNINGS PER SHARE (SEN)					
Basic and Diluted	27	1.35	1.20		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	NOTE	SHARE CAPITAL RM	NON-DISTRIBUTABLE MERGER DEFICIT RM	DISTRIBUTABLE RETAINED PFOFITS RM	ATTRIBUTABLE TO OWNERS OF THE COMPANY RM	NON-CONTROLLING INTERESTS RM	TOTAL EQUITY RM
The Group							
Balance at 1.1.2024		22,172,766	(5,239,000)	15,537,406	32,471,172	-	32,471,172
Profit after taxation/Total comprehensive income for the financial year		-	-	8,082,521	8,082,521	-	8,082,521
Dividends	28	-	-	(3,355,935)	(3,355,935)	-	(3,355,935)
Balance at 31.12.2024/1.1.2025		22,172,766	(5,239,000)	20,263,992	37,197,758	-	37,197,758
Profit after taxation/Total comprehensive income for the financial year		-	-	9,220,534	9,220,534	(469,317)	8,751,217
Issuance of ordinary shares		5,546,863	-	-	5,546,863	-	5,546,863
Effect of issue of share capital by a subsidiary		-	-	-	-	98,000	98,000
Dividends	28	-	-	(3,404,592)	(3,404,592)	-	(3,404,592)
Balance at 31.12.2025		27,719,629	(5,239,000)	26,079,934	48,560,563	(371,317)	48,189,246
		Note 17	*Note 18*				

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	NOTE	SHARE CAPITAL RM	RETAINED PROFITS RM	TOTAL EQUITY RM
The Company				
Balance at 1.1.2024		22,172,766	843,123	23,015,889
Profit after taxation/Total comprehensive income for the financial year		-	3,226,052	3,226,052
Dividends	28	-	(3,355,935)	(3,355,935)
Balance at 31.12.2024/1.1.2025		22,172,766	713,240	22,886,006
Profit after taxation/Total comprehensive income for the financial year		-	2,870,152	2,870,152
Dividends	28	-	(3,404,592)	(3,404,592)
Issuance of ordinary shares		5,546,863	-	5,546,863
Balance at 31.12.2025		27,719,629	178,800	27,898,429

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	NOTE	The Group 2025 RM	The Group 2024 RM	The Company 2025 RM	The Company 2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before taxation		12,284,404	11,082,802	2,965,070	3,341,661
Adjustments for:-					
Amortisation of intangible assets		1,133,031	-	-	-
Bad debts written off		16,569	-	-	-
Depreciation:					
- plant and equipment		438,221	256,048	-	-
- right-of-use assets		283,263	119,982	-	-
Dividend income		-	-	(3,700,000)	(4,000,000)
Interest expense		78,743	-	-	-
Interest expense on lease liabilities		31,864	16,341	-	-
Inventories written down		25,866	2,379	-	-
Plant and equipment written off		1,435	11,685	-	-
Interest income		(862,352)	(912,842)	(422,759)	(526,565)
Gain on disposal of plant and equipment		(8,999)	(65,250)	-	-
Gain on lease modification		(3,356)	-	-	-
(Net reversal of impairment losses)/ Net impairment losses on trade receivables		(270,776)	163,404	-	-
Reversal of inventories previously written down		-	(12,582)	-	-
Operating profit/(loss) before working capital changes		13,147,913	10,661,967	(1,157,689)	(1,184,904)
Changes in working capital:					
Inventories		431,921	(28,600)	-	-
Contract assets		(68,188)	264,075	-	-
Trade and other receivables		2,515,043	(184,341)	(13,558)	(28,138)
Trade and other payables		(687,858)	744,199	56,364	34,641
Contract liabilities		(1,650,071)	1,074,138	-	-
CASH FROM/(FOR) OPERATIONS		13,688,760	12,531,438	(1,114,883)	(1,178,401)
Income tax paid		(3,224,595)	(3,471,404)	(103,168)	(98,772)
Tax refunded		950,628	-	-	-
Dividend income		-	-	3,700,000	7,000,000
NET CASH FROM OPERATING ACTIVITIES		11,414,793	9,060,034	2,481,949	5,722,827

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

	NOTE	The Group 2025 RM	The Group 2024 RM	The Company 2025 RM	The Company 2024 RM
CASH FLOWS FOR INVESTING ACTIVITIES					
Acquisition of a subsidiaries, net of cash and cash equivalents	29(c)	(4,440,872)	-	(6,539,829)	-
Additional investment in intangible assets		(1,581,551)	(605,241)	-	-
Deposits paid for the proposed acquisitions of companies		-	(1,706,042)	-	(1,706,042)
Interest received		862,352	912,842	422,759	526,565
Investment in a subsidiary		-	-	(102,000)	-
Addition to fixed deposits with tenure more than 3 months		(16,720,492)	(2,050,000)	(5,730,000)	(2,050,000)
Proceeds from disposal of plant and equipment		9,000	248,000	-	-
Purchase of plant and equipment		(1,415,316)	(110,559)	-	-
NET CASH USED FOR INVESTING ACTIVITIES		(23,286,879)	(3,311,000)	(11,949,070)	(3,229,477)
CASH FLOWS FOR FINANCING ACTIVITIES					
Proceed from issuance of ordinary shares to non-controlling interests		98,000	-	-	-
Repayment from a subsidiary	30(a)	-	-	-	(11,130)
Dividends paid	30(d)	(1,677,968)	(3,355,935)	(1,677,968)	(3,355,935)
Interest paid	30(a)	(110,607)	(16,341)	-	-
Repayment of term loans	30(a)	(1,159,470)	-	-	-
Repayment of hire purchase payables	30(a)	(161,386)	-	-	-
Repayment of lease liabilities	30(a)	(275,438)	(114,659)	-	-
NET CASH USED FOR FINANCING ACTIVITIES		(3,286,869)	(3,486,935)	(1,677,968)	(3,367,065)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(15,158,955)	2,262,099	(11,145,089)	(873,715)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		31,951,379	29,689,280	13,536,676	14,410,391
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	30(c)	16,792,424	31,951,379	2,391,587	13,536,676

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	:	Unit 521, 5th Floor, Lobby 6, Block A Damansara Intan, No.1, Jalan SS20/27 47400 Petaling Jaya Selangor Darul Ehsan
Principal place of business	:	No 28-1 & 30-1, Jalan PPM 13 Plaza Pandan Malim Business Park Balai Panjang, 75250 Melaka

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 the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as "the Group".

The financial statements of the Company and of the Group 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. ULTIMATE HOLDING COMPANY

The ultimate holding company is Goldcoin Capital Sdn. Bhd., a company incorporated in Malaysia.

3. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 6 to the financial statements.

4. 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 material accounting policy information, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

4.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (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 standard and/or interpretation (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

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

4. BASIS OF PREPARATION (CONT'D)

4.2 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 Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

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

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

5. MATERIAL ACCOUNTING POLICY INFORMATION

5.1 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 amount of assets and liabilities within the next financial year other than as disclosed below:-

(a) Amortisation of Development Costs

The estimates for the residual values, useful lives and related amortisation charges for the development costs 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 anticipates that the residual values of its development costs will be insignificant. As a result, residual values are not being taken into consideration for the computation of the amortisation amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future amortisation charges could be revised.

(b) Impairment of Goodwill

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

(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 values of trade receivables and contract assets.

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

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

Key Sources of Estimation Uncertainty (Cont'd)

(d) Revenue Recognition

Revenue from contracts with customers is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Group transfers control of the goods or services promised in a contract and the customer obtains control of the goods or services. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of service tax, returns, rebates and discounts. The transaction price is allocated to each distinct good or service promised in the contract.

(e) Purchase Price Allocation

Purchase prices related to business combinations are allocated to the underlying acquired assets and liabilities based on their estimated fair value at the time of acquisition. The determination of fair value required the Group to make assumptions, estimates and judgements regarding future events. The allocation process is inherently subjective and impacts the amount assigned to individually identifiable assets and liabilities. As a result, the purchase price allocation impacts the Group's reported assets (including goodwill) and liabilities, future net earnings due to the impact of the future depreciation and amortisation expense and impairment tests.

Critical Judgement Made in Applying Accounting Policies

In the process of applying the accounting policies of the Group and of the Company, the management is not aware of any judgements that have significant effects on the amounts recognised in the financial statements.

5.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

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.

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

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

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

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

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.3 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to end of the reporting period.

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when the rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Acquisitions of businesses are accounted for using the acquisitions method. Under the acquisitions method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any assets or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debts or equity securities, are recognised in profit or loss when incurred.

The Group applies the acquisitions method of accounting for all business combinations except for those involving entities under common control which are accounted for applying 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 difference between the cost of the merger and the share capital and capital reserves of the merger entities is reflected within equity as merger deficit.

5.4 GOODWILL

Goodwill is initially measured at cost. Subsequent to initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Under the acquisitions method, any excess of the sum of the fair value of the consideration transferred in the business combination over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisitions is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised in profit or loss immediately.

5.5 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.

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

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.6 PLANT AND EQUIPMENT

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

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

Depreciation on 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% - 20%
Renovation	10%
Electrical installation	10%
Motor vehicles	10% - 20%
Furniture, fittings and other equipment	10% - 40%
Signboard	10%
Solar photovoltaic system	15%

5.7 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

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

The Group applies 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 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.

5.8 INTANGIBLE ASSETS

Intangible assets are initially measured at cost. The cost of intangible assets recognised in a business combination is their fair value as at the date of acquisitions. Subsequent to initial recognition, the intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as finite.

(a) Research and Development Costs

Research and development costs that do not meet the criteria for capitalisation are recognised as an expense when they are incurred.

Capitalised development cost are amortised from the point at which the assets is available for use using the straight-line method over periods ranging from 5 to 10 years. Prior to that, the capitalised development costs are tested for impairment annually and whenever there is an indication that they may be impaired.

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

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.8 INTANGIBLE ASSETS (Cont'd)

(b) Customer relationship

Customer relationship in a business combination is measured at fair value at the date of acquisition. The customer relationship with finite life is amortised using the diminishing balance method over an estimated useful life of 7 to 10 years and assessed for impairment whenever there is an indication that the customer relationships may be impaired.

(c) Software (Point-Of-Sales System)

Software in a business combination is measured at fair value at the date of acquisition. The software with finite life is amortised using the straight-line method over an estimated useful life of 5 years and assessed for impairment whenever there is an indication that the software may be impaired.

(d) Customer Contracts

Unfulfilled customer contracts are separately identifiable intangible assets acquired in a business combination and is measured at fair value at the date of acquisition. The customer contracts with finite life is amortised over the remaining period of the contracts.

5.9 INVENTORIES

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

5.10 CONTRACT ASSET AND CONTRACT LIABILITY

A contract asset is recognised when the Group's right to consideration is conditional on something other than the passage of time.

A contract liability is stated at cost and represents the obligation of the Group to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

5.11 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, net of service tax, returns, rebates and discounts. The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

(i) Sales of computer software and application software

Revenue from sales of computer software and application software are recognised at a point in time when the services have been rendered to the customers and coincides with the delivery of services and acceptance by customers.

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

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.11 REVENUE FROM CONTRACTS WITH CUSTOMERS (Cont'd)

(ii) Rendering of software

Revenue from providing services is recognised over time in the period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. As a practical expedient, the Company recognises revenue on a straight-line method over the period of service.

Otherwise, revenue is recognised at a point in time when the services have been rendered to the customers and coincides with the delivery of services and acceptance by customers.

(iii) Sales of hardware

Revenue from sales of hardware is recognised at a point in time when the goods have been delivered to the customer and upon its acceptance, and it is probable that the Group will collect the considerations to which it will be entitled to in exchange for the goods sold.

(iv) Registration fee

Revenue from registration fee is recognised at a point in time based on the actual service provided to the end of reporting period.

(v) Software maintenance and subscription fee

Software maintenance and subscription fee are recognised over time in the period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. As a practical expedient, the Group recognises revenue on a straight-line method over the period of service.

Otherwise, revenue is recognised at a point in time when the services have been rendered to the customer and coincides with the delivery of services and acceptance by customer.

(vi) Project Management Service Fee

Project management service fee is recognised at a point in time when the services are rendered.

(vii) Training

Revenue from training is recognised at a point in time upon performance of services and customer's acceptance, net of trade discounts, if any.

(viii) Seminar

Revenue from seminar is recognised at a point in time when the services have been rendered to the customers.

(ix) Sales of other services

Revenue from sales of other services is recognised at a point in time when the services have been rendered to the customers.

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

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.12 REVENUE FROM OTHER SOURCES

Dividend income

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

Lease income

Lease income from equipment is recognised on a straight-line method over the lease term.

Other services income

Revenue from other services are recognised in the period in which the services are rendered.

6. INVESTMENT IN SUBSIDIARIES

	The Company	
	2025	2024
	RM	RM
Unquoted shares, at cost	22,357,138	5,619,000

The details of the subsidiaries are as follows:-

Name of subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by the Company		Principal Activities
		2025	2024	
Subsidiaries of the Company				
Panda Software House Sdn. Bhd.	Malaysia	100%	100%	To provide software development, customisation, implementation and integration of IT solutions as well as IT solutions support, maintenance and training for the use of IT solutions; and trading of IT hardware as well as to provide IT technical support and maintenance.
KK Computer Sdn. Bhd.	Malaysia	100%	100%	Trading of IT hardware and software as well as to provide IT technical support and maintenance; and to provide software development, customisation, consultancy and business development for IT solutions.
Rexbridge Sdn. Bhd.	Malaysia	100%	100%	To provide software development, customisation, consultancy and business development for IT solutions.

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

6. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:-

Name of subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by the Company		Principal Activities
		2025	2024	
Subsidiaries of the Company (Cont'd)				
020 Digital Sdn. Bhd.	Malaysia	100%	100%	To provide software development, customisation, consultancy and business development for IT solutions.
Gross Synergy Sdn. Bhd.	Malaysia	100%	-	To provide IT support services as well as supply and installation of cash register machines and other relating support equipment to the retailing industries.
Day One Technology Sdn. Bhd.	Malaysia	100%	-	To provide IT system development and support services, general trading of computer hardware.
Centra Solutions Sdn. Bhd.	Malaysia	51%	-	To provide software development, software enhancement, implementation and training services of the in-house and third party software application.

(a) During the financial year:

(i) the Company acquired 51% equity interest in Centra Solutions Sdn. Bhd. ("CSSB"), comprising 51 ordinary shares out of 100 ordinary shares, for a cash consideration of RM51. Subsequently, the Company increased its investment in CSSB from RM51 to RM102,000 when CSSB increased its total paid up share capital to RM200,000.

(ii) the Company acquired 100% equity interest in Gross Synergy Sdn. Bhd. and Day One Technology Sdn. Bhd. The details of the acquisitions are disclosed in Note 29 to the financial statements.

(b) The non-controlling interest at the end of the reporting period comprise the following:-

	Effective Equity Interest		The Group	
	2025 %	2024 %	2025 RM	2024 RM
Centra Solutions Sdn. Bhd.	49	-	371,317	-

(c) Summarised financial information of non-controlling interest has not been presented as the non-controlling interests of the subsidiary is not individually material to the Group.

7. PLANT AND EQUIPMENT

	AT 1.1.2025 RM	ACQUISITIONS OF SUBSIDIARIES (NOTE 29(b)) RM	ADDITIONS RM	DISPOSALS RM	WRITTEN OFF (NOTE 25) RM	DEPRECIATION CHARGES (NOTE 25) RM	AT 31.12.2025 RM
The Group							
2025							
CARRYING AMOUNT							
Office equipment	333,809	33,163	344,461	-	(1,435)	(190,656)	519,342
Renovation	257,292	114,595	219,336	-	-	(84,215)	507,008
Electrical installation	-	7,744	-	-	-	(7,744)	-
Motor vehicles	293,639	23,635	-	(1)	-	(43,200)	274,073
Furniture, fittings and other equipment	63,961	120,475	851,519	-	-	(99,313)	936,642
Signboard	-	493	-	-	-	(493)	-
Solar photovoltaic system	46,200	-	-	-	-	(12,600)	33,600
	994,901	300,105	1,415,316	(1)	(1,435)	(438,221)	2,270,665

	AT 1.1.2024 RM	ADDITIONS RM	DISPOSALS RM	WRITTEN OFF (NOTE 25) RM	DEPRECIATION CHARGES (NOTE 25) RM	AT 31.12.2024 RM
2024						
CARRYING AMOUNT						
Office equipment	371,626	75,271	-	-	(113,088)	333,809
Renovation	294,275	24,506	-	(6,715)	(54,774)	257,292
Motor vehicles	334,687	-	-	-	(41,048)	293,639
Furniture, fittings and other equipment	275,437	10,782	(182,750)	(4,970)	(34,538)	63,961
Solar photovoltaic system	58,800	-	-	-	(12,600)	46,200
	1,334,825	110,559	(182,750)	(11,685)	(256,048)	994,901

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

7. PLANT AND EQUIPMENT (CONT'D)

	AT COST RM	ACCUMULATED DEPRECIATION RM	CARRYING AMOUNT RM
The Group			
AT 31.12.2025			
Office equipment	1,243,464	(724,122)	519,342
Renovation	1,286,086	(779,078)	507,008
Electrical installation	144,441	(144,441)	-
Motor vehicles	581,441	(307,368)	274,073
Furniture, fittings and other equipment	1,604,584	(667,942)	936,642
Signboard	10,460	(10,460)	-
Solar photovoltaic system	84,000	(50,400)	33,600
Total	4,954,476	(2,683,811)	2,270,665
AT 31.12.2024			
Office equipment	729,823	(396,014)	333,809
Renovation	586,834	(329,542)	257,292
Motor vehicles	445,431	(151,792)	293,639
Furniture, fittings and other equipment	117,243	(53,282)	63,961
Solar photovoltaic system	84,000	(37,800)	46,200
Total	1,963,331	(968,430)	994,901

Included in the plant and equipment of the Group was motor vehicles held under hire purchase arrangement with carrying amount of RM18,298 (2024 – Nil). The motor vehicle has been pledged as security for the hire purchase payables are disclosed in Note 20 to the financial statements.

8. RIGHT-OF-USE ASSETS

	AT 1.1.2025 RM	ADDITIONS (NOTE 19) RM	DEPRECIATION CHARGE (NOTE 25) RM	REASSESSMENT/ MODIFICATION OF LEASE LIABILITIES RM	AT 31.12.2025 RM
The Group					
2025					
CARRYING AMOUNT					
Office	212,087	478,474	(283,263)	(71,080)	336,218

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

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

	AT 1.1.2024 RM	ADDITIONS (NOTE 19) RM	DEPRECIATION CHARGE (NOTE 25) RM	AT 31.12.2024 RM
The Group				
2024				
CARRYING AMOUNT				
Office	118,011	214,058	(119,982)	212,087

(a) The Group leases a number of offices of which the leasing activities are summarised below:-

(i) Office The Group has leased a number of office that run between 2 to 4 (2024 – 2 to 4) years, with an option to renew the lease after that date.

(b) The Group also has leases with lease terms of 12 months or less and leases of office equipment with low value. The Group has applied the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

9. INTANGIBLE ASSETS

The Group	Capitalised Development Cost RM	Software (Point-Of-Sales System) RM	Customer Relationship RM	Customer Contracts RM	Total RM
Cost:-					
At 1 January 2025	2,593,771	-	-	-	2,593,771
Acquisitions of subsidiaries (Note 29(b))	683,447	1,321,703	3,251,110	192,917	5,449,177
Additions during the financial year	1,581,551	-	-	-	1,581,551
At 31 December 2025	4,858,769	1,321,703	3,251,110	192,917	9,624,499
Accumulated amortisation:-					
At 1 January 2025	-	-	-	-	-
Acquisitions of subsidiaries (Note 29(b))	(405,588)	-	-	-	(405,588)
Amortisation during the financial year (Note 25)	(291,038)	(154,198)	(494,878)	(192,917)	(1,133,031)
At 31 December 2025	(696,626)	(154,198)	(494,878)	(192,917)	(1,538,619)
Net Carrying Amount at 31 December 2025	4,162,143	1,167,505	2,756,232	-	8,085,880

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

9. INTANGIBLE ASSETS (CONT'D)

The Group	Capitalised Development Cost RM
Cost:-	
At 1 January 2024	1,988,530
Additions during the financial year	605,241
At 31 December 2024	2,593,771

	2025 RM	2024 RM
Included in additions during the financial year are:-		
Director's remuneration	180,000	269,725
Staff costs	1,401,551	335,516
	1,581,551	605,241

(a) Capitalised Development cost

The capitalised development cost represent development costs incurred on development projects for Business Analytic Tools, Retail Income Management Systems, cloud-based POS Software, Sub-let Rental Management System and others new application software. Their amortisation charges are recognised in profit or loss once the products are launched to the market.

(b) Software (Point-Of-Sales System)

Refers to the software acquired through Gross Synergy Sdn. Bhd. ("GSSB") and Day One Technology Sdn. Bhd. ("DOTSB") during the financial year.

(c) Customer relationship

Refers to the customer relationship acquired through GSSB and DOTSB during the financial year.

(d) Customer contracts

Refers to the customer contracts acquired through GSSB and DOTSB during the financial year.

10. GOODWILL

	The Group	
	2025 RM	2024 RM
Cost:-		
At 1 January	-	-
Acquisitions of subsidiaries (Note 29(d))	9,282,266	-
At 31 December	9,282,266	-

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

10. GOODWILL (CONT'D)

The carrying amount of goodwill allocated to each cash-generating unit are as follows:-

	The Group	
	2025 RM	2024 RM
Gross Synergy Sdn. Bhd. ("GSSB")	5,286,746	-
Day One Technology Sdn. Bhd. ("DOTSB")	3,995,520	-
	9,282,266	-

The Group has assessed the recoverable amount of goodwill allocated using the value in use approach. The recoverable amount of respective cash-generating units were derived from cash flows projections based on 5 years of financial budgets approved by the Management. The key assumptions used in the determination of the recoverable amount of each cash-generating units are as follows:-

	GSSB		DOTSB	
	2025	2024	2025	2024
Projected revenue growth rates	10.00%	-	15.00%	-
Projected gross profit margins	30.00%	-	25.00%	-
Pre-tax discount rate	16.58%	-	16.58%	-
Terminal growth rates	10.00%	-	15.00%	-

Based on the assessment, no impairment on goodwill was required as the recoverable amount of the goodwill exceeded its carrying amount.

Management believes that any reasonably possible change in any of these key assumptions would not cause the respective cash-generating unit carrying amount to exceed its recoverable amount.

11. DEFERRED TAX (ASSETS)/LIABILITIES

	The Group	
	2025 RM	2024 RM
Deferred Tax Liabilities		
Plant and equipment	148,300	78,600
Right-of-use assets	80,400	51,400
Intangible assets	1,662,697	622,000
	1,891,397	752,000
Deferred Tax Assets		
Contract liabilities	(410,600)	(394,000)
Impairment losses on trade receivables	(166,500)	(142,600)
Inventories written down	(10,000)	(4,000)
Lease liabilities	(84,000)	(53,000)
Provision for bonus	(16,000)	(67,000)
Unutilised capital allowances	(27,000)	-
	(714,100)	(660,600)
	1,177,297	91,400

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

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

For the purpose of presentation in the statements of financial positions, certain deferred tax assets and liabilities have been offset in the table above. The following is the analysis of the deferred tax balances for the financial reporting purposes:-

	The Group	
	2025	2024
	RM	RM
Deferred tax assets	(224,400)	(149,000)
Deferred tax liabilities	1,401,697	240,400
	1,177,297	91,400

12. INVENTORIES

	The Group	
	2025	2024
	RM	RM
Trading goods	465,098	217,234
Less: Inventories written down	(52,408)	(26,542)
	412,690	190,692

The amount of inventories recognised as an expense in "cost of sales" was RM10,429,088 (2024 – RM7,966,575).

13. TRADE RECEIVABLES

	The Group	
	2025	2024
	RM	RM
Trade receivables	6,426,825	4,462,368
Allowance for impairment losses	(687,390)	(681,501)
	5,739,435	3,780,867
Allowance for impairment losses:-		
At 1 January	681,501	635,139
Acquisition of subsidiaries	276,665	-
Addition during the financial year (Note 24)	-	237,625
Reversal during the financial year (Note 24)	(270,776)	(74,221)
Written off during the financial year	-	(117,042)
At 31 December	687,390	681,501

The Group's normal trade credit term is 90 (2024 – 90) days.

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

14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other receivables:				
Third parties	-	1,108	-	-
Interest receivables	154,435	103,050	52,768	68,759
	154,435	104,158	52,768	68,759
Deposits	125,866	86,257	-	1,000
Deposit paid for the proposed acquisitions of companies	-	1,706,042	-	1,706,042
Prepayments	1,246,054	334,867	156,557	126,007
	1,526,355	2,231,324	209,325	1,901,808

15. CONTRACT ASSETS/(LIABILITIES)

		The Group	
		2025 RM	2024 RM
(a)	Contract assets		
	At 1 January	4,200	268,275
	Transfer to trade receivables	(4,200)	(264,075)
	Performance obligations performed	72,388	-
	At 31 December	72,388	4,200

The contract assets primarily relate to the Group's right to consideration for work completed on contracts 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 the customers.

		The Group	
		2025 RM	2024 RM
(b)	Contract liabilities		
	At 1 January	2,443,476	1,369,338
	Acquisitions of subsidiaries (Note 29(b))	2,491,360	-
	Contract liabilities at the beginning of the financial year recognised as revenue	(4,435,311)	(1,308,312)
	Amounts billed for unfulfilled performance obligations	2,785,238	2,382,450
	At 31 December	3,284,763	2,443,476

The contract liabilities primarily relate to advanced billings and deposits received from contract customers. The amount will be recognised as revenue when the performance obligations are satisfied.

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

16. FIXED DEPOSITS WITH LICENSED BANKS

The fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period bore effective interest rates ranging from 2.80% to 3.95% (2024 – 3.15% to 4.05%) per annum and 3.55% to 3.65% (2024 – 3.80% to 4.05%) per annum respectively. The fixed deposits have maturity periods of 3 to 6 (2024 – 3 to 6) months and 3 to 6 (2024 – 3 to 6) months for the Group and the Company respectively.

17. SHARE CAPITAL

	The Group/The Company			
	2025	2024	2025	2024
	Number of Shares		RM	RM
Issued And Fully Paid-Up:				
Ordinary Shares				
At 1 January	671,187,000	671,187,000	22,172,766	22,172,766
Issuance of shares:				
- Acquisitions of subsidiaries	19,462,674	-	5,546,863	-
At 31 December	690,649,674	671,187,000	27,719,629	22,172,766

(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 share at meetings of the Company. The ordinary shares have no par value.

(b) The Company increased its issued and paid-up share capital from RM22,172,766 to RM27,719,629 by way of issuance of 19,462,674 new ordinary shares at RM0.285 per share as part of the purchase consideration for the acquisition of the entire equity interest in Gross Synergy Sdn. Bhd. and Day One Technology Sdn. Bhd.

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

18. MERGER DEFICIT

The merger deficit arose from the difference between the carrying value of the investment in subsidiaries and the nominal value of shares of the Company's subsidiaries exchanged under the merger accounting principles.

19. LEASE LIABILITIES

	The Group	
	2025	2024
	RM	RM
At 1 January	221,527	122,128
Additions (Notes 8 and 30(a))	478,474	214,058
Changes due to reassessment of lease term (Note 30(a))	9,193	-
Interest expense recognised in profit or loss (Note 25)	31,864	16,341
Repayment of principal	(275,438)	(114,659)
Repayment of interest expense	(31,864)	(16,341)
Derecognition due to lease modification (Note 30(a))	(83,629)	-
At 31 December	350,127	221,527

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

19. LEASE LIABILITIES (CONT'D)

	The Group	
	2025 RM	2024 RM
Analysed by:-		
Current liabilities	225,611	140,278
Non-current liabilities	124,516	81,249
	350,127	221,527

The leases of the Group at the end of the reporting period bore weighted average effective interest rate of 6.63% (2024 – 6.68%) per annum.

20. HIRE PURCHASE PAYABLES

	The Group	
	2025 RM	2024 RM
Current liabilities	7,789	-
Non-current liabilities	11,638	-
	19,427	-

The hire purchase payables of the Group at the end of the reporting period bore effective interest rates at 3.39% per annum.

21. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 30 to 90 (2024 – 30 to 60) days.

22. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other payables	3,219,926	50,243	3,022,910	17,474
Accruals	3,193,773	3,284,339	74,000	179,667
Service tax payables	1,018,656	738,449	-	-
Provision for bonus	253,000	276,803	-	-
Deposits received	31,400	-	-	-
Dividend payable (Note 30(d))	1,726,624	-	1,726,624	-
	9,443,379	4,349,834	4,823,534	197,141

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

23. REVENUE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contracts from customers				
Recognised at a point in time				
Computer software, application software	13,814,997	12,675,654	-	-
Registration fee	468,350	339,904	-	-
Hardware	6,746,621	5,752,855	-	-
Training	94,349	39,976	-	-
Seminar	201,928	289,972	-	-
Project management service fee	557,422	-	-	-
Others	388,565	41,670	-	-
	22,272,232	19,140,031	-	-
Recognised over time				
Maintenance fee and subscription fee	20,239,186	12,021,330	-	-
Rendering of software	1,145,463	-	-	-
	43,656,881	31,161,361	-	-
Revenue from other sources				
Dividend income	-	-	3,700,000	4,000,000
Leasing income from equipment	27,200	-	-	-
Revenue from other services	88,145	-	-	-
	43,772,226	31,161,361	3,700,000	4,000,000

Revenue recognised over time

The transaction price allocated to remaining performance obligations as at the reporting date will be recognised as revenue within the next 12 months.

24. (NET REVERSAL OF IMPAIRMENT LOSSES)/NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	The Group	
	2025 RM	2024 RM
Impairment losses on trade receivables (Note 13)	-	237,625
Reversal of impairment losses on trade receivables (Note 13)	(270,776)	(74,221)
	(270,776)	163,404

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

25. PROFIT BEFORE TAXATION

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- audit fees	175,000	95,000	49,000	28,000
- non-audit fees	5,000	5,000	5,000	5,000
Amortisation of intangible assets (Note 9)	1,133,031	-	-	-
Bad debts written off	16,569	-	-	-
Depreciation:				
- plant and equipment (Note 7)	438,221	256,048	-	-
- right-of-use assets (Note 8)	283,263	119,982	-	-
Impairment losses on inventories	25,866	2,379	-	-
Interest expense on:				
- bank overdraft (Note 30(a))	230	-	-	-
- lease liabilities (Notes 19 and 30(a))	31,864	16,341	-	-
- term loans (Note 30(a))	62,635	-	-	-
- hire purchase payable (Note 30(a))	15,878	-	-	-
Plant and equipment written off (Note 7)	1,435	11,685	-	-
Rental of motor vehicles	3,600	-	-	-
Rental of premises	46,807	82,800	-	-
Rental of signboard	2,000	2,000	-	-
Staff costs (including other key management personnel as disclosed in Note 31(c)):				
- short-term employee benefits	14,290,681	7,684,018	-	-
- defined contribution benefits	1,777,108	927,063	-	-
Gain on disposal of plant and equipment	(8,999)	(65,250)	-	-
Gain on lease modification	(3,356)	-	-	-
Realised gain on foreign exchange rate	(3,861)	-	-	-
Interest income	(862,352)	(912,842)	(422,759)	(526,565)
Reversal of impairment losses on inventories	-	(12,582)	-	-

26. INCOME TAX EXPENSE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax expense	3,014,999	3,051,000	94,000	116,000
(Over)/Under provision in the previous financial year	(33,934)	54,872	918	(391)
	2,981,065	3,105,872	94,918	115,609
Deferred tax:				
- origination and reversal of temporary differences	561,122	27,000	-	-
- over provision in the previous financial year	(9,000)	(132,591)	-	-
	552,122	(105,591)	-	-
Total income tax expense	3,533,187	3,000,281	94,918	115,609

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

26. INCOME TAX EXPENSE (CONT'D)

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

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before taxation	12,284,404	11,082,802	2,965,070	3,341,661
Tax at the statutory tax rate of 24% (2024 – 24%)	2,948,257	2,659,872	711,617	801,999
Tax effects of:-				
Non-taxable income	-	-	(888,000)	(960,000)
Non-deductible expenses	399,864	418,128	270,383	274,001
(Over)/Under provision of current tax in the previous financial year	(33,934)	54,872	918	(391)
Over provision of deferred taxation in the previous financial year	(9,000)	(132,591)	-	-
Deferred tax assets not recognised during the current financial year	228,000	-	-	-
	3,533,187	3,000,281	94,918	115,609

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

	The Group	
	2025 RM	2024 RM
Unabsorbed tax losses:		
- expires year of assessment 2035	315,000	-
Unutilised capital allowances	28,000	-
Other deductible temporary differences	609,000	-
	952,000	-

Based on current legislation, the unabsorbed tax losses for year 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment; whereas the unutilised capital allowances are allowed to be carried forward indefinitely.

27. EARNINGS PER SHARE

	The Group	
	2025	2024
Profit after taxation attributable to owners of the Company (RM)	9,220,534	8,082,521
Weighted average number of ordinary shares in issue	681,798,157	671,187,000
Basic and diluted earnings per share (sen)	1.35	1.20

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

27. EARNINGS PER SHARE (CONT'D)

The basic earnings per share is calculated by dividing the consolidated profit after taxation attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

The Company has not issued any dilutive potential ordinary share, hence, the diluted earnings per share is equal to the basic earnings per share.

28. DIVIDENDS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Special interim single tier dividend of RM0.005 per ordinary share in respect of the financial year ended 31 December 2024 paid on 27 December 2024	-	3,355,935	-	3,355,935
Final single tier dividend of RM0.0025 per ordinary share in respect of the financial year ended 31 December 2024 paid on 26 June 2025	1,677,968	-	1,677,968	-
First Interim single tier dividend of RM0.0025 per ordinary share in respect of the financial year ended 31 December 2025 paid on 23 January 2026	1,726,624	-	1,726,624	-
	3,404,592	3,355,935	3,404,592	3,355,935

29. ACQUISITIONS OF SUBSIDIARIES

On 16 June 2025, the Company had acquired 100% of the equity interests in GSSB and DOTSB, for a total consideration of RM16.6 million comprising cash consideration of RM11.1 million and share consideration of RM5.5 million.

The acquisitions of GSSB and DOTSB enabled the Group to expand our product offerings and diversify our customer base and therefore strengthen our position as a retail management solutions provider in Malaysia.

The following summarises the major classes of consideration transferred, and the recognised amount of assets acquired and liabilities assumed at the date of acquisitions.

(a) Fair Value of Purchase Consideration

	The Group 2025	The Company 2025
Cash consideration (Item (c) below)	8,245,871	8,245,871
Contingent consideration	2,843,404	2,843,404
19,462,674 ordinary shares issued at RM0.285 per share	5,546,863	5,546,863
Total purchase consideration	16,636,138	16,636,138

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

29. ACQUISITIONS OF SUBSIDIARIES (CONT'D)

As part of the acquisition of GSSB and DOTSB, a contingent consideration of RM2,843,404 is payable in cash to vendors under a profit guarantee arrangement. Under the terms of the said arrangement, the vendors are entitled to receive payments if GSSB and DOTSB achieve Profit After Tax ("PAT") of RM1,421,702 for each of the financial year ended/ending 31 December 2025 and 31 December 2026, and/or RM2,843,404 cumulatively over the two-year measurement period.

Based on the Group's assessment, it is more likely than not that the GSSB and DOTSB will be able to meet the PAT under the profit guarantee arrangement. Nevertheless, the Group has accrued the full contingent consideration of RM2,843,404 as at 31 December 2025.

(b) Identifiable Assets Acquired and Liabilities Assumed

	The Group 2025 RM
Assets	
Plant and equipment (Note 7)	300,105
Intangible assets (Note 9)	5,043,589
Inventories	679,785
Trade and other receivables	2,548,768
Amount due from related parties	2,688,626
Current tax assets	36,341
Cash and bank balances	2,098,957
Total assets	13,396,171
Liabilities	
Borrowings (Note 30(a))	1,340,283
Trade and other payables	1,676,881
Contract liabilities (Note15(b))	2,491,360
Deferred tax liabilities	533,775
Total liabilities	6,042,299
Fair value of net identifiable assets acquired	7,353,872

(c) Cash Flows Arising from Acquisition

	The Group 2025 RM	The Company 2025 RM
Purchase consideration settles in cash and cash equivalents (Item (a) above)	8,245,871	8,245,871
Less: Cash and cash equivalents of subsidiaries acquired (Item (b) above)	(2,098,957)	-
Less: Deposit paid in the previous financial year	(1,706,042)	(1,706,042)
Net cash outflow from the acquisition of subsidiaries	4,440,872	6,539,829

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

29. ACQUISITIONS OF SUBSIDIARIES (CONT'D)

(d) Goodwill Arising from Acquisition

	The Group 2025 RM
Total consideration transferred (Item (a) above)	16,636,138
Less: Fair value of identifiable net assets acquired (Item (b) above)	(7,353,872)
Goodwill from the acquisitions of subsidiaries (Note 10)	9,282,266

(e) Impact of Acquisitions from the Group's Results

The acquired subsidiaries have contributed the following results to the Group since the date of acquisition on 16 June 2025:-

	The Group 2025 RM
Revenue	8,844,558
Profit after taxation	1,677,733

If the acquisitions had been taken at the beginning of the current financial period, the Group's revenue and profit after taxation would have been RM47,633,158 and RM8,586,662, respectively.

30. CASH FLOW INFORMATION

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

The Group	Lease Liabilities RM	Term Loans RM	Hire Purchase Payables RM	Bank Overdrafts* RM	Total RM
2025					
At 1 January	221,527	-	-	-	221,527
Changes in Financing Cash Flows					
Repayment of principal	(275,438)	(1,159,470)	(161,386)	-	(1,596,294)
Repayment of interests (Note 25)	(31,864)	(62,635)	(15,878)	(230)	(110,607)
	(307,302)	(1,222,105)	(177,264)	(230)	(1,706,901)

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

30. CASH FLOW INFORMATION (CONT'D)

(a) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

The Group	Lease Liabilities RM	Term Loans RM	Hire Purchase Payables RM	Bank Overdrafts* RM	Total RM
2025					
Other Changes					
Addition of new leases (Note 19)	478,474	-	-	-	478,474
Acquisitions of subsidiaries (Note 29(c))	-	1,159,470	180,813	-	1,340,283
Changes due to reassessment of lease term (Note 19)	9,193	-	-	-	9,193
Derecognition due to lease modification (Note 19)	(83,629)	-	-	-	(83,629)
Interest expense recognised in profit or loss	31,864	62,635	15,878	230	110,607
	435,902	1,222,105	196,691	230	1,854,928
At 31 December	350,127	-	19,427	-	369,554

* Bank overdraft have form part of the cash and cash equivalent, therefore no movements is required.

The Group	Lease Liabilities RM
2024	
At 1 January	122,128
Changes in Financing Cash Flows	
Repayment of principal	(114,659)
Repayment of interests (Note 25)	(16,341)
	(131,000)
Other Changes	
Addition of new leases (Note 19)	214,058
Interest expense recognised in profit or loss	16,341
	230,399
At 31 December	221,527

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

30. CASH FLOW INFORMATION (CONT'D)

(a) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

	The Company	
	2025 RM	2024 RM
Amount owing to a subsidiary		
At 1 January	-	11,130
Changes in Financing Cash Flows		
Repayment to a subsidiary	-	(11,130)
	-	(11,130)
At 31 December	-	-

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

	The Group	
	2025 RM	2024 RM
Payment of low-value assets	5,600	2,000
Payment of short-term leases	46,807	82,800
Interest paid on lease liabilities	31,864	16,341
Payment of lease liabilities	275,438	114,659
	359,709	215,800

(c) The cash and cash equivalents comprise the followings:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Fixed deposits with licensed banks	21,936,568	23,345,746	8,080,000	15,050,000
Cash and bank balances	13,626,348	10,655,633	2,091,587	536,676
	35,562,916	34,001,379	10,171,587	15,586,676
Less: Fixed deposits with tenure more than 3 months	(18,770,492)	(2,050,000)	(7,780,000)	(2,050,000)
	16,792,424	31,951,379	2,391,587	13,536,676

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

30. CASH FLOW INFORMATION (CONT'D)

(d) The cash payment for dividend in respective financial year are as follow:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Dividend declared	3,404,592	3,355,935	3,404,592	3,355,935
Dividend payable (Note 22)	(1,726,624)	-	(1,726,624)	-
Dividends Paid	1,677,968	3,355,935	1,677,968	3,355,935

31. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

In addition to the information detailed elsewhere in the financial statements, the Group or the Company has related party relationships with its directors and entities indirectly owned by directors.

The Group has related party relationship with the following:-

(i) ultimate holding company as disclosed in Note 2 to the financial statements;

(ii) subsidiaries of the Company as disclosed in Note 6 to the financial statements;

(iii) a company in which certain Directors have indirect financial interest as below :-

- E-Tech IT Sdn. Bhd.
- Goldcoin Pavillion Sdn. Bhd.
- Day One Solutions Sdn. Bhd.

(iv) Directors of the Company – Loo Chee Wee and Tay Kheng Seng.

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

31. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant related party transactions and balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Ultimate holding company				
Dividend paid	1,677,968	2,336,099	1,677,968	2,336,099
A subsidiary				
Dividend received/receivable	-	-	(3,700,000)	(4,000,000)
Companies in which certain directors have financial interests				
Purchase of goods	743,990	911,943	-	-
Lease expense paid/payable	122,500	-	-	-
Directors of the Company				
Lease expense paid/payable	56,000	55,200	-	-
Directors of the Subsidiaries				
Lease expense paid/payable	-	3,000	-	-

(c) Key management personnel compensation

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Directors of the Company				
Short-term employee benefits:				
- fees	245,083	264,167	245,083	264,167
- salaries, bonuses and other benefits	1,395,306	1,431,854	17,000	24,000
Defined contribution benefits	257,282	266,950	-	-
	1,897,671	1,962,971	262,083	288,167
Directors of the Subsidiaries				
Short-term employee benefits:				
- salaries, bonuses and other benefits	1,595,132	690,456	-	-
Defined contribution benefits	178,397	82,073	-	-
	1,773,529	772,529	-	-
Total directors' remuneration	3,671,200	2,735,500	262,083	288,167
Other Key Management Personnel				
Short-term employee benefits	546,135	392,683	-	-
Defined contribution benefits	74,256	48,073	-	-
Total compensation for other key management personnel	620,391	440,756	-	-

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

32. OPERATING SEGMENTS

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely the provision of services related to computer software and operates in Malaysia only.

There is no single customer that contributed 10% or more to the Group's revenue.

33. CAPITAL COMMITMENTS

	The Group/The Company	
	2025	2024
	RM	RM
Capital commitment of proposed acquisitions of Gross Synergy Sdn. Bhd. and Day One Technology Sdn. Bhd.	-	15,354,382

34. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risks (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.

34.1 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 denominated in currencies other than RM. The currencies giving risk to this risk is primarily United States Dollar ("USD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that net exposure is at an acceptable level.

The Group does not have significant transactions or balances denominated in USD and hence, is not exposed to foreign currency risk.

(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 fixed rate debts 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 sensitivity analysis for fixed rate (hire purchase payable) at the end of the reporting period is not presented as change in interest rate would not have impact to the profit of loss and equity of the Group.

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

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (Cont'd)

The policies in respect of the major areas of treasury activity are as follows (Cont'd):-

(a) Market Risk (Cont'd)

(iii) Equity Price Risk

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

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade receivables. The Group manages 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 minimises credit risk by monitoring receivables regularly and 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 at the end of the reporting period.

(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 statement of financial position of the Group after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of Impairment Losses

The Group has a formal credit policy in place and the exposure to credit risk in monitored to an on-going basis through periodic review of the ageing of trade receivables. The Group closely monitor the receivables financial strength to reduce the risk of loss.

At each reporting date, the Group evaluates 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 difficulty 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 considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 90 days past due.

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

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (Cont'd)

(b) Credit Risk (Cont'd)

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

Trade Receivables and Contract Assets

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

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure 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 rate for trade receivables are a reasonable approximation of the loss rates for the contract assets.

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

The expected loss rates are based on the payment profiles of sales over 24 months (2024 – 24 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts.

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:-

	NON-CREDIT IMPAIRED RM	CREDIT IMPAIRED RM	TOTAL RM
Trade receivables			
Balance at 1.1.2024	484,308	150,831	635,139
Additions	-	237,625	237,625
Reversals	(74,221)	-	(74,221)
Written off	-	(117,042)	(117,042)
Balance at 31.12.2024/1.1.2025	410,087	271,414	681,501
Acquisition of subsidiaries	182,534	94,131	276,665
Reversals	(234,707)	(36,069)	(270,776)
Balance at 31.12.2025	357,914	329,476	687,390

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

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 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)

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows:-

The Group	GROSS AMOUNT RM	LIFETIME INDIVIDUAL ALLOWANCE RM	LIFETIME COLLECTIVE ALLOWANCE RM	CARRYING AMOUNT RM
2025				
Current (not past due)	5,715,155	-	(247,367)	5,467,788
1 to 30 days past due	174,619	-	(29,736)	144,883
31 to 60 days past due	99,059	-	(24,774)	74,285
61 to 90 days past due	108,516	-	(56,037)	52,479
Credit impaired	329,476	-	(329,476)	-
Trade receivables	6,426,825	-	(687,390)	5,739,435
Contract assets	72,388	-	-	72,388
	6,499,213	-	(687,390)	5,811,823
2024				
Current (not past due)	3,949,488	-	(312,753)	3,636,735
1 to 30 days past due	178,198	-	(52,741)	125,457
31 to 60 days past due	30,436	-	(15,756)	14,680
61 to 90 days past due	32,832	-	(28,837)	3,995
Credit impaired	271,414	-	(271,414)	-
Trade receivables	4,462,368	-	(681,501)	3,780,867
Contract assets	4,200	-	-	4,200
	4,466,568	-	(681,501)	3,785,067

Trade receivables 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 enhancement.

Trade debtors that are collectively determined to be impaired relate to expected credit losses measured based on Group's observed default rates.

There has not been any significant changes in the gross amount of trade receivables that impacted the allowance for impairment losses.

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

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 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)

Other Receivables

Other receivables are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial and hence, it is not provided for.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group and the Company consider these licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

(c) Liquidity Risk

The Group and the Company maintains sufficient cash balances to support its daily operations.

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	1-5 Years RM
2025					
Non-derivative Financial Liabilities					
Lease liabilities	6.43 – 6.68	350,127	368,800	239,800	129,000
Hire purchase payable	3.39	19,427	22,724	9,108	13,616
Trade payables	-	1,206,314	1,206,314	1,206,314	-
Other payables and accruals	-	8,171,723	8,171,723	8,171,723	-
		9,747,591	9,769,561	9,626,945	142,616

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

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 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 Group	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1-5 Years RM
2024					
Non-derivative Financial Liabilities					
Lease liabilities	6.68	221,527	235,000	150,000	85,000
Trade payables	-	740,805	740,805	740,805	-
Other payables and accruals	-	3,334,582	3,334,582	3,334,582	-
		4,296,914	4,310,387	4,225,387	85,000

The Company	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
2025				
Non-derivative Financial Liabilities				
Other payables and accruals	-	4,823,534	4,823,534	4,823,534
2024				
Non-derivative Financial Liabilities				
Other payables and accruals	-	197,141	197,141	197,141

34.2 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 capital based on their overall funding requirements. Given the insignificant level of borrowings, the gearing ratio is not a key metric used in managing capital.

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

34. FINANCIAL INSTRUMENTS (CONT'D)

34.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial Asset				
Amortised Cost				
Trade receivables	5,739,435	3,780,867	-	-
Other receivables	154,435	104,158	52,768	68,759
Fixed deposits with licensed banks	21,936,568	23,345,746	8,080,000	15,050,000
Cash and bank balances	13,626,348	10,655,633	2,091,587	536,676
	41,456,786	37,886,404	10,224,355	15,655,435
Financial Liabilities				
Amortised Cost				
Lease liabilities	350,127	221,527	-	-
Hire purchase payable	19,427	-	-	-
Trade payables	1,206,314	740,805	-	-
Other payables and accruals	8,171,723	3,334,582	4,823,534	197,141
	9,747,591	4,296,914	4,823,534	197,141

34.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial Assets				
Amortised Cost				
Net gains recognised in profit or loss	1,116,559	749,438	422,759	526,565
Financial Liabilities				
Amortised Cost				
Net losses recognised in profit or loss	(103,390)	(16,341)	-	-

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

34. FINANCIAL INSTRUMENTS (CONT'D)

34.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company that 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.

As the Group do not have any financial instrument carried at fair value, the following table sets only the fair value profile of financial instruments that are not carried at fair value at the end of the reporting period:-

The Group	Fair Value of Financial Instruments not Carried at Fair Value Level 2 RM	Fair Value RM	Carrying Amount RM
2025			
Financial Liability			
Hire purchase payable	22,770	22,770	19,427

The fair values, which are for disclosure purpose, have been determined using the following basis:-

(i) The fair value of hire purchase payable that carried fixed interest rates are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:-

	The Group 2025 %	2024 %
Hire purchase payables	3.40	-

35. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 2 January 2025, the Company acquired a 51% equity interest in CSSB, comprising 51 ordinary shares out of 100 ordinary shares, for a cash consideration of RM51. Consequently, CSSB became a subsidiary of the Company. On 13 January 2025, the Company increased its investment in CSSB from RM51 to RM102,000 when CSSB increased its total paid up share capital to RM200,000.

(b) On 16 June 2025, the Company completed the acquisition of GSSB and DOTSB for a total purchase consideration of RM16,636,138 which was satisfied via a combination of:

(i) Cash of RM11,089,275; and

(ii) RM5,546,863 via the issuance of 19,462,674 new ordinary shares in the Company at an issue price of RM0.285 per share.

(collectively as "Acquisitions")

Following the completion of the Acquisitions, GSSB and DOTSB became wholly-owned subsidiaries of the Company.

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

36. SIGNIFICANT EVENTS OCCURING AFTER THE REPORTING PERIOD

On 17 March 2026, the Company via its 51% owned subsidiary, CSSB, subscribed for a 51% equity interest in Anjak Centra Sdn. Bhd. ("Anjak"), comprising 51 ordinary shares out of 100 ordinary shares, for a cash consideration of RM51. Consequently, Anjak became an indirect subsidiary of the Company.

On 14 April 2026, the Company subscribed for a 51% equity interest in Agentis Solutions Sdn. Bhd. ("Agentis"), comprising 51 ordinary shares out of 100 ordinary shares, for a cash consideration of RM51. Consequently, Agentis became a subsidiary of the Company.

ANALYSIS OF SHAREHOLDINGS
AS AT 31 MARCH 2026

Issued and Paid-Up Share Capital	: RM29,076,041.00
Number of Issued Shares	: 690,649,674 ordinary shares
Class of Shares	: Ordinary Shares
Number of Shareholders	: 2,733
Voting Rights	: One (1) vote per ordinary share held

ANALYSIS BY SIZE OF SHAREHOLDINGS AS AT 31 MARCH 2026

Size of Shareholdings	No. of Shareholders	Percentage (%)	No. of Shares	Percentage (%)
Less than 100	0	0.00	0	0.00
100 - 1,000	305	11.16	143,100	0.02
1,001 - 10,000	996	36.44	6,343,500	0.92
10,001 - 100,000	1,139	41.68	44,157,300	6.39
100,001 - 34,532,482*	292	10.68	174,285,974	25.24
34,532,483 and above**	1	0.04	465,719,800	67.43
TOTAL	**2,733**	**100.00**	**690,649,674**	**100.00**

Notes:-
* *Less than 5% of the issued shares.*
** *5% and above of the issued shares.*

DIRECTORS' SHAREHOLDINGS
AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS AS AT 31 MARCH 2026

Name of Directors	No. of Shares (Direct)	Percentage (%)	No. of Shares (Indirect)	Percentage (%)
Loo Chee Wee	-	-	465,719,800 (1)	67.43
Tay Kheng Seng	-	-	476,717,200 (2)	69.02
Cheok Kian Hing	5,838,802	0.85	-	-
Chan Kam Chiew	200,000	0.03	-	-
Dato' Leanne Koh Li Ann	200,000	0.03	-	-
Siew Suet Wei	200,000	0.03	-	-

Notes:-
1 *Deemed interested by virtue of his shareholdings in Goldcoin Capital Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 ("the Act").*
2 *Deemed interested by virtue of his shareholdings in Goldcoin Capital Sdn. Bhd. pursuant to Section 8 of the Act and the shareholdings of his spouse pursuant to Section 59(11) of the Act.*

SUBSTANTIAL SHAREHOLDERS
AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 31 MARCH 2026

Name of Substantial Shareholders	No. of Shares (Direct)	Percentage (%)	No. of Shares (Indirect)	Percentage (%)
Goldcoin Capital Sdn. Bhd.	465,719,800	67.43	-	-
Loo Chee Wee	-	-	465,719,800 (1)	67.43
Tay Kheng Seng	-	-	476,717,200 (2)	69.02

Notes:-
1 *Deemed interested by virtue of his shareholdings in Goldcoin Capital Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 ("the Act").*
2 *Deemed interested by virtue of his shareholdings in Goldcoin Capital Sdn. Bhd. pursuant to Section 8 of the Act and the shareholdings of his spouse pursuant to Section 59(11) of the Act.*

ANALYSIS OF SHAREHOLDINGS
AS AT 31 MARCH 2026 (CONT'D)

THIRTY (30) LARGEST SHAREHOLDERS AS AT 31 MARCH 2026

No.	Name of Shareholders	No. of Shares	Percentage (%)
1.	GOLDCOIN CAPITAL SDN. BHD.	465,719,800	67.43
2.	BONG KOK CHOO	10,997,400	1.59
3.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM PANG KIAM	10,067,500	1.46
4.	LOO SIAU SUN	7,685,000	1.11
5.	RHB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GOH THIAN TECK	7,162,400	1.04
6.	KEOW YIH YUN	6,440,000	0.93
7.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHEOK KIAN HING	5,838,802	0.85
8.	YEOW CHENG HOCK	5,838,802	0.85
9.	WONG KHAI MENG	5,343,000	0.77
10.	NG KWEE WAH	4,801,200	0.70
11.	DING CHEW KEAT	3,892,535	0.56
12.	HO SOO CHERNG	3,892,535	0.56
13.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TEO LAY BAN (MY3458)	3,027,400	0.44
14.	OW PEI WEN	3,000,000	0.43
15.	ETERNAL HARMONY SDN. BHD.	2,291,900	0.33
16.	ONG SING LONG	2,134,200	0.31
17.	ENG HUAT LATEX CONCENTRATE SDN. BHD.	2,044,900	0.30
18.	FONG SIEW SIAN	2,000,000	0.29
19.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. RAKUTEN TRADE SDN. BHD. FOR CHUA KHIAN YONG	1,930,000	0.28
20.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ADRIAN LIM KENG YEAN	1,766,400	0.26
21.	MAH KAH GEE	1,617,500	0.23
22.	TAY LI LI	1,605,000	0.23
23.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GOH THIAN TECK (MF00527)	1,604,100	0.23
24.	NEO YU LIAN	1,450,000	0.21
25.	TOH SENG HON	1,200,000	0.17
26.	LAI TING YEW	1,195,100	0.17
27.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR WONG TECK WEI	1,150,000	0.17
28.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GAN JINN KEONG (MF00645)	1,100,000	0.16
29.	YEW FONG LIN	1,066,200	0.16
30.	CHUA WAI KEONG	1,000,000	0.15
	TOTAL	**568,861,674**	**82.37**

NOTICE OF FOURTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fourth Annual General Meeting ("**4th AGM**") of the Company will be held at Ames Hotel Melaka, Jalan PKAK 2, Pusat Komersial Ayer Keroh, 75450 Ayer Keroh, Melaka on Monday, 25 May 2026 at 10:00 a.m. to transact the following business:

AGENDA

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon. (Please refer to Explanatory Note A)

2. To approve the payment of Directors' fees and benefits to the Non-Executive Directors of up to RM425,000 for the period commencing from the date immediately after this 4th AGM until the next Annual General Meeting ("AGM") of the Company to be held in 2027. ***Ordinary Resolution 1*** (Explanatory Note B)

3. To re-elect the following Directors who retire by rotation pursuant to Clause 95.1 of the Constitution of the Company:-

   a) Mr. Loo Chee Wee ***Ordinary Resolution 2***
   b) Ms. Siew Suet Wei ***Ordinary Resolution 3***
   (Explanatory Note C)

4. To re-elect Mr. Cheok Kian Hing who retires pursuant to Clause 102 of the Constitution of the Company. ***Ordinary Resolution 4*** (Explanatory Note C)

5. To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company for the financial year ending 31 December 2026 and to authorise the Directors to fix their remuneration. ***Ordinary Resolution 5***

AS SPECIAL BUSINESS:

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

6. **AUTHORITY TO ALLOT AND ISSUE SHARES BY THE DIRECTORS UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** ***Ordinary Resolution 6*** (Explanatory Note D)

   "**THAT** subject always to the Companies Act, 2016 ("**the Act**"), the Constitution of the Company, the ACE Market Listing Requirements and approvals of the relevant governmental/regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered, pursuant to Sections 75 and 76 of the Act, to allot and issue 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 submission to the authority and shall continue to be in force until the conclusion of the next Annual General Meeting of the Company in accordance with the Companies Act 2016.

   AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares."

NOTICE OF FOURTH ANNUAL GENERAL MEETING
(CONT'D)

7. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE")**

Ordinary Resolution 7
(Explanatory Note E)

"**THAT** approval be and is hereby given in line with Rule 10.09 of the ACE Market Listing Requirements, for the Company and its subsidiary(ies) ("**Group**") to enter into and give effect to the existing recurrent related party transactions of a revenue or trading nature from time to time with the related parties as specified in Section 2.4(a) of the Circular to Shareholders dated 27 April 2026 in relation to the Proposed Renewal of Existing Shareholders' Mandate, provided that:

(a) such arrangements and/or transactions are necessary for the Group's day-to-day operations;

(b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third party;

(c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and

(d) the disclosure is made in the annual report on the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year in relation to:

    (i) the related transacting parties and their respective relationship with the Company; and

    (ii) the nature of the recurrent transactions.

THAT such authority shall continue to be in force until:

(a) the conclusion of the next Annual General Meeting ("**AGM**"), unless the authority is renewed by a resolution passed at the next AGM; or

(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but will not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or

(c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may be deemed fit, necessary, expedient and/or appropriate in order to implement the Proposed Renewal of Existing Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed Renewal of Existing Shareholders' Mandate in the best interest of the Company."

NOTICE OF FOURTH ANNUAL GENERAL MEETING
(CONT'D)

8. **PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND/OR TRADING NATURE ("PROPOSED NEW SHAREHOLDERS' MANDATE")**

Ordinary Resolution 8
(Explanatory Note E)

"**THAT** approval be and is hereby given in line with Rule 10.09 of the ACE Market Listing Requirements, for the Company and its subsidiary(ies) ("**Group**") to enter into and give effect to the additional recurrent related party transactions of a revenue or trading nature from time to time with the related parties as specified in Section 2.4(b) of the Circular to Shareholders dated 27 April 2026 in relation to the Proposed New Shareholders' Mandate, provided that:

(a) such arrangements and/or transactions are necessary for the Group's day-to-day operations;

(b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third party;

(c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and

(d) the disclosure is made in the annual report on the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year in relation to:

    (i) the related transacting parties and their respective relationship with the Company; and

    (ii) the nature of the recurrent transactions.

THAT such authority shall continue to be in force until:

(a) the conclusion of the next Annual General Meeting ("**AGM**"), unless the authority is renewed by a resolution passed at the next AGM; or

(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but will not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or

(c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may be deemed fit, necessary, expedient and/or appropriate in order to implement the Proposed New Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed New Shareholders' Mandate in the best interest of the Company."

NOTICE OF FOURTH ANNUAL GENERAL MEETING
(CONT'D)

9. **PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND/OR TRADING NATURE ("PROPOSED NEW SHAREHOLDERS' MANDATE")**

Ordinary Resolution 9
(Explanatory Note E)

"**THAT** approval be and is hereby given in line with Rule 10.09 of the ACE Market Listing Requirements, for the Company and its subsidiary(ies) ("**Group**") to enter into and give effect to the additional recurrent related party transactions of a revenue or trading nature from time to time with the related parties as specified in Section 2.4(c) of the Circular to Shareholders dated 27 April 2026 in relation to the Proposed New Shareholders' Mandate, provided that:

(a) such arrangements and/or transactions are necessary for the Group's day-to-day operations;

(b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third party;

(c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and

(d) the disclosure is made in the annual report on the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year in relation to:

(i) the related transacting parties and their respective relationship with the Company; and

(ii) the nature of the recurrent transactions.

THAT such authority shall continue to be in force until:

(a) the conclusion of the next Annual General Meeting ("**AGM**"), unless the authority is renewed by a resolution passed at the next AGM; or

(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but will not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or

(c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may be deemed fit, necessary, expedient and/or appropriate in order to implement the Proposed New Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed New Shareholders' Mandate in the best interest of the Company."

10. To transact any other business for which due notice has been given in accordance with the Constitution of the Company.

NOTICE OF FOURTH ANNUAL GENERAL MEETING
(CONT'D)

By Order of the Board

KHOO MING SIANG
(MAICSA 7034037) (SSM Practising Certificate No. 202208000150)
Company Secretary

Petaling Jaya, Selangor
27 April 2026

Proxy

Notes:-

1. *A proxy may but need not be a member of the Company.*

2. *To be valid, this form may be made via hardcopy or by electronic means in the following manners and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding the Meeting or at any adjournment thereof at which the person named in the appointment proposes to vote:*

   (i) In hardcopy form

   The proxy form shall be deposited at the Company's Share Registrar's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur or alternatively deposit in the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

   (ii) By electronic means

   Alternatively, the proxy form can be electronically lodged with the Share Registrar of the Company via Vistra Share Registry and IPO (MY) portal ("the Portal") at https://srmy.vistra.com

3. *A member may appoint up to two (2) proxies to attend and vote at the meeting. Where a member appoints more than one (1) proxy, he/she shall specify the proportions of his/her shareholdings to be represented by each proxy.*

4. *Where a member of the Company is an Authorised Nominee as defined under the Security Industry Central Depositories Act 1991 ("Authorised Nominee"), it may appoint up to two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*

5. *Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.*

6. *If the appointor is a corporation, the Proxy Form must be signed by the appointor and executed under its common seal or under the hand of an attorney duly authorised.*

7. *Only depositors whose names appear in the Record of Depositors as at 18 May 2026 shall be entitled to attend the 4th AGM.*

8. *Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of any general meeting will be put to vote by poll.*

Explanatory Notes to Ordinary and Special Business

A. Item 1 - Audited Financial Statements for the financial year ended 31 December 2025

The item 1 of the Agenda is meant for discussion only in accordance with Section 340(1)(a) of the Act does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this agenda is not put forward for voting.

B. Ordinary Resolution 1 - Payment of Directors' Fees and Benefits

Shareholders' approval is sought at this AGM for the payment of Directors' fees and benefits to the Non-Executive Directors of up to an amount of RM425,000 for the period commencing from the date immediately after this 4th AGM until the next AGM of the Company to be held in 2027. The Directors' fees and benefits consist of Directors' fee paid monthly for duties performed as Directors and attendance allowance for Board, Board Committee and general meetings attended.

NOTICE OF FOURTH ANNUAL GENERAL MEETING
(CONT'D)

The Remuneration Committee ("RC") has conducted a review on the remuneration for the members of the Board with the view to determine its competitiveness and sufficiency to attract and retain individuals with strong credentials and high caliber to serve on the Board of the Company. The Board has approved RC's recommendation for the Directors' fees and benefits payable to the Non-Executive Directors.

The total amount of RM425,000 is estimated based on the current Board size and the estimated number of scheduled and additional unscheduled Board, Board Committees and general meetings to be held. In the event the proposed amount is insufficient due to more meetings or an enlarged Board size, approval will be sought at the next AGM for the shortfall.

C. Ordinary Resolutions 2, 3 and 4 - Re-election of Directors

Clause 95.1 of the Company's Constitution provides that an election of Directors shall take place each year at the AGM of the Company where one third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one third (1/3) shall retire from office and be eligible for re-election. PROVIDED ALWAYS THAT all Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

Following thereto, Mr. Cheok Kian Hing who was appointed to the Board on 30 June 2025 will retire pursuant to Clause 102 of the Constitution of the Company whereas Mr. Loo Chee Wee and Ms. Siew Suet Wei will retire pursuant to Clause 95.1 of the Constitution of the Company (collectively referred to as "the Retiring Directors"). The Retiring Directors, being eligible, have offered themselves for re-election at the 4th AGM.

The Board has endorsed the Nomination Committee's recommendation to seek for shareholders' approval to re-elect the Retiring Directors as they possess the required skill sets to facilitate and contribute to the Board's effectiveness and value.

The details and profiles of the Retiring Directors are disclosed on pages 12,13 and 17 of the Annual Report 2025.

D. Ordinary Resolution 6 - Authority to allot and issue shares pursuant to Sections 75 and 76 of the Act

The Ordinary Resolution 6 proposed under Item 6 above, if passed, will give the Board flexibility to allot and issue new shares up to an amount not exceeding ten per centum (10%) of the Company's total number of issued share capital for the time being upon such terms and conditions and for such purposes and to such person or persons as Board in their absolute discretion consider to be in the interest of the Company, without having to convene a separate general meeting so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund-raising exercises including but not limited to further placement of shares for purposes of funding current and/or future investment projects, working capital and/or acquisitions.

The Board is of the opinion that the issue and allot shares up to an amount not exceeding ten per centum (10%) is in the best interest of the Company.

The general mandate sought for issue of shares is a renewal mandate. This authority will expire at the conclusion of the next AGM of the Company or at the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

As at the date of this Notice, no new shares were issued pursuant to the general mandate granted to the Directors of the Company at the last AGM held on 26 May 2025, which will lapse at the conclusion of the 4th AGM to be held on 25 May 2026.

E. Ordinary Resolutions 7, 8 and 9 - Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate ("Proposals")

The proposed Resolutions 7, 8 and 9, if passed, will enable the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with related parties which are necessary for the Group's day-to-day operations and are in the ordinary course of business which are carried out on an arm's length basis based on normal commercial terms and on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company. The details of the Proposals are set out in the Circular to Shareholders dated 27 April 2026.

NOTICE OF FOURTH ANNUAL GENERAL MEETING
(CONT'D)

STATEMENT ACCOMPANYING NOTICE OF 4TH ANNUAL GENERAL MEETING
(pursuant to Rule 8.29(2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. **Details of individual who are standing for election as Directors (excluding Directors standing for re-election)**

   There are no individuals who are standing for election as Directors.

2. **General mandate for issue of securities in accordance with Rule 6.04(1) of the ACE Market Listing Requirements**

   The Company will seek shareholders' approval at the general meeting for issue of securities in accordance with Rule 6.04(3) of the ACE Market Listing Requirements. Please refer to the Proposed Ordinary Resolution 6 as stated in Notice of 4th AGM of the Company for details.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate and vote at the 4th AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 4th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

This page is intentionally left blank

PROXY FORM

PANDA ECO SYSTEM BERHAD
(Registration No. 202201028635 (1474332-M))
(Incorporated in Malaysia)

CDS Account No.	
No. of Shares Held	
Telephone No.	
Email Address	

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

of _____
(FULL ADDRESS)

being a *member/ members of PANDA ECO SYSTEM BERHAD ("the Company"), hereby appoint :

PROXY 1

Full name (in Block and as per NRIC/Passport)	**NRIC / Passport No.***	**Proportion of shareholdings**	
		No. of shares	**%**
Full Address			
Email Address		**Contact No.**	

and/or* (delete as appropriate)

PROXY 2

Full name (in Block and as per NRIC/Passport)	**NRIC / Passport No.***	**Proportion of shareholdings**	
		No. of shares	**%**
Full Address			
Email Address		**Contact No.**	

or failing him/her, the CHAIRMAN OF THE MEETING as *my/our proxy/proxies to vote for *me/us on *my/our behalf at the Fourth Annual General Meeting ("4th AGM") of the Company to be held at Ames Hotel Melaka, Jalan PKAK 2, Pusat Komersial Ayer Keroh, 75450 Ayer Keroh, Melaka on Monday, 25 May 2026 at 10:00 a.m. or at any adjournment thereof and to vote as indicated below:

		FIRST PROXY		**SECOND PROXY**	
		For	**Against**	**For**	**Against**
Resolution 1	To approve the payment of Directors' Fees and Benefits to the Non-Executive Directors of up to RM425,000 for the period commencing from the date immediately after this 4th AGM until the next Annual General Meeting of the Company to be held in 2027.				
Resolution 2	Re-election of Mr. Loo Chee Wee pursuant to Clause 95.1 of the Constitution				
Resolution 3	Re-election of Ms. Siew Suet Wei pursuant to Clause 95.1 of the Constitution				
Resolution 4	Re-election of Mr. Cheok Kian Hing pursuant to Clause 102 of the Constitution				
Resolution 5	Re-appointment of Messrs. Crowe Malaysia PLT as the Auditors of the Company for the financial year ending 31 December 2026 and to authorise the Directors to fix their remuneration				
Resolution 6	Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016				
Resolution 7	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature as specified in Section 2.4(a) of the Circular to Shareholders dated 27 April 2026				
Resolution 8	Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature as specified in Section 2.4(b) of the Circular to Shareholders dated 27 April 2026				
Resolution 9	Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature as specified in Section 2.4(c) of the Circular to Shareholders dated 27 April 2026				

*(Please indicate with an "**X**" in the spaces provided above on how you wish your vote to be cast in respect of the above resolutions. If no instruction as to voting is given, the proxy may vote or abstain from voting at his/her discretion).*

*Strike out whichever is not desired.

Dated this _____ day of _____ 2026

_____
Signature/ Common Seal of Member

Notes:

1. *A proxy may but need not be a member of the Company.*
2. *To be valid, this form may be made via hardcopy or by electronic means in the following manners and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding the Meeting or at any adjournment thereof at which the person named in the appointment proposes to vote:*
   (i) <u>In hardcopy form</u>
   The proxy form shall be deposited at the Company's Share Registrar's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur or alternatively deposit in the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
   (ii) <u>By electronic means</u>
   Alternatively, the proxy form can be electronically lodged with the Share Registrar of the Company via Vistra Share Registry and IPO (MY) portal ("the Portal") at <u>https://srmy.vistra.com</u>
3. *A member may appoint up to two (2) proxies to attend and vote at the meeting. Where a member appoints more than one (1) proxy, he/she shall specify the proportions of his/her shareholdings to be represented by each proxy.*
4. *Where a member of the Company is an Authorised Nominee as defined under the Security Industry Central Depositories Act 1991 ("Authorised Nominee"), it may appoint up to two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
5. *Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.*
6. *If the appointor is a corporation, the Proxy Form must be signed by the appointor and executed under its common seal or under the hand of an attorney duly authorised.*
7. *Only depositors whose names appear in the Record of Depositors as at 18 May 2026 shall be entitled to attend the 4th AGM.*
8. *Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of any general meeting will be put to vote by poll.*

1st Fold Here

AFFIX
STAMP

PANDA ECO SYSTEM BERHAD
Registration No. 202201028635 (1474332-M)

Share Registrar Office
Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan, Malaysia

2nd Fold Here

Fold This Flap For Sealing

PANDA ECO SYSTEM BERHAD

Registration No. 202201028635 (1474332-M)

No 28, 28-1, 30, 30-1, 32-1 and 34-1
Jalan PPM 13
Plaza Pandan Malim Business Park
75250 Melaka, Malaysia
T : +606 332 3966
F :+606 332 3566
E : info@pandasoftware.my

www.panda-eco.com