



PARKWOOD

RE.DEFINE
SPACE



ANNUAL
REPORT
2025

55TH

ANNUAL GENERAL MEETING



Level 5, Menara LGB, No. 1, Jalan Wan Kadir,
Taman Tun Dr. Ismail, 60000 Kuala Lumpur



Wednesday,
18 June 2026, 11.00 a.m.



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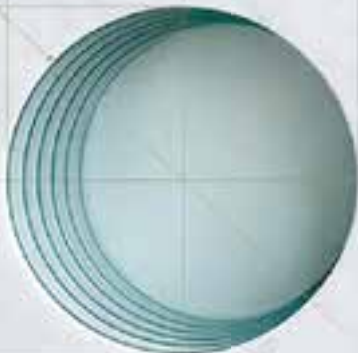


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to review our Annual Report

The soft copy of Parkwood Holdings Berhad ("Parkwood") Annual Report 2025 is available on our website. Go to www.parkwood.my or scan the QR code with your smartphone.





OUR VISION

We aspire to be a premier corporation in property development and investment both locally and internationally.

OUR MISSION

We strive to deliver quality products and services with uncompromised professionalism that promote aspirational and sustainable communities.

OUR VALUES

- **INTEGRITY**
Represents our emphasis on having strong working ethical and moral principles by acting with professionalism, honesty, trustworthiness and honour.
- **EXCELLENCE**
Represents our pursuit for innovations and continuous improvement to deliver high quality products and services in tandem with the market trend.
- **TEAMWORK**
Represents the collaborative effort of our people in pursuing shared goals in the most effective and efficient way through trust, mutual respect and embracement of diversity.
- **SUSTAINABILITY**
Represents our commitment to ensure that our businesses and products are economically, environmentally and socially sustainable.

INSIDE THIS REPORT



CORPORATE REVIEW

- 02 Corporate Information
- 03 Profile of Directors



PERFORMANCE REVIEW

- 06 Group Financial Highlights
- 07 Chairman's Statement
- 11 Management Discussion and Analysis
- 15 Sustainability Statement



GOVERNANCE

- 59 Corporate Governance Overview Statement
- 77 Statement on Risk Management and Internal Control
- 80 Audit and Risk Management Committee Report



OTHER INFORMATION

- 84 Notice of Annual General Meeting
- 88 List of Properties
- 90 Analysis of Shareholdings
- 92 Analysis of Warrant Holdings



FINANCIAL REVIEW

- 95 Directors' Report
- 100 Statement by Directors
- 100 Statutory Declaration
- 101 Independent Auditors' Report
- 104 Statements of Financial Position
- 105 Statements of Profit or Loss and Other Comprehensive Income
- 106 Statements of Changes in Equity
- 107 Statements of Cash Flows
- 109 Notes to the Financial Statements

Form of Proxy

CORPORATE INFORMATION

BOARD OF DIRECTORS



Mr. Lim Chin Sean

Executive Chairman

Datuk Hew Lee Lam Sang

Independent Non-Executive Director

Ms. Irene Kam Sok Khuan

Independent Non-Executive Director

Ms. Jessica Low May-Teng

Independent Non-Executive Director

Mr. Chin Kok Siong

Director (Executive)

Mr. Chan Keen Wai

Alternate Director (Executive) to Mr. Chin Kok Siong

AUDIT AND RISK MANAGEMENT COMMITTEE

Chairman

Datuk Hew Lee Lam Sang

Members

Ms. Irene Kam Sok Khuan

Ms. Jessica Low May-Teng

COMPANY SECRETARIES

Ms. Tai Yit Chan

(MAICSA 7009143)

SSM P.C. No. 202008001023

Ms. Chin Chooi Wei

(MAICSA 7062555)

SSM P.C. No. 202308000544

PRINCIPAL BANKERS

CIMB Bank Berhad

Hong Leong Bank Berhad

(In alphabetical order)

NOMINATION COMMITTEE

Chairperson

Ms. Irene Kam Sok Khuan

Members

Datuk Hew Lee Lam Sang

Ms. Jessica Low May-Teng

AUDITORS

Crowe Malaysia PLT

201906000005

(LLP0018817-LCA) & AF 1018

Chartered Accountants

Level 16 Tower C

Megan Avenue II

12 Jalan Yap Kwan Seng

50450 Kuala Lumpur

Tel : 603-2788 9999

REGISTERED OFFICE/ PRINCIPAL PLACE OF BUSINESS

Unit 8-02, Level 8

Menara LGB

No.1, Jalan Wan Kadir

Taman Tun Dr Ismail

60000 Kuala Lumpur

Tel : 603-2788 9322

Fax : 603-2788 9340

E-mail : admin@parkwood.my

Website : www.parkwood.my

REMUNERATION COMMITTEE

Chairperson

Ms. Jessica Low May-Teng

Members

Datuk Hew Lee Lam Sang

Ms. Irene Kam Sok Khuan

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd

(Reg. No. 199601006647 (378993-D))

11th Floor, Menara Symphony

No. 5, Jalan Prof. Khoo Kay Kim

Seksyen 13, 46200 Petaling Jaya

Selangor, Malaysia

Tel : 603-7890 4700

Fax : 603-7890 4670

STOCK EXCHANGE LISTING

Main Market of

Bursa Malaysia Securities Berhad

Stock Code : **2682**

PROFILE OF DIRECTORS

**MR. LIM CHIN SEAN***Executive Chairman*

AGE 44 Male Malaysian

Mr. Lim Chin Sean is an Executive Chairman of Parkwood. Prior to his appointment to the Board as a Non-Independent Non-Executive Director on 26 September 2007, he was an alternate director to Dato' Ghazali Bin Mat Ariff since 23 November 2005. He was then re-designated from Non-Independent Non-Executive Director to Executive Director on 23 November 2016, and have been appointed as Executive Chairman on 22 February 2024.

Mr. Lim holds a Bachelor of Computer System Engineering Degree (Honours) from University of Kent, United Kingdom.

He joined the LGB Group of Companies since September 2003 and is currently involved in property development, construction projects, manufacturing and IT advisory services. He also sits on the Board of several private limited companies.

Mr. Lim is a major shareholder of the Company by virtue of his substantial shareholdings in Telaxis Sdn Bhd, which is a major shareholder of the Company. Other than being a director and major shareholder of Bellworth Developments Sdn. Bhd. and Jejak Sekata Sdn. Bhd., which are involved in the property development industry, to his best knowledge and belief, he has no other conflict of interest or potential conflict of interest including interest in any competing business with the Company or its subsidiaries.

Mr. Lim attended all five (5) Board meetings held during the financial year ended 31 December 2025.

**DATUK HEW LEE LAM SANG***Independent Non-Executive Director*

AGE 62 Male Malaysian

Datuk Hew Lee Lam Sang joined the Board of Parkwood on 29 January 2019 as an Independent Non-Executive Director. He serves as the Chairman of the Audit and Risk Management Committee since 29 January 2019. He also serves as the member of the Nomination Committee and the Remuneration Committee subsequent to his re-designation from Chairman to member in the Nomination Committee on 20 November 2023.

Apart from Parkwood, Datuk Hew Lee sits on the Board of TIL Enviro Limited and SEG International Bhd. He also sits on the Board of several private limited companies.

He is a qualified Accountant with the Malaysian Institute of Certified Public Accountants and is a member of the Malaysian Institute of Accountants. Datuk Hew Lee has more than 32 years of experience in the auditing and business advisory profession with KPMG in Malaysia. Datuk Hew Lee was the head of the consulting practice of KPMG in Malaysia before he was elected to manage the whole advisory practice in Malaysia until his retirement from practice at the end of 2015. His vast experience includes external auditing, initial public offerings, review of financial forecast and projections, corporate restructuring, share valuation, etc.

Datuk Hew Lee attended all five (5) Board meetings held during the financial year ended 31 December 2025.

PROFILE OF DIRECTORS (CONT'D)



MS. IRENE KAM SOK KHUAN

Independent Non-Executive Director

AGE 41 Female Malaysian

Ms. Irene Kam Sok Khuan joined the Board of Parkwood on 23 November 2022 as an Independent Non-Executive Director. She serves as the Chairperson of the Nomination Committee since 20 November 2023. She also serves as the member of the Audit and Risk Management Committee and the Remuneration Committee.

Ms. Irene Kam is an Advocate and Solicitor. She was admitted as an Advocate & Solicitor of the High Court in Malaya on 24 August 2012, and is currently a Partner at Messrs. Azri, Lee Swee Seng & Co. She has extensive experience in advising clients from a wide spectrum of industries and has amassed expertise in advisory and dispute resolution involving a full range of Intellectual Property (“IP”) related issues, including devising strategy in order to protect the IP assets of an organisation. She also has over 15 years experience as a law lecturer, and brings her passion and insight of the law into her legal practice.

Ms. Irene Kam attended all five (5) Board meetings held during the financial year ended 31 December 2025.



MS. JESSICA LOW MAY-TENG

Independent Non-Executive Director

AGE 54 Female Malaysian

Ms. Jessica Low May-Teng joined the Board of Parkwood on 4 October 2023 as an Independent Non-Executive Director. She serves as the Chairperson of the Remuneration Committee since 20 November 2023. She also serves as the member of the Audit and Risk Management Committee and the Nomination Committee.

Ms. Jessica Low, a highly accomplished Certified Accountant with a distinguished career spanning over 24 years. She is a member of the Malaysian Institute of Accountants since year 2000. Renowned for her adept leadership, she has driven financial performance and implemented robust internal controls across multinational corporations in the IT industry. Having hands-on experience in financial management, budgeting, forecasting, and risk assessment has consistently delivered tangible results, ensuring sustainable growth and profitability for the organizations she served. Jessica currently serves as the Chief Financial Officer at SAP Malaysia and is a board member of Cuckoo International (MAL) Berhad.

Ms. Jessica Low attended all five (5) Board meetings held during the financial year ended 31 December 2025.

PROFILE OF DIRECTORS (CONT'D)

**MR. CHIN KOK SIONG***Director (Executive)*

AGE 61

♂ Male

🇲🇾 Malaysian

Mr. Chin Kok Siong was appointed as Director on 26 February 2024.

Mr. Chin also serves as Chief Financial Officer of Parkwood since June 2021. He is a chartered accountant by profession, a member of the Malaysian Institute of Accountants (MIA) and a Member of the Association of Chartered Certified Accountants (ACCA) of the United Kingdom.

Mr. Chin has more than 30 years of working experience. He started his career with KPMG before moving into the property and casino sectors. Whilst with KPMG, besides training in professional accountancy and auditing, he was involved in corporate exercises covering initial public offering, corporate restructuring, strategic planning, tax planning, financial and risk management. Upon completing his professional training, he moved on to assume several key senior finance positions with established public listed companies, including Senior Finance Vice President of NagaCorp Limited, a Hong Kong Exchange (HKE) listed company and major casino operator in Cambodia.

His last posting was with MK Land Berhad as its Group Financial Controller.

Mr. Chin attended all five (5) Board meetings held during the financial year ended 31 December 2025.

**MR. CHAN KEEN WAI***Alternate Director (Executive) to Mr. Chin Kok Siong*

AGE 57

♂ Male

🇲🇾 Malaysian

Mr. Chan Keen Wai was appointed as Alternate Director to Mr. Chin Kok Siong on 26 February 2024.

Mr. Chan also serves as Chief Operating Officer of Parkwood since June 2017. He holds a Master of Real Estate (with Distinction) from University of Malaya, a Master of Business Administration (MBA) from Southern Cross University, Australia and a bachelor's degree in Construction Management & Economics from Curtin University of Technology, Australia. He is a member of the Royal Institution of Chartered Surveyors (MRICS), United Kingdom and the Royal Institution of Surveyors, Malaysia (MRISM).

Mr. Chan, a chartered surveyor by profession, has more than 30 years of experience in the property fraternity spanning across real estate development, contract management and built asset management. He started his career in Singapore with Marina Centre Holdings Pte Ltd and EM Services Pte Ltd before moving back to Malaysia to continue with his career endeavours. The property developers in Malaysia, which he had previously served at include IJM Land Bhd, TA Global Bhd and WCT Land Sdn Bhd.

Mr. Chan has held various senior management positions and has accumulated a wealth of experience in property development encompassing both upstream and downstream activities of the business, project financial and contract management as well as management of commercial and residential properties.

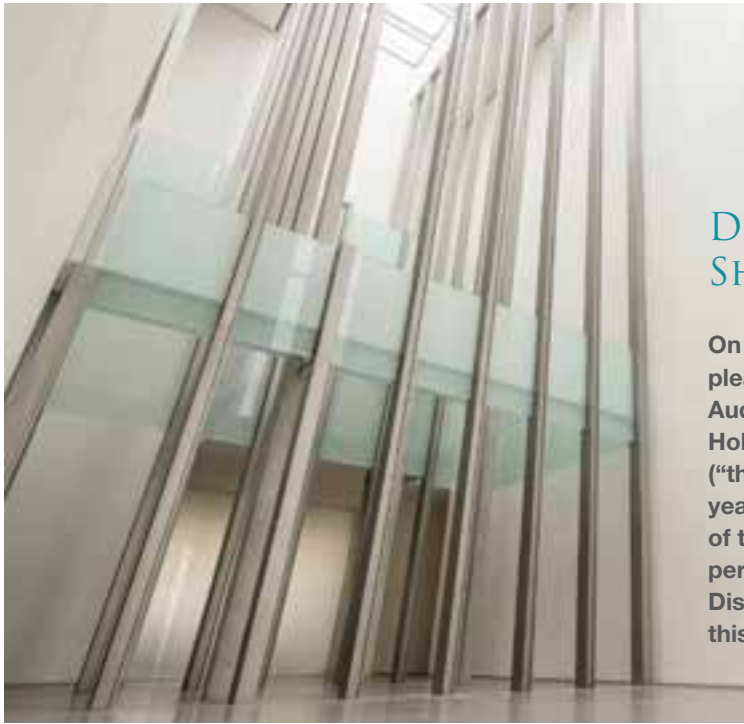
Save as disclosed, none of the Directors has family relationship with any director and/or major shareholder of the Company.

Save as disclosed, none of the Directors of the Company has entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company. All Directors have no convictions for offences within the past five (5) years other than traffic offences, if any.

GROUP FINANCIAL HIGHLIGHTS

	2021	2022	2023	2024	2025
	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
1 RESULT OF OPERATIONS					
Revenue	9,906	18,415	27,425	18,259	15,435
(Loss)/Profit Before Interest, Tax and Depreciation	(1,993)	4,904	(1,252)	(2,816)	9,702
(Loss)/Profit Before Tax	(3,817)	3,281	(4,253)	(4,787)	6,462
(Loss)/Profit After Tax	(4,315)	2,347	(4,200)	(5,407)	5,638
2 STATEMENT OF FINANCIAL POSITION					
<u>Equity And Long Term Liabilities</u>					
Issued and Paid-Up Share Capital	46,239	46,239	46,239	46,239	72,404
Treasury Shares	(3,725)	(3,725)	(3,725)	(3,725)	(3,725)
Redeemable Convertible Preference Shares	-	-	-	-	2,244
Asset Revaluation Reserve	24,540	24,540	24,540	24,540	24,540
Capital Reserve	48,209	48,209	48,209	48,209	48,209
Warrant Reserve	-	-	-	-	947
Unappropriated Profit	35,511	37,858	33,658	28,250	33,889
Shareholders' Fund	150,774	153,121	148,921	143,514	178,508
Retirement Gratuities	82	82	82	82	82
Deferred Tax Liabilities	156	666	666	666	2,593
Lease Liabilities	637	647	333	188	78
Borrowings	22,824	21,713	22,450	19,450	60,628
<u>Long Term Assets</u>					
Property, Plant & Equipments	127	127	80	99	156
Investment Properties	36,600	41,700	41,700	41,700	55,600
Right-of-Use Assets	987	1,114	626	601	180
Trade Receivables	-	-	2,289	2,451	2,471
Land Held for Property Development	33,134	33,354	33,574	37,888	67,625
Other Investment	469	577	881	-	-
Other Assets	32	42	42	42	41
<u>Other Assets and Liabilities</u>					
Currents Assets	110,358	109,339	103,316	94,128	152,435
Current Liabilities	7,234	10,024	10,055	13,008	28,580
Net Current Assets	103,124	99,314	93,261	81,120	123,855
Total Assets	181,707	186,254	182,508	176,908	278,509
3 FINANCIAL RATIO					
Return on Equity (%)	(2.86)	1.53	(2.82)	(3.77)	3.16
(Loss)/Profit Before Interest, Tax and Depreciation on Revenue (%)	(20.12)	26.63	(4.57)	(15.42)	62.86
(Loss)/Profit Before Tax on Revenue (%)	(38.53)	17.82	(15.51)	(26.22)	41.87
Net Debt-to-Equity Ratio (times)	0.07	0.08	0.05	0.07	0.33
Current Ratio (times)	15.26	10.91	10.28	7.24	5.33
4 PER SHARE					
(Loss)/Earnings Per Share (Sen)	(1.79)	0.85	(1.53)	(1.97)	1.52
Share Price (Sen)	18.50	14.50	14.50	11.00	6.50
Net Asset Per Share (Sen)	54.79	55.65	54.12	52.15	30.31

CHAIRMAN'S STATEMENT



DEAR VALUED SHAREHOLDERS

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Financial Statements of Parkwood Holdings Berhad and its group of companies (“the Group” or “Parkwood”) for the financial year ended 31 December 2025. Further details of the Group’s operational and financial performance are set out in the Management Discussion and Analysis (MD&A) section of this Annual Report.

OVERVIEW

The year under review marked a period of strategic strengthening for the Group, as we focused on reinforcing our operating foundations and positioning Parkwood for sustainable long-term growth. These efforts were undertaken amid continued global economic uncertainty arising from geopolitical tensions, evolving trade dynamics and shifting monetary policies across major economies. Despite these headwinds, global markets continued to demonstrate resilience, supported by moderating inflation and relatively stable labour conditions.

Domestically, Malaysia’s economy expanded by 5.2% in 2025, driven by strong domestic demand, favourable export performance and sustained momentum across key sectors including services, manufacturing and construction. The resilient economic environment helped sustain overall economic activity, even as households adjusted to subsidy rationalisation and broader tax reforms under the MADANI agenda.

During the year, Bank Negara Malaysia (BNM) implemented a policy rate adjustment aimed at supporting economic activity while maintaining overall price stability. While financing conditions remained selective, the broader policy environment continued to be supportive of medium-term growth and market confidence.



Artist Impression of Damansara Damai Project

The property market remained relatively stable, with demand anchored mainly in the mid-range residential segment and among first-time homebuyers. At the same time, the sector continued to contend with structural challenges, including the overhang of unsold completed units in certain higher-priced and serviced-apartment categories. Although national overhang levels showed gradual improvement, supply-demand mismatches persisted in specific locations, reinforcing the need for disciplined, appropriately priced, and carefully calibrated new launches. Developers also faced ongoing pressures from elevated construction costs, labour constraints, evolving sustainability expectations, and heightened regulatory requirements. Government initiatives emphasising affordability and liveability remained a key stabilising influence for the industry.

CHAIRMAN'S STATEMENT (CONT'D)

OVERVIEW (CONT'D)

Government policy measures continued to support housing affordability by improving access to financing for eligible homebuyers, including initiatives such as the Housing Credit Guarantee Scheme (SJKP).

The Group also navigated a more demanding compliance landscape during the year. The phased implementation of e-Invoicing, the expansion of the Sales and Service Tax ("SST") effective 1 July 2025, and continued digitalisation initiatives within the housing sector required operational readiness and additional administrative resources.

Within this operating environment, Parkwood remained firmly committed to maintaining financial discipline, reinforcing operational resilience, and advancing a development pipeline aligned to clear market demand. As at 31 December 2025, 73 out of 82 units at Utamara Boutique Residences had been sold, representing approximately an 89% take-up rate, equivalent to a net sales value of RM92.73 million. This performance reflects the enduring appeal of well-located and appropriately priced developments and continues to support the Group's revenue recognition.

Looking ahead, we believe Malaysia's resilient economic fundamentals and improving property market conditions will provide a supportive backdrop for Parkwood's long-term growth.



FINANCIAL PERFORMANCE

In the year under review, the Group recorded a profit before tax of RM6.46 million, compared to a loss before tax of RM4.79 million in the previous year. The improvement was mainly attributable to a fair value gain on investment property, notwithstanding lower revenue during the year. Revenue stood at RM15.4 million (FY2024: RM18.26 million).

Shareholders' equity increased to RM178.51 million from RM143.51 million following the completion of the corporate exercise in September 2025. Loans and borrowings increased to RM67.51 million (FY2024: RM21.90 million), while net assets per share declined to RM0.30 from RM0.51 previously.

During the year, the Group completed the corporate exercise, undertook the Rawang land acquisition, and continued construction of Avant Industrial Park. Sales at Utamara Boutique Residences contributed to revenue, while new projects progressed to support the Group's long-term development pipeline.

Further details are presented in the MD&A section of this Annual Report.

CHAIRMAN'S STATEMENT (CONT'D)

INDUSTRY RECOGNITION AND AWARDS

A key highlight during the year was the national recognition received by Utamara Boutique Residences, reinforcing Parkwood's aspiration to be a premier boutique developer.

- **FIABCI Malaysia Property Award 2025 – Winner (Low-Rise Residential Category)**

Utamara Boutique Residences was awarded Winner in the Low-Rise Residential Category, recognising its refined architectural expression, thoughtful spatial planning and lifestyle-oriented design.

- **PAM Gold Award 2025 – Multiple Residential Low-Rise Category**

The development also received the PAM Gold Award 2025, the highest architectural accolade conferred by Pertubuhan Akitek Malaysia ("PAM"), acknowledging its ability to transform site constraints into tranquil, inward-looking, living environments within an urban context.

Collectively, these awards reinforce Parkwood's positioning as a niche developer that integrates innovation, design excellence and a deep understanding of place, community and liveability.



CORPORATE DEVELOPMENT

The Group continued to build a strong foundation for sustainable growth in 2025, with particular emphasis on strengthening its medium-term development pipeline and organisational capabilities.

Key corporate and operational developments included:

- **Avant Industrial Park:** Construction remained on schedule, reaching approximately 90.97% completion as at 31 December 2025, with full completion targeted for early Q2 2026.
- **Damansara Damai:** Planning and design activities advanced during the year, with the obtaining of conditional planning approval in the last quarter of 2025 and progressing towards the targeted sales launch for Q4 2026 as a key contributor to the Group's future growth.
- **Rawang landbank:** The application for planning permission has been submitted and soft launch is targeted for Q1 2027 to signify another contribution to the Group's strategic development pipeline.
- **Utamara Boutique Residences:** Efforts remain focused on disposing the remaining unsold units of approximately 11% to generate revenue for the Group.
- **Organisational strengthening:** Continued emphasis on human capital development and training to strengthen management processes, improve operational efficiency, and uphold strong corporate governance.
- **Rights Issue with Warrants:** Successful completion of a renounceable rights issue involving 313,707,585 Rights Shares together with 39,213,441 free detachable Warrants, listed on Bursa Malaysia Securities Berhad on 10 September 2025, providing additional financial flexibility to support the Group's strategic initiatives.

Collectively, these initiatives support Parkwood's strategic direction as a focused and well-governed property developer.

CHAIRMAN'S STATEMENT (CONT'D)

INDUSTRY OUTLOOK

Looking ahead to 2026, the operating environment is expected to remain challenging but manageable. Malaysia's economic outlook remains cautiously optimistic, supported by private consumption, infrastructure spending and public investment. However, developers will continue to contend with cost pressures, labour constraints, currency volatility and broader geopolitical risks.

Developers are expected to maintain a measured stance as rising construction costs, the expanded SST regime, selective financing conditions and softer buyer sentiment continue to influence project feasibility. Residential property prices are anticipated to register moderate increases, reflecting higher input costs rather than speculative demand.

Against this backdrop, Parkwood will maintain a disciplined approach to execution, focusing on completing Avant Industrial Park, prioritising the launch of Damansara Damai, optimising sales of the remaining units at Utamara Boutique Residences, and progressing the Rawang landbank in a measured manner, consistent with the strategic direction outlined in the MD&A.

SUSTAINABILITY AND CORPORATE GOVERNANCE

Sustainability and strong governance remain integral to Parkwood's long-term strategy. During FY2025, the Group continued to enhance its environmental, social and governance ("ESG") practices in line with evolving regulatory and stakeholder expectations.

Key focus areas included:

- Integration of energy-efficient and environmentally conscious design considerations in future developments;
- Continued improvement in sustainability-related disclosures aligned with regulatory guidelines;
- Maintenance of at least 30% women representation on the Board; and
- Ongoing adherence to the Malaysian Code on Corporate Governance (MCCG) 2021, supported by robust internal controls and a sound risk management framework.

The Group views sustainability not merely as a compliance requirement, but as a strategic imperative that underpins long-term competitiveness, brand equity and stakeholder trust.



PAM Awards & Annual Dinner 2025

DIVIDEND

The Board of Directors has decided not to recommend the payment of any dividend for the financial year ended 31 December 2025.

APPRECIATION

On behalf of the Board, I wish to express my sincere appreciation to the management team and employees for their dedication, resilience and contributions throughout the year. Their professionalism and commitment continue to strengthen the Group as we navigate an increasingly complex operating landscape.

To our shareholders, customers, business partners, financial institutions, government authorities and regulatory agencies, we extend our heartfelt gratitude for your continued trust and support.


My thanks likewise go to my fellow Board members for their guidance, insights and steadfast commitment to strengthening the Group's strategic direction and governance.

As we move into the next phase of growth, Parkwood remains committed to delivering homes of enduring quality, shaping vibrant communities and creating sustainable long-term value for our stakeholders.

On Behalf of the Board,
Parkwood Holdings Berhad

LIM CHIN SEAN
Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS



The following Management’s Discussion and Analysis (“MD&A”) of the operating performance and financial position of Parkwood Holdings Berhad and its group of companies (“the Group” or “Parkwood”) should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2025 and the accompanying notes thereto.

ANALYSIS OF FINANCIAL RESULTS

FY2025 was characterised by selective demand conditions in the Malaysian residential property sector, influencing sales absorption, development pacing and project launch timing across the industry. These market conditions unfolded against a backdrop of resilient domestic economic growth, supported by market diversification, political stability and policy clarity, amid continued global trade uncertainties.

Malaysia’s economy expanded by 5.2% in 2025, exceeding earlier estimates and the Government’s projected range. Growth was underpinned by robust domestic demand, a stable labour market and solid performance across key sectors including services, manufacturing and construction, with nominal GDP reaching approximately RM2.02 trillion. Despite heightened geopolitical tensions and protectionist pressures affecting global trade flows, Malaysia’s domestic economy remained resilient and continued to attract investment activity.

In response to selective demand conditions in the property sector, the Group moderated development activity, maintained conservative leverage levels and emphasised disciplined cost and cash flow management to preserve financial flexibility while progressing its development pipeline.

In July 2025, Bank Negara Malaysia (“BNM”) reduced the Overnight Policy Rate (“OPR”) by 25 basis points to 2.75%, following a period of rate stability in the first half of the year. The adjustment was intended to support economic activity while maintaining price stability. Although financing conditions remained selective, the policy environment was broadly supportive of medium-term growth and market confidence.

Consequently, the Group’s results for the year reflected lower contributions from property development activities, partially mitigated by recurring income from the investment property segment.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

ANALYSIS OF FINANCIAL RESULTS (CONT'D)

Revenue Performance

The Group's revenue and loss before tax for the financial year under review and the preceding year are summarised below:

	FY 2025 RM'000	FY 2024 RM'000	Changes (%)
Segments			
• Property Development	12,976	15,800	(18%)
• Investment Property	2,459	2,459	-
Group Revenue	15,435	18,259	(15%)
Segments			
• Property Development	(3,803)	(2,576)	(48%)
• Investment Property	10,265	(2,211)	564%
Group Profit/(Loss) Before Tax	6,462	(4,787)	235%

The Group's revenue declined by 15% to RM15.44 million (FY2024: RM18.26 million), mainly due to lower revenue recognition from the Property Development segment, as certain sold units remain pending the transfer of legal title and the handover of vacant possession, which are required prior to revenue recognition.

Revenue from the Investment Property segment remained stable, supported by consistent rental income and steady occupancy levels. This recurring income stream contributed to earnings visibility and partially offset the reduction in development revenue. Notwithstanding the lower revenue recorded during the year, the Group's overall profitability improved primarily due to the fair value gain recognised on its investment property portfolio.

Profitability

The Group recorded a profit before tax of RM6.46 million for FY2025, representing a 235% increase compared to FY2024. The higher profit was mainly attributed to a fair value gain on investment property.

The Group maintained disciplined cost management and a conservative capital structure, while continuing to prioritise long-term project value and balance sheet strength over short-term volume-driven sales amid less favourable market conditions.

Financial Position as at 31 December 2025

- Total assets stood at RM278.51 million (FY2024: RM176.91 million);
- Net assets attributable to equity holders amounted to RM178.51 million, translating to a Net Asset per Share of RM0.30;

- Land held for property development increased to RM67.63 million (FY2024: RM37.89 million), reflecting landbank replenishment and capitalised development costs;
- Total borrowings increased by 208.3% to RM67.51 million (FY2024: RM21.90 million), mainly to finance the construction of the Avant Industrial Park project and the acquisition of land in Rawang;
- Total liabilities increased to RM100.00 million (FY2024: RM33.39 million), primarily reflecting higher borrowings, trade and other payables, as well as redeemable convertible preference shares following the completion of the fund-raising exercise during the year; and
- The Group maintained a gross debt-to-equity ratio of 0.38x, underscoring its conservative leverage profile, while a current ratio of 5.33x reflects strong liquidity and its ability to meet its short-term obligations.

Cash Flow and Liquidity

Cash and cash equivalents amounted to RM39.20 million as at year end, representing an increase of RM18.93 million compared to FY2024. The increase was primarily attributable to:

- Rights Issue with Warrants; and
- Redeemable Convertible Preference Shares issued during the year.

Excess funds were placed in short-term liquid instruments, including money market placements, to preserve capital and generate interest income.

Liquidity Sustainability

The Group's liquidity position remains sound, supported by low gearing, available banking facilities and flexibility to access capital market funding where appropriate.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

REVIEW OF OPERATIONS

During FY2025, management focused on maintaining operational readiness and execution discipline amid selective demand conditions. Development timelines and resource allocation were carefully managed to align project execution with market demand, regulatory requirements and internal cash flow considerations.

Regulatory Environment

The regulatory landscape continues to influence development timelines, cost structures and project feasibility. Compliance with zoning regulations, environmental standards and planning guidelines remains a key operational priority.

For the year under review, the Group prioritised compliance and approval processes for projects within its development pipeline, including:

- Phase 1 of Avant Industrial Park; and
- The proposed mixed development at Damansara Damai.

Proactive engagement with relevant authorities and robust internal controls enabled the Group to mitigate regulatory risks and minimise potential execution delays. The Group will continue to monitor evolving policy requirements and adjust project planning where necessary to ensure timely implementation.



Site progress of Avant Industrial Park

ONGOING CHALLENGES AND RISKS

The Group remains cognisant of several near-term risks arising from macroeconomic conditions and policy developments:

- Rationalisation of diesel subsidies and associated fuel cost increases, which have elevated transportation and construction costs across the supply chain and may place pressure on development margins and project viability;
- Persistent inflationary pressures and financing cost risks, which may continue to affect overall development and operating costs; and
- Labour shortages and rising construction costs, which may impact project margins and development timelines.

Mitigation Strategies

In response, the Group continues to adopt a prudent and adaptive approach, focusing on:

- Enhanced operational efficiency and cost discipline through value engineering and phased execution;
- Pricing discipline and selective project launches aligned with affordability thresholds and demand conditions;
- Strategic partnerships and financing optimisation to preserve balance sheet strength; and
- Active risk management and regulatory engagement to respond to evolving policy measures.

These initiatives are intended to safeguard project viability, strengthen operational resilience and support sustainable long-term value creation.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

UPCOMING CORPORATE DEVELOPMENTS

To ensure a sustainable development pipeline, the Group continues to focus on prudent landbank acquisition and the progressive development of previously secured land.

During the final quarter of FY2025, the Group obtained conditional planning approval from the local authority for the proposed mixed development at Damansara Damai, Selangor. This development comprises 714 units of serviced apartments and 11 shop units, with an estimated Gross Development Value ("GDV") of RM409 million. The launch is targeted by the end of 2026.

Concurrently, the Group is also rolling out its business plan for its proposed residential development in Rawang. Following the acquisition of five adjoining parcels of freehold agricultural land totalling approximately 13.0711 hectares in FY2025, the Group plans to develop a contemporary landed strata residential community with supporting recreational facilities. Application for planning permission has been submitted to the local authority. The project is expected to generate an estimated GDV of RM271 million, with a targeted soft launch for the first quarter of 2027.

RIGHTS ISSUE WITH WARRANTS

During FY2025, the Group obtained shareholders' approval for a Proposed Rights Issue with Warrants. On 10 September 2025, the Group successfully completed the corporate exercise involving the listing of 313.71 million new Rights Shares and 39.21 million Warrants on the Main Market of Bursa Malaysia Securities Berhad. The exercise strengthened the Group's capital base and enhanced financial flexibility to support its development pipeline, including Avant Industrial Park and Parkwood Damai.

FUTURE PROSPECTS

Looking ahead, Malaysia's economy is expected to maintain steady growth into 2026, supported by resilient domestic demand and sustained investment activity. While global uncertainties persist, the domestic economic environment is expected to remain broadly supportive.

The property sector is likely to remain selective, shaped by prevailing interest rate conditions, cost pressures and evolving consumer behaviour. Nevertheless, underlying structural fundamentals remain intact.

Against this backdrop, the Group will continue to focus on disciplined execution, maintaining a strong balance sheet and progressively building sustainable earnings streams.

In parallel, the Group aims to enhance earnings stability through its investment property portfolio, with logistics and industrial assets such as Avant Industrial Park expected to contribute recurring income over time.

The Group enters its next phase of growth on a firm financial footing, underpinned by a strong capital base, conservative gearing and sustained liquidity strength.

Sustainability and Market Positioning

Sustainability considerations are increasingly influencing development economics, financing conditions and tenant expectations. Management continues to integrate sustainability principles into project planning, where commercially viable, to enhance asset competitiveness and long-term resilience.

Supported by a strengthened capital base, disciplined project execution and a focused development pipeline, the Group remains cautiously optimistic about its medium- to long-term prospects and is committed to delivering sustainable value for shareholders.



SUSTAINABILITY STATEMENT



ABOUT THIS STATEMENT

Parkwood Holdings Berhad (“Parkwood”, “the Company”, or “the Group”) is pleased to present our Annual Sustainability Statement (“this Statement”) for the financial year ended 2025. This Statement provides an overview of the Group’s strategies, priorities, targets, and performance in managing sustainability matters. Parkwood Holdings Berhad is committed to sustainability and recognises the importance of responsible business practices in creating long-term value for its stakeholders and the environment. This sustainability statement is a commitment to integrating sustainability into the Group’s core business operations and decision-making processes.

REPORTING SCOPE AND LIMITS

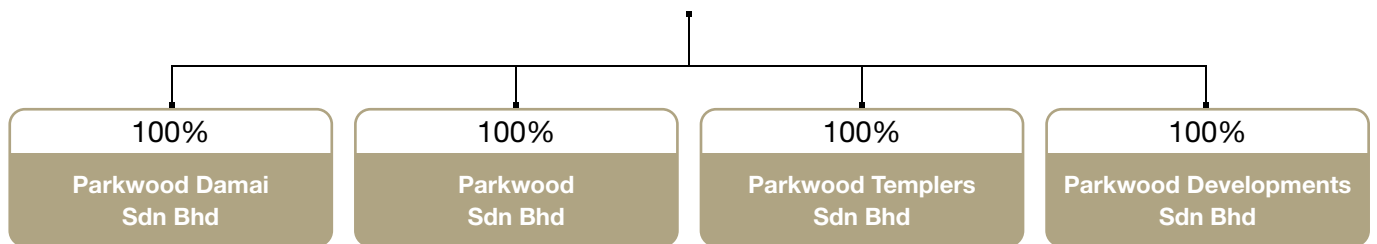
This Statement outlines Parkwood’s strategies, performance, priorities, and targets in addressing sustainability matters across the Economic, Environmental, Social and Governance (“EESG”) dimensions for the financial year under review.

Unless otherwise stated, the reporting scope covers Parkwood Holdings Berhad, which represents the Group’s investment holding and property development. Parkwood Damai Sdn Bhd, Parkwood Sdn Bhd and Parkwood Templers Sdn Bhd represents the Group’s property development business while Parkwood Developments Sdn Bhd represents the project management and support services division to the Group. Collectively, these four (4) entities contribute to Parkwood’s total revenue and therefore represent the Group’s most significant operational activities.



PARKWOOD

Parkwood Holdings Berhad



This Sustainability Statement contains forward-looking statements. Information presented in this Sustainability Statement 2025 regarding plans, targets, and expectations is based on reasonable assumptions and current business conditions. Actual outcomes may differ as the Group continues to adapt its strategies and operational decisions in response to evolving risks, opportunities, and changing circumstances.

REPORTING PERIOD

This Statement covers the period from 1 January 2025 to 31 December 2025 (“the Reporting Period” or “FY2025”). To complete the comprehensive suite of data contained in this statement, some content considers previous years information and data. It also includes historical statistical data for specific disclosures to highlight relevant trends , helping readers to understand the Group’s comparative performance better.

SUSTAINABILITY STATEMENT (CONT'D)

REPORTING FRAMEWORKS AND STANDARDS

This statement is compiled based on the Bursa Malaysia's Main Market Listing Requirements ("MMLR") under Practice Note 9A, Part A of Annexure Practice Note 9A-A and relevant sustainability reporting best practices. Where appropriate, the Group has also considered elements of the IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2) issued by the International Sustainability Standards Board (ISSB) in shaping its sustainability disclosures and approach to managing sustainability-related risks and opportunities.

The Company measures its greenhouse gas (GHG) emissions in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. To identify and categorise value chain emissions, the GHG Protocol Corporate Value Chain (Scope 3) Standard, which defines two (2) out of the fifteen (15) categories of Scope 3 emissions, has been applied. The reporting boundary for GHG emissions encompasses both the organisational and operational boundaries of the Company, ensuring consistency with its financial reporting boundary.

INDICATORS SELECTION

The indicators in the report were selected and elaborated on following the principles of "materiality, quantitative measurement, balance, and consistency" as described further below, to disclose performance of the material issues. Continuous updates and optimization of the disclosure indicators will be provided in subsequent reports.

Materiality: Parkwood uses the stakeholder engagement mechanism and materiality assessment matrix to identify corporate and social responsibility issues that are material or relevant to the Company and its stakeholders.

Quantitative Measurement: Parkwood embodies the quantitative principle by disclosing measurable key performance indicators.

Balance: Parkwood presents its work in the environmental, social and governance aspects in a fair and objective manner in this Statement.

Consistency: Parkwood has adopted a consistent approach to data disclosure and data comparison across time periods covered by the report, and has noted the changes in statistical methods and key performance indicators.

DATA MEASUREMENT AND METHODOLOGY

The sustainability data and performance indicators presented in this Statement are derived from internal records and information provided by the respective operating entities within the reporting scope. The Group has implemented internal processes to collect, validate, and consolidate the relevant sustainability data to ensure reasonable accuracy and reliability. We use emission factors (EF) from the UK Department for Energy Security and Net Zero (DESNZ) or colloquially known as DEFRA UK in the absence of local EFs for the calculation of Scope 1, Scope 2 and Scope 3 emissions. Where estimates or assumptions are required, they are based on reasonable methodologies and the best available information at the time of reporting.

RESTATEMENT OF DATA

Where relevant, previously reported sustainability data may be restated to reflect improvements in data collection processes, updates in calculation methodologies, or corrections to previously reported information. Such restatements are undertaken to enhance the accuracy, consistency, and comparability of the Group's sustainability performance data. Any material restatements are disclosed and explained within the relevant sections of the Sustainability Statement.

STATEMENT OF ASSURANCE

This Sustainability Statement has not undergone external or internal assurance. The information and data disclosed have been reviewed by the respective data owners and business divisions to ensure that Sustainability Statement 2025 provides a fair and accurate account of the Group's sustainability performance, initiatives, and outcomes.

SUSTAINABILITY STATEMENT (CONT'D)

CONFIRMATION AND APPROVAL

This Sustainability Statement was approved in accordance with the resolution by the Board of Directors on 23 April 2026, following confirmation by management.

REPORT ACCESS AND FEEDBACK

This Sustainability Statement forms part of Parkwood Holdings Berhad's Annual Report FY2025, which is available on the websites of Bursa Malaysia Berhad (<https://www.bursamalaysia.com/>) and Parkwood Holdings Berhad (<https://parkwood.my/>).

We value feedback on this report and welcome stakeholders' comments or questions, as it enables continuous improvement in the Group's sustainability policies, processes, and performance. For any feedback or inquiries, please contact us based on the following details:

PARKWOOD HOLDINGS BERHAD

Unit 8-02, Level 8, Menara LGB, No. 1, Jalan Wan Kadir,
Taman Tun Dr Ismail, 60000 Kuala Lumpur Malaysia.
+60 3- 2788 9322
admin@parkwood.my

SUSTAINABILITY STRATEGY STATEMENT

We are committed to driving responsible business practices throughout the organisation by instilling sustainability principles into our strategies, policies, and procedures, whilst integrating economic, environmental, and social considerations into our decision-making.

Parkwood's main focus is to become a **premier corporation in property development and investment** both within Malaysia and on an international scale

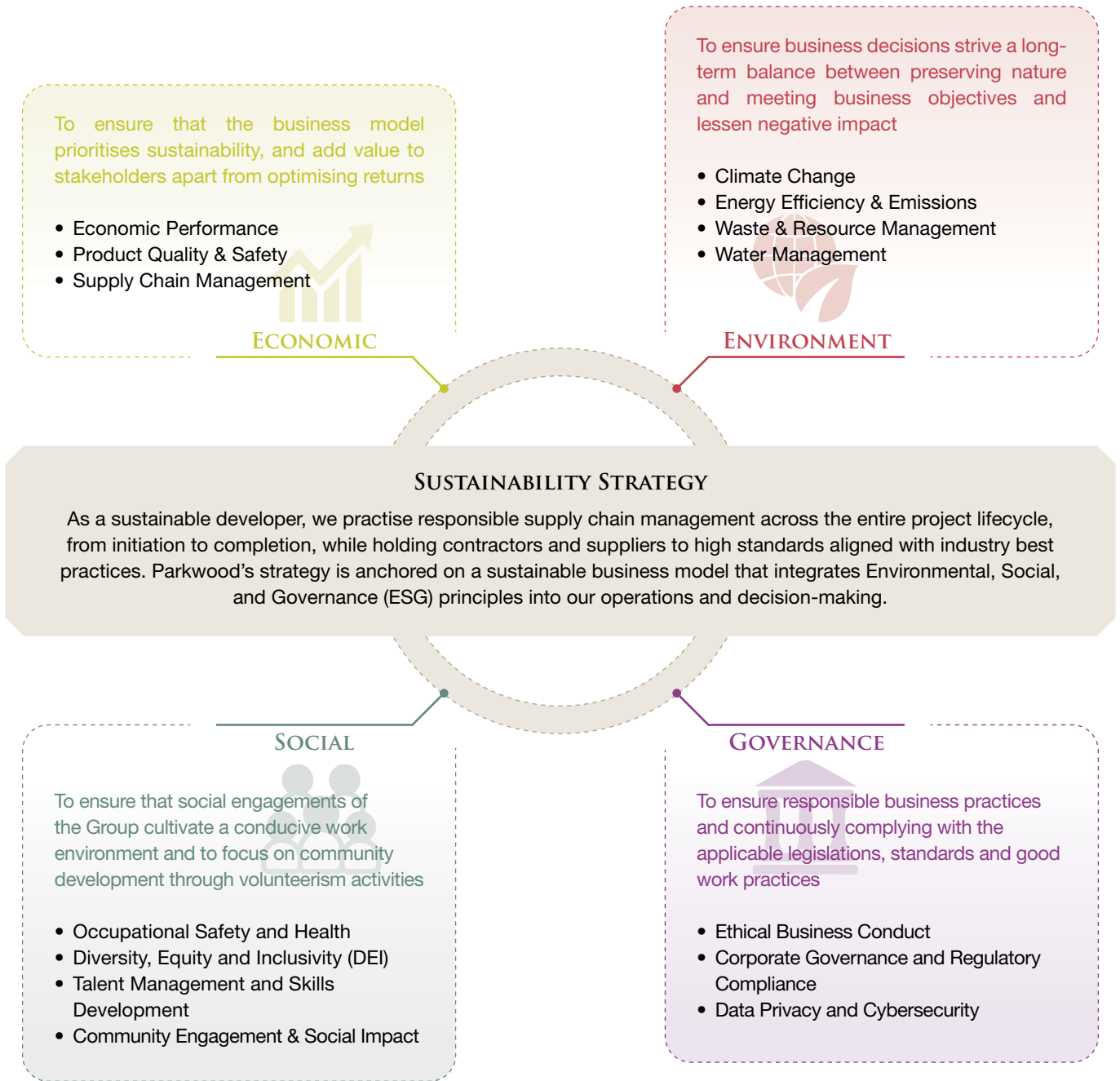
CORPORATE MISSION

*Delivering **quality products and services** through uncompromised professionalism to **create aspirational and sustainable communities***



SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY CORE FOCUS AREAS



Towards this end, we strive to:

Undertake responsible sustainability practices to minimise the environmental impact of our developments and operations.

Conserve the environment by consuming resources and materials responsibly.

Promote responsible business practices by achieving high standards of governance in our business operations.

Improve the quality of life of the individuals and communities we operate in and support the underprivileged by meeting their social needs.

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY EXCELLENCE

- The **Utamara Boutique Residences (“UBR”)** residential development has been designed to meet the Green Building Index (“GBI”) Certified benchmark.
- GreenRE certification for the **Avant Industrial Park warehouse** is currently in progress.
- GBI certification for the mixed development at **Damansara Damai** is currently in progress.

ESG PERFORMANCE AND SUSTAINABILITY COMMITMENTS

Parkwood is firmly committed to Environmental, Social and Governance (ESG) and sustainability agendas, viewing these as essential for the long-term survival of the organisation and for creating a positive impact on all stakeholders. The Group has moved beyond a profit-only model to adopt a sustainable business model that takes responsibility for its conduct and actively mitigates negative impacts arising from its business activities.

	Topics	Indicators	Our Targets	2025 Progress
Economic	Supply Chain Management	Proportion of spending on local suppliers	At least 90% spending on local suppliers	Achieved , 100% spent on local suppliers
Environmental	Energy Efficiency & Emissions	GBI / GreenRe Certified	Achieve and maintain Green building certification (GBI or GreenRE) for all new major developments	In progress , the new development pending completion, after which the certification application will be submitted
Social	Occupational Safety and Health	Number of employees trained on health and safety standards	Ensure 100% of new hires are trained on health and safety standard	Achieved , 100% new hires trained
	Diversity, Equity and Inclusivity (DEI)	Percentage of directors by gender and age group	Maintain compliance of at least 30% of women directors	Achieved , 40% female representation on its Board of Directors
		Number of substantiated complaints concerning human rights violations	Zero substantiated complaints on human rights violations	Achieved , Zero complaints on human rights violations
	Talent Management and Skills Development	Total hours of training by employee category	Our target at least one (1) training per person/year	Achieved , an average of 20 training hours per employee, with a total of 669 training hours recorded for FY2025
	Community Engagement & Social Impact	Total number of beneficiaries of the investment in communities	At least one (1) activity (community investment) per year	Achieved , one (1) community investment to Pusat Penjagaan Kanak-Kanak Cacat Taman Megah
Governance	Anti-Bribery & Anti-Corruption (ABAC)	Percentage of employees who have received training on anti-corruption by employee category	100% of employees to attend ABAC training	In Progress , 80% employees participated in annual training on ethical standards and anti-corruption
		Percentage of operations assessed for corruption-related risks	Maintain zero corruption incidences	Achieved , 100% operations were assessed for corruption-related risks
		Confirmed incidents of corruption and action taken	Maintain zero incidences of data privacy and security breaches	Achieved , Zero corruption incidences
	Data Privacy and Security	Number of confirmed incidents of breaches of customer privacy and loss of customer data	Maintain zero incidences of data privacy and security breaches	Achieved , Zero confirmed incidents

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY GOVERNANCE

The Board of Directors (“the Board”) remains committed to overseeing Parkwood’s sustainability performance in accordance with the sustainability reporting guidelines set forth by Bursa Malaysia Securities Berhad. We continue to exercise diligent vigilance in managing and monitoring our Economic, Environmental, Social and Governance (“**EESG**”) goals. Under strategic direction from the Board, the Group’s Sustainability Committee, comprising a key Senior Management Team, supervises the adoption and implementation of the sustainability strategies and policies and provides regular updates to the Board.



SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY MANAGEMENT STRUCTURE

Organisation	Members	Responsibilities
Board of Directors	All Board Members	<ul style="list-style-type: none"> • Sets the overall sustainability vision, strategy, policies for Parkwood. • Oversees the Group's Sustainability Governance Structure. • The Board provides strategic direction and oversight to ensure Parkwood achieves its objectives, upholds core values, and maintains strong corporate governance. • Ensures sustainability-related strategies are aligned with corporate strategies and risk management for Parkwood. • It also monitors management to ensure operations are conducted with integrity and comply with all applicable laws and regulations. • Reviews and approves the Group's sustainability-related policies, targets and reporting.
Sustainability Steering Committee ("SC")	Comprises senior leadership of core business divisions; Led by the Group's Chief Operating Officer (COO)	<ul style="list-style-type: none"> • Establish the Group Sustainability policies and strategies. • Steering Parkwood's sustainability & ESG strategies, reviewing sustainability policies, monitoring ESG performance and managing ESG impacts. • Provides direction, oversight and guidance across Parkwood for the implementation of sustainability-related projects. • The SC reviews, discusses, and assesses Parkwood's advancements in driving its sustainability agenda.
Sustainability Working Group ("SWG")	Head of each business division, support services departments and their designated ESG representatives	<ul style="list-style-type: none"> • Supports the Sustainability & ESG Steering Committee in the implementation of sustainability-related initiatives to achieve the Group's ESG goals. • Facilitate the formulation of Sustainability strategies and goals, identifying and evaluating sustainability risks and impacts, and overseeing the ESG initiatives and practices of the Group. • Manage sustainability initiatives across respective divisions and monitor progress for continuous improvements. • Group ESG performance measured, benchmarked & reported through the annual sustainability statement as part of the annual report. • Communicate Sustainability & ESG initiatives, impacts and performance on corporate website.

STAKEHOLDER ENGAGEMENT

Stakeholders are groups on which Parkwood's business has a significant impact and groups that have a vested interest in our business operations. Key stakeholders include employees, investors/shareholders, customers, business associates, contractors, suppliers and the local community. Other groups include regulators and key government agencies. Continuous engagement with our stakeholder groups is vital for us to better understand their expectations and appreciate how our actions impact them. This, in turn, allows us to align our business objectives and social goals and conduct business more effectively. We continuously strive to improve our engagement with stakeholders to be better equipped to manage emerging issues and drive change on the ground. A summary of engagement activities with our stakeholders is shown below.

SUSTAINABILITY STATEMENT (CONT'D)

STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholder Engagement	Channel	Engagement Frequency	Stakeholders' Concern	Response to Stakeholders' Concern
Regulatory Authorities and Local Governments	<ul style="list-style-type: none"> • Consultations Meetings • Reports/Letters 	Ongoing	<ul style="list-style-type: none"> • Compliance with laws and regulations 	We maintain close consultations with and provide regular updates to the regulatory authorities and local governments. In doing so, we ensure that we are continuously in compliance with prevailing laws.
Employees	<ul style="list-style-type: none"> • Internal emails • Departmental meetings 	Ongoing	<ul style="list-style-type: none"> • Training and development • Work-life Balance • Safety, health, and wellbeing • Employee benefits and welfare 	We engage with our employees to understand their interests and needs. Through our HR initiatives, employees and departments are encouraged to collaborate with one another to reinforce team spirit and increase work process efficiencies.
Local Communities	<ul style="list-style-type: none"> • Meetings • Dialogues • Volunteerism 	<ul style="list-style-type: none"> • Annual • Ad-hoc 	<ul style="list-style-type: none"> • Livelihood • Personal well-being 	We are committed to achieving long-term meaningful community engagement, including providing meaningful support to enrich the lives of the communities we operate in.
Consultants	<ul style="list-style-type: none"> • Meetings • Discussions • Reports • Proposals 	Ongoing	<ul style="list-style-type: none"> • Design and technical issues • Cost issues • Compliance issues 	We engage closely with our team of technical and design consultants to ensure timely provision of professional advice, reports, and proposals in resolving any design, technical, cost, and regulatory compliance issues.
Contractors and Suppliers	<ul style="list-style-type: none"> • Meetings • Discussions • Proposals 	Ongoing	<ul style="list-style-type: none"> • Compliance issues • Timeline issues • Quality issues • Cost issues • Technical issues 	Supported by our technical and design consultants, we monitor closely the performance of our contractors and suppliers vis-à-vis regulatory compliance, project timeline, quality control, cost budgets and technical troubleshooting.

MATERIAL SUSTAINABILITY MATTERS

The Board recognises that sustainability-related matters increasingly influence the Group's ability to execute projects efficiently, protect asset value, comply with regulatory requirements, and maintain stakeholder confidence. In determining Parkwood's material sustainability topics, the Board focused on matters that could reasonably be expected to affect the Group's financial performance, financial position or future prospects.

Regulatory compliance, ethical business conduct, occupational safety and health, and construction cost management were identified as critical enablers of Parkwood's licence to operate and project execution capability. Delays in approvals, cost overruns, safety incidents, or governance failures could directly affect profitability, cash flow and reputation.

The Board also recognised the emerging financial implications of climate change, energy efficiency, and green building practices. While these may not immediately affect short-term financial results, they are increasingly relevant to asset valuation, operating costs, buyer preferences and access to financing over the medium to long term.

Stakeholder feedback was an important input into the materiality assessment. The Board observed strong alignment between stakeholder priorities and financially material topics particularly governance integrity, health and safety and compliance. Where stakeholder priorities extended beyond immediate financial impacts, such as community engagement and environmental stewardship, the Board acknowledged their role in supporting long-term brand value and social licence to operate. The Board will continue to review material sustainability topics periodically, taking into account regulatory changes, market expectations and the evolving risk landscape.

SUSTAINABILITY STATEMENT (CONT'D)

MATERIALITY ASSESSMENT APPROACH

Parkwood Holdings Berhad (“Parkwood”) undertook a structured materiality assessment to identify sustainability topics that are most relevant to the Group’s business and stakeholders, and that may materially affect its financial position, performance or prospects. The assessment was in accordance with the latest amendments released by Bursa Malaysia’s MMLR under Practice Note 9A and Part A of Annexure Practice Note 9A-A, as well as the International Sustainability Standards Board’s Sustainability Disclosure Standards, namely the IFRS standard requirements and took into consideration Parkwood’s business model as a property developer and investment company in Malaysia.

Parkwood also adheres to the principle of materiality and hence, information is also considered from the perspectives of both financial and impact materiality. If information is deemed material from either both or one perspective, Parkwood has endeavoured to make such disclosures accordingly.

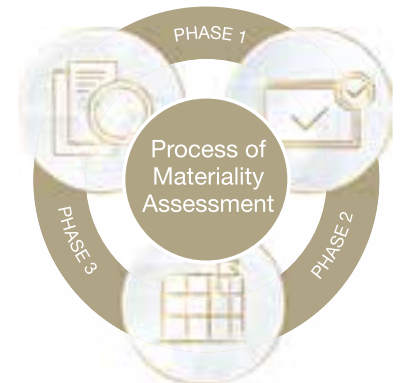
The materiality assessment process incorporated the following inputs:

- Internal stakeholder survey results, including responses from Senior Management and the Board of Directors;
- Review of Parkwood’s existing sustainability topics and disclosures;
- Assessment of business risks and opportunities and benchmark against common industry challenges and practices; and
- Consideration of prevailing regulatory, market and sustainability trends affecting the property development sector.

The step-by-step process of materiality assessment is as follows: -

Phase 1: Identification of Material Matters

- Understand distinctive operating context of company i.e. sector specific topics, peer assessment and compliance requirements.
- Reviewed the financial year ended 2024 identified material sustainability matters with reference to sustainability reporting frameworks and standards i.e. Global Reporting Indicators (GRI) Standards, IFRS Sustainability Disclosure Standards, Sustainability Accounting Standards Board (SASB) Standards and other relevant standards and frameworks.
- Identify key internal stakeholders and understand their needs and expectations pertaining to sustainability-related impacts through a survey.
- Derive preliminary list of sustainability matters.
- The management has concluded that some of the identified material matters can be classified under a wider topic for better clarity.



Phase 2: Assessment and Prioritisation of Material Matters

- Apply materiality concept and undertake stakeholder engagement in prioritisation.
- Online survey were distributed to relevant individuals (internal stakeholders) to assess the importance of sustainability topics on their environmental and social impacts as well as their importance to value generation.
- The material sustainability subjects were prioritised based on the results of the materiality assessment survey, the assessment of business risks and opportunities and benchmark against common industry challenges and practices and consideration of prevailing regulatory, market and sustainability trends affecting the property development sector.
- A materiality matrix was created through the identification outcomes.

Phase 3: Review and Validation of Outcome

- The material sustainability matters matrix was then reviewed and shared with the Board, Sustainability Working Group and senior management for validation and approval.
- Following the review, the materiality matrix was presented to the Board, and subsequently obtained approval.

Based on the combined assessment of stakeholder importance and financial impact, Parkwood identified a focused set of sustainability topics that are considered material and relevant to the Group’s long term value creation. These topics form the basis of Parkwood’s sustainability priorities, risk management approach and disclosures for the reporting year.

SUSTAINABILITY STATEMENT (CONT'D)

MATERIALITY MATRIX

The materiality matrix illustrates the relative importance of sustainability topics to internal stakeholders and to Parkwood. Internal stakeholder importance was derived from employee survey responses, while importance to Parkwood reflects the Board's assessment of each topic's potential impact on financial performance, position and prospects. The Board considered impacts on project delivery, costs, asset value, revenue, regulatory compliance, cost of capital and corporate reputation.

Topics were assessed based on internal stakeholder survey results and the Board's evaluation of financial impact. Topics relating to governance integrity, health and safety, regulatory compliance, and supply chain management were consistently rated as high priority, reflecting stakeholders' focus on operational reliability, ethical conduct, and social licence to operate. These matters were identified as having direct and tangible implications for cash flow, margins, asset value, financing access and long term business resilience. Parkwood continues to monitor developments under ISSB standards to enhance future alignment where relevant.



No.	Material Matter	Category
1	Ethical Business Conduct	Governance
2	Economic Performance	Economic
3	Occupational Safety and Health	Social
4	Corporate Governance and Regulatory Compliance	Governance
5	Community Engagement and Social Impact	Social
6	Waste and Resource Management	Environment
7	Talent Management and Skills Development	Social
8	Energy Efficiency and Emissions	Environment
9	Supply Chain Management	Economic
10	Product Quality and Safety	Economic
11	Climate Change	Environment
12	Data Privacy and Cybersecurity	Governance
13	Water Management	Environment
14	Diversity, Equity and Inclusivity (DEI)	Social

SUSTAINABILITY STATEMENT (CONT'D)



ECONOMIC

Economic Performance

Why It Matters

Strong economic performance underpins Parkwood's capacity to maintain its assets, pursue growth opportunities, and deliver long-term value for stakeholders. As a homegrown property developer, we contribute to Malaysia's broader economic development by generating employment, stimulating local economic activity, and shaping the built environment in ways that support sustainable urban growth. When we develop new areas, our projects strengthen infrastructure, enhance business ecosystems and create socio-economic value for surrounding communities.

Risks and Opportunities

Risks	Opportunities
<ul style="list-style-type: none"> Widening affordability gap, as salary growth lags behind property price increases amid Malaysia's subsidy rationalisation. Increased congestion and economic disparities from poorly planned urbanisation. 	<ul style="list-style-type: none"> Delivering projects responsive to shifting consumer demands, including affordability, to position Parkwood as a future-ready developer. Creating positive socio-economic benefits in the vicinity of our operations, including through job opportunities created and the impact of facilities integrated within our developments.

Management Policies

Our commitment to nation-building is embedded in the Group's Sustainability Policy, which emphasises creating positive and enduring impacts for employees, communities, and the wider economy through responsible business practices. By integrating EESG considerations into project planning and operational decision-making, Parkwood supports sustainable urban growth, job creation and community well-being.

Our Approach

Parkwood strengthens its business resilience and profitability by broadening product offerings for niche markets, enabling the Group to navigate fluctuating business conditions while maintaining long-term financial health. Key ongoing measures include strategic land acquisition to replenish the landbank, competitive bank borrowing for development projects and deployment of excess funds into highly liquid short-term instruments to generate interest income.

Targets are set through the annual budgeting and strategic planning process, reviewed and approved by the Board. These include strengthening profitability through efficient cost management, maintaining a healthy liquidity position and ensuring equitable distribution of economic value to employees, suppliers, government and the community.

Progress

	Unit	FY2023	FY2024	FY2025
Economic Value Generated (i.e. revenue and other income)	RM'000	29,150	19,543	16,818
Profit / (Loss) After Tax	RM'000	(4,200)	(5,407)	5,638
Economic Value Distributed	RM'000	31,953	23,255	24,264
Operating costs	RM'000	25,232	16,025	14,516
Employee wages and benefits	RM'000	5,157	5,043	5,868
Payments to providers of capital	RM'000	1,609	1,557	3,040
Payments to the government by country	RM'000	(52)	620	824
Community investments	RM'000	7	9	15
Economic Value Retained	RM'000	(2,803)	(3,712)	(7,446)

Notes: All figures, unless otherwise stated, are presented in Malaysian Ringgit ("RM"). The financial results presented in the table are derived from the audited financial statement, which is available for reference in our Annual Report financial year ended 31 December 2025.

SUSTAINABILITY STATEMENT (CONT'D)

ECONOMIC (CONT'D)

Product Quality and Safety

Why It Matters

Delivering safe, compliant, and high-quality properties is central to Parkwood’s value proposition and protects the health, safety, and satisfaction of buyers, occupants, and the public. Product quality failures including construction defects or non-compliant buildings expose the Group to reputational, legal, and financial risk, while compromising buyer confidence and post-handover satisfaction.

Risks and Opportunities

Risks	Opportunities
<ul style="list-style-type: none"> Construction defects or non-compliant building works may result in post-handover rectification costs, buyer disputes, or legal liability, directly impacting profitability and brand reputation. Failure to obtain timely statutory approvals (CCC, CFO) due to quality or compliance gaps may delay vacant possession, triggering late delivery penalties and homebuyer claims under the Housing Development Act (HDA). Inadequate contractor oversight may result in substandard workmanship that compromises structural integrity, fire safety systems, or building services, exposing the Group to regulatory sanctions. Negative buyer reviews or publicised defect complaints can materially affect sales velocity and brand equity for future launches. 	<ul style="list-style-type: none"> Achieving and maintaining quality certifications (ISO 9001, GBI, GreenRE) differentiates Parkwood’s products in a competitive market and supports premium pricing and faster sales take-up. Implementing structured defect management and post-handover care programmes builds buyer loyalty, generates positive referrals, and reduces rectification costs over time. Proactive quality control throughout the construction lifecycle, from design review to contractor supervision and pre-handover inspection — reduces the risk of costly rework. Strong product quality credentials increasingly support access to green lending programmes from ESG-conscious banks and institutional financiers.

Management Policies

Parkwood’s appointed contractor for the Avant Industrial Project, GT-Max Construction Sdn Bhd, holds ISO 9001:2015 certification for its Quality Management System. The Group ensures that all developments are completed in accordance with approved building plans and statutory requirements.

Our Approach

As the project developer, Parkwood ensures that all developments are executed in strict accordance with approved building plans, applicable standards, and regulatory requirements. Upon substantial completion of the works, the Architect issues the Certificate of Practical Completion (CPC) in accordance with the conditions of contract. Subsequently, the Certificate of Completion and Compliance (CCC) is issued by the Principal Submitting Person (PSP), certifying that the building has fulfilled all technical, safety, and statutory requirements. Vacant possession (VP) is delivered to purchasers strictly upon the issuance of the CCC.

Customer satisfaction is managed through a structured and systematic framework encompassing formal handover protocols, guided unit inspections, and comprehensive post-handover defect management throughout the Defects Liability Period (DLP). The Group remains committed to upholding the highest standards of quality and safety, with key performance targets of zero fatalities, zero major customer-related safety incidents, and the minimisation of post-handover defects and safety-related complaints, in line with established industry best practices.

SUSTAINABILITY STATEMENT (CONT'D)

ECONOMIC (CONT'D)

Product Quality and Safety (Cont'd)

Progress

FY2025 marks Parkwood's first year of reporting on Product Quality and Safety indicators. During the Defect Liability Period (DLP) following Vacant Possession (VP), zero hazard incidents were recorded, underscoring the Group's commitment to delivering safe, reliable, and high-quality developments.

In terms of quality and safety standards, Parkwood adopts the Quality Assessment System in Construction (QLASSIC) as a benchmark for workmanship and construction quality. The Group has also achieved recognition through prestigious industry awards, including PAM and FIABCI, further reinforcing its commitment to excellence in development and delivery.

Customer Satisfaction

For the Utamara Boutique Residences development, an average customer satisfaction score of approximately 76% was achieved across key evaluation categories. This reflects a stable level of homeowner confidence while identifying areas for ongoing quality and service enhancement.

The Group also recorded an estimated 80% positive feedback rate from prospects and purchasers, particularly in relation to viewing experience, sales engagement, and handover processes. Customer advocacy remains encouraging, with approximately 10% of new leads generated through referrals from existing purchasers.

Additionally, more than 80% of homeowners expressed satisfaction with the VP experience. This demonstrates the effectiveness of the Group's structured handover process, including guided unit orientation, home tour support, and responsive customer care during the ownership transition.

Product Quality and Safety	Unit	FY2023	FY2024	FY2025
Number of significant product and service categories for which health and safety impacts are assessed for improvement as at the end of the reporting period	Number	1	0	0
Total number of product and service categories as at the end of the reporting period	Number	1	0	0
Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	%	100	0	0
Total number of incidents of non-compliance with regulations or voluntary codes	Number	0	0	0
Total number of units that were subject to product recalls due to health and safety reasons	Number	0	0	0
Amount of defect- and safety-related rework costs	RM	0	0	0

Notes: Only Utamara Boutique Residences was assessed as it was completed during the reporting periods.

SUSTAINABILITY STATEMENT (CONT'D)

ECONOMIC (CONT'D)

Supply Chain Management

Why It Matters

Effective supply chain management is critical to project delivery, cost control, and quality assurance. It encompasses planning, procurement, logistics, and collaboration across consultants, contractors, and vendors. By embedding responsible sourcing and fostering resilient partnerships, Parkwood improves cost efficiency, project timelines, and risk mitigation, while advancing its long-term sustainability commitments. Our strategic focus on local supplier engagement further supports Malaysia's economic development and the communities in which we operate.

Risks and Opportunities

Risks	Opportunities
<ul style="list-style-type: none"> Managing multiple parties across a complex project landscape may lead to delays and miscommunication. Long lead times and fluctuating material costs may disrupt project timelines and budgets. Weak supply chain visibility may reduce agility and risk response capability. Limited availability of affordable, certified green materials to meet market demand within cost expectations. 	<ul style="list-style-type: none"> Advancing sustainable procurement practices to strengthen supply chain resilience and long-term partnerships. Enhancing supplier relationships through responsible sourcing and local procurement strategies.

Management Policies

The Group maintains a current, agile, and diverse approved vendor and supplier list to support project needs. All suppliers and contractors are assessed against quality, compliance, and sustainability criteria to uphold project standards and Parkwood's values.

Our Approach

Parkwood strengthens relationships and communication with consultants, contractors, and vendors through ongoing meetings, structured discussions, and performance reviews. Suppliers are monitored against regulatory compliance, project timelines, quality standards, cost budgets, and technical performance, supported by the Group's technical and design consultants.

Our commitment to supporting local economic development is demonstrated through our strategic focus on local supplier engagement. Proactive local sourcing initiatives have consistently supported local procurement targets, while contributing to supply chain resilience and community impact.

Progress

Indicator	Unit	FY2022	FY2023			FY2024			FY2025
			Before	After	Variance	Before	After	Variance	
Percentage of spending on local suppliers	%	90	90	100	10 (+10%)	90	100	10 (+10%)	100

Note: Pursuant to a review of our proportion of spending on local suppliers, restatements have been performed for the total amount of spending on local suppliers and its proportion disclosures that were disclosed in our past Sustainability Statement FY2024 due to errors and incomplete disclosures discovered. In particular, the restated disclosures cover all our material categories. Figures are rounded to the nearest whole number.

SUSTAINABILITY STATEMENT (CONT'D)



ENVIRONMENTAL

Parkwood aligns its environmental commitments with national objectives and global sustainability standards, including Malaysia's goal of achieving net zero carbon emissions by 2050. The Group is committed to safe and environmentally responsible design, construction, and operation, and regularly reviews risks and potential issues related to its operating environment.

Management Policies

Policy	Scope and Guidance
HSE Policy	Governs health, safety, and environmental performance across all operations, promoting a proactive environmental culture with the goal of zero pollution incidents.
Energy Management Policy (Avant Industrial Park)	Targets a Silver GreenRE rating for the warehouse facility through structured energy management and efficiency measures.
Sustainability Policy	Establishes the Group's overarching commitment to minimising negative environmental impacts and integrating EESG considerations across all business activities.

Climate Change

Why It Matters

Climate change including physical risks such as flooding and rising sea levels poses a direct threat to Parkwood's asset portfolio. Addressing these risks is critical to protecting asset value, securing investor confidence, and maintaining community trust. Proactively managing climate-related risks and transitioning towards lower-carbon operations helps future-proof developments, preserve financial resilience, and meet the growing expectations of buyers and institutional investors.

Risks and Opportunities

Risks	Opportunities
<ul style="list-style-type: none"> Exposure to physical and transition risks across the Group's asset portfolio. Flood risks potentially impacting product value and demand in affected areas. High risk of not meeting expectations from international or large investors, particularly in the industrial segment, where low GHG emission products are increasingly required. 	<ul style="list-style-type: none"> Raising awareness and collaborating with authorities, industry bodies, and other stakeholders to strengthen flood adaptation and mitigation efforts. Enhancing organisational resilience and reputation through proactive climate risk management.

Management Policies

Parkwood manages climate-related risk through compliance with relevant environmental laws and regulatory requirements, supported by an internal system of self-regulation, monitoring, and regular consultation with authorities. The Group's Sustainability Policy articulates its commitment to responsible environmental stewardship and underpins specific environmental management measures across its operations.

Our Approach

Parkwood will explore implementing flood mitigation plans where and when applicable. Key actions under development include: engaging with local and federal authorities on flood mitigation strategies; monitoring market demand for sustainability-related initiatives and products; collaborating with tenants and buyers of industrial properties to determine sustainability requirements and recommend tailored solutions; and maintaining full compliance with sustainability-related regulatory requirements in alignment with the Group's Sustainability Policy.

SUSTAINABILITY STATEMENT (CONT'D)

ENVIRONMENTAL (CONT'D)

Climate Change (Cont'd)

Our Approach (Cont'd)

Parkwood integrates several sustainable design methodologies into its development process:

- **Green Building Certifications:** The UBR development is designed according to the Green Building Index (GBI) Residential New Construction Tool, while the Avant Industrial Park targets a Silver GreenRE rating in accordance with the GreenRE standards.
- **Passive Design Strategies:** Methodologies include incorporating natural ventilation, optimal shading coefficients, and thermal transmittance (U-values) for glazing materials to promote energy conservation.
- **Resource Efficiency:** Design features include rainwater harvesting systems to reduce potable water consumption (targeting 14% reduction for UBR) and the use of WELS 3-tick water-efficient fittings.
- **Indoor Environmental Quality:** Sustainable practices include utilizing low volatile organic compound (VOC) paints and adhesives and ensuring all rooms have a direct line of sight to the outdoors.

Energy Efficiency and Emissions

Why It Matters

Energy consumption is a major driver of greenhouse gas (GHG) emissions, with direct implications for operating costs, carbon tax exposure, and alignment with net zero targets. Effective energy management is increasingly important to investor and buyer confidence, particularly in the industrial segment where low-carbon credentials are becoming a procurement requirement. Reducing energy demand and improving building performance supports both environmental sustainability and long-term financial resilience.

Risks and Opportunities

Risks	Opportunities
<ul style="list-style-type: none"> • Failure to meet emissions reduction targets, exposing the Group to reputational and regulatory risk. • Implementation of carbon tax may increase operating costs and compress profitability. 	<ul style="list-style-type: none"> • Operational cost savings through energy and carbon management solutions, including smart metering, real-time monitoring, and energy efficiency audits. • Reinforcing a compliance-first reputation with government authorities and investors through proactive energy management.

Management Policies

The Group manages energy and emissions through its HSE Policy, Energy Management Policy, and broader Sustainability Policy. GHG emissions are quantified in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, with Scope 3 emissions covering Category 6 (Business Travel) and Category 7 (Employee Commuting).

Our Approach

Parkwood's approach focuses on reducing overall energy demand, improving building performance, and promoting cleaner energy sources.

- **Green Building Certification:** The Group adheres to the Green Building Index (GBI) and GreenRE standards. The UBR development is designed to achieve a GBI "Certified" rating, while the Avant Industrial Park warehouse targets a Silver GreenRE rating.
- **Energy Efficiency:** Projects incorporate passive design features for natural ventilation and energy-efficient technologies, including LED lighting and motion sensors, to reduce GHG emissions. Staff are also encouraged to adopt simple energy-saving behaviours, such as switching off lighting and unused equipment during non-operating periods.
- **Compliance with Standards:** These strategies ensure the building adheres to established sustainable design standards, specifically the GreenRE IND V1.0 certification standards required for the Silver target GreenRE rating for projects like the Avant Industrial Park.
- **Indoor Environmental Quality:** In a similar sustainability framework (i.e. GBI), meeting minimum ventilation requirements in habitable rooms and public spaces is essential for scoring points in the Indoor Environmental Quality category, which supports higher certification levels for projects like the Avant Industrial Park.

Beyond ventilation, these passive design efforts are often paired with other features, such as using glazing materials with optimal shading coefficients (SC) and thermal transmittance (U-values), to further enhance building efficiency, thus, reducing energy consumption.

SUSTAINABILITY STATEMENT (CONT'D)

ENVIRONMENTAL (CONT'D)

Energy Efficiency and Emissions (Cont'd)

Progress

Parkwood's total purchased electricity consumption decreased to 16.34 MWh (58.81 GJ) in FY2025, from 17.31 MWh (62.30 GJ) in FY2024, continuing the downward trend in absolute energy use that began following the closure of the Utamara Sales Gallery in FY2023.

Energy intensity for FY2025 was 0.0038 GJ per RM'000 revenue, a slight increase from 0.0034 in FY2024, though remaining significantly below the 0.0063 recorded in FY2023 and 0.0093 in FY2022. The marginal year-on-year increase in intensity reflects the earlier stage of revenue recognition in the current project cycle relative to operational energy drawn, rather than a deterioration in underlying energy efficiency. Parkwood will continue to monitor intensity trends as project activity and revenue recognition progress through FY2026.

Indicator	Energy Management				
	Unit	FY2022	FY2023	FY2024	FY2025
Purchased Electricity	MWh	47.91	47.87	17.31	16.34
	GJ	172.47	172.33	62.30	58.81
Total Energy Consumed	GJ	172.47	172.33	62.30	58.81
Energy Intensity	GJ/ RM'000 in Revenue	0.0093	0.0063	0.0034	0.0038

Notes: The factor used to convert the amount of electricity consumed from kWh to GJ is 0.0036, typical Conversion Factors as per IPCC and IEA.

Emission Management

GHG Emissions Scopes	Unit	FY2022	FY2023	FY2024			FY2025
				Before	After	Variance	
Total Scope 1 – Direct GHG Emissions	tCO ₂ e	0	0	0	0	-	0
Total Scope 2 ² – Indirect GHG Emissions	tCO ₂ e	35.45	35.42	13.12	12.81	-0.31 (-1%)	12.09
Purchased electricity (location-based)	tCO ₂ e	35.45	35.42	13.12	12.81	-0.31 (-1%)	12.09
Purchased electricity (market-based)	tCO ₂ e	0	0	0	0	-	0
Total Scope 3 ⁴ – Other Indirect GHG Emissions	tCO ₂ e	-	-	125.53	125.53	-	84.94
Category 6 – Business Travel	tCO ₂ e	-	-	50.95	50.95	-	0.71
Category 7 – Employee Commuting ⁵	tCO ₂ e	-	-	74.58	74.58	-	84.23
Total GHG Emissions	tCO ₂ e	35.45	35.42	138.65	138.34	-0.31 (-0.1%)	97.03

Notes:

- Pursuant to a review of our GHG inventories, restatements have been performed for the following Scope 2 disclosures that were disclosed in our past Sustainability Statement FY2024 due to errors and incomplete disclosures discovered. In particular, the restated disclosures cover all our material categories.
- Scope 2 emissions represent indirect emissions from purchased electricity consumed for operations, calculated using the Malaysia Grid Emission Factor (GEF) (2022-2024) as reported by MyEnergyStats, sourced from the Malaysia Energy Information Hub (MEIH) managed by the Energy Commission of Malaysia. Scope 2 emissions for FY2024 were initially calculated using the Peninsular Malaysia GEF of 0.758 kg CO₂e/kWh from the Malaysian Grid Emission Factor (2017-2021) dataset.
- Scope 2 emissions for FY2024 were initially calculated using the Peninsular Malaysia GEF of 0.758 kg CO₂e/kWh from the Malaysian Grid Emission Factor (2017-2021) dataset. FY2024 Scope 2 emissions were subsequently recalculated using updated factors 0.740 kgCO₂e/kWh (2024).
- Scope 3 emissions include emissions from two (2) out of the fifteen (15) categories of Scope 3 emissions: Category 6, Business travel and Category 7, Employee commuting only. Emission factor for business travel and other employee commuting is sourced from UK Department for Energy Security and Net Zero (DESNZ), 2025. Emission factors for 2024 were based on DESNZ/DEFRA UK, 2023. Past emissions were not recalculated to maintain consistency with previously reported data.
- For Mode of transport that uses electricity from the grid, its emissions are calculated using the Grid Emission Factor (GEF) for Peninsular Malaysia (2022-2024) (Provisional) of 0.740 kgCO₂e/kWh for the year 2024, as reported by MyEnergyStats and sourced from the Malaysia Energy Information Hub (MEIH), managed by the Energy Commission of Malaysia.

SUSTAINABILITY STATEMENT (CONT'D)

ENVIRONMENTAL (CONT'D)

Waste and Resource Management

Why It Matters

Responsible waste and resource management is essential to reducing Parkwood’s environmental footprint, maintaining regulatory compliance, and supporting the transition towards a circular economy. Operational waste, if unmanaged, can create environmental hazards, incur disposal costs, and jeopardise project approvals. Effective waste reduction practices also contribute to cost efficiency and demonstrate environmental leadership to buyers, investors, and regulators.

Risks and Opportunities

Risks	Opportunities
<ul style="list-style-type: none"> Improper handling or disposal of construction waste may attract regulatory penalties, stop-work orders, or adverse publicity, particularly as enforcement by the Department of Environment (DOE) intensifies. Increasing landfill tipping fees and waste disposal costs, if unmanaged, may erode project margins on high-volume construction projects. Failure to track and report waste generation accurately may result in non-compliance with Bursa Malaysia sustainability disclosure requirements and credibility gaps with investors. Reliance on materials without exploring recycled or sustainably sourced alternatives increases exposure to supply chain cost volatility and future circular economy regulations. 	<ul style="list-style-type: none"> Adopting 3R (Reduce, Reuse, Recycle) practices systematically across project sites reduces disposal costs, improves resource efficiency, and reduces the Group’s environmental footprint. Diverting construction waste from landfills through material reuse, recycling partnerships, and off-cuts repurposing aligns with Malaysia’s Solid Waste Management Act and supports the circular economy transition. Incorporating sustainable building materials and resource-efficient construction methods supports green building certification targets (GBI, GreenRE) and reduces lifecycle environmental impacts. Transparent waste data reporting strengthens Parkwood’s sustainability credentials with institutional investors, rating agencies, and ESG-conscious homebuyers.

Management Policies

The Group’s Sustainability Policy underpins its commitment to responsible environmental stewardship, with a specific emphasis on minimising negative impacts on stakeholders and the environment through resource-efficient practices.

Our Approach

The Group recognises that effective waste management is essential to achieving our sustainability aspirations and reducing our environmental footprint. In line with Parkwood’s commitment to responsible environmental stewardship, as articulated in the Group’s Sustainability Policy, which emphasises minimising negative impacts on stakeholders and the environment, we continually strive to adopt practices that support resource efficiency and contribute to a circular economy.

Parkwood is committed to applying the 3R principles (Reduce, Reuse, Recycle) across all operations to optimise resource efficiency and divert waste from landfills. Operational waste is actively mitigated through structured waste management procedures. Parkwood also implements rainwater harvesting systems to reduce potable water consumption and promote resource efficiency across its developments.



SUSTAINABILITY STATEMENT (CONT'D)

ENVIRONMENTAL (CONT'D)

Waste and Resource Management (Cont'd)

Our Approach (Cont'd)

To manage waste responsibly across our operations, the Group has implemented structured and compliant waste handling procedures:

Scheduled waste is strictly managed in accordance with applicable regulations, stored only in designated areas, and handled exclusively by licensed scheduled-waste contractors to ensure safe transportation and disposal, reflecting our responsibility to mitigate environmental risks.



We encourage the use of recycled paper for day-to-day administrative tasks such as photocopying, single-page printing, and note-taking, supporting resource conservation and reducing unnecessary consumption.



We minimise paper usage by promoting digital communication, encouraging employees to utilise emails and online platforms, an approach aligned with the Group's broader commitment to operational efficiency and sustainable practices.



We continually explore waste-reduction strategies at the source, including digitisation, paperless operations, and the adoption of reusable materials and packaging, reinforcing our commitment to reducing overall waste generation and supporting long-term environmental sustainability.

Progress

FY2025 marks Parkwood's second year collecting waste data. Total waste generated increased to 0.988 MT in FY2025 (FY2024: 0.506 MT), reflecting increased operational activity.

Indicator	Waste Management				
	Unit	FY2022	FY2023	FY2024	FY2025
Total amount of waste generated	MT	-	-	0.506	0.988
Total waste diverted from disposal	MT	-	-	0.336	0.243
Total waste directed to disposal	MT	-	-	0.170	0.745

Notes: Waste generated is broken down into wet waste, dry waste and shredded paper waste

SUSTAINABILITY STATEMENT (CONT'D)

ENVIRONMENTAL (CONT'D)

Water Management

Why It Matters

Water is a shared resource and its responsible management is increasingly important amid Malaysia's growing urbanisation pressures and climate variability. For a property developer, water consumption in office operations and construction activities contributes to the Group's overall environmental impact. Managing water use effectively reduces operating costs, supports regulatory compliance, and demonstrates environmental accountability to stakeholders.

Risks and Opportunities

Risks	Opportunities
<ul style="list-style-type: none"> Water supply disruptions increasingly likely given Malaysia's urbanisation pressures and climate variability that may affect project timelines and site operations, with consequent cost and schedule impacts. Non-compliance with water discharge regulations during construction (e.g., silt-laden runoff into waterways) may attract DOE enforcement action, fines, and reputational damage. Rising water tariffs for commercial and industrial users may increase operational costs if consumption is not actively managed. Inadequate water management data collection limits the Group's ability to set meaningful targets or benchmark performance, weakening sustainability reporting credibility. 	<ul style="list-style-type: none"> Embedding water efficiency features as standard in Parkwood's developments differentiates product offerings for environmentally conscious buyers and aligns with Malaysia's National Water Services Industry Act requirements. Accurate water consumption tracking enables the Group to set progressive reduction targets and disclose meaningful water intensity metrics, strengthening investor-grade reporting. Designing developments with sustainable urban drainage systems (SUDS) and permeable surfaces reduces flood risk exposure for buyers and surrounding communities, supporting long-term asset value.

Management Policies

The Group manages water usage in accordance with its Sustainability Policy and applicable environmental regulations, aiming to minimise consumption and incorporate water-efficient design into its developments.

Our Approach

Parkwood implements rainwater harvesting systems to reduce potable water demand and encourages water conservation across its operations. Water-efficient technologies and design principles are incorporated into new developments where feasible.

Progress

Total water consumption decreased to 0.013 megalitres in FY2025, from 0.020 megalitres in FY2024, continuing the sustained reduction in absolute consumption observed since FY2022. The decline reflects lower operational water demand following the closure of the Utamara Sales Gallery during the current phase of Parkwood's development cycle.

Water intensity for FY2025 was 0.000008 m³ per RM'000 revenue, improving from 0.000011 in FY2024 and representing a marked reduction from 0.0000149 in FY2023 and 0.0000195 in FY2022. The multi-year improvement in water intensity reflects both reduced absolute consumption and the progressive rationalisation of Parkwood's operational footprint. Parkwood will continue to monitor water consumption across its operational boundaries as project and site activity evolves in FY2026.

Indicator	Water Management				
	Unit	FY2022	FY2023	FY2024	FY2025
Total Water Consumption	Megalitres	0.36	0.41	0.02	0.013
Water Consumption Intensity	m ³ / RM'000 in revenue	0.0000195	0.0000149	0.0000011	0.0000008

SUSTAINABILITY STATEMENT (CONT'D)



SOCIAL

Parkwood's people are its greatest asset. The Group is committed to maintaining a safe, inclusive, and supportive workplace that enables every employee to perform, develop, and thrive. Our social strategy encompasses occupational safety and health, diversity and inclusion, employee development and well-being, and meaningful community engagement, including community philanthropy.

Management Policies

Policy	Scope and Guidance
Employment Handbook (6 th Edition)	Establishes terms of employment, code of conduct, and employee rights and responsibilities across the Group.
OSH Policy Statement & Safety Manual	Governs occupational safety and health standards across all operational areas and project sites.
HIRARC Form (2026)	Structured tool for hazard identification, risk assessment, and risk control across Parkwood's operations.
Flexi Employee Wellbeing Benefit	Provides flexible employee wellness support to enhance overall well-being and retention.

Occupational Safety and Health (OSH)

Why It Matters

The safety and well-being of employees, contractors, and the communities surrounding Parkwood's project sites is a non-negotiable responsibility. Given the inherent hazards associated with property development and construction-related activities, robust OSH management is fundamental to sustaining operations, protecting people, maintaining regulatory compliance, and preserving the Group's licence to operate. Safety failures carry direct financial, legal, and reputational consequences.

Risks and Opportunities

Risks	Opportunities
<ul style="list-style-type: none"> Property development activities carry inherent physical hazards including working at heights, heavy machinery operation, and hazardous materials handling that may result in worker injuries, fatalities, or occupational illnesses if inadequately controlled, with serious legal and reputational consequences. Non-compliance with the Occupational Safety and Health (OSHA) (Amendment) Act 2022 may attract penalties, project suspension, and increased insurance premiums. Contractor and subcontractor safety standards may be inconsistent with Parkwood's requirements, creating significant liability exposure and reputational risk where incidents occur on Group-managed project sites. Inadequate emergency preparedness or response capability may escalate the severity of safety incidents and damage stakeholder confidence. 	<ul style="list-style-type: none"> A strong OSH culture and zero-incident track record reduces insurance costs, strengthens contractor relationships, and serves as a competitive differentiator when attracting joint development partners or institutional investors. Proactive implementation of digital safety management tools, including HIRARC mobile platforms, incident reporting apps, and site monitoring systems improves hazard detection and response efficiency. Embedding OSH requirements into contractor selection, onboarding, and performance evaluation strengthens supply chain safety standards and reduces project-level liability exposure. Promoting health and safety awareness supports a positive workplace culture, reduces absenteeism, and contributes to employee well-being and retention.

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Occupational Safety and Health (Cont'd)

Management Policies

Parkwood Holdings Berhad ensures employee safety through a comprehensive Occupational Safety and Health (OSH) management system designed to proactively address potential risks. The Group's core policy is a commitment to "Zero Harm" and a hazard-free workplace by complying with the Occupational Safety and Health (Amendment) Act 2022.

Parkwood's OSH Committee oversees occupational safety and health performance across the Group. All hazards are identified and assessed using the HIRARC (Hazard Identification, Risk Assessment, and Risk Control) methodology, with qualified Safety Personnel appointed at project sites to ensure compliance and consistent implementation of safety protocols.

The Group also upholds a smoke-free workplace environment in line with national health policy. This commitment reflects the Group's broader aspiration to enhance employee well-being and contribute to a safe, responsible, and sustainable operating environment for all.

Our Approach

OSH Safety Procedures and Risk Assessment Practices

- **HIRARC Methodology:** The primary procedure for ensuring safety is Hazard Identification, Risk Assessment, and Risk Control (HIRARC). This proactive process involves systematically recognizing potential sources of harm, evaluating the likelihood and severity of injury, and applying a hierarchy of controls to eliminate or minimize risks.
- **Scope of Assessment:** The 2026 HIRARC assessment for the corporate office evaluates risks related to workstation ergonomics, electrical equipment, walkways, fire emergencies, and lift usage.
- **Safety Induction and Training:** Management is responsible for organizing safety induction and awareness training for all employees, covering areas such as emergency procedures and office ergonomics.
- **Reporting Protocols:** Employees are required to promptly report any workplace injury, illness, near-miss, or unsafe condition to their supervisor or safety personnel.
- **Protective Measures:** For high-risk tasks, the use of Personal Protective Equipment (PPE) is mandatory, and employees must comply with all OSH instructions issued by the company.

Frequency of Risk Assessment and Monitoring

Risk assessment practices and safety procedures are reviewed and implemented at set intervals:

- **Regular HIRARC Reviews:** Safety personnel coordinate regular risk assessments, with specific reviews triggered whenever there are changes in work processes or equipment.
- **Monthly Committee Inspections:** The Health and Safety Committee is required to inspect the workplace once a month before their scheduled meetings.
- **Post-Incident Assessments:** Inspections are conducted immediately after any accident or incident to identify causes and prevent recurrence.
- **Daily Construction Monitoring:** At construction sites, Safety Officers or Supervisors perform formal inspections at least twice daily to identify and correct hazardous conditions.
- **Monthly Equipment Testing:** All construction machinery and mechanised equipment must be inspected and tested at least once a month to assure safe operating conditions. Maintenance for lifting devices is also conducted at least monthly.
- **Weekly Safety Checks:** Escape routes, firefighting equipment, and construction scaffolding are subject to weekly inspections.
- **Continuous Policy Updates:** OSH policies are continuously monitored and updated to ensure they remain aligned with legal and regulatory changes.

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Occupational Safety and Health (Cont'd)

Our Approach (Cont'd)

OSH Training and Performance

Parkwood implements a comprehensive OSH framework that aligns with the approach, focusing on broad coverage, structured education, and regular communication.

Parkwood's OSH framework covers all employees, contractors, and stakeholders engaged in activities under the Group's purview. The framework is designed to foster a "strong safety culture" where every individual is expected to take responsibility for their own safety and the safety of others.

Parkwood uses several structured methods to educate its workforce and ensure compliance with safety standards, including structured safety awareness programmes, safe work procedure training, and regular workplace safety briefings are conducted across operational areas.

- **Safety Induction:** Management is responsible for organizing safety induction and awareness training for all employees, which includes instruction on office ergonomics and emergency procedures.
- **Site-Specific Inductions:** For construction operations, every worker must attend a site safety and health induction before commencing work to learn about basic safety requirements, such as the use of Personal Protective Equipment (PPE) and site-specific hazards.
- **Ongoing Competency Training:** The Group views well-trained employees as an investment and provides continuous training to ensure staff work in accordance with relevant laws like the Occupational Safety and Health Act.

Education via Posters and Safe Work Procedures

The framework utilizes both visual aids and formal documentation to guide safe behaviour:

- **Warning Signs and Posters:** The Group mandates the display of warning signs and posters in hazardous areas, such as those with high voltage or where overhead work is being performed.
- **Formal Safe Work Procedures:** The Office Safety & Health Manual outlines specific Safe Work Procedures for general office safety, electrical safety, and ergonomics to minimize the risk of injury and promote productivity.
- **Development of Procedures:** The Health and Safety Committee is specifically tasked with developing and implementing these safe work procedures and reviewing them regularly based on accident statistics.

Beyond formal training, the Group emphasizes that establishing a safe environment is a shared responsibility. Employees are regularly reminded of their duty to obey safety rules, exercise caution, and promptly report any unsafe conditions, regardless of how insignificant they may appear.

We consistently monitor and record progress of key OSH performance indicators in its work environment to identify areas for improvement. The safety performance in FY2025 is as follows:

	Unit	FY2022	FY2023	FY2024	FY2025
Number of employees trained on health and safety standards	Number	8	8	12	14
Number of work-related fatalities	Number	0	0	0	0
Number of work-related lost-time incidents	Number	0	0	0	0
Lost-time incident rate ("LTIR")	Rate	0	0	0	0

Note: Lost Time Incident Rate ("LTIR") = Number of lost time injuries in the reporting period multiplied by 200,000 and divided by the total number of hours worked in the reporting period.

* The value of 200,000 represents a standardised value of the total amount of hours that 100 employees work weekly for 40 hours for a duration of 50 weeks (100 x 40 x 50 = 200,000).

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Diversity, Equity and Inclusivity (DEI)

Why It Matters

A diverse, equitable, and inclusive workforce strengthens organisational capability, supports innovation, and reflects the communities Parkwood serves. Attracting, retaining, and developing talent across all backgrounds is essential to sustaining continuity, strengthening governance, and delivering high-quality developments. Parkwood firmly believes its employees are a main pillar of the Group's success, and invests in human capital to build a resilient and future-ready organisation.

Risks and Opportunities

Risks	Opportunities
<ul style="list-style-type: none"> Failure to ensure fair, non-discriminatory employment practices may expose the Group to legal claims, regulatory scrutiny, and reputational damage, particularly as Malaysian labour law enforcement and investor expectations around DEI intensify. A homogeneous workforce at senior leadership level may limit diversity of perspectives in strategic decision-making, reducing organisational adaptability and innovation. Inadequate attention to gender balance at the Board level risks non-compliance with Bursa Malaysia's corporate governance expectations and may affect the Group's standing in ESG assessments and investor screening. Lack of structured DEI data tracking limits the Group's ability to identify disparities, set meaningful targets, or demonstrate progress to stakeholders. 	<ul style="list-style-type: none"> Cultivating an inclusive, merit-based workplace strengthens Parkwood's ability to attract and retain diverse talent, supporting organisational capability and long-term succession planning. Increasing gender and age diversity at the Board and senior management levels enhances governance quality, reflects best practice under the Malaysian Code on Corporate Governance (MCCG), and is increasingly valued by institutional investors. A workplace reputation for fairness, inclusivity, and respect supports employer branding, improves recruitment outcomes, and reduces turnover-related costs. Engaging a diverse workforce supports more innovative and community-responsive property development, an increasing expectation among buyers and end-users.

Management Policies

Policy	Scope and Guidance
Employment Handbook - Clause 33	<p>Zero-tolerance policy on sexual harassment, discrimination, and forced labour. Affirms Parkwood's commitment to a diverse and inclusive workplace where all employees are respected and empowered.</p> <p>"The Company also believes in treating all of its Employees with respect and dignity. The Company strives to create and foster a diverse inclusive workplace in which everyone has the opportunity to fully participate and is valued for their distinctive skills, experiences and perspectives to realise their maximum potential."</p>
National Labour Laws	Full compliance with applicable Malaysian labour legislation, including prohibition of forced labour, child labour, and human trafficking; non-discrimination; and fair wages and working hours.

Our Approach

Parkwood implements fair recruitment and employment practices, including clear employment contracts, lawful wage and working hour arrangements, and equal opportunity hiring based on skills, qualifications, and suitability. Management maintains continuous oversight of recruitment, payroll, and working conditions to prevent unfair practices. Training for management and employees on human rights, forced labour indicators, and ethical workplace conduct is progressively enhanced.

Workforce diversity is tracked annually and changes primarily reflect regular hiring and turnover. The Group aims to maintain and continuously improve workplace diversity, with particular focus on gender representation at the Board and senior management levels.

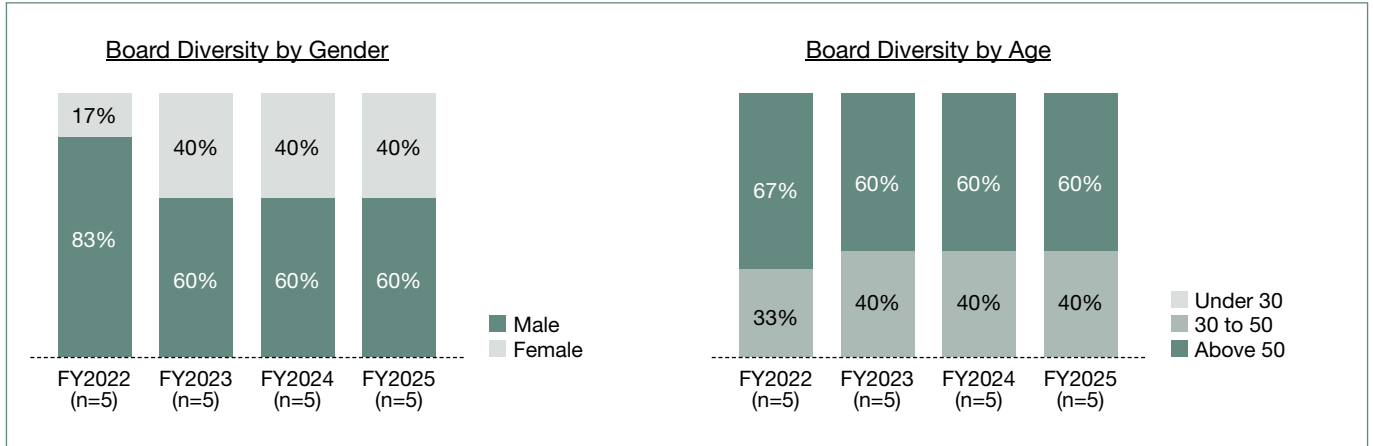
We are committed to upholding fundamental labour rights and ensuring fair, safe, and respectful working conditions for all employees. This includes compliance with applicable labour laws, prohibition of forced and child labour, non-discrimination, fair wages and working hours, freedom of association, and a safe and healthy workplace.

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

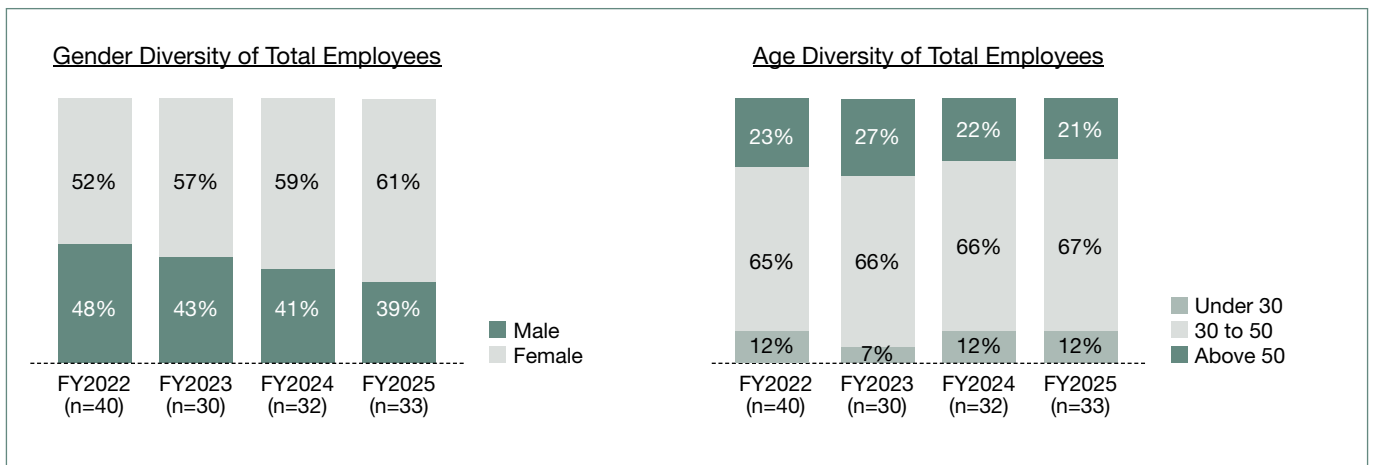
Diversity, Equity and Inclusivity (DEI) (Cont'd)

Board of Directors composition by gender and age group

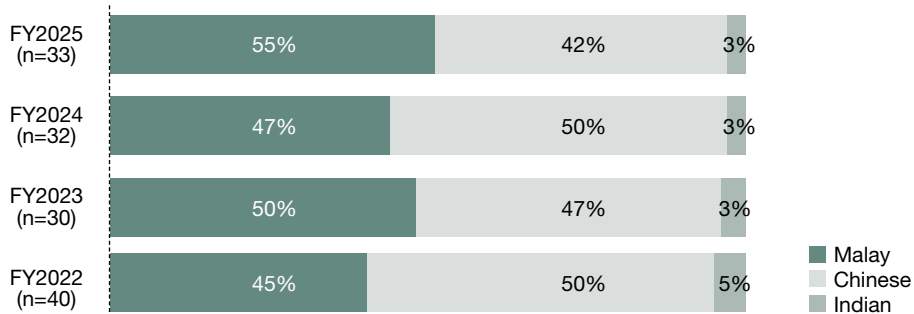


Workforce Breakdown

Total Employees



Employees Diversity by Ethnicity

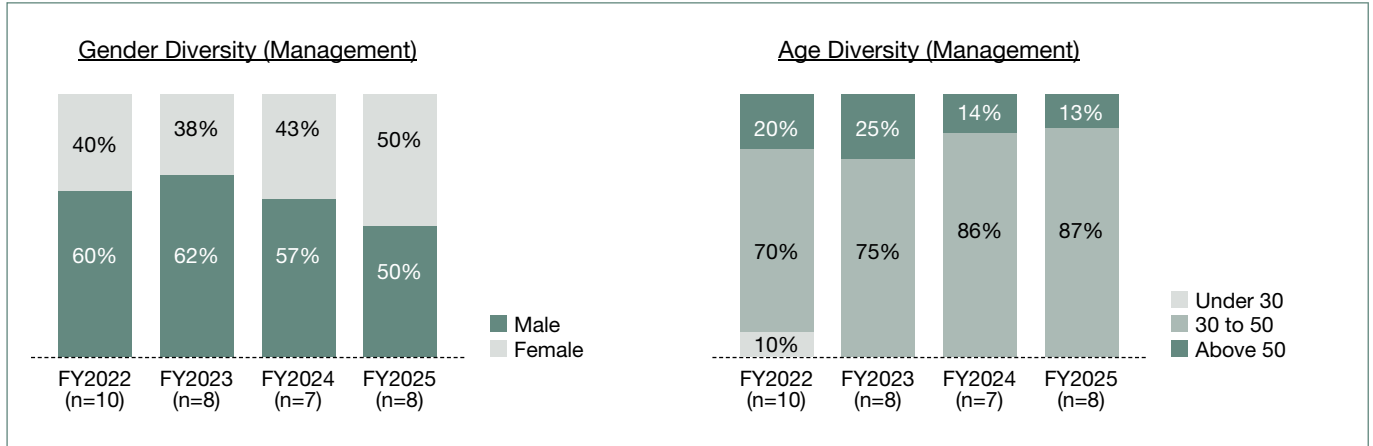


SUSTAINABILITY STATEMENT (CONT'D)

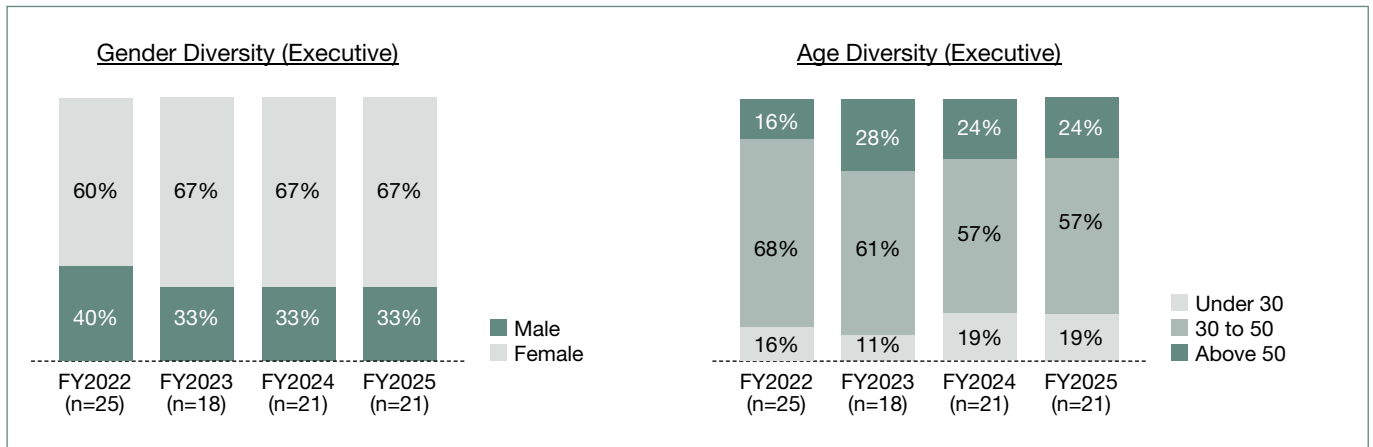
SOCIAL (CONT'D)

Diversity, Equity and Inclusivity (DEI) (Cont'd)

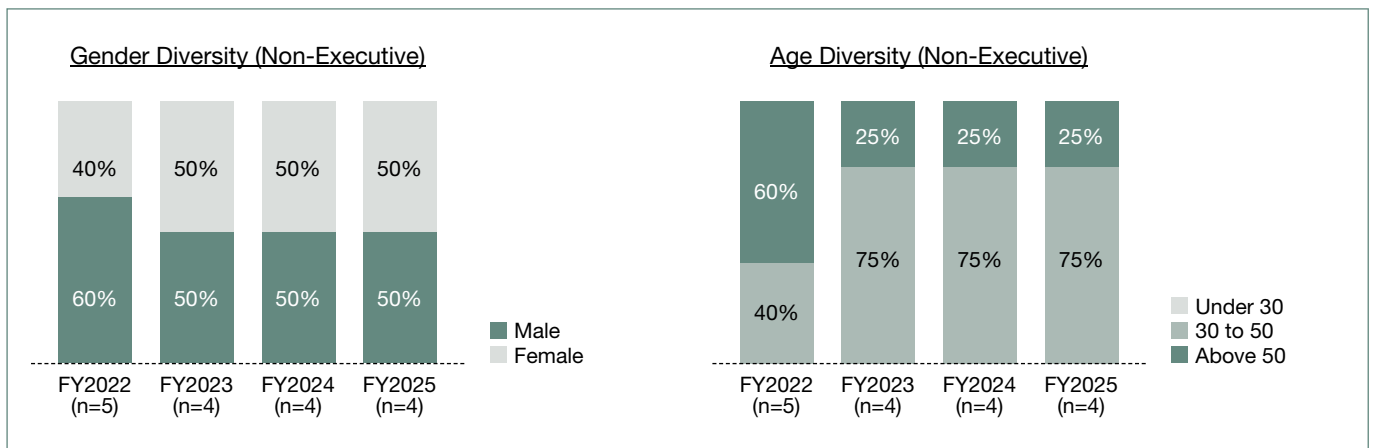
Management (includes Manager & Above)



Executive (includes Executive to Assistant Manager)



Non-Executive/Technical Employees



SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Diversity, Equity and Inclusivity (DEI) (Cont'd)

Progress

Performance data table including contractor/temporary staff ratio					
Indicator	Unit	FY2022	FY2023	FY2024	FY2025
Percentage of employees that are contractors or temporary staff	%	15	13	13	17

Substantiated human rights complaints					
Indicator	Unit	FY2022	FY2023	FY2024	FY2025
Substantiated complaints concerning human rights violations	Number	0	0	0	0

Talent Management and Skills Development

Why It Matters

The ability to attract, retain, and develop skilled employees is a strategic imperative. As the property development sector evolves — driven by technology adoption, green building standards, and regulatory changes — continuous skills development ensures Parkwood's workforce remains competitive and future-ready. Investment in employee growth also directly supports retention, engagement, and organisational resilience.

Risks and Opportunities

Risks	Opportunities
<ul style="list-style-type: none"> Failure to attract and retain skilled professionals, including project managers, quantity surveyors and engineers may constrain the Group's ability to execute projects on time, to quality, and in compliance with evolving regulatory requirements. Skill gaps in emerging areas such as green building design, BIM, digital project management may limit competitiveness and capacity to meet certification and disclosure obligations. High executive-level turnover increases recruitment and onboarding costs, disrupts project continuity, and risks the loss of institutional knowledge and client relationships. Inadequate succession planning at management level creates organisational vulnerability and may affect investor confidence in long-term business continuity. 	<ul style="list-style-type: none"> Investing in structured, needs-based training and development programmes enhances employee capability, increases job satisfaction, and directly supports retention, reducing the long-term cost of talent attrition. Developing internal competencies in climate risk assessment, and green building practices positions Parkwood to meet increasingly stringent regulatory and investor requirements. A well-designed career development framework and clear progression pathways strengthen Parkwood's employer brand, supporting recruitment of high-quality candidates in a competitive talent market. Investing in leadership development and succession planning builds a pipeline of capable, values-aligned leaders, supporting governance quality and long-term organisational resilience.

Management Policies

Parkwood's talent management framework is grounded in compliance with applicable national labour laws, including fair recruitment practices, clear employment contracts, regulated working hours, non-discrimination, freedom of association, and accessible grievance mechanisms (whistleblowing channel). The Group's Employment Handbook and Flexi Employee Wellbeing Benefit further support a positive employee experience.

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Employee Training and Development

Our Approach

The Group places strong emphasis on continuous learning and capability building. Structured training and development programmes are designed and customised based on employees' training needs, job functions, and evolving business requirements, with a target of at least one training session per employee per year. The Group aims to foster a supportive corporate environment that empowers every employee to realise their full potential and contribute to Parkwood's long-term success.

Progress

Total training hours rose to approximately 669 hours in FY2025, up from 542 hours in FY2024, reflecting a 23% year-on-year increase and higher participation rates across all employee levels.

Indicator	Total Hours of Training by Employee Category				
	Unit	FY2022	FY2023	FY2024	FY2025
Management	Hours	392	52.5	205	122
Executive	Hours	441	45.5	295	496
Non-Executive/Technical Employees	Hours	189	0	42	51
Total	Hours	1,022	98	542	669

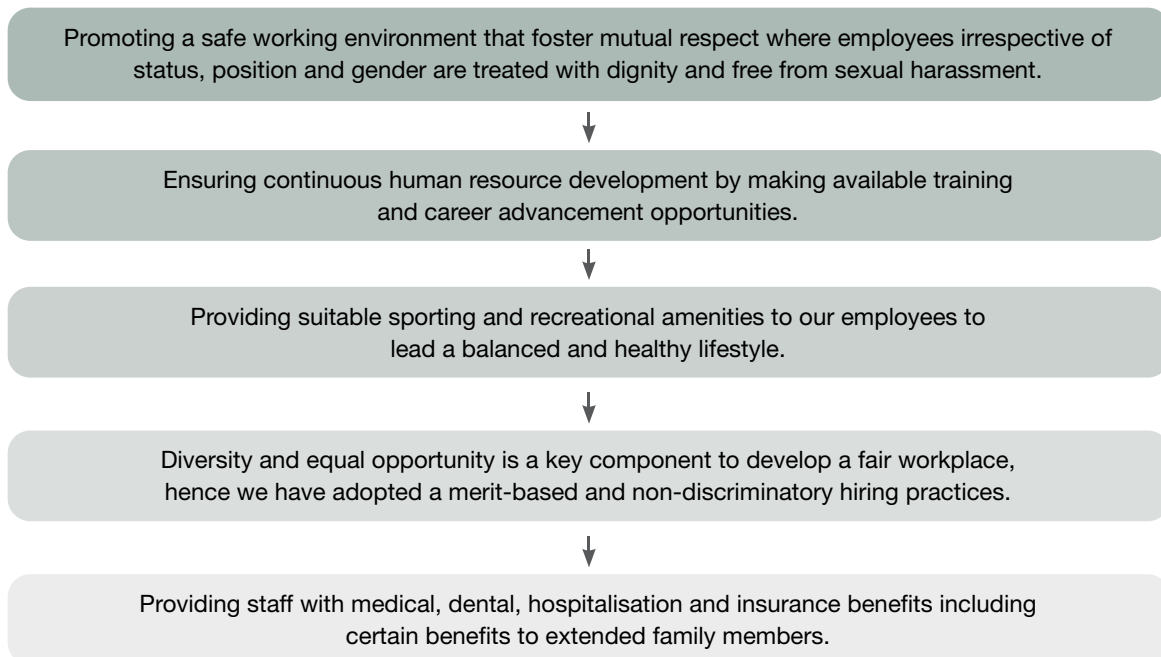
Note: Figures are rounded to the nearest whole hour.

Employee Well-being

Our Approach

Parkwood implements a range of human resource initiatives to enhance employee well-being and strengthen organisational capability. These include competitive remuneration and benefits, structured recognition programmes, flexible employee wellness benefits, and a commitment to a respectful and positive workplace culture. The Group recognises that employee well-being is a key driver of productivity, loyalty, and long-term retention.

To uphold this commitment, we implement various human resource initiatives aimed at enhancing employee well-being, while strengthening organisational capabilities and competitiveness. These initiatives include:



SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Employee Turnover

Why It Matters

Employee retention is a direct indicator of workforce engagement, organisational culture, and the effectiveness of talent management practices. Elevated turnover increases recruitment and training costs, disrupts project continuity, and risks the loss of institutional knowledge. Monitoring and understanding turnover trends enable the Group to respond proactively and refine retention strategies.

Our Approach

The Group actively obtains feedback from departing employees to better understand the underlying drivers of turnover. Findings inform improvements to employee benefits, development pathways, and working conditions to support long-term retention.

Progress

The employee turnover rate was 15% in FY2025 (5 employees), compared to 3% in FY2024. The FY2025 rate reflects a return to levels last recorded in FY2022 (15%), following the elevated turnover of 26% in FY2023.

Indicator	Total Number of Employee Turnover				
	Unit	FY2022	FY2023	FY2024	FY2025
Management	Number	1	1	0	0
Executive	Number	4	4	1	4
Non-Executive/Technical Employees	Number	1	3	0	1
Total	Number	6	8	1	5
Turnover Rate	Rate (%)	15	26	3	15

Community Engagement and Social Impact

Why It Matters

As a property developer, Parkwood's developments shape communities and directly influence the quality of life of residents, buyers, and surrounding populations. Meaningful community engagement builds social licence to operate, strengthens brand reputation, and supports long-term business resilience. Corporate social responsibility (CSR) activities also foster employee engagement and contribute to retention, morale, and organisational pride.

Risks and Opportunities

Risks	Opportunities
<ul style="list-style-type: none"> Lack of environmental and social awareness among stakeholders may lead to regulatory notices or fines. Insufficient community engagement may generate complaints or disputes affecting the Group's licence to operate. Communities relying on corporate programmes may face disruption if support is reduced. 	<ul style="list-style-type: none"> CSR programmes enhance community well-being and create reputational capital with buyers, employees, and investors. Monitoring community feedback enables proactive engagement and continuous improvement. Supporting local entrepreneurship and small businesses creates partnership opportunities and strengthens supply chain integration.

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Community Engagement and Social Impact (Cont'd)

Our Approach

Parkwood's CSR initiatives reflect its commitment to responsible business practices and to creating positive, lasting impact in the communities it serves. In FY2023, Parkwood continued to support homeownership accessibility through targeted buyer support programmes for the Utamara Boutique Residences project, including:

- **Easy Payment Scheme:** approximately 2% of Utamara homeowners benefited from flexible payment arrangements to ease homeownership entry.
- **Maybank HouzKey Rent-to-Own (RTO) Scheme:** approximately 20% of Utamara homeowners accessed property ownership through a rental-based pathway.
- **Home Ownership Campaign (HOC):** approximately 18% of Utamara homeowners benefited from stamp duty relief through this government initiative.



The Group also continued its long-term investment in the development of local communities through education, environmental protection, and community well-being initiatives.

Progress

Our target for community investment at least one (1) activity per year. In FY2025, Parkwood brought smiles and festive cheer to children during the Seasons of Giving at Pusat Penjagaan Kanak-Kanak Cacat Taman Megah, with a total contribution of RM15,321.

Indicator	Unit	FY2022	FY2023	FY2024	FY2025
Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	11,983	9,814	9,487	15,321
Total number of beneficiaries of the investment in communities	Number	1	1	1	1

SUSTAINABILITY STATEMENT (CONT'D)



GOVERNANCE

Sound governance is the foundation upon which Parkwood's sustainability strategy and stakeholder trust are built. The Group is firmly committed to maintaining the highest standards of integrity, accountability, and ethical conduct across all business activities. Key governance policies including the Anti-Bribery Policy, Whistleblowing Policy, Fit and Proper Policy, and Sustainability Policy are published on the Group's website and provide clear guidance to all employees and business partners.

Ethical Business Conduct

Why It Matters

Ethical conduct and integrity are prerequisites for maintaining stakeholder confidence, protecting the Group's reputation, and sustaining long-term business value. Corruption, bribery, and governance failures pose significant financial, legal, and reputational risks, and may jeopardise Parkwood's licence to operate. Strong governance frameworks not only mitigate these risks but also differentiate Parkwood as a trustworthy and responsible corporate citizen.

Risks and Opportunities

Risks	Opportunities
<ul style="list-style-type: none"> Corruption, bribery, or governance failures by employees or third-party counterparties within the Group and across our supply chain may expose the Group to criminal liability, regulatory sanctions, and severe reputational damage that undermines stakeholder confidence and licence to operate. Inadequate due diligence on suppliers, contractors, or joint venture partners may result in engagement with counterparties of compromised integrity, creating financial and legal risk. High exposure in land acquisition, contractor selection, approvals, and procurement processes, of which non-compliance will lead to legal sanctions, loss of licences and reputational harm. Non-compliance with Malaysia's Malaysian Anti-Corruption Commission Act (MACC Act) or related legislation may attract enforcement action with direct financial and reputational consequences. A culture that tolerates or fails to report misconduct may erode internal governance standards over time, increasing the Group's vulnerability to fraud and unethical conduct. 	<ul style="list-style-type: none"> A demonstrated zero-tolerance stance towards corruption and bribery reinforces Parkwood's reputation as a trustworthy partner for government authorities, institutional investors, and joint development counterparties. Strong ABAC controls and regular employee training reduce the Group's exposure to corruption risk and signal robust governance to ESG rating agencies and sustainability-focused investors. An effective Whistleblowing mechanism enables early detection of misconduct, allowing the Group to resolve issues before they escalate into material legal or reputational events. Proactive governance standards position Parkwood favourably in competitive tender processes and land acquisition negotiations where counterparty integrity is a selection criterion.

Management Policies

Policy	Scope and Guidance
Anti-Bribery and Anti-Corruption (ABAC) Policy	Establishes a zero-tolerance stance towards bribery and corruption, incorporating a comprehensive Anti-Bribery Management System (ABMS) and mandatory due diligence on third-party counterparties.
Whistleblowing Policy	Provides a structured and confidential channel for employees to report suspected malpractice, wrongdoing, or illegal conduct. Outlines safeguards protecting reporters from retaliation.
Sustainability Policy	Reinforces responsible and ethical conduct as a core organisational value underpinning long-term resilience and stakeholder trust.

SUSTAINABILITY STATEMENT (CONT'D)

GOVERNANCE (CONT'D)

Ethical Business Conduct (Cont'd)

Our Approach

Anti-Bribery and Anti-Corruption (ABAC)

The Group exercises strict care, sound judgment, and responsible decision-making in all business operations, including procurement and contract award processes. Due diligence assessments are conducted on all prospective suppliers, contractors, and third-party counterparties to evaluate integrity, compliance history, and potential exposure to unethical practices. Parkwood will not proceed with any engagement where there is reasonable suspicion of bribery, corruption, or improper conduct, unless the matter has been thoroughly investigated and satisfactorily resolved.

Progress

In FY2025, 100% of operations were assessed for corruption-related risks. Zero confirmed incidents of corruption or fraud were recorded, and zero employees were disciplined or dismissed for ABAC policy non-compliance. 80% of employees across all categories received ABAC training during the reporting year, consistent with the ABAC Committee's three-year training cycle, with HR ensuring all new joiners complete and acknowledge a recorded introductory ABAC module upon onboarding.

Indicator	Unit	FY2022	FY2023	FY2024	FY2025
Percentage of operations assessed for corruption-related risks	%	100	100	100	100
Number of confirmed incidents of corruption and action taken	Number	0	0	0	0

Indicator	Percentage of Employees Who Have Received Training on Anti-Bribery and Anti-Corruption by Employee Category				
	Unit	FY2022	FY2023	FY2024	FY2025
Employee Category					
Management	%	100	100	100	80
Executive	%	100	100	100	81
Non-Executive/Technical Employees	%	100	100	100	75
Total Employees Received ABAC Training	%	100	100	100	80

Whistleblowing

Parkwood actively encourages employees to utilise established internal reporting channels to raise concerns about suspected malpractice, wrongdoing, or illegal acts involving current or former employees. The Whistleblowing Policy sets out structured procedures for reporting and includes clear safeguards protecting individuals who report in good faith from retaliation, ensuring employees can speak up without fear. This commitment to transparency and accountability reinforces Parkwood's culture of trust, responsibility, and ethical behaviour.

Corporate Governance and Regulatory Compliance

Why It Matters

Robust corporate governance ensures that Parkwood's Board and Management operate with the accountability, integrity, and strategic oversight required to deliver sustained value for shareholders and all stakeholders. Regulatory compliance protects the Group's licence to operate, preserves its reputation, and guards against legal and financial penalties. As regulatory scrutiny of listed property developers intensifies including in areas such as sustainability, data protection, and labour standards — strong governance frameworks are increasingly a prerequisite for investor confidence and capital access.

SUSTAINABILITY STATEMENT (CONT'D)

GOVERNANCE (CONT'D)

Corporate Governance and Regulatory Compliance (Cont'd)

Risks and Opportunities

Risks	Opportunities
<ul style="list-style-type: none"> Increasing scrutiny from regulators and stakeholders on ESG disclosures and practices in regulatory laws such as the Housing Development (Control and Licensing) Act 1966, Environmental Quality Act 1974, and Occupational Safety and Health (Amendment) Act 2022, may lead to financial penalties, project delays, reputational damage. Inconsistent quality, safety, or ESG practices among contractors leading to increased defects, safety incidents, cost overruns, customer dissatisfaction. Inadequate oversight of complex, long-term development projects by Board due to governance gaps. Non-compliance with Bursa Malaysia MMLR requirements, including mandatory sustainability reporting, related-party transaction disclosures, and material information obligations may attract regulatory sanctions, trading suspensions, or reputational damage. Weaknesses in internal controls over financial reporting, procurement, or project cost management may expose the Group to fraud, financial misstatement, or audit qualifications. Board composition that does not adequately reflect independence, diversity, or the requisite mix of skills and experience may compromise oversight quality and undermine investor confidence. 	<ul style="list-style-type: none"> Aligning the Board's skills matrix with emerging competencies in sustainability, digital transformation, and climate risk ensures the Group is well-governed for the challenges and opportunities ahead. Digitalisation of Governance and Compliance by implementing digital systems for compliance tracking, contractor performance monitoring to improve efficiency and real-time risk management. Integrate ESG criteria into contractor selection and evaluation to ensure sustainable supply chain governance. A clean compliance record (zero regulatory penalties, zero significant non-compliances) strengthens Parkwood's reputation with buyers, joint venture partners, land vendors, and government authorities whose confidence is essential to project approval and business development. Proactive alignment with Bursa Malaysia's evolving sustainability reporting requirements and NSRF/ISSB standards positions Parkwood ahead of compliance deadlines and signals governance maturity to investors, lenders, and rating agencies.

Management Policies

Policy	Scope and Guidance
Directors' Fit and Proper Policy	Ensures that Board composition reflects an appropriate balance of diversity, skills, experience, and integrity to effectively discharge governance duties.
Code of Conduct and Ethics	Applicable to all employees, setting expectations for upholding strong personal and professional values in all aspects of work, business interactions, and decision-making.

Our Approach

Parkwood adopts an integrated approach to corporate governance and regulatory compliance, embedding ESG considerations into its strategy, risk management, and operational practices. The Group is committed to maintaining high standards of integrity, transparency, and accountability, supported by robust internal policies, effective Board oversight, and strong compliance mechanisms.

Guided by internal policies such as the Directors' Fit and Proper Policy and the Code of Conduct and Ethics, Parkwood ensures that governance practices are underpinned by ethical leadership, competent oversight, and a strong compliance culture across all levels of the organisation.

SUSTAINABILITY STATEMENT (CONT'D)

GOVERNANCE (CONT'D)

Corporate Governance and Regulatory Compliance (Cont'd)

Governance Framework and Policies

In FY2025, the Group strengthened its governance framework through the adoption of an Energy Management Policy, reflecting its commitment to environmental responsibility and operational efficiency, while advancing its broader ESG agenda.

Board Oversight and Leadership

The Board plays a central role in overseeing governance, sustainability, and risk management. Key responsibilities include the approval and periodic review of critical policies such as Occupational Safety and Health (OSH) and energy management frameworks.

The Nomination Committee supports Board effectiveness through regular assessments of Directors' independence, competencies, and time commitment. Governance is further strengthened through a Whistleblowing Policy and oversight of the Anti-Bribery Management System (ABMS), ensuring ethical conduct and accountability across all levels.

Parkwood also promotes diversity at the leadership level, achieving 40% female representation on the Board, exceeding the benchmark recommended by the Malaysian Code on Corporate Governance and aligning with disclosure expectations of Bursa Malaysia.

Regulatory Compliance and Risk Management

The Group adopts a proactive approach to compliance, ensuring adherence to applicable laws and regulatory requirements, including the Occupational Safety and Health (Amendment) Act 2022, Personal Data Protection Act 2010, and Environmental Quality Act 1974.

Parkwood maintains a zero-tolerance stance on bribery and corruption, supported by due diligence procedures and ongoing monitoring of business partners. In addition, the Group enforces quality and workmanship standards through contractor performance benchmarks, ensuring consistent delivery across its developments.

Progress

Parkwood's governance efforts have translated into measurable outcomes:

- Achieved 40% female representation on the Board, exceeding the 30% target recommended under the Malaysian Code on Corporate Governance
- Reported zero significant cases of non-compliance with laws and regulations in FY2025
- Maintained zero reported breaches of the Code of Conduct across all reporting years

Indicator	Unit	FY2022	FY2023	FY2024	FY2025
Number of cases for breaching the Code of Conduct	Number	0	0	0	0

SUSTAINABILITY STATEMENT (CONT'D)

GOVERNANCE (CONT'D)

Data Privacy and Cybersecurity

Why It Matters

As digital capabilities expand across Parkwood's sales, marketing, and project management functions, protecting customer and corporate data is a growing operational and reputational priority. Data breaches or cybersecurity incidents can halt operations, erode buyer confidence, and expose the Group to regulatory penalties under the Personal Data Protection Act 2010 (PDPA). Robust data governance ensures business continuity and demonstrates responsible stewardship of stakeholder information.

Risks and Opportunities

Risks	Opportunities
<ul style="list-style-type: none"> Cybersecurity breaches or data theft may expose sensitive buyer information, trigger PDPA non-compliance penalties, and cause significant reputational damage that erodes buyer trust and sales conversion. Inadequate data governance across sales, marketing, and project management functions increases the Group's vulnerability to insider data misuse or accidental disclosure. Data loss or corruption resulting from system failures or unsuccessful system recovery processes may disrupt business operations, potentially leading to project delays, operational inefficiencies, revenue loss and the risk of delays in obtaining or renewing regulatory permits. Non compliance with data protection and cybersecurity regulations may expose the Group to legal action, financial penalties, and increased scrutiny from regulators. Evolving PDPA enforcement and potential amendments to Malaysian data protection legislation may require ongoing investment in compliance infrastructure and staff awareness. 	<ul style="list-style-type: none"> Demonstrating robust data privacy and cybersecurity practices builds buyer confidence, particularly for high-value residential and industrial buyers who entrust Parkwood with significant personal and financial information. Investing in IT security infrastructure and staff training reduces the likelihood and impact of cyber incidents, protecting business continuity and avoiding costly breach remediation. Clear, transparent data-handling practices and privacy notices strengthen Parkwood's compliance posture and reinforce its reputation as a responsible and professionally managed developer. Proactive data governance positions Parkwood to meet future regulatory requirements and satisfy the due diligence expectations of institutional investors and ESG assessment frameworks.

Management Policies

Policy	Scope and Guidance
Personal Data Protection Act (PDPA) Policy	Safeguards personal information through compliance with Malaysian data protection laws, robust security measures, and transparent data handling practices.

Our Approach

Parkwood's cybersecurity framework is designed to protect growing digital capabilities through IT security and customer data-privacy policies. All customer information is signed by buyers, processed, and securely stored in individual buyer files to ensure data integrity and confidentiality. The Sales and Marketing team adheres to strict ethical marketing standards and corporate governance frameworks, ensuring responsible and transparent data handling at every buyer touchpoint.

Progress

Parkwood maintained a zero-breach record throughout FY2025, with zero confirmed cybersecurity incidents and zero substantiated complaints regarding breaches of customer privacy or loss of customer data.

Indicator	Unit	FY2022	FY2023	FY2024	FY2025
Number of Confirmed Incidents of Breaches of Customer Privacy and Loss of Customer Data	Number	0	0	0	0

SUSTAINABILITY STATEMENT (CONT'D)

MOVING FORWARD

As Parkwood continues to grow as a responsible property developer and investment company, we remain committed to deepening the integration of sustainability across all aspects of our business, from how we plan and build, to how we govern, employ, and engage with the communities we serve.

In terms of reporting, Parkwood intends to progressively align its sustainability disclosures with the National Sustainability Reporting Framework (NSRF), drawing from IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. This will support more rigorous, decision-useful reporting for our investors and other capital market stakeholders, and reflects our belief that transparency is a cornerstone of long-term trust.

We acknowledge that our sustainability journey is ongoing, and that meaningful progress requires consistency, accountability, and a willingness to learn and improve. The Board and Management of Parkwood Holdings Berhad are committed to this journey and to reporting our progress openly with each successive Sustainability Statement.



SUSTAINABILITY STATEMENT (CONT'D)

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Product Quality & Safety	Customer Satisfaction Score	Percentage	76%	—	No assurance	Assessment was conducted for Utamara Boutique Residences only.
Product Quality & Safety	Positive Feedback Rate from Prospects and Purchasers	Percentage	80%	—	No assurance	Related to viewing experience, sales engagement, and handover processes.
Product Quality & Safety	Homeowner VP Experience Satisfaction Rate	Percentage	80%	—	No assurance	Reflects effectiveness of guided VP handover process.
Product Quality & Safety	Number of Significant Product and Service Categories Assessed for Health & Safety	Number	0	—	No assurance	FY2024: 0; FY2023: 1 (Utamara Boutique Residences)
Product Quality & Safety	Total Number of Incidents of Non-Compliance with Regulations or Voluntary Codes	Number	0	Zero incidents	No assurance	Consistent zero across FY2023-FY2025
Product Quality & Safety	Total Number of Units Subject to Product Recall (Health & Safety)	Number	0	Zero recalls	No assurance	—
Product Quality & Safety	Amount of Defect- and Safety-Related Rework Costs	RM	0	Zero rework costs	No assurance	Consistent zero across FY2023-FY2025
Supply Chain Management	Percentage of Spending on Local Suppliers	Percentage	100	At least 90% spending on local suppliers	No assurance	Achieved. Restated for FY2024 (100%) and FY2023 (100%) following review. FY2022 baseline: 90%.
Energy Efficiency & Emissions	Total Purchased Electricity Consumption	Megawatt	16.34	—	No assurance	FY2024: 17.31 Megawatt; FY2023: 47.87 Megawatt. Reduction reflects closure of Utamara Sales Gallery.
Energy Efficiency & Emissions	Total Purchased Electricity Consumption	Gigajoules (G-J)	58.81	—	No assurance	FY2024: 62.30 GJ; FY2023: 172.33 GJ

SUSTAINABILITY STATEMENT (CONT'D)

Date & Time: 2026-04-28_16:40:07
FYE 31/12/2025

Parkwood Holdings Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Energy Efficiency & Emissions	Total Energy Consumed	Gigajoules (GJ)	58.81	Achieve and maintain Green building certification (GBI or GreenRE) for all new major developments	No assurance	FY2024: 62.30 GJ. Scope covers purchased electricity only; no on-site fuel combustion recorded.
Energy Efficiency & Emissions	Energy Intensity	GJ / RM'000 revenue	0.0038	Achieve and maintain Green building certification (GBI or GreenRE) for all new major developments	No assurance	—
Energy Efficiency & Emissions	Scope 1	tCO ₂ e	0	—	No assurance	No stationary or mobile combustion sources in reporting boundary.
Energy Efficiency & Emissions	Scope 2 (Location-based)	tCO ₂ e	12.09	—	No assurance	FY2024 (restated): 12.81 tCO ₂ e; FY2023: 35.42 tCO ₂ e; FY2022: 35.45 tCO ₂ e.
Energy Efficiency & Emissions	Scope 2 (Market-based)	tCO ₂ e	0	—	No assurance	—
Energy Efficiency & Emissions	Total Scope 3	tCO ₂ e	84.94	—	No assurance	FY2024 (restated): 125.53 tCO ₂ e. Covers Category 6 (Business Travel) and Category 7 (Employee Commuting) only.
Energy Efficiency & Emissions	Scope 3 - Category 6:- Business Travel	tCO ₂ e	0.71	—	No assurance	Not reported in FY2022-FY2023. Second-year reporting.
Energy Efficiency & Emissions	Scope 3 - Category 7: Employee Commuting	tCO ₂ e	84.23	—	No assurance	Not reported in FY2022-FY2023. Second-year reporting.
Energy Efficiency & Emissions	Total GHG Emissions (Scope 1 + 2 + 3)	tCO ₂ e	9703	—	No assurance	FY2024 (restated): 138.34 tCO ₂ e
Waste & Resource Management	Total Waste Generated	Metric Tonnes (MT)	0.988	—	No assurance	—
Waste & Resource Management	Total Waste Diverted from Disposal	Metric Tonnes (MT)	0.243	—	No assurance	—

SUSTAINABILITY STATEMENT (CONT'D)

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Waste & Resource Management	Total Waste Directed to Disposal	Metric Tonnes (MT)	0.745	—	No assurance	—
Water Management	Total Water Consumption	Megalitres	0.013	—	No assurance	FY2024: 0.020 ML; FY2023: 0.410 ML; FY2022: 0.360 ML. Decrease reflects reduced operational activity.
Water Management	Water Consumption Intensity	m ³ / RM'000 revenue	0.0000008	—	No assurance	—
Occupational Safety & Health	Number of Employees Trained on Safety & Health Standards	Number	14	100% of new hires trained on safety & health standards	No assurance	—
Occupational Safety & Health	Number of Work-Related Fatalities	Number	0	Zero fatalities (Zero Harm commitment)	No assurance	Consistent zero across all reporting years.
Occupational Safety & Health	Number of Work-Related Lost-Time Incidents	Number	0	—	No assurance	Consistent zero across FY2022-FY2025.
Occupational Safety & Health	Lost-Time Incident Rate (LTIR)	Rate	0	Zero LTIR	No assurance	FY2022-FY2025: Consistently zero.
Diversity, Equity & Inclusivity (DEI)	Percentage of directors by gender - Male	Percentage	60	Maintain at least 30% women directors	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of directors by gender - Female	Percentage	40	Maintain at least 30% women directors	No assurance	Achieved and exceeded target. 40% female directors on Board in FY2025.
Diversity, Equity & Inclusivity (DEI)	Percentage of directors by age group - Under 30	Percentage	0	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of directors by age group - Between 30-50	Percentage	40	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of directors by age group - Above 50	Percentage	60	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Gender Group of Total Employees - Male	Percentage	39	—	No assurance	—

SUSTAINABILITY STATEMENT (CONT'D)

Date & Time: 2026-04-28_16:40:07
 FYE 31/12/2025

Parkwood Holdings Berhad
 BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Gender Group of Total Employees - Female	Percentage	61	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Gender Group by Employee Category - Management Male	Percentage	50	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Gender Group by Employee Category - Management Female	Percentage	50	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Gender Group by Employee Category - Executive Male	Percentage	33	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Gender Group by Employee Category - Executive Female	Percentage	67	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Gender Group by Employee Category - Non-executive/Technical Staff Male	Percentage	50	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Gender Group by Employee Category - Non-executive/Technical Staff Female	Percentage	50	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Age Group of Total Employees - Under 30	Percentage	12	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Age Group of Total Employees - Between 30-50	Percentage	67	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Age Group of Total Employees - Above 50	Percentage	21	—	No assurance	—

SUSTAINABILITY STATEMENT (CONT'D)

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Age Group by Employee Category - Management Under 30	Percentage	0	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Age Group by Employee Category - Management Between 30-50	Percentage	87	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Age Group by Employee Category - Management Above 50	Percentage	13	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Age Group by Employee Category - Executive Under 30	Percentage	19	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Age Group by Employee Category - Executive Between 30-50	Percentage	57	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Age Group by Employee Category - Executive Above 50	Percentage	24	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Age Group by Employee Category - Non-executive/Technical Staff Under 30	Percentage	0	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Age Group by Employee Category - Non-executive/Technical Staff Between 30-50	Percentage	75	—	No assurance	—

SUSTAINABILITY STATEMENT (CONT'D)

Date & Time: 2026-04-28_16:40:07
FYE 31/12/2025

Parkwood Holdings Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Age Group by Employee Category - Non-executive/Technical Staff Above 50	Percentage	25	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Ethnicity - Malay	Percentage	55	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Ethnicity - Chinese	Percentage	42	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Ethnicity - Indian	Percentage	3	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of employees by Ethnicity - Others	Percentage	0	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Percentage of Employees that are Contractors or Temporary Staff	Percentage	17	—	No assurance	—
Diversity, Equity & Inclusivity (DEI)	Number of Substantiated Complaints Concerning Human Rights Violations	Number	0	Zero substantiated human rights complaints and violation	No assurance	Consistent zero across all reporting years.
Talent Management & Skills Development	Total Training Hours — All Employees	Hours	669	At least 1 training session per employee per year	No assurance	Average 20 hours per employee in FY2025.
Talent Management & Skills Development	Total Training Hours — Management	Hours	122	At least 1 training session per employee per year	No assurance	—
Talent Management & Skills Development	Total Training Hours — Executive	Hours	496	At least 1 training session per employee per year	No assurance	—
Talent Management & Skills Development	Total Training Hours — Non-Executive / Technical Employees	Hours	51	At least 1 training session per employee per year	No assurance	—
Talent Management & Skills Development	Total Employee Turnover	Number	5	—	No assurance	—

SUSTAINABILITY STATEMENT (CONT'D)

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Talent Management & Skills Development	Total Employee Turnover - Management	Number	0	—	No assurance	—
Talent Management & Skills Development	Total Employee Turnover - Executive	Number	4	—	No assurance	—
Talent Management & Skills Development	Total Employee Turnover - Non-executive/Technical Staff	Number	1	—	No assurance	—
Talent Management & Skills Development	Employee Turnover Rate	Percentage	15	—	No assurance	—
Community Engagement & Social Impact	Total Amount Invested in Community (External Beneficiaries)	RM	15,321	At least 1 community investment activity per year	No assurance	Community investment directed to Pusat Penjagaan Kanak-Kanak Cacat Taman Megah in FY2025 (Seasons of Giving programme).
Community Engagement & Social Impact	Total Number of Community Investment Beneficiaries	Number	1	At least 1 community investment activity per year	No assurance	—
Ethical Business Conduct (Anti-Corruption)	Percentage of Operations Assessed for Corruption-Related Risks	Percentage	100	100% of operations assessed annually	No assurance	Consistent 100% across FY2022-FY2025. Achieved.
Ethical Business Conduct (Anti-Corruption)	Number of Confirmed Incidents of Corruption and Action Taken	Number	0	Zero corruption incidents	No assurance	Consistent zero across FY2022-FY2025.
Ethical Business Conduct (Anti-Corruption)	Percentage of Total Employees who Received ABAC Training	Percentage	80	100% of employees to attend ABAC training annually	No assurance	—
Ethical Business Conduct (Anti-Corruption)	"Percentage of employees who have received training on anti-corruption by employee category - Management"	Percentage	80	—	No assurance	—

SUSTAINABILITY STATEMENT (CONT'D)

Date & Time: 2026-04-28_16:40:07
 FYE 31/12/2025

Parkwood Holdings Berhad
 BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Ethical Business Conduct (Anti-Corruption)	"Percentage of employees who have received training on anti-corruption by employee category - Executive"	Percentage	81	—	No assurance	—
Ethical Business Conduct (Anti-Corruption)	"Percentage of employees who have received training on anti-corruption by employee category - Non-executive/Technical Staff"	Percentage	75	—	No assurance	—
Corporate Governance & Regulatory Compliance	Number of Cases for Breaching the Code of Conduct	Number	0	Zero breaches of Code of Conduct	No assurance	Consistent zero across FY2022-FY2025.
Corporate Governance & Regulatory Compliance	Number of Significant Cases of Non-Compliance with Laws and Regulations	Number	0	Zero significant non-compliances	No assurance	Zero regulatory sanctions or significant non-compliance incidents recorded in FY2025.
Data Privacy & Cybersecurity	Number of Confirmed Incidents of Breaches of Customer Privacy and Loss of Customer Data	Number	0	Maintain zero incidences of data privacy and security breaches	No assurance	Zero-breach record maintained in FY2025. Consistent zero across FY2022-FY2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

INTRODUCTION

Throughout the years, Parkwood Holdings Berhad (“Parkwood” or “the Company”) and its Board of Directors (“the Board”) have been resolute in ensuring that the Company and its subsidiaries’ (“the Group”) business and affairs strictly adhere to the doctrine and principles of good corporate governance such as integrity, transparency, accountability and responsible business conduct.

The Board of Parkwood is committed in ensuring a high standard of corporate governance is practiced whilst pursuing its corporate objectives in enhancing the shareholders’ value and competitiveness. The Board is mindful of the importance of governance and acknowledges to continue delivering sustainable performance and instilling best corporate governance practices in building a sustainable business.

The Group will continue its efforts in evaluating its governance practices in response to evolving best practices and the changing requirements of the Group. The Board is pleased to present the Corporate Governance Overview Statement for the year ended 31 December 2025 outlining the application of the principles and recommendations as set out in the following guides:

1. Companies Act 2016 (“CA 2016”);
2. Main Market Listing Requirements (“Main LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”);
3. Malaysian Code on Corporate Governance 2021 (“the MCCG”); and
4. Fourth Edition of Corporate Governance Guide issued by Bursa Securities.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The responsibilities of the Board, which was set out in a Board Charter, include Management oversight, setting strategic direction premised on sustainability and promoting ethical conduct in business dealings. Parkwood is led by an experienced Board comprising members who are specialist in various business sectors supported by a wide range of other professionals in the accounting, economics, IT, engineering and legal sectors. This wide spectrum of skills and experience provide the strength that is needed to lead the Company to meet its objectives and enable the Company to rest in the firm control of an accountable and competent Board of Directors.

Board Charter

The Board Charter established clearly the functions reserved for the Board, Director’s roles and responsibilities and those delegated to the Management. It acts as a reference in providing the Board members and Management insight into the functions of the Board of Directors. The core areas of the Board Charter are as follows:

1. Company Goals, Mission and Vision
2. Board Governance Process
3. Board and Management Relationship
4. Board and Shareholders Relationship
5. Stakeholders Relationship
6. Schedule of Board Matters

The Board Charter will be reviewed from time to time to ensure its consistency with the Board’s objectives and current laws and practices.

The Board Charter is accessible through the Company’s website at www.parkwood.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

I. Board Responsibilities (Cont'd)

Duties and Responsibilities of the Board

The Board is dedicated to practice clear demarcation of duties, responsibilities and authority within the Company. Its key responsibilities pursuant to the recommendations of the MCCG include:

- Reviewing of the strategic direction of the Group, establishing goals for management and monitoring achievement of these goals;
- Overseeing the conduct of the Group's business operations and performance;
- Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;
- Reviewing the adequacy and integrity of the Group's internal controls system of the Company;
- Implement succession planning for business and functional continuity; and
- Overseeing the development and implementation of a policy to enable effective communication with its shareholders and other stakeholders.

There is a schedule of matters reserved specifically for the Board's decision, which includes approval of corporate plans and annual budgets, announcement of quarterly results, major capital expenditure, significant financial matters and the adequacy and integrity of internal controls, including risk assessment.

The Board delegated certain responsibilities to the Management or Board Committees namely the Nomination Committee, the Remuneration Committee and the Audit and Risk Management Committee. These Committees have the authority to examine specific issues and forward their recommendations to the Board. The final decisions on all matters, however, rest with the Board.

Separation of positions of Chairman ("the Chairman") and Executive Directors

The Chairman of the Board, Mr. Lim Chin Sean ("Mr. Lim") plays an instrumental role in providing the Company with strong leadership and vision, leading the Board in its review of the Group's strategies for sustainable growth. As the Executive Chairman, Mr. Lim also promotes and leads the Group in its commitment to achieve and maintain high standards of corporate governance. He bears primary responsibility for the workings of the Board, by ensuring effectiveness in all aspects of its role including setting the agenda for Board meetings with input from Management, ensuring sufficient allocation of time for thorough discussion of key agenda items at Board meetings, promoting an open environment within the Boardroom for constructive debate, encouraging the Non-Executive Directors to speak freely and contribute effectively, and exercising control over the quality, quantity and timeliness of information flow between the Board and Management.

The Board has considered Mr. Lim's role as an Executive Chairman and the strengths he brings to such a role by virtue of his stature and experience. Through the establishment of various Committees with power and authority to perform key functions without the undue influence from the Executive Chairman, and the putting in place of internal controls for proper accountability and to allow for effective oversight by the Board of the Company's business, the Board ensures that there is appropriate balance of power which allows the Board to exercise objective decision-making in the best interests of the Company.

Mr. Chin Kok Siong ("Mr. Chin") as Director (Executive) and Mr. Chan Keen Wai ("Mr. Chan") as Alternate Director (Executive) to Mr. Chin, serve as conduits between the Board and the Management in ensuring the success of the Group's governance and management function. Mr. Chin together with Mr. Chan in association with the Executive Chairman have formed an Executive Committee ("EXCO"), who's accountable to the Board for the achievement of the Group's mission, vision and objectives. The EXCO has the executive responsibility for the day-to-day operations of the Company and shall implement the policies, strategies and decisions adopted by the Board. All Board authorities conferred on the management are delegated through the EXCO and this will be considered as the EXCO's authority and accountability as far as the Board is concerned.

The Board is also of the view that the Executive Chairman should not be involved in any Board Committees in order to ensure check and balance as well as objectivity will not be impaired/influenced by the Chairman of the Board. Therefore, our Executive Chairman is not a member of any Board Committees.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

I. Board Responsibilities (Cont'd)

Code of Conducts and Ethics

Directors are expected to conduct themselves, as per the Directors' Code of Ethics ("the Directors' Code"), with the highest ethical standards, to behave ethically and professionally at all times to promote and protect reputation and performance of the Company.

The Directors' Code covers the principles of conflict of interest, insider dealings, integrity, compliance to law and etc. The Directors' Code, adopted by the Board in 2013, is accessible through the Company's website at www.parkwood.my.

Whistle-Blowing Policy

The Board believed that having a Whistle-Blowing Policy and Procedure in place will strengthen, support good management and at the same time demonstrates accountability, good risk management and sound corporate governance practices. A Whistle-Blowing Policy, recommended by the Audit and Risk Management Committee, was adopted by the Board in year 2013. The Whistle-Blowing Policy is accessible through the Company's website at www.parkwood.my.

The Board aimed to provide an avenue and to act as a mechanism for parties to channel their complaints or to provide information on fraud, wrongdoings or non-compliance to any rules or procedures by the employee or Management of the Company. The policy outlines when, how and to who a concern may be properly raised, distinguishes a concern from a personal grievance and allows the whistle-blower the opportunity to raise a concern outside their management line and in confidence. The identity of the whistle-blower is kept confidential and protection is accorded to the whistle-blower against any form of reprisal or retribution. All whistleblowing reports or complaints are to be addressed to the Executive Chairman and the Chairman of the Audit and Risk Management Committee.

Anti-Bribery Policy

The Board is aware of the new Corporate Liability provision under Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

The Group has adopted a zero-tolerance stance against all forms of bribery and corruption and will not tolerate any acts which are in breach of the Company's policies. The Group strongly believes in acting professionally, fairly and with integrity in all business dealings and relationships.

Therefore, as part of the Group's efforts to support the implementation of the anti-bribery and corruption and ethical principles practiced in the Group and to uphold the highest standards of good governance, the Board has adopted an Anti-Bribery Policy and Anti-Bribery Management System ("ABMS") Manual.

The Anti-Bribery Policy and ABMS Manual are accessible through the Company's website at www.parkwood.my.

Diversity Policy on Gender Diversity

The Company adopts diversity not only in the Boardroom but also in the workplace as it is an essential measure of good governance, critically attributing to a well-functioning organisation and sustainable development of the Company. Diversity encapsulates not only gender but also age and ethnicity, if well-managed, can drive performance and strengthen governance.

As at the date of this statement, the Company has achieved 40% women representation (i.e. 2 female Directors) at the Board level. The Board through the Nomination Committee will continue to take the necessary steps to ensure that women candidates are sought as part of its recruitment exercise.

Despite the importance of Boardroom diversity, the Board is of the view that the selection criteria of a Director, based on effective blend of competencies, skills, extensive experience and knowledge in areas identified by the Board, should remain a priority, not to compromise on qualification, experience and capabilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

I. Board Responsibilities (Cont'd)

Sustainability

The Board recognises the importance of sustainability and its increasing significance in the business. The Board is committed to understanding and implementing sustainable practices and to exploring the benefits to the business whilst attempting to achieve the right balance between the need of the wider community, the requirements of shareholders and stakeholders and economic success.

The Company has formalised a Sustainability Policy which aims to integrate the principles of sustainability into the Company's strategies, policies and procedures and ensure that the Board and Senior Management are involved in implementation of this policy, review of the sustainability performance and create a culture of sustainability within the Company, and the community, with an emphasis on integrating the environmental, social and governance considerations into decision making and the delivery of outcomes.

The Non-Executive Directors are to deliberate and discuss policies and strategies formulated and proposed by Management with the view of the long-term interests of all stakeholders. They contributed to the formulation of policies, and decision making using their expertise and experience. They also provide guidance and promote professionalism to the Management. The Independent Non-Executive Directors fulfilled a pivotal role in corporate accountability, providing independent and unbiased view, advice and judgement to ensure a balanced and unbiased decision making process to protect the long term interests of all stakeholders and the community.

The policies on governance, the environment and social responsibility is disclosed in the Sustainability Statement set out on pages 15 to 58 of this Annual Report.

Succession Planning

The Board is responsible for reviewing candidates for key positions namely, the Board Chairman, Executive and Non-Executive Directors and all head of divisions; the succession planning is to ensure all candidates appointed to Senior Management positions are of appropriate expertise and adequately qualified. The Board had adopted a Succession Planning Policy is to ensure that there are avenues in place to provide for the orderly succession of Senior Management.

Supply and Access to Information

The Directors are supplied with and have unrestricted access to information pertaining to the Group's business and affairs to enable them to discharge their duties effectively. The information provided includes both verbal and written details.

All scheduled meetings held during the year were preceded by a formal agenda issued by the Company Secretaries in consultation with the Management. Prior to meetings, appropriate documents which include the agenda and reports relevant to the issues of the meetings are circulated to all members. All Directors have full and timely access to information with board papers distributed in advance of meetings. This ensures that Directors have sufficient time to appreciate issues deliberated at meetings which in turn enhances the decision making process.

All Directors have access to further information which they may require in discharging their duties including seeking independent professional advice, if necessary, at the Company's expense. They also have access to the advice and services of the Company Secretaries who are experienced, competent and knowledgeable on the laws and regulations, as well as directives issued by the regulatory authorities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**I. Board Responsibilities (Cont'd)****Qualified and Competent Company Secretaries**

The Board is supported by two (2) experienced and competent Company Secretaries, who are qualified to act under Section 235(2) of the CA 2016. The Company Secretaries are responsible to the Board for ensuring that all governance matters and Board procedures are followed and that applicable laws and regulations are complied with. These include obligations on Directors relating to disclosure of interests and disclosure of any conflicts of interest in transactions with the Group. The Company Secretaries also highlights all compliance and governance issues which they feel ought to be brought to the Board's attention. The Companies Secretaries had and will constantly keep themselves abreast, through continuous training on the regulatory changes and development in corporate governance.

The Company Secretaries provides support to the Chairman of the Company to ensure the effective functioning of the Board. The Company Secretaries and/or representative organise and attend all Board and Board Committees' Meetings ensuring that the accurate and proper record of deliberation of issues discussed, decisions made and conclusions taken. The Company Secretaries also facilitate the communication of key decisions and policies between the Board, Board Committees and Senior Management.

In ensuring the uniformity of Board conduct and effective boardroom practices throughout the Group, the Company Secretaries have oversight on overall corporate secretarial functions of the Group and maintains all secretarial and statutory records of the Group.

The Board is satisfied with the performances and support rendered by the Company Secretaries to the Board in the discharge of its functions.

II. Board Composition**Board Balance**

The Board consists of five (5) principal Directors and one (1) Alternate Director. Out of the five (5) principal Directors, two (2) are Executive Directors and three (3) are Non-Executive Directors. Three (3) of the Directors are independent, which is in compliance with the Main LR of Bursa Securities in respect of the board composition.

The composition of the Board reflects a balance of Executive, Non-Executive and Independent Directors with a wide range of professional skills, which are relevant and necessary for the business direction of the Group. A brief profile of each Director is presented on pages 3 to 5 of this Annual Report 2025.

Board Committees

The following Board Committees have acted within the framework specified by the Board. These committees have regularly made proposals to improve and enhance the role of the Board in governance processes. The Chairman of each of these Board Committees will report to the Board on the outcome of the Board Committees' Meetings.

Below is a general description of some of the basic functions of the respective Board Committees.

a. Audit and Risk Management Committee

The Audit and Risk Management Committee comprises exclusively of Independent Non-Executive Directors, is responsible for reviewing and monitoring the Group's internal audit processes, its external auditors, and of the integrity of the Group's financial statements. It is also responsible for reviewing the effectiveness of internal controls system.

The full details of the composition, terms of reference and summary of the activities of the Audit and Risk Management Committee for the financial year ended 31 December 2025 are set out in the Audit and Risk Management Committee Report on pages 80 to 83 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

II. Board Composition (Cont'd)

b. Nomination Committee

The Board established a Nomination Committee in May 2002, which consists exclusively of Independent Non-Executive Directors. The Chair of the Nomination Committee is an Independent Non-Executive Director identified by the Board.

Chairman :	Ms. Irene Kam Sok Khuan	Independent Non-Executive Director
Members :	Datuk Hew Lee Lam Sang	Independent Non-Executive Director
	Ms. Jessica Low May-Teng	Independent Non-Executive Director

The functions of the Nomination Committee are to assist the Board in discharging its responsibilities, particularly in:

- Assessing the effectiveness of the Board, respective Committees and contribution of each Director;
- Identifying, appointing and orientating new directors;
- Identifying the required mix of skills, experience and other core competencies the Board needs for it to function effectively and efficiently;
- Developing, maintaining and reviewing the criteria to be used in the recruitment process and annual assessment of Directors;
- Developing the criteria for annual assessment of independence of the Independent Directors of the Company by the Board and recommending to the Board for continuation in service of Independent Director(s) who have served the Board for a cumulative term of more than nine (9) years. If more than nine (9) years, via a two-tier voting process;
- Establishing measures to approach the boardroom diversity;
- Prior to the appointment of a director, the Nomination Committee shall assess the Conflict of Interest ("COI") of the proposed director (including competing business) or independence issues, where applicable and background and reference checks (including in news, media reports as well as publicly available information) and the number of directorships; and
- The COI assessment should be undertaken on a quarterly basis, for all incumbent directors, regardless of whether they are subject to re-election at the Annual General Meeting ("AGM").

To carry out the tasks of reviewing on an annual basis the effectiveness of the Board as a whole, Independent Directors, Board Committees and the contribution of each individual Director, the Nomination Committee has adopted the following performance evaluation forms in assessing and evaluating the required mix of skills and experience, including core competencies, which the Directors should bring to the Board:

- Board and Board Committees Evaluation Form;
- Directors'/Key Officers' Self & Peer Assessment Evaluation Form;
- Independent Directors' Self-Assessment Checklist;
- Board Committees Performance Evaluation Form;
- Audit & Risk Management Committee Members' Self & Peer Evaluation Form; and
- Declaration of Fitness and Propriety of a Responsible Person(s)

The Nomination Committee held one (1) meeting during the financial year ended 31 December 2025. The summary of activities of the Nomination Committee during the financial year ended 31 December 2025 is as follows:

- Assessed the effectiveness of the Board as a whole, the Board Committees and contribution of individual Directors for the financial year ended 31 December 2024;
- Reviewed and recommended to the Board, re-election of Directors who are retiring by rotation;
- Assessed the term of office and performance of the Audit and Risk Management Committee and each of its members in respect of financial year ended 31 December 2024; and
- Identified and discussed suitable Directors' Training Programmes for continuous development of Directors for the financial year ended 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**II. Board Composition (Cont'd)****c. Remuneration Committee**

The Board established a Remuneration Committee in May 2002, which consists exclusively of Independent Non-Executive Directors:

Chairman :	Ms. Jessica Low May-Teng	Independent Non-Executive Director
Members :	Datuk Hew Lee Lam Sang	Independent Non-Executive Director
	Ms. Irene Kam Sok Khuan	Independent Non-Executive Director

The Remuneration Committee is responsible to review the remuneration and benefits package to the Executive Directors, the Directors' fees and benefits to the Non-Executive Directors of the Company and also the meetings allowances to all Directors.

The Remuneration Committee held one (1) meeting during the financial year ended 31 December 2025. The summary of activities during the financial year ended 31 December 2025 is as follows:

- Reviewed and recommended to the Board, payment of Directors' fees to the Non-Executive Directors for the financial year ended 31 December 2024;
- Reviewed and recommended to the Board, payment of Directors' benefits (other than Directors' fees) for the period from 19 June 2025 until the next AGM of the Company; and
- Reviewed and recommended to the Board, remuneration package of the Executive Directors of the Company.

The Remuneration Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the Company's website.

Appointment to the Board

The Board recognises its responsibility to carefully appraise and consider the appointment of new and existing Directors to ensure the Board continue to function effectively. Thus, whilst the initial appraisal of new candidates is delegated to the Nomination Committee, the Board will always ensure that the appointment or reappointment of each Director will always maintain the good balance of skills and experience in its composition. In assessing suitability of candidates, considerations will be given to the competencies, commitment, contribution and performance. Management will facilitate board induction by providing the new Director with relevant information about the Group.

The Nomination Committee is responsible for identifying, assessing and recommending to the Board, suitable nominees for appointment to the Board and Board Committees. Candidates are normally sourced through recommendations by existing Board members, Management or major shareholder. Nevertheless, the Nomination Committee could also consider utilising independent sources to identify suitable qualified candidates.

Retirement and Re-Election

The Company's Constitution provides that one third (1/3) or the number nearest to one third (1/3) of the Directors in office are to retire by rotation at each AGM of the Company and the Directors may offer themselves for re-election.

Any person appointed by the Board either to fill a casual vacancy or as an addition to the existing Directors, shall hold office until the conclusion of the next AGM and shall then be eligible for re-election.

On 24 February 2026, the Board approved the recommendation of the Nomination Committee that Ms. Jessica Low May-Teng and Mr. Chin Kok Siong, who are due for retirement by rotation at the 55th AGM pursuant to Clause 123 of the Company's Constitution, are eligible to stand for re-election at the 55th AGM. Ms. Jessica Low May-Teng and Mr. Chin Kok Siong had expressed their willingness to seek for re-election at the 55th AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

II. Board Composition (Cont'd)

Annual Assessment of Independent Directors

The Independent Directors play a key role in corporate accountability and provide unbiased views and impartiality to the Board's deliberation and decision making process. In addition, the Independent Directors ensure that matters and issues brought to the Board are given due consideration, fully discussed and examined, taking into account the interest of all stakeholders in the Group.

Any Director who considers that he/she has or may have a conflict of interest or a material personal interest or a direct or indirect interest or relationship that could reasonably be considered to influence in a material way the Director's decisions in any matter concerning to the Company is required to immediately disclose to the Board and to abstain from participating in any discussion or voting on the respective matter.

The Nomination Committee has developed the criteria to assess independence of the Independent Directors. The Board will apply these criteria upon admission, annually and when any new interest or relationship develops.

The Board with assistance from the Nomination Committee will undertake to carry out annual assessment of the effectiveness of the Board as a whole, including Independent Non-Executive Directors and consider whether the Independent Directors can continue to bring independent and objective judgment to the Board deliberations.

For the financial year ended 31 December 2025, the Board assessed the independence of its Independent Non-Executive Directors based on the criteria developed by the Nomination Committee of the Company. The Board is satisfied with the level of Independence demonstrated by all the Independent Directors and their ability to act in the best interest of the Company.

Tenure of Independent Directors

The Board has not developed a policy which limits the tenure of its Independent Directors to nine (9) years. However, the Board is mindful that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years and upon completion of nine (9) years, to re-designate the director as Non-Independent Director if he continues to serve on the Board pursuant to the MCCG. If the Board intends to retain an Independent Director beyond nine (9) years, the Company should justify and seek shareholders' approval. If the Board continues to retain the Independent Director after the nine (9) years, the Board should seek shareholders' approval through a two-tier voting process and the manner to obtain the shareholders' approval on the resolution shall follow the recommendation of the MCCG.

The Board further recognises that the tenure is not the absolute indicator of a Director's independence and objectivity wherein the spirit, intention, purpose and attitude, background and current activities should also be considered.

Number of Directorship

Pursuant to Paragraph 15.06 of the Main LR of Bursa Securities, Directors of the Company must not hold more than five (5) directorships in public listed companies.

The Directors of the Company are required to first notify the Chairman, prior to acceptance of new directorship in other public listed companies, including the estimated time commitment required, to ensure that such appointment would not affect their commitments and focus for an effective input to the Board.

As at the date of this statement, none of the Directors of the Company hold more than five (5) directorships in public listed companies. The directorships of each Director are set out in the Profile of Directors on pages 3 to 5 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**II. Board Composition (Cont'd)****Board Meetings**

The Board of Directors meets on a quarterly basis with additional meetings convened as and when necessary, to interalia approve quarterly financial results, business plans, budgets, governance matters and other business development activities. Special Board meetings may be convened to consider urgent proposal or matters which require the expeditious review or consideration by the Board.

Senior Management, both external and internal auditors and/or advisers may be invited to attend the Board meetings, if required, to provide additional information on the relevant agenda tabled at the Board Meetings.

Strategic issues such as acquisition and disposal of the group's investments or assets; announcements to regulators; corporate and restructuring exercises are presented to the Board for its decision to ensure that the direction and control of the Group is firmly in the Board's control. Besides Board Meetings, the Board also exercises control on matters that require Board's approval through circulation of Directors' resolutions.

Where a transaction is required to be approved by the shareholders, interested directors will abstain from deliberations and voting in respect of their shareholdings in the Company and they will further undertake to ensure that persons connected to them will similarly abstain from voting.

Board meetings for the ensuing financial year are scheduled in advance to facilitate the Directors to plan ahead. All meetings are furnished with proper agendas with due notice issued. Board papers and reports are prepared by the Management, which provide updates on financial, operational, legal matters. These are circulated prior to the meetings to all Directors to allow sufficient time for review so as to ensure effective discussions and decision making during the meetings.

During the financial year ended 31 December 2025, five (5) board meetings were held. All Directors in office have attended all the total Board meetings held and therefore, have complied with paragraph 15.05(3) of the Main LR of Bursa Securities. Details of the board meetings and their attendances at these meetings are set out below:

Name of Directors	Total Meetings Attended by Directors
Mr. Lim Chin Sean	5/5
Datuk Hew Lee Lam Sang	5/5
Ms. Irene Kam Sok Khuan	5/5
Ms. Jessica Low May-Teng	5/5
Mr. Chin Kok Siong	5/5

Level of Time Commitment

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

II. Board Composition (Cont'd)

Directors' Training

The Directors have participated and continue to undergo the relevant training programmes to further enhance their skill and knowledge as well as the latest statutory and/or regulatory requirements in discharging their fiduciary duties to the Company.

During the financial year ended 31 December 2025, the Directors attended the following training programmes:

Directors	Training / Seminar Attended	Date
Datuk Hew Lee Lam Sang	<ul style="list-style-type: none"> • MFRS update 2024 – Conducted by KPMG • MBRS 2.0 Briefing – Conducted by KPMG • Tax Reimagined: Understanding Data Warehouses and their relevance to tax functions – Conducted by KPMG • IRB's evolving tax enhancement strategies – Conducted by KPMG • Tax & Business Summit 2025 – Conducted by KPMG • MFRS Updates Run 2 – Conducted by KPMG • Global Economic & Geopolitical Outlook - Conducted by KPMG 	07.01.2025 16.04.2025 07.05.2025 23.05.2025 23.10.2025 05.12.2025 19.12.2025
Ms. Irene Kam Sok Khuan	<ul style="list-style-type: none"> • Building Sustainable Credibility: Assurance, Greenwashing and The Rise of Green-hushing - Conducted by Institute of Corporate Directors Malaysia (ICDM) • Corporate Directors Training Programme Fundamental 5.0 + Financial Statements 101 – Conducted by Companies Commission of Malaysia (CCM) 	28.04.2025 03.12.2025 - 04.12.2025
Ms. Jessica Low May-Teng	<ul style="list-style-type: none"> • IPO training & dialogue with Security Commissions – Conducted by Securities Commission Malaysia (SC Malaysia) • Microsoft 365 Copilot Awareness Training – Conducted by Microsoft • The Chief Financial Officer Forum 2025 - Conducted by The Leaders Council and Star Media Group Bhd • Post Budget 2026 Dialogue : Key Highlights & Conversation with Datuk Johan Mahmood Merican - Conducted by ICDM • CFO Asia Summit 2025 – Singapore – Conducted by Marcus Evans • Global Data Protection & Privacy Baseline Training - Conducted by SAP 	23.06.2025 30.07.2025 13.08.2025 – 14.08.2025 06.11.2025 10.11.2025 – 11.11.2025 18.12.2025
Mr. Lim Chin Sean	<ul style="list-style-type: none"> • Introduction to New Disclosure Requirements for Shariah Screening - Conducted by Bursa Malaysia and SC Malaysia 	10.12.2025
Mr. Chin Kok Siang	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading for Impact – Conducted by ICDM • Briefing by KPKT - Understanding the Amendments to the Housing Developments (Control and Licensing) 	15.04.2025 – 16.04.2025 22.05.2025
Mr. Chan Keen Wai	<ul style="list-style-type: none"> • CEO Series 2025 • Mandatory Accreditation Programme Part II: Leading for Impact – Conducted by ICDM 	16.01.2025 01.07.2025 – 02.07.2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

II. Board Composition (Cont'd)

Remuneration

All Directors receive directors' fees determined by the Board based on the level of responsibilities. Meeting allowances are also paid to Directors at each Board and Board Committees meetings.

The Executive Directors' remuneration package comprises a fixed component which includes a monthly salary and benefits-in-kind or emoluments, and a variable component which includes performance-based bonus.

The details of Directors' fees, benefits in-kind and Directors' remuneration for the financial year ended 31 December 2025 including remuneration for services rendered to the Company and its subsidiaries are as follows:

	Salaries & Bonus (RM)	Defined Contribution Benefits (RM)	Fees (RM)	Meeting Allowances (RM)	Benefits In-Kind (RM)	Total (RM)
Executive Directors						
Mr. Lim Chin Sean	423,500	50,820	36,000	11,700	17,350	539,370
Mr. Chin Kok Siong	452,064	35,009	36,000	10,500	15,539	549,112
Mr. Chan Keen Wai	508,442	61,057	36,000	10,500	24,906	640,905
Non-Executive Directors						
Datuk Hew Lee Lam Sang	-	-	36,000	22,200	-	58,200
Ms. Irene Kam Sok Khuan	-	-	36,000	21,200	-	57,200
Ms. Jessica Low May-Teng	-	-	36,000	21,200	-	57,200

Set out below are directors' remuneration paid or payable by the Company for financial year ended 31 December 2025, in aggregation and analysed into bands of RM50,000:

Range of Remuneration	Number of Directors	
	Executive	Non-Executive
From RM50,001 to RM100,000	-	3
From RM500,001 to RM550,000	2	-
From RM600,001 to RM650,000	1	-

The Board acknowledges the recommendation of the MCCG for transparency in the disclosure of its key Senior Management remuneration. For the financial year ended 31 December 2025, the top 6 Senior Management of the Company whose total remuneration (including benefits-in-kind and other emoluments) falls within the following bands are as follows:

Range of Remuneration	Number of Senior Management
Below RM100,000 *	1
From RM100,001 to RM150,000	0
From RM150,001 to RM200,000	2
Above RM200,000	3

* Note: The Senior Property & Facility Manager joined the Company on 18 August 2025; therefore, the remuneration for the year was below RM100,000.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit and Risk Management Committee

The Audit and Risk Management Committee, which comprises exclusively of Independent Non-Executive Directors, is responsible for reviewing and monitoring the Group's internal audit processes, its external auditors, and of the integrity of the Group's financial statements. It is also responsible for reviewing the effectiveness of internal controls system.

The composition of the Audit and Risk Management Committee members, comprising exclusively of Independent Non-Executive Directors in compliance to the Main LR of Bursa Securities, are as follows:

Chairman :	Datuk Hew Lee Lam Sang	Independent Non-Executive Director
Members :	Ms. Irene Kam Sok Khuan	Independent Non-Executive Director
	Ms. Jessica Low May-Teng	Independent Non-Executive Director

Further details of the Audit and Risk Management Committee are contained in the Audit and Risk Management Committee Report on pages 80 to 83 of this Annual Report 2025.

Financial Reporting

The Board is firmly committed to present a proper and meaningful assessment of the Group's financial performance and prospects in every interim and annual report. In this connection, it is supported by the Audit and Risk Management Committee, which diligently ensures the accuracy, adequacy and reasonableness of information prior to reporting.

Internal Control

The Board is committed to identify and review the adequacy of the Group's internal control systems in compliance with the applicable laws, regulations, rules, directives and guidelines. The Statement on Risk Management and Internal Control is presented on pages 77 to 79 of this Annual Report 2025. The Board will ensure the continuous process of identifying, evaluating and managing the internal control systems within the Group for review by the Audit and Risk Management Committee.

Relationship with External Auditors

The role of the Audit and Risk Management Committee in relation to the external auditors may be found in the Audit and Risk Management Committee Report set out on pages 80 to 83 of this Annual Report. The Company has always maintained a transparent and appropriate relationship with its auditors in seeking professional advice and ensuring compliance with relevant accounting standards in Malaysia.

The Audit and Risk Management Committee undertakes an annual assessment of the suitability and independence of the external auditors, Crowe Malaysia PLT. Upon satisfactory assessment of their performance on 24 February 2026, the Audit and Risk Management Committee will recommend their re-appointment to the Board, upon which shareholders' approval will be sought at the AGM of the Company.

It is a policy of the Audit and Risk Management Committee that it meets with the external auditors at least twice (2) a year to discuss their audit plan, audit findings and the Company's financial statements as well as any other issues without the presence of the Executive Directors and Management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

II. Risk Management and Internal Control Framework

Sound Framework to Manage Risk

The Board acknowledges its responsibility to maintain a sound Risk Management and Internal Control system covering not only financial controls but also operational and compliance controls to identify risks in operations and finance and to design measures to manage those risks. This system is designed to manage, rather than eliminate, the risk of failure to achieve the Group's corporate objectives, as well as to safeguard shareholders' investments and the Group's assets. The Board, through the Audit and Risk Management Committee, seeks regular assurance on the continuity and effectiveness of the internal control system through independent reviews by the Internal Auditors and the External Auditors.

As per its Terms of Reference, the Audit and Risk Management Committee has been explicitly accorded the power to appoint, and to decide on the remuneration and the resignation/dismissal of the Internal Auditors. It has also been empowered to ensure that the internal audit function reports directly to the Audit and Risk Management Committee, that it is independent of the functions it audits and has the authorities and resources necessary to carry out its responsibilities. It will also approve the Internal Audit Plan and review and assess the performance of the internal audit function.

Internal Audit Function

To assist the Board in maintaining a sound system of internal control for the purposes of safeguarding shareholders' investments and the Group's assets, the Board has outsourced the internal audit function to a professional internal audit service provider firm during the financial year.

The Internal Auditors conduct regular audits to review the adequacy and effectiveness of the Group's Risk Management and Internal Control system in identifying and managing principal risks, ensuring compliance with the law and regulations and preserving the quality of assets and the integrity of the management information system.

Please refer to the Audit and Risk Management Committee Report on pages 80 to 83 of this Annual Report for more details.

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

I. Communication with Stakeholders

The Group recognises the importance of timely and thorough dissemination of information to shareholders and investors on all business matters. The Company is committed to keeping shareholders duly informed about the Group's performance, corporate governance and other matters affecting shareholders' interests, while always mindful of the laws and regulations governing the release of specific information.

The primary tool of communication with the shareholders of the Company is currently done through published annual reports and timely statutory periodic announcements to Bursa Securities. In order to enhance the Company's communication with the stakeholders, the Company has established a website at www.parkwood.my as a channel of communication and information dissemination. Various announcements made by the Company during the year and annual reports are available on the Company's website. The Company also disseminates information through press releases on corporate events and business as well as any significant developments of the Group.

Corporate Disclosure Policy

The Board acknowledges the importance of timely and thorough dissemination of information to its investors and shareholders. The Board regards regular communications with the public via various announcements and the issuance of Annual Reports, circulars and press releases as key to building a good relationship with its shareholders.

In line with the Main LR of Bursa Securities and best practices recommended by the MCCG, the Company must disclose to the public all material information necessary for informed investment decisions and take reasonable steps to ensure that all who invest in the Company's securities enjoy equal access to such information. The Board strives to disclose such information to the public as soon as practicable through Bursa Securities, the media and the Company's website at www.parkwood.my, and to ensure that such information is handled properly to avoid leakage and improper use of such information.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

I. Communication with Stakeholders (Cont'd)

Corporate Disclosure Policy (Cont'd)

The Company shall disclose all material information required to be disclosed under applicable securities laws, in accordance with a consistent procedure and in accordance with such laws, as per the disclosure principles listed below:

- Material information will be immediately announced to Bursa Securities first and later made available at the Company's website;
- Material information will be kept confidential temporarily if the immediate release of such information would be unduly detrimental to the interests of the Company;
- Content of disclosure must be factual and non-speculative and include any information the omission of which would cause the rest of the disclosure misleading;
- The disclosure must be corrected immediately if the Company learns that an earlier disclosure by the Company contained a material error at the time it was originally disclosed;
- The Company does not comment, affirmatively or negatively, on rumours. This also applies to rumours on the internet. Should Bursa Securities request that the Company to make a definitive statement in response to a market rumour that is causing significant volatility in the price of the Company's securities, the Executive Directors will respond appropriately after consulting with the Board for advice if time permits, before a reply is given to Bursa Securities; and
- All investors must have equal access to material information. Selective disclosure is not allowed.

Information is considered material if it is reasonably expected to have a material effect on the price, value and market activity of the Company's securities or the decision of a holder of security or an investor in determining his/her choice of actions.

The Company Secretaries are assigned to compile such information for the approval of the Board as soon as possible and for releasing such information to the market as stipulated by Bursa Securities.

Leverage on Information Technology

The Company disseminates information in relation to its financial performance, operations and corporate developments through the Annual Reports, Quarterly Interim Financial Reports, circulars and various general announcements. The Company releases all material information publicly through Bursa Securities and via its IR portal at www.parkwood.my.

Shareholders and investors are also encouraged to convey their queries and concerns to the Company via the Company's website at www.parkwood.my or via email to admin@parkwood.my. The queries will be attended by the Company's Senior Management or the Board, as the case may be.

II. Conduct of General Meetings

Annual General Meeting or Extraordinary General Meeting ("General Meetings")

General Meetings remain the principal forum for dialogue between the Company and its shareholders, as the Company's General Meetings provide a means of communication with shareholders.

Notices of General Meetings, the related circulars and the Annual Reports of the Company are sent to the shareholders in accordance with the regulatory and statutory provisions. Where special business items appear in the Notices of General Meetings, an explanatory note will be included as a footnote to enlighten shareholders on the significance and impact when shareholders deliberate on such resolution. The Notices of General Meetings are advertised in a national English newspaper within the prescribed deadlines. Notice for an AGM should be given to the shareholders at least twenty eight (28) days prior to the meeting.

The Board notes the recommendation of the MCCG that Notice for an AGM should be given to the shareholders at least twenty eight (28) days prior to the meeting, which is earlier than the minimum notice periods stipulated in the Company's Constitution and the CA 2016. In the past years, the Company serves the Notice for AGM more than twenty eight (28) days prior to the meeting. From year 2020 onwards, the Annual Reports and Notice for General Meetings will be circulated electronically. Hard copies of the Annual Reports will be made available upon request.

The Company holds its General Meetings at places that are easily accessible and at a time convenient to the shareholders to encourage them to attend the meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)**II. Conduct of General Meetings (Cont'd)****Annual General Meeting or Extraordinary General Meeting (“General Meetings”) (Cont'd)**

If a shareholder is unable to attend and vote in person at the General Meetings, the Company allows him/her to appoint the Chairman of the Meeting or any person, who may but need not be a member of the Company, to be his/her proxy without limitation and there shall be no restrictions as to the qualification of the proxy. A proxy appointed to attend and vote at the General Meetings shall have the same rights as the shareholder to speak at the General Meetings.

At the General Meetings, the Board encourages and gives sufficient opportunity for the shareholders to ask questions regarding the affairs of the Group, its financial performance and the resolutions being proposed at the meetings. The Chairman, when presenting the agenda items at the meetings, will give a brief background on the items to be voted on and shareholders are invited to give their views and raise question before voting takes place. Shareholders' suggestions received during the General Meetings are reviewed and considered for implementation, wherever possible.

All Directors attend the General Meetings. The Chairperson of the Nomination Committee and the Remuneration Committee and the Chairman of the Audit and Risk Management Committee and Senior Management are also present at the General Meetings to respond to shareholders' queries addressed to them during the meetings. The external auditors and advisers of corporate exercises, where applicable, attend General Meetings upon invitation and are available to answer questions or clarify queries from shareholders relating to the subject matter.

Other than shareholders of the Company, representative from the Minority Shareholders Watch Group (“MSWG”) will also be invited as observer at the Company's General Meetings if prior requests have been made. Queries raised by the MSWG and the Company's reply thereto are presented at the General Meetings.

The minutes of the General Meetings is available for inspection at the Company's website.

Poll Voting

In compliance with the Main LR of Bursa Securities, all resolutions that set out in the Notice of General Meetings will be voted via poll voting.

The polling process will be conducted by the share registrar as the Poll Administrator and an independent scrutineer will be appointed to oversee the conduct of the poll and verify the results of the poll.

ADDITIONAL COMPLIANCE INFORMATION**a. Audit and non-audit fees**

During the financial year ended 31 December 2025, the amount of audit fees paid or payable to the External Auditors, Crowe Malaysia PLT 201906000005 (LLP0018817-LCA) & AF 1018 by Parkwood and its subsidiaries were as follows:

Fees paid by Parkwood	: RM58,000
Fees paid by Parkwood subsidiaries	: RM87,000

For the financial year ended 31 December 2025, a fee of RM77,000 for non-audit assignments was paid by the Company to the External Auditors and its affiliated corporation. The non-audit fees were incurred in relation to the review of the Company's Statement on Risk Management and Internal Control, responses to Group Audit Instructions, and services as Reporting Accountant for the corporate exercise.

b. Material contracts

Other than those disclosed in the Notes to the Financial Statements on the Significant Related Party Transactions, there were no material contracts entered into by the Company and/or the Group involving directors' and major shareholders' interests.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

c. Utilisation of proceeds raised from corporate proposal

The Company raised a net proceed of RM28.23 million from the issuance of rights issue with warrants and RM10.82 million from the subscription of redeemable convertible preference shares ("RCPS") on 10 September 2025 and 23 September 2025 respectively, pursuant to the approval obtained from the shareholders at the EGM held on 21 May 2025.

The status of utilisation of proceeds raised as at 31 December 2025 are as follows:

(i) Rights issue with warrants

Details of Utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Proceeds Balance RM'000	Timeframe for Utilisation
Avant Industrial Park	27,112	7,728	19,384	Within 24 months
Parkwood Damai	-	-	-	Within 36 months
Estimated expenses relating to the Corporate Exercises	1,122	1,122	-	
Total	28,234	8,850	19,384	

(ii) RCPS

Details of Utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Proceeds Balance RM'000	Timeframe for Utilisation
Avant Industrial Park	2,888	-	2,888	Within 24 months
Parkwood Damai	7,933	1,146	6,787	Within 36 months
Total	10,821	1,146	9,675	

d. Recurrent related party transactions ("RRPT") of a revenue or trading nature

There were no RRPT of a revenue or trading nature between the Company and/or the Group and its related parties which required shareholders' mandate during the financial year under review.

e. Disclosure of Financial Data for Shariah Screening

This section provides financial information in the prescribed template for Shariah screening disclosures in accordance with the Main Market Listing Requirements of Bursa Malaysia, specifically Paragraphs 9.25A and 9.41 (b).

The data is intended for Shariah-compliance screening by the Shariah Advisory Council (SAC) of the Securities Commission Malaysia (SC). These include financial data on Shariah non-permissible income arising from the Group's business activities and on the Group's interest-based financial position. The securities will be classified as Shariah-compliant if the percentage contribution from activity-based and financial ratios is less than the SAC's established benchmarks. This ensures compliance with two-tier quantitative benchmarks:

- (a) business activity (non-halal income < 5%): total income from Shariah non-compliant businesses/activities (e.g., gambling, alcohol, pork, interest-based banking, tobacco) must be less than 5% of the Group's total income; and
- (b) financial ratios (interest-bearing debt/cash < 33%):
 - (i) Cash-over Total Assets: total cash in conventional accounts must be less than 33% of total assets; and
 - (ii) Debt-over Total Assets: total interest-bearing debt must be less than 33% of total assets.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

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

The financial data that are relevant for the purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia are as follows:

(A) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2025 (RM)	2024 (RM)
Revenue	Sale of completed properties	12,976,001	15,800,133
Revenue	Rental Income	2,458,524	2,458,524
Dividend income		199,733	201,224
Interest income		309,684	347,977
Finance income		160,080	151,732
Other income	Fair value gain on short term investment	149,870	160,983
Other income	Fair value gain on investment properties	13,900,000	-
Other income	Liquidated ascertained damages	549,000	-
Other income	Administrative fees	15,400	-
Other income	Rental Income	-	172,500
Other income	Development Management Fees	-	250,000
Total		30,718,292	19,543,073
Total Assets		278,430,046	176,837,937

(B) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2025 (RM)	2024 (RM)
Rental income received from tenant involved in Shariah non-compliant activities		2,458,524	2,631,024
Dividend income received from conventional shares and instruments		199,733	201,224
Interest income		309,683	347,928
Gain from investment in conventional instruments	Fair value gain on short term investment	149,870	160,983
Gain from investment in conventional instruments	Fair value gain on investment properties	13,900,000	-
Other Shariah non-compliant activities	Liquidated ascertained damages	549,000	-
Other Shariah non-compliant activities	Administrative fees	15,400	-
Other Shariah non-compliant activities	Development Management Fees	-	250,000
Total		17,582,210	3,591,159

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

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

(C) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group	
		2025 (RM)	2024 (RM)
Cash at bank (exclude cash in hand)		78,757	70,197
Total		78,757	70,197

Conventional Account/Instruments	Remarks	Group	
		2025 (RM)	2024 (RM)
Cash at bank (exclude cash in hand)		8,851,276	9,860,345
Cash held under Conventional Housing Development Accounts		368,529	1,984,307
Investment in cash funds		5,724,313	3,113,462
Short-term funds		24,149,195	5,213,651
Total		39,093,313	20,171,765

(ii) Debt Component

Conventional Borrowing	Remarks	Group	
		2025 (RM)	2024 (RM)
Current			
Term loans		5,698,210	2,372,376
Bank overdrafts		1,182,879	77,270
Non-Current			
Term loans		60,628,077	19,450,000
Total		67,509,166	21,899,646

DIRECTORS' RESPONSIBILITY STATEMENT IN RESPECT OF THE PREPARATION OF THE AUDITED FINANCIAL STATEMENT

The Directors are required by the CA 2016, to state whether, in their opinion, the Group and the Company's financial statements for the financial year are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, Main LR of Bursa Securities and CA 2016 which will provide a true and fair view of the Group and the Company's financial position and the performance and cash flow for the financial year.

Towards this, the Directors ensure that relevant accounting policies have been used and applied consistently and that reasonable and prudent judgments and estimates have been made, in the preparation of financial statements. The Directors also ensure that applicable approved accounting standards have been followed and that proper accounting records are being kept to enable disclosure of the Group's and Company's financial position in compliance with laws and regulations.

The Board is satisfied that in preparing the financial statements of the Company and the Group as at 31 December 2025, the Company and the Group have used appropriate accounting policies and applied them consistently and prudently.

CONCLUSION

The Board recognises the importance of the Group practising good corporate governance and has made it a corporate policy to continuously improve on its corporate governance practices and structure to achieve an optimal governance framework.

This Corporate Governance Overview Statement was approved by the Board of Directors of Parkwood on 23 April 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

1. INTRODUCTION

Pursuant to paragraph 15.26(b) of the Main LR of Bursa Securities, the Board of Directors (“the Board”) is pleased to issue this statement on risk management and internal control of the Group for the financial year ended 31 December 2025 in compliance with the Principles and Best Practices as stipulated in the MCGG.

2. BOARD'S RESPONSIBILITY

The Board acknowledges the importance of systems of internal control and recognises that it is their responsibility to maintain a sound system of internal control to safeguard shareholders’ investment. In this connection, the Board confirms that there is on-going effort to identify risks and to introduce or improve controls in the functional areas.

In line with its responsibilities, the Audit Committee (“AC”) and Risk Management Committee (“RMC”) have been merged and to be known as the Audit and Risk Management Committee (“ARMC”) effective from 1 January 2018.

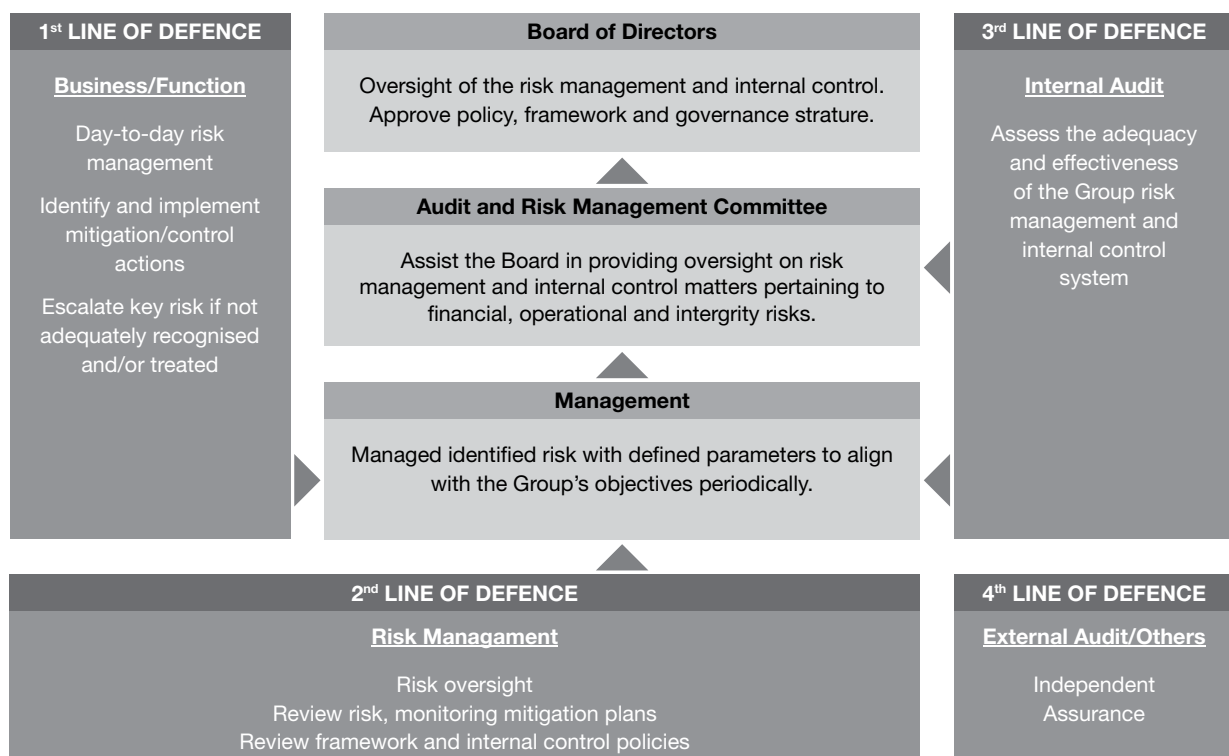
The Board has established the ARMC to oversee the effective implementation of the risk management process and systems of internal control.

The role of ARMC is to provide an independent assessment of the effectiveness, adequacy and reliability of the risk management process, compliance with risk policies, applicable laws, regulations, rules, directives, guidelines and systems of internal control as established by management. These assessments are assisted by an independent internal audit function.

As there are limitations inherent in any systems of internal control, therefore, it shall be noted that the controls are designed and positioned to mitigate risks but not eliminating the present and future risks. In this connection, it shall also be noted that systems of internal control can only provide reasonable but not absolute assurance against material misstatements, frauds and losses.

3. MANAGEMENT RESPONSIBILITIES

The Management is responsible for implementing the processes for identifying, evaluating, monitoring and reporting of risks and systems of internal control, taking appropriate and timely corrective actions as needed, and for providing assurance to the Board that the processes have been carried out.



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

4. RISK MANAGEMENT FRAMEWORK

The ARMC was established to adopt the Risk Management Framework designed for the Group. This framework provides guidance and facilitates a structured approach for identifying, evaluating and managing significant risks that could inadvertently prevent the achievement of business objectives.

The Board has approved the following Terms of Reference for the ARMC:

- a. To review the Group's overall objectives by assessing the adequacy and effectiveness of the risk portfolio composition and risk mitigation controls in determining the desired exposures of each major area on a periodic basis.
- b. To promote and ensure that the risk management process and culture are embedded.
- c. To review and assess the adequacy of risk management policies and framework for identifying, measuring, monitoring and controlling risks and their effectiveness.
- d. To ensure adequate infrastructure, resources and systems are in place for managing risks.
- e. To identify other corporate risk areas such as regulatory compliances, new business development and financial issues.
- f. To establish a task force to oversee the proper conduct of regular review and control of risk in the functional activities.

The ARMC had approved the Risk Management Plan, which was developed by the Risk Management Working Group ("RMWG"). The aim of the Risk Management Plan is to introduce a standardised approach for Management to adopt and assist in identification, analysis and management of risks.

The RMWG has invited the Internal Auditors to observe the risk assessment exercise in 2025. In this exercise, a structured risk management framework was reviewed and key risks that could affect the achievement of the Group's objectives, the control and mitigating action plans were identified and documented. The risk report was presented to the Board for discussion and formalisation of actions plan and updated by the RMWG.

5. INTERNAL AUDIT FUNCTION

The Internal Audit function of the Group was outsourced to a professional internal audit service provider firm ("Internal Auditor"), SocialGreen Governance Sdn Bhd ("SGG"), which includes performing regular reviews of the business processes, checking compliance with policies/ procedure, evaluating the adequacy and effectiveness of internal control, risk management and governance processes established by Management and/or the Board. These reviews are carried out in accordance with the COSO Internal Control Framework and the International Professional Practices Framework (IPPF). The Internal Audit function highlights significant findings and corrective measures in respect of any non-compliance to Management and the ARMC on a timely basis. The annual audit plan is reviewed and approved by the ARMC. Further activities of the Internal Audit function are set out in the ARMC report on pages 80 to 83.

The costs incurred by the Group in relation to the Internal Audit function for the financial year ended 31 December 2025 amounted to approximately RM56,000.

6. INTERNAL CONTROL

The Group's systems of internal control during the financial year ended 31 December 2025 and up to the date of approval of this statement for inclusion into the annual report encompasses inter alia, the key elements as follows:

- A functional organisational structure that defines the level of authority and responsibilities of management.
- Policies and procedures, updated as necessary, are documented and communicated to personnel for compliance.
- An ARMC with defined responsibilities as set out on pages 80 to 83.
- An internal audit function, which is accountable to the ARMC, objectively reviews and reports on the effectiveness of control processes.
- An annual operating budget and strategic business plan approved by the Board.
- Appropriate human resource guidelines for hiring and terminating staff, formal training programmes, annual performance appraisals and other relevant procedures are in place to ensure employees' competency.
- The Group's performance is monitored by using key performance indicators, monthly management reports and periodic management meetings. These performance reports are benchmarked against budgets. Any exceptions noted will be investigated and reported.
- Quarterly monitoring of financial results by the Board.

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

6. INTERNAL CONTROL (CONT'D)

In making this statement, the Board had considered the Bursa's Guidance on Statement on Internal Control for all subsidiaries. The Board is of the view that there has been no significant breakdown or weaknesses in the systems of internal control of the Group that may result in material losses incurred for the financial year ended 31 December 2025. Nevertheless, remedial actions and corrective measures have been or are being taken to address the weaknesses noted, if any.

7. INFORMATION TECHNOLOGY MANAGEMENT

The Board, through the Audit and Risk Management Committee (ARMC) and with the support of the Internal Auditor, provides oversight of the Group's information technology ("IT") risks and exposures. To support its IT operations and risk management needs, the Group has appointed an external IT service provider, Exitra Sdn Bhd, to manage all IT-related matters.

The Group maintains robust cybersecurity and information security controls, including identity and access management, cyber threat monitoring, vulnerability assessments and mandatory user training. These measures ensure the confidentiality, integrity and availability of the Group's information assets while mitigating exposure to cyber risks. In addition, The Group's data is backed up to the server on daily basis, with both data backup and restoration processes administered by the same outsourced service provider.

8. REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the Main LR, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their review was conducted in accordance with 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 Annual Report, issued by the Malaysian Institute of Accountants ("MIA"). AAPG 3 does not require the external auditors to, and they did not, consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk and control procedures. AAPG 3 also does not require the external auditors to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and effectiveness of the Group's risk management and systems of internal control.

8. CONCLUSION

The Board is satisfied with the adequacy and effectiveness of the Group's risk management and systems of internal control. The Board has received assurance from the Executive Directors that the Group's risk management and systems of internal control, in all material aspects, is operating adequately and effectively. For the financial year under review, there were no material control failures or adverse compliance events that have directly resulted in any material loss to the Group.

This Statement on Risk Management and Internal Control was approved by the Board of Directors on 23 April 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

MEMBERSHIP

The Board had on 14 December 2017 approved the merger of the Audit Committee and the Risk Management Committee to be known as the “Audit and Risk Management Committee” effective from 1 January 2018. The rationale of the merger of the two (2) Board Committees is to enhance the efficiency of the Board Committee in discharging its duties and responsibilities.

Members of the Audit and Risk Management Committee, their respective designation and directorate are as follows:

Name	Designation	Directorship
Datuk Hew Lee Lam Sang	Chairman	Independent Non-Executive Director
Ms. Irene Kam Sok Khuan	Member	Independent Non-Executive Director
Ms. Jessica Low May-Teng	Member	Independent Non-Executive Director

All Audit and Risk Management Committee members of the Company are Independent Non-Executive Directors.

SUMMARY OF TERMS OF REFERENCE

1. COMPOSITION, MEETINGS, MINUTES AND ACTIVITIES

The Audit and Risk Management Committee shall be appointed by the Board amongst the Directors and shall consist of not less than three (3) members. All Audit and Risk Management Committee members must be Non-Executive Directors, with a majority of them being Independent Directors. The Chairman shall be an Independent Non-Executive Director appointed by the Nomination Committee.

If a member of the Audit and Risk Management Committee resigns or for any reason ceases to be a member resulting in the number of members to be reduced to below three (3), the Board of Directors shall, within three (3) months of that event, appoint a replacement to make up the minimum of three (3). The vacancy of the Independent Chairman of the Audit and Risk Management Committee must also be filled within three (3) months. No Alternate Director can be appointed as a member of the Audit and Risk Management Committee.

The Board shall review the terms of reference and performance of the Audit and Risk Management Committee and each of its members annually to determine whether the Audit and Risk Management Committee and its members have carried out their duties in accordance with their terms of reference.

The Audit and Risk Management Committee shall meet at least four (4) times annually or at more frequent intervals as required. The Audit and Risk Management Committee shall meet with the external auditors at least twice (2) a year and with internal auditors at least once (1) a year, without the Executive Directors and Management present. The Chief Financial Officer and the Chief Operating Officer (have become the Director (Executive) and Alternate Director to Director (Executive) on 26 February 2024) are normally invited to attend the Audit and Risk Management Committee meetings. The presence of the external auditors shall be requested, if required. Other Board members and employees may attend Audit and Risk Management Committee meetings upon the invitation of the Audit and Risk Management Committee.

The Company Secretaries shall be the Secretary to the Audit and Risk Management Committee. Minutes of each meeting shall be distributed to each member prior to the meeting. The Chairman shall report to the Board, a summary of significant matters arising at each meeting. The Audit and Risk Management Committee is authorised by the Board to investigate any activity within its terms of reference and shall have unrestricted access to both the internal and external auditors and to all employees of the Group.

The Audit and Risk Management Committee is also authorised by the Board to seek and accept independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, whenever deemed necessary.

During the financial year ended 31 December 2025, the Audit and Risk Management Committee held a total of five (5) meetings. The members of the Audit and Risk Management Committee together with their attendance are set out below:

Name	Attendance at Meetings
Datuk Hew Lee Lam Sang	5/5
Ms. Irene Kam Sok Khuan	5/5
Ms. Jessica Low May-Teng	5/5

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

SUMMARY OF TERMS OF REFERENCE (CONT'D)

2. KEY FUNCTIONS, ROLE AND RESPONSIBILITIES

The Audit and Risk Management Committee's duties and responsibilities are as follow:

- To consider the appointment and re-appointment of the external auditors and the audit fee.
- To recommend the nomination of a person or persons as external auditors.
- To discuss on the resignation or removal of external auditors and the reasons thereof.
- To discuss with the external auditors the nature and scope of any audit exercise prior to its commencement and to ensure coordination of such exercise where more than one audit firm is involved.
- To review the quarterly and annual financial statements of the Company and the Group, before submission to the Board whilst ensuring that they are prepared in an accurate manner focusing particularly on:
 - (i) Changes in or implementation of major accounting policies and principles changes.
 - (ii) Significant matters highlighted including financial reporting issues, significant judgements made by Management, significant and unusual events or transactions, and how these matters are addressed.
 - (iii) Significant adjustments arising from the audit.
 - (iv) The going concern assumption.
 - (v) Compliance with accounting standards and relevant statutory and regulatory requirements.
- To discuss issues, concerns and reservations arising from interim and final external audits, and such other matters the external auditors may wish to raise.
- To review the external auditors' management letter and management's response to specific matters raise therein.
- To assess the suitability and independence of external auditors.
- To do the following in connection with the internal audit function:
 - (i) Review the adequacy of its scope, functions, competency and resources and that it has the necessary authority to carry out its work.
 - (ii) Review and discuss the nature and scope of the audit programme with internal auditors and the follow-up thereto, ensuring that appropriate actions are taken as recommended.
 - (iii) Review any performance appraisals or assessment of its staff.
 - (iv) Approve the appointment, resignation or termination of its senior members.
 - (v) Take cognisance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reason for resigning.
- To monitor any related-party transaction and conflict of interest situation which may arise within the Group, including any transaction, procedure or course of conduct that raises questions of management integrity and the measures taken to resolve eliminate, or mitigate such conflicts.
- To review the adequacy and efficacy of the Group's system of internal control.

With the merger of the Audit Committee and Risk Management Committee on 1 January 2018, the functions of the Audit and Risk Management Committee shall include the functions of the Risk Management Committee to assist the Board in discharging its responsibilities, particularly in:

- Reviewing the Group's overall objectives by assessing the adequacy and effectiveness of risk portfolio composition and risk mitigation controls to determine the desired exposures of each major area of risk on a periodic basis.
- Promoting and ensuring risk management process and culture are embedded throughout the Group.
- Reviewing and assessing the adequacy of risk management policies and framework for identifying, measuring, monitoring and controlling risks as well as the extent to which these are operating effectively.
- Ensuring adequate infrastructure, resources and systems are established to make risk management effective.
- Identifying other corporate risk areas such as regulatory compliances, new business development and financial issues.
- Establishing a task force as the main risk management unit to oversee the proper operating, reviewing and controlling of risk pertaining to functional activities.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

SUMMARY OF TERMS OF REFERENCE (CONT'D)

2. KEY FUNCTIONS, ROLE AND RESPONSIBILITIES (CONT'D)

The Board has established a Risk Management Working Group (“RMWG”), which is headed by Mr. Chan Keen Wai (Alternate Director to Mr. Chin Kok Siong and also the Chief Operating Officer) and comprise of all head of departments. This is to ensure that all risk classes particularly the Group strategic risks, risks related to project development businesses and compliance to statutory requirements, are considered at senior level in a consistent manner. The Board through the Audit and Risk Management Committee receives periodic reporting on the risk environment and management’s actions to mitigate and manage significant risks in a manner consistent with the Group’s risk appetite.

The RMWG is responsible to oversee the risk management activities of the Group, approving appropriate risk management procedures and measurement methodologies across the Group as well as identifying and managing strategic business risks of the Group. In fulfilling the primary objectives, the RMWG is tasked to undertake the following responsibilities and duties:

- (a) to promote good risk management practices and effective governance within the Group and in ensuring that roles, responsibilities and accountability in managing risks are clearly established, defined and communicated;
- (b) to create high level risk policies aligned with the Group’s strategic business objectives;
- (c) to review the enterprise risk management framework for the effective identification, assessment, measurement, monitoring, reporting and mitigation of risks within the Group; and
- (d) to identify and communicate existing and potential critical risk areas faced by the Group and the management action plans to mitigate such risks by working with the internal auditors in providing periodic reports and updates to the Audit and Risk Management Committee.

SUMMARY OF ACTIVITIES OF AUDIT AND RISK MANAGEMENT COMMITTEE

In line with its terms of reference, the Audit and Risk Management Committee discharged its duties and responsibilities in the financial year ended 31 December 2025 through the following activities:

a. External Audit

- Reviewed the Audit Review Memorandum by the external auditors for the financial year ended 31 December 2024 and discussed the results of their audit report and management letter together with Management’s response to their findings;
- Reviewed the annual audited financial statements of the Group to ensure compliance with the CA 2016, Main LR of Bursa Securities, applicable accounting standards and other legal and regulatory requirements prior to submission to the Board for consideration and approval;
- Carried out an annual review of the performance of the External Auditors, including assessment of their independence in performing their obligations, and then recommended to the Board for re-appointment as External Auditors and remuneration of the External Auditors;
- Conducted independent meetings with the External Auditors during the year without the presence of the Executive Directors and Management; and
- Reviewed the Audit Planning Memorandum, which includes reporting responsibilities and deliverables, audit approach and scope for the statutory audits of the Group accounts for the financial year ended 31 December 2025 with the external auditors prior to the commencement of audit.

b. Internal Audit

- Reviewed and approved the Internal Audit Plan of the Group with the selected auditable areas for each reporting quarter of 2025;
- Reviewed and deliberated on the Internal Audit reports, recommendations and management responses;
- Reviewed the corrective actions taken on the audit findings, outstanding audit issues from previous audits to ensure that actions have been taken timely and effectively; and
- Conducted independent meeting with the Internal Auditors during the year without the presence of the Executive Directors and Management.

c. Risk Management

- Reviewed the risk profiles of the Group, including action plans and strategies to address these risks identified; and
- Reviewed the risk policy and risk appetite of the Group and recommended to the Board for approval and inclusion in the Statement on Risk Management and Internal Control.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

SUMMARY OF ACTIVITIES OF AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

- d. Financial Reporting
- Reviewed the unaudited quarterly reports before recommending for Board's approval for submission to Bursa Securities and Securities Commission Malaysia.
- e. Related Party Transactions
- Reviewed, with the assistance of the Internal Auditors, the related party transactions entered into by the Company and the Group to ensure that the transactions entered into were in adherence to Main LR of Bursa Securities and the recurrent related party transactions entered were within the approved limits of the shareholders' mandate on recurrent related party transactions during the year.
- f. Conflict of Interest
- Reviewed and monitored all potential and actual conflict of interest situation of directors and key senior management that may arise and the measures identified to resolve, eliminate or mitigate the conflict of interest in compliance with the Main LR.
- g. Annual Report
- Reviewed the Statement on Risk Management and Internal Control and recommended to the Board for approval and inclusion in the 2024 Annual Report; and
 - Presented the Audit and Risk Management Committee Report to the Board for approval and inclusion in the 2024 Annual Report.

INTERNAL AUDIT FUNCTION

During the financial year ended 31 December 2025, the Audit and Risk Management Committee is supported by an outsourced internal audit service provider firm, SocialGreen Governance Sdn Bhd ("SGG"), in the discharge of its duties and responsibilities.

The Group has engaged SocialGreen Governance Sdn. Bhd. ("SGG" or the "Internal Auditor") to carry out its internal audit function. SGG is a reputable professional firm supported by a team of qualified and experienced audit professionals. The internal audit engagement is led by Ms. Andrea Huang Jia Mei, a member of the Institute of Internal Auditors Malaysia ("IIA"), the Malaysian Institute of Accountants (MIA), and the Association of Chartered Certified Accountants (ACCA). She brings with her over 20 years of extensive experience in external auditing, corporate secretarial practice, and internal auditing.

The Internal Auditors carried out a meeting with Management to discuss on the audit observations for each cycle of internal audit engagement. The Internal Auditor reports directly to the Audit and Risk Management Committee and is independent of the activities it audits. The primary responsibility of the Internal Auditor is to undertake regular and systematic reviews of the risk management process, systems of internal controls and governance practices of the Company and the Group in conformance with the International Professional Practices Framework so as to provide reasonable assurance that the risk management process, systems of internal controls and governance practices are operating satisfactorily and effectively and are in line with the Group's goals and objectives. The results of the internal audits provided in the Internal Audit Reports together with the findings and recommendation for improvements were presented to the Audit and Risk Management Committee for deliberations. The resulting reports from the internal audits were also forwarded to the Management for attention and necessary corrective actions. The functions and responsibilities of the Internal Audit Function are embodied in the Internal Audit Charter.

All Internal Audit personnel in the service provider firm do not have family relationships with any Directors or major shareholders of the Company and the Group. They also do not have any conflicts of interest which could impair their objectivity and independence.

The internal audit activities carried out by Internal Auditors for the financial year ended 31 December 2025 included, inter alia, the following:

- reviewed and assessed the adequacy and integrity of control environment and systems of internal control of the Group;
- reported on audit findings noted from risk based internal audit on the risks areas highlighted in the risk profile of Parkwood;
- reviewed and reported on the follow-up status of previous audit findings; and
- conducted risk assessment for the implementation of an enterprise risk management framework.

The costs incurred by the Group in relation to the Internal Audit function for outsourced internal audit and risk management services for the financial year ended 31 December 2025 amounted to approximately RM56,000.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-Fifth Annual General Meeting (“55th AGM”) of Parkwood Holdings Berhad [Registration No. 196901000692 (9118-M)] (“the Company”) will be held at Level 5, Menara LGB, No. 1, Jalan Wan Kadir, Taman Tun Dr. Ismail, 60000 Kuala Lumpur on Thursday, 18 June 2026 at 11.00 a.m. for the following purposes:

ORDINARY BUSINESS:-

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Directors’ and Auditors’ Reports thereon. **(Please refer to Explanatory Note to the Agenda)**
2. To approve the payment of Directors’ fees of RM216,000.00 for the financial year ended 31 December 2025. **Ordinary Resolution 1**
3. To approve the payment of Directors’ benefits (other than Directors’ fees) of RM66,000.00 for the period from 19 June 2026 until the conclusion of the next Annual General Meeting of the Company. **Ordinary Resolution 2**
4. To re-elect Ms. Jessica Low May-Teng, who retires by rotation pursuant to Clause 123 of the Company’s Constitution. **Ordinary Resolution 3**
5. To re-elect Mr. Chin Kok Siong, who retires by rotation pursuant to Clause 123 of the Company’s Constitution. **Ordinary Resolution 4**
6. To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. **Ordinary Resolution 5**

SPECIAL BUSINESS:-

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

7. **Authority for Directors to allot and issue shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 (“the Act”)** **Ordinary Resolution 6**

“**THAT** pursuant to Sections 75 and 76 of the Act, the Directors be and are hereby authorized to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting (“AGM”) and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being, subject always to the Constitution of the Company and approval of all relevant regulatory bodies being obtained for such allotment and issuance.

THAT pursuant to Section 85 of the Act and Clause 12 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from issuance of new shares pursuant to this mandate.

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 ANNUAL GENERAL MEETING (CONT'D)

8. **Proposed New Shareholders' Mandate for Recurrent Related Party Transaction of a Revenue or Trading In Nature ("Proposed New Shareholders' Mandate")** **Ordinary Resolution 7**

"THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company to enter into recurrent related party transactions of a revenue or trading in nature ("Recurrent Related Party Transactions") with the related party as specified in Section 2.4 of the Circular to Shareholders dated 30 April 2026 subject further to the following:-

- (i) the Recurrent Related Party Transactions are in the ordinary course of business which are necessary for day-to-day operations and are on normal commercial terms not more favourable than those generally available to the public and are not detrimental to the minority shareholders of the Company;
- (ii) the disclosure is made in the Annual Report on the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year and that such approval shall, commence immediately upon the passing of this ordinary resolution and continue to be in force until:
 - (a) the conclusion of the next AGM of the Company following the forthcoming AGM at which time it will lapse unless by a resolution passed at a general meeting, the authority is renewed; or
 - (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (c) it is revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things as they may consider necessary or expedite to give effect to transactions contemplated and/or authorised by this Ordinary Resolution."

9. To transact any other business of which due notice shall have been given in accordance with the Company's Constitution and the Act.

BY ORDER OF THE BOARD

TAI YIT CHAN (MAICSA 7009143)
(SSM Practising Certificate. No. 202008001023)

CHIN CHOOI WEI (MAICSA 7062555)
(SSM Practising Certificate. No. 202308000544)

Company Secretaries
Kuala Lumpur
30 April 2026

Notes: -

1. In respect of deposited securities, only members whose names appear in the Record of Depositors as at 10 June 2026 ("General Meeting Record of Depositors") shall be eligible to attend the meeting or appoint proxy(ies) to attend, speak and/or vote on his/her behalf.
2. If a member is unable to attend and vote at the Meeting, he/she may appoint a proxy to attend and vote at the Meeting on his/her behalf. The proxy may but need not be a member of the Company. A member may appoint any person to be his proxy without limitation and there shall be no restrictions as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Notes: - (Cont'd)

3. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
5. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, he/she may appoint at least one proxy in respect of each securities' account he holds with ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. The instrument appointing a proxy must be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll.
8. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
9. Last date and time for lodging the proxy form is Tuesday, 16 June 2026 at 11.00 am.

Explanatory Notes to the Agenda:-

Item 1 of the Agenda

This item of the Agenda is meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item of the Agenda is not put forward for voting.

Item 2 of the Agenda – Ordinary Resolution 1

The Proposed Ordinary Resolution 1 is to facilitate the payment of Directors' Fees for the financial year ended 31 December 2025 to the Directors of RM216,000.00.

Pursuant to Section 230(1) of the Act, the Company shall at every AGM approve the fees of the Directors of the Company and its subsidiaries. The Directors' fees payable to the Directors have been reviewed by the Remuneration Committee and the Board of Directors of the Company.

Item 3 of the Agenda - Ordinary Resolution 2

Payment of Directors' benefits (other than Directors' fees)

In compliance with Section 230(1) of the Act, the Company is seeking for shareholders' approval for payment of Directors' benefits (other than Directors' fees) of RM66,000.00 for the period from 19 June 2026 until the conclusion of the next AGM of the Company.

The calculation is based on the estimated number of scheduled and/or special Board and Board Committees' meetings and on the assumption that all the Directors will remain in office until the next AGM.

Items 4 & 5 of the Agenda – Ordinary Resolutions 3 and 4

Pursuant to Clause 123 of the Company's Constitution, Ms. Jessica Low May-Teng and Mr. Chin Kok Siong standing for re-election at the 55th AGM and being eligible, have offered themselves for re-election as Directors of the Company.

The Board of Directors has through the Nomination Committee carried out the necessary assessment on the aforesaid Directors are concluded that they met the criteria as prescribed under Paragraph 2.20A of the Main Market Listing Requirements on character, experience, integrity, competence, and time commitment to effectively discharged the roles as Directors.

The Profile of the Directors standing for re-election are provided on pages 3 to 5 in the Annual Report 2025.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Explanatory Notes to the Agenda:- (Cont'd)

Item 6 of the Agenda – Ordinary Resolution 5

The Audit and Risk Management Committee (“ARMC”) had at the meeting held on 23 April 2026 assessed the suitability, objectivity and independence of the External Auditors of the Company, Messrs Crowe Malaysia PLT for the financial year ending 31 December 2026 and recommended the reappointment of Messrs Crowe Malaysia PLT. The Board had in turn reviewed the recommendation of the ARMC and recommended the same be tabled to the shareholders for approval of the 55th AGM of the Company.

Item 7 of the Agenda – Ordinary Resolution 6

Authority for Directors to allot and issue shares in the Company pursuant to Sections 75 and 76 of the Act

The Ordinary Resolution 6 is to seek for the shareholders’ approval of a general mandate for issuance of shares by the Company under Sections 75 and 76 of the Act.

The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for purpose of funding the working capital or strategic development of the Group. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM. At this juncture, there is no decision to issue new shares, but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the general mandate is sought, the Company will make an announcement in respect thereof.

The Company did not allot and issue any shares pursuant to the general mandate granted by the shareholders at the previous AGM.

Item 8 of the Agenda – Ordinary Resolution 7

Proposed New Shareholders’ Mandate for Recurrent Related Party Transaction of a Revenue or Trading In Nature (“Proposed New Shareholders’ Mandate”)

The Ordinary Resolution 7, if passed, will allow the Company and its subsidiaries (“the Group”) to enter into Recurrent Related Party Transaction in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Securities without the necessity to convene separate general meetings from time to time to seek shareholders’ approval as and when such Recurrent Related Party Transaction occur. This would reduce substantial administrative time, inconvenience and resources associated with the convening of such meetings without compromising the corporate objectives of the Group or affecting the business opportunities available to the Group. The Proposed New Shareholders’ Mandate is subject to renewal on an annual basis.

Please refer to the Circular to Shareholders dated 30 April 2026 for further information.

Personal Data Policy

By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the member of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The member agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder’s breach of warranty.

LIST OF PROPERTIES

Tenure	Leasehold
Size	Lot PT 329: 6,752 sq. metres Lot PT 330: 182 sq. metres Total: 6,934 sq. metres
Carrying Value (RM)	10,890,308
Location	Both located at Kg Sg Kayu Ara Mukim of Sungai Buloh Daerah Petaling Selangor Darul Ehsan
Description / Existing Use	Property Development 99 years lease (expiring in 2117)
Date of acquisition	4 December 2017
Tenure	Leasehold
Size	46,509 sq. metres
Carrying Value (RM)	152,663,840
Address	Lot 22, Jalan Pelaya 15/1, Section 15 40200 Shah Alam Selangor Darul Ehsan
Location	H.S.(D) 172552 Bandar Shah Alam Daerah Petaling Selangor Darul Ehsan
Description / Existing Use	Investment Property and Property Development 99 years lease (expiring in 2074) Buildings approximately 9 years
Date of valuation	31 December 2025
Tenure	Leasehold
Size	Lot 70303: 2,429 sq. metres Lot 70304: 2,448 sq. metres Lot 70305: 2,360 sq. metres Lot 70306: 2,467 sq. metres Lot 70307: 4,661 sq. metres Total: 14,365 sq. metres
Carrying Value (RM)	34,971,771
Address	Lot 70303 - 70307 Jalan PJU 10/1A Damansara Damai 47830 Petaling Jaya Selangor Darul Ehsan
Location	Mukim of Sungai Buloh Daerah Petaling Selangor Darul Ehsan
Description / Existing Use	Investment Property and Property Development 99 years lease (expiring in 2103) Buildings approximately 19 years
Date of valuation	11 December 2025

LIST OF PROPERTIES (CONT'D)

Tenure	Freehold
Size	Lot 5021: 6,125 sq. metres Lot 5022: 33,551 sq. metres Lot 5023: 32,385 sq. metres Lot 5024: 32,375 sq. metres Lot 5025: 26,275 sq. metres
Carrying Value (RM)	32,653,425
Address	Lot 5021 – Lot 5025 Mukim Rawang Daerah Gombak Selangor Darul Ehsan
Location	Mukim of Rawang Daerah Gombak Selangor Darul Ehsan
Description / Existing Use	Property Development
Date of valuation	25 October 2024

ANALYSIS OF SHAREHOLDINGS AS AT 31 MARCH 2026

Share Classification and Voting Rights

Class of Shares	: Ordinary Shares
Voting Rights by show of hand	: One vote for every member
Voting Rights by poll	: One vote for every share held
Issued and Paid-up Capital	: 595,675,769 Ordinary Shares (including 6,797,300 ordinary shares retained as Treasury Shares)

1. Distribution of Shareholdings and Number of Shareholders as at 31 March 2026

Size of Shareholdings	No. of Shareholders	Percentage (%) of Shareholdings	No. of Shares Held	Percentage (%) of Issued Shares
Less than 100	517	17.42	17,966	0.01
100 – 1,000	300	10.11	109,631	0.02
1,001 – 10,000	1,487	50.10	5,112,221	0.87
10,001 – 100,000	492	16.58	16,359,570	2.77
100,001 – 29,443,923*	170	5.72	134,172,854	22.78
29,443,924 and above**	2	0.07	433,106,227	73.55
Total	2,968	100.00	588,878,469	100.00

* - Less than 5% of issued shares

** - 5% and above of issued shares

2. List of Substantial Shareholders as per Register of Substantial Shareholders as at 31 March 2026

Name	No. of Shares			
	Direct	%	Indirect	%
Telaxis Sdn Bhd	433,106,227	73.55	-	-
Dato' Lim Chee Meng	94,500	0.02	*433,106,227	73.55
Mr Lim Chin Sean	-	-	*433,106,227	73.55
LGB Group Sdn Bhd	-	-	#433,106,227	73.55
LGB Holdings Sdn Bhd	-	-	#433,106,227	73.55
Adil Cita Sdn Bhd	-	-	#433,106,227	73.55

Notes:-

* Deemed interest by virtue of his interest in Telaxis Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

Deemed interest by virtue of its interest in Telaxis Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

3. List of Directors' Shareholdings as per Register of Directors' Shareholdings as at 31 March 2026

Name	No. of Shares			
	Direct	%	Indirect	%
a) Mr. Lim Chin Sean	-	-	*433,106,227	73.55
b) Datuk Hew Lee Lam Sang	-	-	-	-
c) Ms. Irene Kam Sok Khuan	-	-	-	-
d) Ms. Jessica Low May-Teng	-	-	-	-
e) Mr. Chin Kok Siong	-	-	-	-
f) Mr. Chan Keen Wai (Alternate Director to Mr. Chin Kok Siong)	-	-	-	-

Notes:-

* Deemed interest by virtue of his interest in Telaxis Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

ANALYSIS OF SHAREHOLDINGS (CONT'D)
AS AT 31 MARCH 2026

4. List of Thirty (30) Largest Shareholders as per Records of Depositors as at 31 March 2026

No.	Name of Shareholders	No. of Shares Held	Percentage (%)
1	Telaxis Sdn Bhd	327,976,904	55.70
2	Telaxis Sdn Bhd	105,129,323	17.85
3	Ertidaya Sdn Bhd	7,485,216	1.27
4	Era Erat Sdn Bhd	6,194,829	1.05
5	Tan Chee Fatt	6,000,000	1.02
6	Wong Mei Sun	5,993,000	1.02
7	Lim Kian Wat	5,916,900	1.00
8	Kenanga Nominees (Asing) Sdn Bhd <i>Pledged Securities Account for Ra Wha Hyun (009)</i>	4,882,400	0.83
9	Siew Min Chung	4,664,500	0.79
10	Lai Thiam Poh	4,425,900	0.75
11	Lim Kian Wat	4,389,900	0.74
12	Yap Kiew @ Yap Yoke Ho	4,102,000	0.70
13	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Ng Boon Kheong</i>	3,784,700	0.64
14	CGS International Nominees Malaysia (Tempatan) Sdn Bhd <i>Pledged Securities Account for Ng Geok Wah (B Brklang-CL)</i>	3,655,700	0.62
15	Excel Impression Sdn Bhd	3,654,856	0.62
16	Kenanga Nominees (Asing) Sdn Bhd <i>Pledged Securities Account for Liew Yoon Peck</i>	3,104,600	0.53
17	Cimsec Nominees (Tempatan) Sdn Bhd <i>CIMB For Mettiz Capital Sdn Bhd (Pb)</i>	2,800,000	0.48
18	Low Keang Shein	2,500,000	0.43
19	Tay Wai Ming	2,437,500	0.41
20	Wong Wai Kuan	2,419,900	0.41
21	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Ong Kok Thye</i>	2,370,000	0.40
22	Ng Boon Kheong	1,960,000	0.33
23	Mass Ocean Sdn. Bhd.	1,720,644	0.29
24	Chia Kah Ying	1,717,200	0.29
25	Liew Yoon Peck	1,524,000	0.26
26	Affin Hwang Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Tan Kim Meng (M10)</i>	1,280,000	0.22
27	UOB Kay Hian Nominees (Asing) Sdn Bhd <i>Exempt An For UOB Kay Hian Pte Ltd (A/C Clients)</i>	1,185,050	0.20
28	Victor Lim Fung Tuang	1,164,200	0.20
29	Affin Hwang Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Tang Vee Mun (Datuk)</i>	1,117,700	0.19
30	Soo Eng Choon	1,055,250	0.18
	Total	526,612,172	89.43

ANALYSIS OF WARRANT HOLDINGS AS AT 31 MARCH 2026

No. of Warrant Issued	: 39,213,441
No. of Warrant Unexercised	: 39,213,441
Exercise Price	: RM0.11 per Warrant
Issue Date	: 20 August 2025
Expiry Date	: 19 August 2030
No. of Warrant Holders	: 118

1. Distribution of Warrant Holdings and Number of Warrant Holders as at 31 March 2026

Size of Warrant Holdings	No. of Warrant holders	Percentage (%) of Warrant holdings	No. of Warrant Held	Percentage (%) of Issued Warrant
Less than 100	4	3.39	150	0.01
100 – 1,000	58	49.15	51,597	0.13
1,001 – 10,000	31	26.27	122,589	0.31
10,001 – 100,000	21	17.79	503,225	1.28
100,001 – 1,960,672*	2	1.70	389,437	0.99
1,960,673 and above**	2	1.70	38,146,443	97.28
Total	118	100.00	39,213,441	100.00

* - Less than 5% of issued shares

** - 5% and above of issued shares

2. List of Substantial Warrant Holders as per Register of Substantial Warrant Holders as at 31 March 2026

Name	No. of Warrant			
	Direct	%	Indirect	%
Telaxis Sdn Bhd	38,146,443	97.28	-	-
Dato' Lim Chee Meng	7,875	0.02	*38,146,443	97.28
Mr Lim Chin Sean	-	-	*38,146,443	97.28
LGB Group Sdn Bhd	-	-	#38,146,443	97.28
LGB Holdings Sdn Bhd	-	-	#38,146,443	97.28
Adil Cita Sdn Bhd	-	-	#38,146,443	97.28

Notes:-

* Deemed interest by virtue of his interest in Telaxis Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

Deemed interest by virtue of its interest in Telaxis Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

3. List of Directors' Warrant Holdings as per Register of Directors' Warrant Holdings as at 31 March 2026

Name	No. of Warrant			
	Direct	%	Indirect	%
a) Mr. Lim Chin Sean	-	-	*38,146,443	97.28
b) Datuk Hew Lee Lam Sang	-	-	-	-
c) Ms. Irene Kam Sok Khuan	-	-	-	-
d) Ms. Jessica Low May-Teng	-	-	-	-
e) Mr. Chin Kok Siong	-	-	-	-
f) Mr. Chan Keen Wai (Alternate Director to Mr. Chin Kok Siong)	-	-	-	-

Notes:-

* Deemed interest by virtue of his interest in Telaxis Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

ANALYSIS OF WARRANT HOLDINGS (CONT'D)

AS AT 31 MARCH 2026

4. List of Thirty (30) Largest Warrant Holders as per Records of Depositors as at 31 March 2026

No.	Name of Shareholders	No. of Warrant Held	Percentage (%)
1	Telaxis Sdn Bhd	28,923,378	73.76
2	Telaxis Sdn Bhd	9,223,065	23.52
3	Wong Mei Sun	250,000	0.64
4	Affin Hwang Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Tang Vee Mun (Datuk)</i>	139,437	0.36
5	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Bernard Lim Alain Keet</i>	53,050	0.14
6	Maybank Nominees (Tempatan) Sdn Bhd Tan Sun Ping	49,300	0.13
7	Teo Pei Xiang	37,400	0.09
8	Leow Ho Keng	36,400	0.09
9	Maybank Nominees (Asing) Sdn Bhd <i>Maybank Securities Pte Ltd for Neo Ka Chiam</i>	33,750	0.09
10	Tan Zi Lin	30,000	0.08
11	Maybank Nominees (Tempatan) Sdn Bhd <i>Wong Yee Ling</i>	26,300	0.07
12	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tan Eng Hock (100100)</i>	25,000	0.06
13	Melissa Lim Su Lin	25,000	0.06
14	Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Eu Khong Wee (E-KLG)</i>	25,000	0.06
15	Wee Kok Siang	20,000	0.05
16	Lim E @ Lim Hoon Nam	16,875	0.04
17	Nor Kahijah Binti Arbain	16,700	0.04
18	Fazlina Binti Din	16,000	0.04
19	Tan Lay Chong	16,000	0.04
20	Sew Pick Choo	14,000	0.04
21	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Chong Yong Lin (08CJ539Q-008)</i>	13,750	0.03
22	Affin Hwang Nominees (Asing) Sdn Bhd <i>Exempt An for Lim & Tan Securities Pte Ltd (Clients A/c)</i>	12,500	0.03
23	Maybank Nominees (Tempatan) Sdn Bhd <i>Chiu Lian Tee</i>	12,500	0.03
24	Pang Teck Fatt	12,500	0.03
25	Tay Kim Chuan	11,200	0.03
26	Chok Thiam Yee	10,000	0.03
27	Yap Wan Choon	10,000	0.03
28	Teh Siok Wah	8,750	0.02
29	Mary Seow	8,500	0.02
30	Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Ang Kar Heng (E-SJA)</i>	8,350	0.02
Total		39,084,705	99.67



FINANCIAL REVIEW



95	Directors' Report
100	Statement by Directors
100	Statutory Declaration
101	Independent Auditors' Report
104	Statements of Financial Position
105	Statements of Profit or Loss and Other Comprehensive Income
106	Statements of Changes in Equity
107	Statements of Cash Flows
109	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 businesses of investment holding and property development.

The principal activities of the subsidiaries are set out in “Subsidiaries” of this report.

RESULTS

	The Group RM	The Company RM
Profit after taxation for the financial year	5,638,467	8,923,452
Attributable to:-		
Owners of the Company	5,638,467	8,923,452

DIVIDENDS

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

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) the Company increased its issued and paid-up share capital from RM46,239,324 to RM72,403,667 by way of an issuance of 313,707,585 new ordinary shares at an issue price of RM0.09 per share arising from the issuance of rights issue on the basis of two Rights Shares for every one ordinary share held together with 39,213,441 new free detachable warrants.

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

- (b) the Company issued 98,372,000 redeemable convertible preference shares (“RCPS”) at RM0.11 per share to the immediate holding company, Telaxis Sdn. Bhd. to fund the existing and future property development projects of the Group and of the Company.
- (c) there were no issues of debentures by the Company.

DIRECTORS REPORT (CONT'D)

TREASURY SHARES

There were no ordinary shares repurchased during the year. The repurchased shares are being held as treasury shares and carried at cost in accordance with the requirements of Section 127(6) of the Companies Act 2016.

As at 31 December 2025, the Company held as treasury shares a total of 6,797,300 of its 595,675,769 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM3,724,544.

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 there all known bad debts had been written off and that no allowance for impairment losses on receivables is required.

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 setting up of 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 results 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 results 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:-

Lim Chin Sean
Chin Kok Siong
Datuk Hew Lee Lam Sang
Irene Kam Sok Khuan
Jessica Low May-Teng
Chan Keen Wai (as alternate director to Chin Kok Siong)

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

Datin Lim Ai Ling
Lim Shiak Ling

DIRECTORS' INTERESTS

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

	Number of Ordinary Shares			
	At 1.1.2025	Bought	Sold	At 31.12.2025
The Company				
<i>Indirect Interest</i>				
Lim Chin Sean [#]	127,550,667	305,555,560	-	433,106,227
	Number of Redeemable Convertible Preference Shares			
	At 1.1.2025	Bought	Redeemed/ Converted	At 31.12.2025
The Company				
<i>Indirect Interest</i>				
Lim Chin Sean [#]	-	98,372,000	-	98,372,000
	Number of Warrants			
	At 1.1.2025	Free Warrant*	Exercised	At 31.12.2025
The Company				
<i>Indirect Interest</i>				
Lim Chin Sean [#]	-	38,146,443	-	38,146,443

* Free Warrants issue on the basis of 1 free warrant for every 8 Rights Shares subscribed for.

Deemed interest by virtue of his direct substantial shareholding in the immediate holding company, Telaxis Sdn. Bhd.

DIRECTORS REPORT (CONT'D)

DIRECTORS' INTERESTS (CONT'D)

By virtue of his shareholding in the immediate holding company, Lim Chin Sean is deemed to have interest in shares in the Company and its related corporations during the financial year to the extent of the immediate holding company's interests, in accordance with Section 8 of the Companies Act 2016.

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

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 35(b) to the financial statements.

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

DIRECTORS' REMUNERATION

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

	The Group/ The Company RM
Fees	216,000
Salaries, bonuses and other benefits	1,481,306
Contributions to defined contribution benefits	146,886
Estimated money value of benefits-in-kind	57,795
	1,901,987

INDEMNITY AND INSURANCE COST

No indemnity given to, nor insurance effected for, the directors, officers or auditors of the Company.

SUBSIDIARIES

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

Name of Subsidiary	Country of Incorporation	Percentage of Issued Share Capital Held by Parent	Principal Activities
Parkwood Damai Sdn. Bhd.	Malaysia	100%	Property development.
Parkwood Developments Sdn. Bhd.	Malaysia	100%	Trading of construction related materials and project management activities.
Parkwood Templers Sdn. Bhd.	Malaysia	100%	Property development.
Parkwood Sdn. Bhd.	Malaysia	100%	Property development.

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

DIRECTORS REPORT (CONT'D)

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 13 January 2025, Telaxis had issued an undertaking letter to:
- (i) Subscribe in full for its entitlement of rights issues of new ordinary shares (“Rights Shares”) with warrants based on its shareholding as at Entitlement Date; and
 - (ii) Apply and subscribe by way of excess Rights Shares application, such number of additional Rights Shares not taken up or validly taken up by other Entitled Shareholders and/or their renounce(s).
- The Company had on even date accepted the Undertaking. Subsequently on 11 April 2025, Telaxis had issued a revised undertaking letter to irrevocably undertake to apply and subscribe for an aggregate of 305,555,560 Rights Shares and the Company had on even date accepted the Undertaking.
- (b) On 28 February 2025, a subsidiary of the Group, Parkwood Templers Sdn. Bhd., completed the acquisition of four (4) parcels of freehold land located at Mukim Rawang, Daerah Gombak, Negeri Selangor, with a total area of approximately 12.4586 hectares, for a total purchase price of RM27,000,000.
- (c) On 10 March 2025, the Company had entered into a supplemental share subscription agreement to the SSA (“Supplemental SSA”) with Telaxis to revise the terms of the Redeemable Convertible Preference Shares (“RCPS”), in particular:
- (i) Introduction of a new term “Adjustments to Conversion Ratio”; and
 - (ii) Substitution of the earlier term in relation to the conversion of the RCPS upon maturity with “Mandatory Redemption on Maturity Date”.
- (d) On 11 July 2025, the Company has resolved to fix the issue price of Rights Shares at RM0.09 per Rights Share (“Issue Price”) and exercise price of the Warrants at RM0.11 per Warrant (“Exercise Price”). Subsequently, on 10 September 2025, a total of 313,707,585 Rights Shares and 39,213,441 Warrants were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad.
- (e) On 23 September 2025, the Company completed the subscription of 98,372,000 Redeemable Convertible Preference Shares (“RCPS”) by Telaxis Sdn. Bhd. pursuant to the corporate proposals. The RCPS issued are not listed or quoted on Bursa Malaysia Securities Berhad.

HOLDING COMPANIES

The immediate and ultimate holding companies are Telaxis Sdn. Bhd. and LGB Group Sdn. Bhd., respectively. Both the aforesaid holding companies are incorporated in Malaysia.

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	145,000	58,000
Non-audit fees	77,000	77,000
	222,000	135,000

Signed in accordance with a resolution of the directors dated 23 April 2026.

Lim Chin Sean

Chin Kok Siang

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

We, Lim Chin Sean and Chin Kok Siong, being two of the directors of Parkwood Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on pages 104 to 150 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 23 April 2026.

Lim Chin Sean

Chin Kok Siong

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

I, Chin Kok Siong, MIA Membership Number: 8796, being the director primarily responsible for the financial management of Parkwood Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 104 to 150 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
Chin Kok Siong, NRIC Number: 650410-03-5447
at Kuala Lumpur
in the Federal Territory
on this 23 April 2026.

Before me

Chin Kok Siong

Muhammad Faiz Dharmendra Bin Abdullah
Commissioner for Oaths
No. W737

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF PARKWOOD HOLDINGS BERHAD
(INCORPORATED IN MALAYSIA)
REGISTRATION NO: 196901000692 (9118 - M)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Parkwood Holdings 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 104 to 150.

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, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

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

Valuation of Investment Property	
Refer to Notes 5.1(b) and 8 to the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
The Group's investment property is stated at fair value. The fair value of the investment property was determined based on valuation performed by an independent firm of professional valuers.	Our procedures included, amongst others:- (a) evaluated the objectivity, independence and capabilities of the professional valuers;
The carrying value of investment property as at 31 December 2025 amounted to RM55.6 million.	(b) assessed the appropriateness of the valuation model, property related data, including estimates used by the professional valuers; and
Significant judgement is required by directors in determining the fair value of investment property. We identified the valuation of investment property as a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the judgement associated with determining the value.	(c) assessed the reasonableness of the assumptions used in the valuation and judgements made.

INDEPENDENT AUDITORS' REPORT (CONT'D)
 TO THE MEMBERS OF PARKWOOD HOLDINGS BERHAD
 (INCORPORATED IN MALAYSIA)
 REGISTRATION NO: 196901000692 (9118 - M)

Key Audit Matters (Cont'd)

Valuation of Property Development Costs	
Refer to Notes 5.1(i) and 13 to the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>The carrying value of property development costs as at 31 December 2025 amounted to RM97,063,840.</p> <p>The recoverability of property development costs are assessed based on the estimation of the net realisable value ("NRV") of the underlying properties. This involves considerable analyses of estimated cost to completion, committed contracts and expected future selling price based on the prevailing market conditions such as market prices of comparable standards and locations. The NRV of the property development costs was determined based on valuation performed by an independent firm of professional valuers.</p> <p>We focus on the valuation of the carrying amount of property development costs because the estimates made by the management in determining the NRV. We identified the valuation of property development cost as a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the judgements associated with determining the value.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> (a) we discussed with management on the basis used to write-down the property development costs at period end to lower of cost and NRV; (b) tested costs incurred to date to supporting documentation such as contractors' claim certificates; (c) assessed the reasonableness of the estimated total property development costs to supporting documentation such as contracts, quotations and variation orders with contractors; (d) checked for any variation orders and checked that changes to contracts and quotations with the contractors, if any, are properly supported; and (e) reviewed the status of the development and the recoverability of the development costs by reviewing the valuation report including: <ul style="list-style-type: none"> (i) evaluated the objectivity, independence and capabilities of the professional valuers; (ii) assessed the appropriateness of the valuation model, property related data, including estimates used by the professional valuers; and (iii) assessed the reasonableness of the assumptions used in the valuation and judgements made.

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.

Responsibilities of the Directors for the Financial Statements

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

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

INDEPENDENT AUDITORS' REPORT (CONT'D)
TO THE MEMBERS OF PARKWOOD HOLDINGS BERHAD
(INCORPORATED IN MALAYSIA)
REGISTRATION NO: 196901000692 (9118 - M)

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 the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we 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

Choong Kok Keong
03461/11/2027 J
Chartered Accountant

Kuala Lumpur
23 April 2026

STATEMENTS OF FINANCIAL POSITION AT 31 DECEMBER 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	6	-	-	53,795,525	51,795,527
Equipment	7	156,173	98,622	1	1
Investment property	8	55,600,000	41,700,000	55,600,000	41,700,000
Right-of-use assets	9	179,925	601,090	-	-
Trade receivables	10	2,471,167	2,450,750	-	-
Land held for property development	11	67,625,196	37,888,082	-	-
Club membership	12	9,273	9,636	9,273	9,636
Other assets		32,060	32,060	19,060	19,060
		126,073,794	82,780,240	109,423,859	93,524,224
CURRENT ASSETS					
Property development costs	13	97,063,840	44,433,498	97,063,840	44,433,498
Inventories	14	10,890,308	20,539,063	-	-
Trade and other receivables	10	3,520,386	7,768,048	202,060	293,846
Amount owing by subsidiaries	15	-	-	27,577,274	21,489,947
Current tax assets		1,758,405	1,118,353	-	-
Short-term investments	16	29,873,508	8,327,113	29,873,508	8,327,113
Cash and bank balances	17	9,328,562	11,941,819	2,102,973	890,658
		152,435,009	94,127,894	156,819,655	75,435,062
TOTAL ASSETS		278,508,803	176,908,134	266,243,514	168,959,286
EQUITY AND LIABILITIES					
EQUITY					
Share capital	18	72,403,667	46,239,324	72,403,667	46,239,324
Reserves	19	107,584,858	100,998,952	123,095,405	113,224,514
Treasury shares	20	(3,724,544)	(3,724,544)	(3,724,544)	(3,724,544)
Redeemable convertible preference shares- equity component	21	2,244,479	-	2,244,479	-
TOTAL EQUITY		178,508,460	143,513,732	194,019,007	155,739,294
NON-CURRENT LIABILITIES					
Redeemable convertible preference shares- liability component	21	8,039,514	-	8,039,514	-
Lease liabilities	22	77,941	188,257	-	-
Borrowings	23	60,628,077	19,450,000	21,128,077	-
Retirement benefit obligations	24	81,744	81,744	-	-
Deferred tax liabilities	25	2,593,316	666,442	2,567,538	510,000
		71,420,592	20,386,443	31,735,129	510,000
CURRENT LIABILITIES					
Trade and other payables	26	20,467,916	10,094,563	16,308,149	4,272,239
Contract liabilities	27	1,104,942	-	-	-
Amount owing to a subsidiary	15	-	-	22,888,834	8,332,554
Lease liabilities	22	110,317	435,821	-	-
Borrowings	23	6,881,089	2,449,646	1,276,908	77,270
Current tax liabilities		15,487	27,929	15,487	27,929
		28,579,751	13,007,959	40,489,378	12,709,992
TOTAL LIABILITIES		100,000,343	33,394,402	72,224,507	13,219,992
TOTAL EQUITY AND LIABILITIES		278,508,803	176,908,134	266,243,514	168,959,286

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

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

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
REVENUE	28	15,434,525	18,258,657	2,458,524	2,458,524
COST OF SALES		(10,267,269)	(13,564,281)	(370,158)	(688,071)
GROSS PROFIT		5,167,256	4,694,376	2,088,366	1,770,453
OTHER INCOME	29	15,283,767	1,284,416	14,292,516	671,332
		20,451,023	5,978,792	16,380,882	2,441,785
SELLING AND DISTRIBUTION EXPENSES		(2,177,564)	(539,611)	(93,867)	(27,836)
ADMINISTRATIVE EXPENSES		(8,063,297)	(7,010,236)	(5,177,660)	(4,613,549)
OTHER EXPENSES		(507,710)	(1,621,566)	-	-
PROFIT/(LOSS) FROM OPERATIONS		9,702,452	(3,192,621)	11,109,355	(2,199,600)
FINANCE COSTS		(3,239,985)	(1,594,267)	(844,208)	(11,869)
PROFIT/(LOSS) BEFORE TAXATION	30	6,462,467	(4,786,888)	10,265,147	(2,211,469)
INCOME TAX EXPENSE	31	(824,000)	(620,466)	(1,341,695)	10,825
PROFIT/(LOSS) AFTER TAXATION		5,638,467	(5,407,354)	8,923,452	(2,200,644)
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE INCOME/ (EXPENSES) FOR THE FINANCIAL YEAR		5,638,467	(5,407,354)	8,923,452	(2,200,644)
PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		5,638,467	(5,407,354)	8,923,452	(2,200,644)
TOTAL COMPREHENSIVE INCOME/ (EXPENSES) ATTRIBUTABLE TO:-					
Owners of the Company		5,638,467	(5,407,354)	8,923,452	(2,200,644)
EARNINGS/(LOSS) PER SHARE (SEN)					
Basic	32(a)	1.52	(1.97)		
Diluted	32(b)	1.42	(1.97)		

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

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	←----- Non-distributable -----→						Distributable	
	Share Capital RM	Treasury Shares RM	Convertible Preference Shares RM	Asset Revaluation Reserve RM	Capital Reserve RM	Warrant Reserve RM	Retained Profits RM	Total Equity RM
The Group								
Balance at 1.1.2024	46,239,324	(3,724,544)	-	24,539,768	48,208,750	-	33,657,788	148,921,086
Loss after taxation for the financial year	-	-	-	-	-	-	(5,407,354)	(5,407,354)
Balance at 31.12.2024/1.1.2025	46,239,324	(3,724,544)	-	24,539,768	48,208,750	-	28,250,434	143,513,732
Profit after taxation for the financial year	-	-	-	-	-	-	5,638,467	5,638,467
Contribution by owners:								
- Issuance of right issues with free warrants	26,164,343	-	-	-	-	947,439	-	27,111,782
Issuance of redeemable convertible preference shares	-	-	2,244,479	-	-	-	-	2,244,479
Balance at 31.12.2025	72,403,667	(3,724,544)	2,244,479	24,539,768	48,208,750	947,439	33,888,901	178,508,460
The Company								
Balance at 1.1.2024	46,239,324	(3,724,544)	-	24,539,768	48,208,750	-	42,676,640	157,939,938
Loss after taxation for the financial year	-	-	-	-	-	-	(2,200,644)	(2,200,644)
Balance at 31.12.2024/1.1.2025	46,239,324	(3,724,544)	-	24,539,768	48,208,750	-	40,475,996	155,739,294
Profit after taxation for the financial year	-	-	-	-	-	-	8,923,452	8,923,452
Contribution by owners of the Company:								
- Issuance of right issues with free warrants	26,164,343	-	-	-	-	947,439	-	27,111,782
Issuance of redeemable convertible preference shares	-	-	2,244,479	-	-	-	-	2,244,479
Balance at 31.12.2025	72,403,667	(3,724,544)	2,244,479	24,539,768	48,208,750	947,439	49,399,448	194,019,007

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	The Group		The Company	
	2025	2024	2025	2024
Note	RM	RM	RM	RM
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES				
Profit/(Loss) before taxation	6,462,467	(4,786,888)	10,265,147	(2,211,469)
Adjustments for:-				
Amortisation of club membership	363	364	363	364
Depreciation of equipment	41,787	27,275	-	-
Depreciation of right-of-use assets	421,165	349,196	-	-
Interest expense on lease liabilities	28,039	37,533	-	-
Interest expense on bridging loan	-	101,637	-	-
Interest expense on term loans	2,864,047	1,443,228	496,402	-
Interest expense on overdraft	175,950	11,869	175,950	11,869
Interest expense on redeemable convertible preference shares	171,856	-	171,856	-
Fair value loss on other investment	13,550	1,281,580	-	-
Dividend income	(199,733)	(201,224)	(199,733)	(201,224)
Fair value gain:				
- short-term investments	(149,870)	(160,983)	(149,870)	(160,983)
- investment property	(13,900,000)	-	(13,900,000)	-
Interest income	(469,764)	(499,709)	(42,913)	(59,125)
Operating loss before working capital changes	(4,540,143)	(2,396,122)	(3,182,798)	(2,620,568)
Decrease in inventories	9,648,755	11,597,904	-	-
Increase in property development costs	(52,630,342)	(6,577,307)	(52,630,342)	(6,577,307)
Decrease/(Increase) in trade and other receivables	4,387,325	(3,017,863)	91,786	(191,841)
Increase in amount owing by subsidiaries	-	-	(6,087,327)	(4,930,196)
Increase in amount owing to a subsidiary	-	-	14,556,280	8,332,554
Increase in trade and other payables	10,373,353	2,260,911	12,035,910	2,871,244
Increase in contract liabilities	1,104,942	-	-	-
CASH (FOR)/FROM OPERATIONS	(31,656,110)	1,867,523	(35,216,491)	(3,116,114)
Income tax paid	(381,714)	(879,554)	(14,612)	(33,779)
Income tax refunded	123,311	-	9,230	-
Interest paid	(175,950)	(11,869)	(175,950)	(11,869)
NET CASH (FOR)/FROM OPERATING ACTIVITIES	(32,090,463)	976,100	(35,397,823)	(3,161,762)

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

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

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Dividend received		18,643	37,144	18,643	37,144
Increase in pledged bank balances with a licensed bank		(1,432,496)	(230,766)	(747,292)	(138,325)
Interest income received		307,416	499,709	40,645	59,125
Additional investment in short-term investments		99,644	122,146	99,644	122,146
Purchase of equipment	33(a)	(99,338)	(45,857)	-	-
Purchase of land held for property development		(29,737,114)	(4,314,196)	-	-
Withdrawal of pledged fixed deposits with licensed banks		-	2,599,751	-	2,599,751
Net purchase of short-term investments		(18,701,960)	-	(18,701,960)	-
Additional investment in other investment		(13,550)	(400,580)	-	-
Additional investment in an existing subsidiary		-	-	(1,999,998)	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(49,558,755)	(1,732,649)	(21,290,318)	2,679,841
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES					
Net proceeds from issuance of ordinary shares		27,111,782	-	27,111,782	-
Proceeds from issuance of redeemable convertible preference shares	33(b)	10,820,920	-	10,820,920	-
Proceeds from term loans	33(b)	46,128,077	-	21,128,077	-
Interest paid	33(b)	(2,716,252)	(1,474,722)	(402,373)	-
Repayment of lease liabilities	33(b)	(435,820)	(346,327)	-	-
Repayment of bridging loan	33(b)	-	(2,553,660)	-	-
Repayment of term loan	33(b)	(1,800,000)	-	-	-
NET CASH FROM/(FOR) FINANCING ACTIVITIES		79,108,707	(4,374,709)	58,658,406	-
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(2,540,511)	(5,131,258)	1,970,265	(481,921)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		10,697,902	15,829,160	3,239,143	3,721,064
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	33(d)	8,157,391	10,697,902	5,209,408	3,239,143

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 and listed on the Main Board of Bursa Malaysia Securities Berhad. The registered office and principal place of business are at Unit 8-02, Level 8, Menara LGB, No.1 Jalan Wan Kadir, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of 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 23 April 2026.

2. HOLDING COMPANIES

The immediate and ultimate holding companies are Telaxis Sdn. Bhd. and LGB Group Sdn. Bhd., respectively. Both the aforesaid holding companies are incorporated in Malaysia.

3. PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of investment holding and property development. 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”), IFRS Accounting 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 standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

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

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

4. BASIS OF PREPARATION (CONT'D)

- 4.2 The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

MFRS 18 Presentation and Disclosure of Financial Statements

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

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

(a) Depreciation of Equipment

The estimates for the residual values, useful lives and related depreciation charges for the equipment are based on commercial factors which could change significantly due to technical innovations and competitors' actions in response to market conditions. The Group and the Company anticipate that the residual values of its equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could affect the economic useful lives and residual values of these assets, therefore, future depreciation charges may be revised. The carrying amount of equipment as at the reporting date is disclosed in Note 7 to the financial statements.

(b) Valuation of Investment Property

Investment property of the Group is reported at fair value which is based on valuations performed by independent professional valuers.

The fair value is based on valuations performed by independent professional valuers by reference to the selling prices of recent transactions and asking prices of similar properties of nearby locations and where necessary, adjusting for tenure, location, size and other factors. Also, judgement has been applied in estimating prices for less readily observable external parameters. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting fair value. The carrying amount of the investment property as at the reporting date is disclosed in Note 8 to the financial statements.

(c) Impairment of Investments in Subsidiaries, Equipment and Right-of-use Assets

The Group and the Company determine whether an item of its investments in subsidiaries, equipment and right-of-use assets are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of investments in subsidiaries, equipment and right-of-use assets as at the reporting date are disclosed in Notes 6, 7 and 9 to the financial statements respectively.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(d) Inventories

Completed properties are stated at the lower of cost and net realisable value. Cost is determined on specific identification and comprises cost associated with the purchase of land (including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use), construction costs and other related development costs incurred in bringing the inventories to their present location and condition. The carrying amount of inventories as at the reporting date is disclosed in Note 14 to the financial statements.

(e) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. 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, where applicable. If the expectation is different from the estimation, such a difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date are disclosed in Note 10 to the financial statements.

(f) Impairment on Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amounts owing by subsidiaries as at the reporting date are disclosed in Notes 10 and 15 to the financial statements respectively.

(g) Revenue and Cost Recognition of Property Development Activities

The Group recognises property development revenue as and when the control of the asset is transferred to a customer and it is probable that the Group will collect the consideration to which it will be entitled. The control of the asset may transfer over time or at a point in time depending on the terms of the contract with the customer and the applicable laws governing the contract.

When the control of the asset is transferred over time, the Group recognises property development revenue and costs by reference to the progress towards complete satisfaction of the performance obligation at the end of the reporting period. This is measured based on the Group's efforts or budgeted inputs to the satisfaction of the performance obligation. Significant judgement is required in determining the completeness and accuracy of the budgets and the extent of the costs incurred. Substantial changes in property development cost estimates in the future can have a significant effect on the Group's results. In making the judgement, the Group evaluates and relies on past experience and works of specialists.

(h) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amounts of current tax assets and current tax liabilities of the Group as at the reporting date are RM1,758,405 and RM15,487 (2024 - RM1,118,353 and RM27,929) respectively and the current tax liabilities of the Company is RM15,487 (2024 - RM27,929).

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

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(i) Valuation of Property Development Costs

Property development costs is stated at the lower of cost and net realisable value. The Group determines net realisable value based on valuations performed by independent professional valuers by reference to the selling prices of recent transactions and asking prices of similar properties of nearby locations and where necessary, adjusting for tenure, location, size and other factors. Also, judgement has been applied in estimating prices for less readily observable external parameters. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting fair value. The carrying amount of property development costs as at the reporting date is disclosed in Note 13 to the financial statements.

(j) Valuation of Land Held for Property Development

Land held for property development is stated at the lower of cost and net realisable value. The Group determines net realisable value based on the recent sales transactions of similar properties or comparable properties in similar or nearby locations. The estimation of the selling price in particular is subject to significant inherent uncertainties, in particular the property market. Possible changes in these estimates could result in revisions to the valuation of land held for property development. The carrying amount of land held for property development as at the reporting date is disclosed in Note 11 to the financial statements.

(k) Discount Rates used in Leases

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

Critical Judgements Made in Applying Accounting Policies

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

Lease Terms

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

5.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.2 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets (Cont'd)

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without a 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 Through Profit or Loss

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

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.

Redeemable convertible preference shares are classified as financial liabilities in accordance with the substance of the contractual arrangement of the instruments.

(c) Equity

Ordinary and Redeemable Convertible Preference Shares

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

Treasury Shares

Treasury shares are recorded on initial recognition at the consideration paid less directly attributable transaction costs incurred. The treasury shares are not remeasured subsequently.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the treasury shares. If such shares are issued by resale, any difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity. Where treasury shares are cancelled, their carrying amounts are shown as a movement in retained profits.

(d) Compound Financial Instruments

The proceeds from the issuance of redeemable convertible preference shares are first allocated to the liability component, determined based on the fair value of a similar liability that does not have a conversion feature or similar associated equity component. The residual amount is allocated as the equity component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to the initial recognition, the liability component is measured at amortised cost. The equity component is not remeasured subsequently.

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

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.2 FINANCIAL INSTRUMENTS (CONT'D)

(e) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

5.3 INVESTMENT IN SUBSIDIARIES

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

5.4 EQUIPMENT

All items of equipment are initially measured at cost.

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

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

Electrical installations	10%
Office equipment, furniture and fittings	10% to 20%
Office renovation	10%

5.5 INVESTMENT PROPERTY

Investment property is initially measured at cost. Subsequent to the initial recognition, the investment property is measured at fair value with fair value changes recognised in profit or loss.

5.6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

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

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

(b) Right-of-use Assets

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

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

(c) Lease Liabilities

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.7 INVENTORIES

Completed properties are stated at the lower of cost and net realisable value. Cost is determined on specific identification and comprises cost associated with the purchase of land (including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use), construction costs and other related development costs incurred in bringing the inventories to their present location and condition.

5.8 LAND HELD FOR PROPERTY DEVELOPMENT

Land held for property development represents land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle.

Land held for property development is stated at the lower of cost and net realisable value.

The cost comprises cost associated with the purchase of land, conversion fees and other relevant levies, and an appropriate proportion of common infrastructure costs.

Net realisable value represents the estimated selling price of intended properties that to be developed less the estimated costs of completion and the estimated costs necessary in selling the properties. If future development layout plan is not available, the replacement cost of the land held for property development will be the best available measure of the net realisable value.

Land held for property development is transferred to property development cost category when development activities have commenced and are expected to be completed within the normal operating cycle.

5.9 PROPERTY DEVELOPMENT COSTS

Property development costs are stated at the lower of cost and net realisable value. Cost comprises cost associated with the purchase of land, conversion fees, aggregate cost of development, materials and supplies, wages and other direct expenses, and an appropriate proportion of common infrastructure costs.

The property development costs of unsold units are transferred to inventories once the development is completed.

6. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2025	2024
	RM	RM
Unquoted shares, at cost	66,609,435	64,609,437
Allowance for impairment losses	(12,813,910)	(12,813,910)
	<u>53,795,525</u>	<u>51,795,527</u>
Allowance for impairment losses:-		
At 1 January/31 December	<u>(12,813,910)</u>	<u>(12,813,910)</u>

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

6. INVESTMENTS 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 Parent		Principal Activities
		2025 %	2024 %	
Parkwood Damai Sdn. Bhd.	Malaysia	100	100	Property development.
Parkwood Developments Sdn. Bhd.	Malaysia	100	100	Trading of construction related materials and project management activities.
Parkwood Templers Sdn. Bhd.	Malaysia	100	100	Property development.
Parkwood Sdn. Bhd.	Malaysia	100	100	Property development.

On 19 February 2025, the Company subscribed additional 1,999,998 ordinary shares in Parkwood Templers Sdn. Bhd. for a cash consideration of RM1,999,998 to retain its 100% equity interest.

7. EQUIPMENT

The Group	Electrical Installations RM	Office Equipment, Furniture and Fittings RM	Office Renovation RM	Total RM
2025				
Cost				
At 1 January	1,950	587,466	24,950	614,366
Addition (Note 33(a))	-	99,338	-	99,338
At 31 December	1,950	686,804	24,950	713,704
Accumulated depreciation and impairment losses				
At 1 January	1,251	506,989	7,504	515,744
Depreciation charge during the financial year (Note 30)	195	39,097	2,495	41,787
At 31 December	1,446	546,086	9,999	557,531
<i>Carrying Amount</i>	504	140,718	14,951	156,173
2024				
Cost				
At 1 January	1,950	541,609	24,950	568,509
Addition (Note 33(a))	-	45,857	-	45,857
At 31 December	1,950	587,466	24,950	614,366
Accumulated depreciation and impairment losses				
At 1 January	1,056	482,404	5,009	488,469
Depreciation charge during the financial year (Note 30)	195	24,585	2,495	27,275
At 31 December	1,251	506,989	7,504	515,744
<i>Carrying Amount</i>	699	80,477	17,446	98,622

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

7. EQUIPMENT (CONT'D)

	Office Equipment, Furniture and Fittings RM
The Company	
2025	
Cost	
At 1 January/31 December	3,150
Accumulated depreciation	
At 1 January/31 December	3,149
<i>Carrying Amount</i>	1
2024	
Cost	
At 1 January/31 December	3,150
Accumulated depreciation	
At 1 January/31 December	3,149
<i>Carrying Amount</i>	1

8. INVESTMENT PROPERTY

	The Group/The Company	
	2025	2024
	RM	RM
At 1 January	41,700,000	41,700,000
Gain on changes in fair value (Note 29)	13,900,000	-
At 31 December	55,600,000	41,700,000

The following investment property is held under lease terms:

	The Group/The Company	
	2025	2024
	RM	RM
Included in the above are:-		
Leasehold land	38,800,000	30,600,000
Building	16,800,000	11,100,000
	55,600,000	41,700,000

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

8. INVESTMENT PROPERTY (CONT'D)

- (a) The investment property of the Group and of the Company is leased to a customer under operating leases with rentals payable monthly. The leases contain initial non-cancellable periods of 2 (2024 - 3) years.

As at the reporting date, the future minimum rentals receivable under the non-cancellable operating leases are as follows:-

	The Group/The Company	
	2025	2024
	RM	RM
Within 1 year	2,251,560	2,458,524
Between 1 and 2 years	-	2,251,560
	2,251,560	4,710,084

- (b) The investment property has been charged to a licensed bank as security for banking facilities granted to the Group and the Company as disclosed in Note 23 to the financial statements.
- (c) Investment property is stated at fair value, which have been determined based on valuation performed by an independent firm of professional valuers who have appropriate professional qualification. The fair value of the investment property was determined using comparison approach. This valuation approach seeks to determine the value of the property being valued by comparing and adopting as a yardstick recent sale evidences involving other similar properties in the vicinity. Sales price of comparable properties in close proximity are adjusted for difference in key attributes such as location, size, time and tenure. The most significant input into this valuation approach is the price per square foot of comparable properties. There has been no change to the valuation technique during the financial year.

The fair value of the investment property falls within level 2 of the fair value hierarchy.

There were no transfers between level 1 and level 2 of the fair value hierarchy during the financial year.

9. RIGHT-OF-USE ASSETS

The Group	At	Depreciation	At
	1.1.2025	Charges	31.12.2025
	RM	(Note 30)	RM
<i>Carrying Amount</i>		RM	
Office building	538,303	(358,378)	179,925
Office furniture	62,787	(62,787)	-
	601,090	(421,165)	179,925

The Group	At	Addition	Depreciation	At
	1.1.2024	(Note 33 (a))	Charges	31.12.2024
	RM	RM	(Note 30)	RM
<i>Carrying Amount</i>			RM	
Office building	500,845	323,865	(286,407)	538,303
Office furniture	125,576	-	(62,789)	62,787
	626,421	323,865	(349,196)	601,090

The Group has leased office buildings and office furniture that run for 3 (2024 - 3) years, with an option to renew the lease after that date. The Group is allowed to sublease the office building.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

10. TRADE AND OTHER RECEIVABLES

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<u>Non-current:</u>					
Trade receivables	(a)	2,471,167	2,450,750	-	-
<u>Current:</u>					
Trade receivables	(b)	1,084,440	2,584,015	1,770	1,138
Other receivables:-					
Third parties		47,550	143,747	12,008	128,789
Advances to suppliers	(d)	524,054	492,464	-	-
		571,604	636,211	12,008	128,789
Deposits		1,783,315	4,530,958	172,055	147,055
Prepayments		81,027	16,864	16,227	16,864
		3,520,386	7,768,048	202,060	293,846

- (a) The trade receivables (non-current) are retention sums withheld by Maybank Islamic Berhad under the HouzKEY program. Maybank Islamic Berhad holds a portion equivalent to 15% of the purchase price. These monies will be released by the Maybank Islamic Berhad to the Group when the purchaser choose to terminate through refinances or sells the unit to third party, either after one year or within a maximum period of five years from the date of vacant possession.
- (b) Included in the trade receivables (current) of the Group are retention sums amounting to RM47,604 (2024 - RM1,932,171) withheld by lawyers upon delivery of vacant possession to the property buyers. These monies will be released by the lawyers in 2 stages, the first release will be at the expiry of 8 months and the second release will be at the expiry of 24 months from the date of vacant possession.
- (c) All customers are granted credit periods ranging from 7 to 90 days (2024 - 7 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.
- (d) The advances to suppliers will be offset against retention sum payable to the suppliers.

11. LAND HELD FOR PROPERTY DEVELOPMENT

	The Group	
	2025 RM	2024 RM
At 1 January	37,888,082	33,573,886
Additions	29,737,114	4,314,196
At 31 December	67,625,196	37,888,082
Analysed by:-		
Freehold land	30,900,000	3,900,000
Leasehold land	31,000,000	31,000,000
Development costs	5,725,196	2,988,082
	67,625,196	37,888,082

Land held for property development with a total carrying amount of RM67,625,196 (2024 - RM33,733,003) has been charged to a licensed bank as securities for banking facilities granted to the Group as disclosed in Note 23 to the financial statements.

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

12. CLUB MEMBERSHIP

	The Group/The Company	
	2025	2024
	RM	RM
Transferable club membership, at cost	20,000	20,000
Accumulated amortisation:-		
At 1 January	(10,364)	(10,000)
Amortisation during the financial year (Note 30)	(363)	(364)
At 31 December	(10,727)	(10,364)
	9,273	9,636

13. PROPERTY DEVELOPMENT COSTS

	The Group/The Company	
	2025	2024
	RM	RM
At 1 January:		
- Leasehold land	37,100,000	37,100,000
- Property development costs	7,333,498	756,191
	44,433,498	37,856,191
Property development cost :		
- Cost incurred during the financial year	52,630,342	6,577,307
At 31 December	97,063,840	44,433,498
Analysed by:-		
Leasehold land	37,100,000	37,100,000
Property development costs	59,963,840	7,333,498
	97,063,840	44,433,498

The leasehold land with a carrying amount of RM37,100,000 (2024 - RM37,100,000) has been charged to a licensed bank as securities for banking facilities granted to the Group and the Company as disclosed in Note 23 to the financial statements.

14. INVENTORIES

	The Group	
	2025	2024
	RM	RM
At 1 January	20,539,063	32,136,967
Additional enhancement cost	-	227,711
Inventories recognised as cost of sales	(9,648,755)	(11,825,615)
At 31 December	10,890,308	20,539,063

15. AMOUNTS OWING BY/(TO) SUBSIDIARIES

The non-trade balances are unsecured, interest-free and repayable on demand. The amounts owing are to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

16. SHORT-TERM INVESTMENTS

	The Group/The Company	
	2025	2024
	RM	RM
Fixed income funds, at fair value	24,149,195	5,213,651
Money market funds, at fair value	5,724,313	3,113,462
At 31 December	29,873,508	8,327,113

The short-term investments of the Group and of the Company represent investments in highly liquid money market instruments. These investments are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value. The short-term investments bore effective interest rates ranging from 0.30% to 3.21% (2024 - 0.80% to 3.28%) per annum.

17. CASH AND BANK BALANCES

- (a) Included in the cash and bank balances of the Group is an amount of RM368,529 (2024 - RM1,984,307) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966, as amended by the Housing Developers (Housing Development Account) (Amendment) Regulation, 2002. The amount is held at call with a bank and is available only to the subsidiary involved in the property development activities.
- (b) Included in the cash and bank balances of the Group and of the Company is an amount of RM5,712,605 and RM1,434,999 (2024 - RM4,280,109 and RM687,707) respectively pledged as securities for banking facilities granted to the Group and the Company as disclosed in Note 23 to the financial statements.

18. SHARE CAPITAL

	The Group/The Company			
	2025	2024	2025	2024
Issued and Fully Paid-Up	Number of Shares		RM	RM
Ordinary Shares				
At 1 January	281,968,184	281,968,184	46,239,324	46,239,324
Issuance of shares for cash	313,707,585	-	27,286,244	-
Share issuance expenses	-	-	(1,121,901)	-
At 31 December	595,675,769	281,968,184	72,403,667	46,239,324

- (a) The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.
- (b) During the financial year, the Company increased its issued and paid-up share capital from RM46,239,324 to RM72,403,667 by way of an issuance of 313,707,585 new ordinary shares at an issue price of RM0.09 per share arising from the issuance of rights issue on the basis of two Rights Shares for every one ordinary share held together with 39,213,441 new free detachable warrants.

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. RESERVES

		The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Asset revaluation reserve	(a)	24,539,768	24,539,768	24,539,768	24,539,768
Capital reserve	(b)	48,208,750	48,208,750	48,208,750	48,208,750
Warrant reserve	(c)	947,439	-	947,439	-
Retained profits		33,888,901	28,250,434	49,399,448	40,475,996
		107,584,858	100,998,952	123,095,405	113,224,514

- (a) The asset revaluation reserve represents the increase in the fair value of leasehold land and buildings of the Group and the Company (net of deferred tax, where applicable).
- (b) The capital reserve represents the credit arising from the par value reduction by way of cancellation of RM0.40 from the par value of RM0.50 to RM0.10 of each existing ordinary share of the Company.
- (c) The warrant reserve relates to the portion of proceeds from the rights shares issue ascribed to the attached warrants. As and when the warrants are exercised, the related balance in the warrant reserve will be transferred to the share capital account. Each warrant carries the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of RM0.11. The warrants will expire on 19 August 2030. At the expiry of the warrants, the balance in the warrant reserve will be transferred to retained profits.

20. TREASURY SHARES

	The Group/The Company			
	2025 Number of Ordinary Shares	2024 Number of Ordinary Shares	2025 RM	2024 RM
At 1 January/31 December	6,797,300	6,797,300	3,724,544	3,724,544

There were no ordinary shares repurchased during the year. The repurchased shares are being held as treasury shares and carried at cost in accordance with the requirements of Section 127(6) of the Companies Act 2016. Treasury shares have no rights to vote, dividends and participation in other distribution.

21. REDEEMABLE CONVERTIBLE PREFERENCE SHARES

	The Group/The Company		
	Equity Component RM	Liability Component RM	Total RM
At 1 January 2025	-	-	-
Issued during the financial year (Note 33(b))	2,953,262	7,867,658	10,820,920
Interest expense recognised in profit or loss (Note 30)	-	171,856	171,856
Deferred tax on issuance (Note 25)	(708,783)	-	(708,783)
At 31 December 2025	2,244,479	8,039,514	10,283,993

On 23 September 2025, the Company issued 98,372,000 5-year Redeemable Convertible Preference Shares ("RCPS") at RM0.11 per RCPS to the immediate holding company, Telaxis Sdn. Bhd.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

21. REDEEMABLE CONVERTIBLE PREFERENCE SHARES (CONT'D)

The salient features of RCPS are as follows:-

- (a) Each RCPS shall be converted at the option of the holders into one ordinary share of the Company at any time from the RCPS issue date up to the business day immediately preceding the maturity date, subject to adjustments in the event of any alteration to the share capital of the Company.

These events include changes to the Company's share capital (such as consolidation, subdivision, capital reduction, bonus issues, or capitalisation of reserves), capital distributions, rights issues, or the issuance of convertible securities.

- (b) The implied conversion price is RM0.11 per ordinary share, based on a conversion ratio of one RCPS to one ordinary share.

The new ordinary shares issued upon conversion shall rank pari passu in all respects with the then existing ordinary shares, except that they shall not be entitled to any dividends, rights or distributions declared with an entitlement date prior to the date of allotment.

- (c) The RCPSs are redeemable at the option of the Company (issuer) for cash. Any preference shares that are not redeemed or converted by 22 September 2030 shall be mandatorily redeemed by the Company at an amount equivalent to the issue price received plus all unpaid preferential dividend.

- (d) The RCPS carry cumulative preferential dividends, payable annually in arrears and subject to the discretion of the Board, on the following step-up basis:-

- 2% per annum for years 1 - 2;
- 4% per annum for years 3 - 4; and
- 6% per annum for year 5.

- (e) The RCPS holders do not carry any right to vote at any general meeting of the Company except on resolutions relating to:

- variation of rights attached to the RCPS;
- reduction of the Company's share capital;
- disposal of the whole or substantially the whole of the Company's undertaking; or
- winding-up of the Company.

In such circumstances, each RCPS shall carry one vote.

- (f) The RCPS are unsecured and shall rank behind all secured and unsecured debt obligations. The RCPS shall rank in priority to the ordinary shares and RCPS holders have no rights to profits or surplus assets of the Company in the event of liquidation, dissolution or winding-up of the Company.

22. LEASE LIABILITIES

	The Group	
	2025 RM	2024 RM
At 1 January	624,078	646,540
Addition (Note 33 (b))	-	323,865
Interest expense recognised in profit or loss (Note 30)	28,039	37,533
Repayment of principal	(435,820)	(346,327)
Repayment of interest expense	(28,039)	(37,533)
At 31 December	188,258	624,078
Analysed by:-		
Current liabilities	110,317	435,821
Non-current liabilities	77,941	188,257
	188,258	624,078

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

23. BORROWINGS (SECURED)

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Non-current					
Term loans	(a), (b), (d)	60,628,077	19,450,000	21,128,077	-
Current					
Term loans	(a), (b), (d)	5,698,210	2,372,376	94,029	-
Bank overdraft	(c)	1,182,879	77,270	1,182,879	77,270
		6,881,089	2,449,646	1,276,908	77,270

(a) Details of the repayment terms of the term loans of the Group and of the Company are as follows:-

Term Loan	Number of Monthly Instalments	Monthly Instalment Amount RM	Commencement Date of Repayment	The Group		The Company	
				2025 RM	2024 RM	2025 RM	2024 RM
1	108	Note 1	Note 1	21,222,106	-	21,222,106	-
2	108	Note 2	1 September 2025	20,008,845	21,822,376	-	-
3	84	Note 3	Note 3	25,095,336	-	-	-
				66,326,287	21,822,376	21,222,106	-

Note 1 - The first instalment will commence on first day of the 25th month from the date of first drawdown which is on 11 April 2025. Interest is to be serviced monthly. Thereafter, it shall be repaid by 83 equal monthly principal instalments of RM480,000 each and 1 final principal instalment of RM160,000.

Note 2 - The first instalment commenced on first day of 61st month from the date of first drawdown which is on 17 August 2020. Interest is to be serviced monthly. Thereafter, it shall be repaid by 47 equal monthly principal instalments of RM450,000 each and 1 final principal instalment of RM550,000.

Note 3 - The first instalment will commence on the first day of 37th month from the date of first release of the facility which is on 28 February 2025. Interest is to be serviced monthly. Thereafter, it shall be repaid by 47 equal monthly principal instalments of RM520,000 each and 1 final principal instalment of RM560,000.

(b) The term loans of the Group and of the Company bore effective interest rates of ranging from 4.49% to 6.44% and 5.24% (2024 - 5.94% to 6.64% and Nil) per annum respectively, and are secured by:-

Term loan 1 of RM21,222,106 (2024 - Nil)

- (i) a facility agreement;
- (ii) a legal charge over the leasehold land of the Group and of the Company as disclosed in Notes 8 and 13 to the financial statements;
- (iii) a legal charge over the designated accounts;
- (iv) an assignment over rental proceeds;
- (v) letter of undertaking from the immediate holding company, Telaxis Sdn. Bhd.; and
- (vi) debenture incorporating a fixed charge over the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

23. BORROWINGS (SECURED) (CONT'D)

- (b) The term loans of the Group and of the Company bore effective interest rates of ranging from 4.49% to 6.44% and 5.24% (2024 - 5.94% to 6.64% and Nil) per annum respectively and are secured by (Cont'd):-

Term loan 2 of RM20,008,845 (2024 - RM21,822,376)

- (i) a facility agreement;
- (ii) a first party legal charge over the leasehold land of the Group as disclosed in Note 11 to the financial statements;
- (iii) a corporate guarantee of the Company;
- (iv) a legal charge over the debt service reserve account of the Group as disclosed in Note 17 to the financial statements;
- (v) a legal charge over the escrow account of the Company as disclosed in Note 17 to the financial statements;
- (vi) a third party deed of assignment to be executed over the rental proceeds derived from the investment property of the Group and of the Company; and
- (vii) debenture incorporating a fixed charge over the Group.

Term loan 3 of RM25,095,336 (2024 - Nil)

- (i) a facility agreement;
- (ii) a first party legal charge over the freehold lands of the Group as disclosed in Note 11 to the financial statements;
- (iii) a corporate guarantee of the Company;
- (iv) a legal charge over the debt service reserve account of the Group as disclosed in Note 17 to the financial statements; and
- (v) debenture incorporating a fixed charge over the Group.

- (c) The bank overdraft bore an effective interest rate of 5.64% (2024 - 5.89%) per annum and is secured by:-

- (i) a facility agreement;
- (ii) a legal charge over the leasehold land of the Group and of the Company as disclosed in Notes 8 and 13 to the financial statements;
- (iii) an assignment over rental proceeds;
- (iv) a legal charge over the designated accounts; and
- (v) letter of undertaking from the immediate holding company, Telaxis Sdn. Bhd.

- (d) The major covenants for the term loans of the Group and of the Company are as follows:-

Term loan 1 and 3 of RM21,222,106 and RM25,095,336 (2024 - Nil) respectively

- (i) the Group and the Company shall not declare dividend in excess of 50% of its profit after tax of current financial year.

Term loan 2 of RM20,008,845 (2024 - RM21,822,376)

- (i) the subsidiary shall maintain a positive tangible networth via increase in paid up capital or subordination of advances from related companies of not less than RM3,500,000;
- (ii) the Company undertakes to directly or indirectly hold one hundred per cent of the total issued share capital in the subsidiary; and
- (iii) the subsidiary shall not declare dividend in excess of 50% of its profit after tax of current financial year.

The covenants are tested annually on 31 December. The Group and the Company have complied with the covenants throughout the reporting periods.

There are no indicators that the Group and the Company would have difficulties complying with the upcoming covenants assessment.

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

24. RETIREMENT BENEFIT OBLIGATIONS

The Group operates an unfunded defined retirement benefit plan for eligible employees.

The amount recognised in the statements of financial position are determined as follows:-

	The Group	
	2025 RM	2024 RM
Present value of unfunded obligations	81,744	81,744

The principal actuarial assumptions used in respect of the unfunded defined benefit plan are as follows:-

	The Group	
	2025	2024
Discount rate	5.00%	5.00%

25. DEFERRED TAX LIABILITIES

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At 1 January	666,442	666,442	510,000	510,000
Recognised in profit or loss (Note 31)	1,218,091	-	1,348,755	-
Recognised in equity (Note 21)	708,783	-	708,783	-
At 31 December	2,593,316	666,442	2,567,538	510,000

The deferred tax liabilities are attributable to the following:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Deferred tax liabilities:-				
Fair value adjustment on land held for property development through acquisition of a subsidiary	25,778	156,442	-	-
Fair value adjustment on investment property	1,900,000	510,000	1,900,000	510,000
Redeemable convertible preference shares	667,538	-	667,538	-
	2,593,316	666,442	2,567,538	510,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

26. TRADE AND OTHER PAYABLES

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Trade payables	(b)	12,380,727	5,157,231	10,748,755	2,832,363
Other payables		281,249	60,848	98,696	29,224
Deposits received		717,070	732,070	717,070	717,070
Advance received		6,000	358,043	-	-
Accruals	(c)	7,082,870	3,786,371	4,743,628	693,582
		20,467,916	10,094,563	16,308,149	4,272,239

- (a) The normal trade credit terms granted to the Group and the Company range from 7 to 30 and 30 (2024 - 30 and 30) days respectively.
- (b) Included in the trade payables of the Group and of the Company are retention sum payables amounting to RM4,118,566 and RM2,640,266 (2024 - RM1,734,821 and RM257,896) respectively. The retention sums are expected to be settled within the periods ranging from 1 to 28 and 28 (2024 - 13 to 40 and 24) months respectively.
- (c) Included in the accruals of the Group are accrued purchases amounting to RM5,634,416 (2024 - RM2,597,493) which represents the obligation to pay for material and services received but not billed by supplier at the end of the reporting period.

27. CONTRACT LIABILITIES

	The Group	
	2025 RM	2024 RM
At 1 January	-	-
Cash received/Amounts billed for unfulfilled performance obligations	1,104,942	-
At 31 December	1,104,942	-

The contract liabilities relate to consideration received from property buyer of which the revenue will be recognised upon transfer control of the properties to the property buyer.

No information is provided for the performance obligations that have original expected durations of 1 year or less, as allowed by MFRS 15.121(a).

28. REVENUE

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue from Contracts with Customers					
<u>Property development revenue recognised at a point in time:</u>					
- sale of completed properties	(b)	12,976,001	15,800,133	-	-
Revenue from Other Sources					
Rental income	(c)	2,458,524	2,458,524	2,458,524	2,458,524
		15,434,525	18,258,657	2,458,524	2,458,524

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

28. REVENUE (CONT'D)

- (a) The revenue of the Group and of the Company are derived entirely in Malaysia.
- (b) The information about the performance obligations in contracts with customers is summarised as below:-

Sale of Completed Properties

The Company recognises revenue (net of discount) for the sale of completed properties at a point in time when the properties have been delivered to and accepted by the customers.

The credit period is 90 days from the date of progress billing. There is no significant financing component in the selling price as the billing is made on the normal credit terms not exceeding 12 months.

A defect liability period of 13 to 21 months is given to the customers.

- (c) The information of the revenue from other sources is summarised below:-

Rental Income

Rental income is recognised on a straight-line basis over the lease term.

29. OTHER INCOME

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Included in other income are the following items:-				
Development management fee	-	250,000	-	250,000
Dividend income:				
- short-term investments	199,733	201,224	199,733	201,224
Fair value gain on financial assets measured at fair value through profit or loss mandatorily:				
- short-term investments	149,870	160,983	149,870	160,983
Fair value gain on investment property (Note 8)	13,900,000	-	13,900,000	-
Rental income on office	-	172,500	-	-
Total interest income on financial assets measured at amortised cost	469,764	499,709	42,913	59,125
Liquidated ascertained damages ("LAD") income	549,000	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

30. PROFIT/(LOSS) BEFORE TAXATION

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
In addition to those disclosed in Note 29 to the financial statements, profit/(loss) before taxation is arrived at after charging:-				
Auditors' remuneration:				
- audit fees	145,000	125,000	58,000	52,000
- non-audit fees:				
- auditors of the Company	77,000	5,000	77,000	5,000
Directors' remuneration (Note 34)	1,844,192	1,413,012	1,844,192	1,413,012
Material Expenses				
Amortisation of club membership (Note 12)	363	364	363	364
Depreciation:				
- equipment (Note 7)	41,787	27,275	-	-
- right-of-use assets (Note 9)	421,165	349,196	-	-
Fair value loss on other investment	13,550	1,281,580	-	-
Bad debt written off	139,663	-	-	-
Interest expense on financial liabilities that are not at fair value through profit or loss:				
- bridging loan	-	101,637	-	-
- term loans	2,864,047	1,443,228	496,402	-
- overdraft	175,950	11,869	175,950	11,869
- redeemable convertible preference shares (Note 21)	171,856	-	171,856	-
Interest expense on lease liabilities (Note 22)	28,039	37,533	-	-
Lease expenses:				
- short-term leases	6,467	5,447	5,567	5,447
- low-value assets	3,180	3,390	-	-
Staff costs:				
- salaries and others benefits	3,469,818	3,037,064	1,397,029	1,434,525
- defined contribution plan	414,398	366,722	169,544	174,264

The estimated monetary value of benefits-in-kind provided by the Group and the Company to the directors of the Company were RM57,795 (2024 - RM11,391).

31. INCOME TAX EXPENSE

(a) Income Tax Expenses Recognised in Profit or Loss

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax expense	177,164	649,494	14,612	30,587
Overprovision in the previous financial year	(571,255)	(29,028)	(21,672)	(41,412)
	(394,091)	620,466	(7,060)	(10,825)
Deferred tax expense (Note 25):				
- reversal of temporary differences	(171,909)	-	(41,245)	-
- fair value gain on investment property	1,390,000	-	1,390,000	-
	1,218,091	-	1,348,755	-
	824,000	620,466	1,341,695	(10,825)

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

31. INCOME TAX EXPENSE (CONT'D)

(a) Income Tax Expenses Recognised in Profit or Loss (Cont'd)

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

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(Loss) before taxation	6,462,467	(4,786,888)	10,265,147	(2,211,469)
Tax at the statutory tax rate of 24% (2024 - 24%)	1,550,992	(1,148,853)	2,463,635	(530,753)
Tax effects of:-				
Non-deductible expenses	2,424,193	1,891,961	509,154	395,858
Non-taxable gain	(2,748,638)	(48,294)	(2,029,905)	(48,294)
Utilisation of deferred tax assets previously not recognised	(259,248)	(259,096)	-	-
Deferred tax assets not recognised during the financial year	427,956	213,776	420,483	213,776
Overprovision of current tax in the previous financial year	(571,255)	(29,028)	(21,672)	(41,412)
	824,000	620,466	1,341,695	(10,825)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024 - 24%) of the estimated assessable profit for the financial year.

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

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Unused tax losses:				
- expires year of assessment 2028	8,944,000	9,250,000	-	-
- expires year of assessment 2029	24,381,000	24,381,000	24,378,000	24,378,000
- expires year of assessment 2033	80,000	769,000	80,000	80,000
- expires year of assessment 2034	57,000	57,000	57,000	57,000
- expires year of assessment 2035	25,000	-	-	-
Unabsorbed capital allowances	7,108,000	7,148,000	7,108,000	7,097,000
Other deductible temporary differences	2,832,000	1,118,000	1,873,000	132,000
	43,427,000	42,723,000	33,496,000	31,744,000

Based on the current legislation, the unused tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028 and the unused tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment; whereas the unabsorbed capital allowances are allowed to be carried forward indefinitely.

(b) Income Tax Expenses Recognised in Equity

	The Group/ The Company	
	2025 RM	2024 RM
Redeemable convertible preference share (Note 21 and 25)	708,783	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

32. EARNINGS/(LOSS) PER SHARE

(a) Basic Earnings/(Loss) Per Share

The basic earnings/(loss) per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year after deducting for treasury shares.

	The Group	
	2025	2024
Profit/(Loss) after taxation attributable to owners of the Company (RM)	5,638,467	(5,407,354)
Weighted average number of ordinary shares in issue (Basic)	371,431,842	275,170,884
Basic earnings/(loss) per share (sen)	1.52	(1.97)

(b) Diluted Earnings/(Loss) Per Share

The diluted earnings/(loss) per share is calculated by dividing the consolidated profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year after deducting for treasury shares and adjusted for the effects of dilutive potential ordinary shares.

	The Group	
	2025	2024
Weighted average number of ordinary shares in issue (Basic)	371,431,842	275,170,884
Effect of dilution due to conversion of RCPS	26,681,721	-
Effect of dilution due to conversion of warrant	*	-
Weighted average number of ordinary shares in issue (Diluted)	398,113,563	275,170,884
Diluted earnings/(loss) per share (sen)	1.42	(1.97)

* The potential conversion of warrant is anti-dilutive as their exercise prices are higher than the average market price of the Company's ordinary shares during the current financial year. Accordingly, the exercise of warrant has been ignored in the calculation of dilutive earnings per share.

33. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of equipment and the addition of right-of-use assets is as follows:-

	The Group	
	2025	2024
	RM	RM
Equipment		
Cost of equipment purchased (Note 7)	99,338	45,857
Right-of-use Assets		
Cost of right-of-use assets acquired (Note 9)	-	323,865
Less: Addition of new lease liabilities (Note 33(b))	-	(323,865)
	-	-

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

33. CASH FLOW INFORMATION (CONT'D)

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

The Group	Term Loans RM	Redeemable Convertible Preference Shares ("RCPS") RM	Lease Liabilities RM	Total RM
2025				
At 1 January	21,822,376	-	624,078	22,446,454
<u>Changes in Financing Cash Flows</u>				
Proceeds from drawdown	46,128,077	-	-	46,128,077
Issuance of RCPS	-	10,820,920	-	10,820,920
Repayment of principal	(1,800,000)	-	(435,820)	(2,235,820)
Repayment of interests	(2,688,213)	-	(28,039)	(2,716,252)
	41,639,864	10,820,920	(463,859)	51,996,925
<u>Other Changes</u>				
RCPS - equity component (Note 21)	-	(2,953,262)	-	(2,953,262)
Interest expense recognised in profit or loss (Note 30)	2,864,047	171,856	28,039	3,063,942
	2,864,047	(2,781,406)	28,039	110,680
At 31 December	66,326,287	8,039,514	188,258	74,554,059
2024				
At 1 January	2,568,360	21,700,000	646,540	24,914,900
<u>Changes in Financing Cash Flows</u>				
Repayment of principal	(2,553,660)	-	(346,327)	(2,899,987)
Repayment of interests	(116,337)	(1,320,852)	(37,533)	(1,474,722)
	(2,669,997)	(1,320,852)	(383,860)	(4,374,709)
<u>Other Changes</u>				
Acquisition of new lease (Notes 22 and 33(a))	-	-	323,865	323,865
Interest expense recognised in profit or loss (Note 30)	101,637	1,443,228	37,533	1,582,398
	101,637	1,443,228	361,398	1,906,263
At 31 December	-	21,822,376	624,078	22,446,454

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. CASH FLOW INFORMATION (CONT'D)

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

The Company	Term Loan RM	Redeemable Convertible Preference Shares ("RCPS") RM	Total RM
2025			
At 1 January	-	-	-
<u>Changes in Financing Cash Flows</u>			
Proceeds from drawdown	21,128,077	-	21,128,077
Issuance of RCPS	-	10,820,920	10,820,920
Repayment of interest	(402,373)	-	(402,373)
	20,725,704	10,820,920	31,546,624
<u>Other Changes</u>			
RCPS - equity component (Note 21)	-	(2,953,262)	(2,953,262)
Interest expense recognised in profit or loss (Note 30)	496,402	171,856	668,258
	496,402	(2,781,406)	(2,285,004)
At 31 December	21,222,106	8,039,514	29,261,620

(c) The total cash outflows for leases as a lessee are as follows:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Payment of short-term leases	6,467	5,447	5,567	5,447
Payment of low-value assets	3,180	3,390	-	-
Interest paid on lease liabilities	28,039	37,533	-	-
Payment of lease liabilities	435,820	346,327	-	-
	473,506	392,697	5,567	5,447

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

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Short-term investments	29,873,508	8,327,113	29,873,508	8,327,113
Cash and bank balances	9,328,562	11,941,819	2,102,973	890,658
Bank overdraft	(1,182,879)	(77,270)	(1,182,879)	(77,270)
	38,019,191	20,191,662	30,793,602	9,140,501
Less: Bank balances held in escrow	(876,345)	(687,707)	(876,345)	(687,707)
Less: Bank balances pledged with a licensed bank	(4,836,260)	(3,592,402)	(558,654)	-
Less: Short-term investments not qualified as cash equivalents	(24,149,195)	(5,213,651)	(24,149,195)	(5,213,651)
	8,157,391	10,697,902	5,209,408	3,239,143

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

34. KEY MANAGEMENT PERSONNEL COMPENSATION

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

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

	The Group/The Company	
	2025	2024
	RM	RM
Directors		
<u>Directors of the Company</u>		
<i>Executive Directors</i>		
Short-term employee benefits:		
- fees	108,000	102,000
- salaries, bonuses and other benefits	1,416,706	1,014,793
	1,524,706	1,116,793
Defined contribution benefits	146,886	128,319
	1,671,592	1,245,112
 <i>Non-executive Directors</i>		
Short-term employee benefits:		
- fees	108,000	108,000
- other benefits	64,600	59,900
	172,600	167,900
Total directors' remuneration (Note 30)	1,844,192	1,413,012

The estimated monetary value of benefits-in-kind provided by the Group and the Company to the directors of the Company were RM57,795 (2024 - RM11,391) respectively.

35. RELATED PARTY DISCLOSURES

(a) Holding Companies and Subsidiaries

The holding companies are disclosed in Note 2 to the financial statements.

The subsidiaries are disclosed in Note 6 to the financial statements.

(b) Significant Related Party Transactions and Balances

In addition to the related party transactions information disclosed in the statement of cash flows, Notes 28 and 30 to 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	2024	2025	2024
	RM	RM	RM	RM
Transactions with subsidiaries				
Parkwood Developments Sdn. Bhd.				
- Management services	-	-	574,634	454,540
- Administrative support services	-	-	161,341	149,629

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

35. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant Related Party Transactions and Balances (Cont'd)

In addition to the related party transactions information disclosed in the statement of cash flows, Notes 28 and 30 to the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year (Cont'd):-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Transactions with related parties				
GSL Realty Sdn. Bhd.				
- Rental of office	274,260	274,260	-	-
- Service tax for rental	7,314	-	-	-
Extra Sdn. Bhd.				
- Computer and nominal assets	7,146	45,857	-	-
- Office and office furniture rental	69,600	69,600	-	-
- Upkeep of office	54,852	54,852	-	-
- IT related services	161,746	146,494	-	-
- Software and programming	9,584	14,864	-	-
- O365 usage services	19,413	16,776	-	-
- VPS for server services	14,905	14,860	-	-
- Subscription (Others)	2,922	2,660	2,922	2,660
- Printing & stationery	13,600	10,896	-	-
- Lease of photostat machine	3,180	3,390	-	-
- Maintenance of photostat machine	-	153	-	-
Extra Solutions Sdn. Bhd.				
- Telephone and administration charges	1,071	1,199	-	-
- Subscription fees	12,960	12,720	12,960	12,720
- Website and emails	1,166	730	-	-
- Software and programming	1,296	-	-	-
- VPS for server services	15,796	-	-	-
LGB Management Service Sdn. Bhd.				
- Administrative services	96,144	87,300	96,144	87,300
- Miscellaneous expenses	6,313	31,821	1,668	15,632
- Annual dinner	-	18,782	-	5,716
Bellworth Developments Sdn. Bhd.				
- Office expenses	-	200	-	-

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

The related party transactions described above were entered into in the normal course of business carried out based on negotiated terms and conditions and are mutually agreed with respective parties.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Chief Executive Officer as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 2 main reportable segments as follows:-

- Investment holding - investment holding and rental of investment property
 - Property development - property development activities
- (a) The Group Chief Executive Officer assesses the performance of the reportable segments based on their profit before interest expense and taxation. The accounting policies of the reportable segments are the same as the Group's accounting policies.
- (b) Each reportable segment assets is measured based on all assets of the segment other than tax-related assets.
- (c) Each reportable segment liabilities is measured based on all liabilities of the segment other than borrowings and tax-related liabilities.
- (d) Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters) and head office expenses.

Transactions between reportable segments are carried out on agreed terms between both parties. Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties. The effects of such inter-segment transactions are eliminated on consolidation.

36.1 BUSINESS SEGMENTS

2025	Investment Holding RM	Property Development RM	The Group RM
Revenue			
External revenue	2,458,524	12,976,001	15,434,525
Inter-segment revenue	-	3,468,815	3,468,815
	<hr/>	<hr/>	
	2,458,524	16,444,816	18,903,340
Consolidation adjustments			(3,468,815)
Consolidated revenue			<hr/>
			15,434,525
Results			
Results before following adjustments	(3,019,378)	(1,506,034)	(4,525,412)
Consolidation adjustments and eliminations	-	(413,768)	(413,768)
Amortisation of club membership	(363)	-	(363)
Depreciation of equipment	-	(41,787)	(41,787)
Depreciation of right-of-use assets	-	(421,165)	(421,165)
Fair value loss on other investment	(13,550)	-	(13,550)
Fair value gain on investment property	13,900,000	-	13,900,000
Liquidated ascertained damages income	-	549,000	549,000
	<hr/>	<hr/>	
Segment results	10,866,709	(1,833,754)	9,032,955
Dividend income			199,733
Interest income			469,764
Finance costs			(3,239,985)
Income tax expense			(824,000)
Consolidated profit after taxation			<hr/>
			5,638,467

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. OPERATING SEGMENTS (CONT'D)

36.1 BUSINESS SEGMENTS (CONT'D)

2025	Investment Holding RM	Property Development RM	The Group RM
Assets			
Segment assets	87,806,875	188,943,523	276,750,398
Unallocated asset:-			
- current tax assets			1,758,405
Consolidated total assets			<u>278,508,803</u>
Additions to non-current assets other than financial instruments are:-			
Equipment	-	99,338	99,338
Land held for development	-	29,737,114	29,737,114
Liabilities			
Segment liabilities	69,641,482	27,750,058	97,391,540
Unallocated liabilities:-			
- current tax liabilities			15,487
- deferred tax liabilities			2,593,316
Consolidated total liabilities			<u>100,000,343</u>
2024			
Revenue			
External revenue	2,458,524	15,800,133	18,258,657
Inter-segment revenue	-	2,842,438	2,842,438
	<u>2,458,524</u>	<u>18,642,571</u>	<u>21,101,095</u>
Consolidation adjustments			(2,842,438)
Consolidated revenue			<u>18,258,657</u>
Results			
Results before following adjustments	(1,178,005)	(1,057,134)	(2,235,139)
Amortisation of club membership	(364)	-	(364)
Depreciation of equipment	-	(27,275)	(27,275)
Depreciation of right-of-use assets	-	(349,196)	(349,196)
Fair value loss on other investment	(1,281,580)	-	(1,281,580)
Segment results	<u>(2,459,949)</u>	<u>(1,433,605)</u>	<u>(3,893,554)</u>
Dividend income			201,224
Interest income			499,709
Finance costs			(1,594,267)
Income tax expense			(620,466)
Consolidated loss after taxation			<u>(5,407,354)</u>

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

36. OPERATING SEGMENTS (CONT'D)

36.1 BUSINESS SEGMENTS (CONT'D)

2024	Investment Holding RM	Property Development RM	The Group RM
Assets			
Segment assets	51,240,314	124,549,467	175,789,781
Unallocated asset:-			
- current tax assets			1,118,353
Consolidated total assets			<u>176,908,134</u>
Additions to non-current assets other than financial instruments are:-			
Equipment	-	45,857	45,857
Land held for development	-	4,314,196	4,314,196
Liabilities			
Segment liabilities	12,682,063	20,017,968	32,700,031
Unallocated liabilities:-			
- current tax liabilities			27,929
- deferred tax liabilities			666,442
Consolidated total liabilities			<u>33,394,402</u>

36.2 GEOGRAPHICAL INFORMATION

The Group operates predominantly in Malaysia. Accordingly, the information by geographical segment is not presented.

36.3 MAJOR CUSTOMERS

The following is a major customer with revenue equal to or more than 10% of the Group's total revenue:-

	Revenue		Segment
	2025 RM	2024 RM	
Customer #1	2,458,524	2,458,524	Investment Holding

37. CAPITAL COMMITMENT

	The Group	
	2025 RM	2024 RM
Purchase of equipment	-	42,336
Purchase of 4 plots of land	-	24,300,000
	-	<u>24,342,336</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38. FINANCIAL INSTRUMENTS

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

38.1 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 and the Company do not have any transactions or balances denominated in foreign currencies and hence, are 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 Group and the Company adopt a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio of fixed and floating rate borrowings.

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

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 23 to the financial statements.

Interest Rate Risk Sensitivity Analysis

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

	The Group	
	2025	2024
	RM	RM
Effects on Profit/(Loss) After Taxation		
Increase of 100 basis points	- 513,070	+ 166,437
Decrease of 100 basis points	+ 513,070	- 166,437
	The Company	
	2025	2024
	RM	RM
Effects on Profit/(Loss) After Taxation		
Increase of 100 basis points	- 170,278	+ 587
Decrease of 100 basis points	+ 170,278	- 587

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

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(iii) Equity Price Risk

The exposure to equity price risk arises mainly from changes in quoted investment prices of the Group. The Group manages its exposure to equity price risk by maintaining a portfolio of equities with different risk profiles.

Equity Price Risk Sensitivity Analysis

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

	The Group/The Company	
	2025	2024
	RM	RM
Effects on Profit/(Loss) After Taxation		
Increase of 1%	+ 227,039	- 63,286
Decrease of 1%	- 227,039	+ 63,286

(b) Credit Risk

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

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

(i) Credit Risk Concentration Profile

The Group and the Company do not have any major concentration of credit risk related to any individual customer or counterparty.

(ii) Maximum Exposure to Credit Risk

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

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries as disclosed under the 'Maturity Analysis' of item (c) below, representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair value on initial recognition were not material.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses

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

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

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

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

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

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 180 days past due.

Trade Receivables

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

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

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

The expected loss rates are based on the payment profiles of sales over 12 months (2024 - 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. In determining these loss rates, the Company also considered the differences between (a) economic conditions during the period over which the historic data has been collected, (b) current economic conditions and (c) the Company's view of economic conditions over the expected lives of the trade receivables. Nevertheless, the Company believes that these factors are immaterial for the purpose of impairment calculation for the reporting period.

For property development, purchasers are generally financed by loan facilities from reputable financiers. In addition, the credit risk is limited as the ownership and rights to the properties sold will revert to the Group in the event of default, and the products do not suffer from physical, technological and fashion obsolescence. Therefore, there is minimal exposure to credit risk.

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

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

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

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

Trade Receivables (Cont'd)

Allowance for Impairment Losses

The information about the credit exposure and the loss allowances recognised for trade receivables are as follows:-

The Group	Gross Amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
2025				
Current (not past due)	2,472,938	-	-	2,472,938
More than 90 days past due	1,082,669	-	-	1,082,669
Trade receivables	3,555,607	-	-	3,555,607
2024				
Current (not past due)	3,985,631	-	-	3,985,631
More than 90 days past due	1,049,134	-	-	1,049,134
Trade receivables	5,034,765	-	-	5,034,765

The Group believes that no impairment allowance is necessary in respect of its trade receivables because the probability of default by these trade receivables were negligible.

Other Receivables

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

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group and the Company assess whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with that as at the date of initial recognition. The Group and the Company consider that there has been a significant increase in credit risk when contractual terms change or payments are delayed. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

The Group and the Company use 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

Category	Definition of Category	Loss Allowance
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-month expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Non-performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group and the Company measure the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on an individual basis. The remaining receivables are grouped by shared credit risk characteristics and assessed on a collective basis.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

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

Other Receivables (Cont'd)

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

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

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

Allowance for Impairment Losses

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

Cash and Bank Balances

The Group and the Company consider the licensed banks to be of 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 is therefore not provided for.

Amount Owing By Subsidiaries (Non-trade Balances)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

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

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

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

For loans and advances that are not repayable on demand, impairment losses are measured using techniques similar to those for estimating impairment losses of other receivables, as disclosed above.

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

Allowance for Impairment Losses

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

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

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

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

Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contract.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

Allowance for Impairment Losses

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

(c) Liquidity Risk

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

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):-

	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
The Group						
2025						
<u>Non-derivative</u>						
<u>Financial Liabilities</u>						
Redeemable convertible preference shares	6.50	8,039,514	10,820,920	-	10,820,920	-
Lease liabilities	7.00	188,258	200,000	120,000	80,000	-
Term loans	4.49 - 6.44	66,326,287	72,884,767	8,489,073	56,868,426	7,527,268
Trade and other payables	-	20,467,916	20,467,916	20,467,916	-	-
Bank overdraft	5.64	1,182,879	1,182,879	1,182,879	-	-
		96,204,854	105,556,482	30,259,868	67,769,346	7,527,268

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 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):-

	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
The Group						
2024						
<u>Non-derivative</u>						
<u>Financial Liabilities</u>						
Lease liabilities	6.00 - 7.00	624,078	663,861	463,861	200,000	-
Term loan	5.94 - 6.64	21,822,376	25,427,542	3,584,370	21,843,172	-
Trade and other payables	-	10,094,563	10,094,563	10,094,563	-	-
Bank overdraft	5.89	77,270	77,270	77,270	-	-
		32,618,287	36,263,236	14,220,064	22,043,172	-

	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM
The Company					
2025					
<u>Non-derivative Financial Liabilities</u>					
Redeemable convertible preference shares	6.50	8,039,514	10,820,920	-	10,820,920
Term loans	5.24	21,222,106	20,814,209	833,975	19,980,234
Trade and other payables	-	16,308,149	16,308,149	16,308,149	-
Amount owing to a subsidiary	-	22,888,834	22,888,834	22,888,834	-
Bank overdraft	5.64	1,182,879	1,182,879	1,182,879	-
Financial guarantee contracts in relation to:					
- Corporate guarantees given to a licensed bank for credit facilities granted to subsidiaries	-	-	45,104,181	45,104,181	-
		69,641,482	117,119,172	86,318,018	30,801,154

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

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 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):-

	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM
The Company 2024					
<u>Non-derivative Financial Liabilities</u>					
Trade and other payables	-	4,272,239	4,272,239	4,272,239	-
Amount owing to a subsidiary	-	8,332,554	8,332,554	8,332,554	-
Bank overdraft	5.89	77,270	77,270	77,270	-
Financial guarantee contracts in relation to:					
- Corporate guarantees given to a licensed bank for credit facilities granted to subsidiaries	-	-	21,822,376	21,822,376	-
		12,682,063	34,504,439	34,504,439	-

The contractual undiscounted cash flows represent the outstanding credit facilities of the subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements since their fair value on initial recognition were not material.

38.2 CAPITAL RISK MANAGEMENT

The Group and the Company manage their capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise 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 manage their capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group and the Company include within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interest. The debt-to-equity ratio of the Group and of the Company at the end of the reporting period are as follows:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
RCPS (Note 21)	8,039,514	-	8,039,514	-
Lease liabilities (Note 22)	188,258	624,078	-	-
Term loans (Note 23)	66,326,287	21,822,376	21,222,106	-
Bank overdraft (Note 23)	1,182,879	77,270	1,182,879	77,270
	75,736,938	22,523,724	30,444,499	77,270
Less: Cash and cash equivalents (Note 33(d))	(8,157,391)	(10,697,902)	(5,209,408)	(3,239,143)
Net debt/(asset)	67,579,547	11,825,822	25,235,091	(3,161,873)
Total equity	178,508,460	143,513,732	194,019,007	155,739,294
Debt-to-equity ratio	0.38	0.08	0.13	*

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

There was no change in the approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38. FINANCIAL INSTRUMENTS (CONT'D)

38.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2025		2024	
	The Group RM	The Company RM	The Group RM	The Company RM
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Short-term investments (Note 16)	29,873,508	29,873,508	8,327,113	8,327,113
<u>Amortised Cost</u>				
Trade and other receivables (Note 10)	3,603,157	13,778	5,178,512	129,927
Amount owing by subsidiaries (Note 15)	-	27,577,274	-	21,489,947
Cash and bank balances	9,328,562	2,102,973	11,941,819	890,658
	12,931,719	29,694,025	17,120,331	22,510,532
Financial Liability				
<u>Amortised Cost</u>				
Redeemable convertible preference shares (Note 21)	8,039,514	8,039,514	-	-
Term loans (Note 23)	66,326,287	21,222,106	21,822,376	-
Bank overdraft (Note 23)	1,182,879	1,182,879	77,270	77,270
Trade and other payables (Note 26)	20,467,916	16,308,149	10,094,563	4,272,239
Amount owing to a subsidiary (Note 15)	-	22,888,834	-	8,332,554
	96,016,596	69,641,482	31,994,209	12,682,063

38.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	2025		2024	
	The Group RM	The Company RM	The Group RM	The Company RM
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Net gain/(loss) recognised in profit or loss - mandatorily required by MFRS 9	336,053	349,603	(919,373)	362,207
<u>Amortised Cost</u>				
Net gain recognised in profit or loss	469,764	42,913	499,709	59,125
Financial Liability				
<u>Amortised Cost</u>				
Net loss recognised in profit or loss	(3,211,853)	(844,208)	(1,556,734)	(11,869)

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

38. FINANCIAL INSTRUMENTS (CONT'D)

38.5 FAIR VALUE INFORMATION

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

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
The Group								
2025								
<u>Financial Assets</u>								
Trade receivables	-	-	-	-	-	2,471,167	2,471,167	2,471,167
Short-term investments	29,873,508	-	-	-	-	-	29,873,508	29,873,508
<u>Financial Liabilities</u>								
Redeemable convertible preference shares	-	-	-	-	8,039,514	-	8,039,514	8,039,514
Term loans	-	-	-	-	66,326,287	-	66,326,287	66,326,287
Bank overdraft	-	-	-	-	1,182,879	-	1,182,879	1,182,879
<hr/>								
2024								
<u>Financial Assets</u>								
Trade receivables	-	-	-	-	-	2,450,750	2,450,750	2,450,750
Short-term investments	8,327,113	-	-	-	-	-	8,327,113	8,327,113
<u>Financial Liabilities</u>								
Term loan	-	-	-	-	21,822,376	-	21,822,376	21,822,376
Bank overdraft	-	-	-	-	77,270	-	77,270	77,270
<hr/>								
The Company								
2025								
<u>Financial Asset</u>								
Short-term investments	29,873,508	-	-	-	-	-	29,873,508	29,873,508
<u>Financial Liabilities</u>								
Redeemable convertible preference shares	-	-	-	-	8,039,514	-	8,039,514	8,039,514
Term loan	-	-	-	-	21,222,106	-	21,222,106	21,222,106
Bank overdraft	-	-	-	-	1,182,879	-	1,182,879	1,182,879
<hr/>								

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38. FINANCIAL INSTRUMENTS (CONT'D)

38.5 FAIR VALUE INFORMATION (CONT'D)

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM	RM	RM	RM	RM	RM		
The Company								
2024								
<u>Financial Asset</u>								
Short-term investments	8,327,113	-	-	-	-	-	8,327,113	8,327,113
<u>Financial Liability</u>								
Bank overdraft	-	-	-	-	77,270	-	77,270	77,270

(a) Fair Value of Financial Instruments Carried at Fair Value

- (i) The fair value of short-term investments is determined at its quoted closing bid prices at the end of the reporting period.
- (ii) There were no transfers between level 1 and level 2 during the financial year.

(b) Fair Value of Financial Instruments Not Carried at Fair Value

- (i) The fair value of trade receivables (non-current) is determined by discounting expected future cash flows using incremental borrowing rate of the Group.
- (ii) The fair value of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.
- (iii) The fair value of the redeemable convertible preference shares that carries fixed interest rate is 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 rate used to discount the estimated cash flows is as follows:-

	The Group/The Company	
	2025	2024
	%	%
Redeemable convertible preference shares	6.50%	-

39. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 13 January 2025, Telaxis had issued an undertaking letter to:
 - (i) Subscribe in full for its entitlement of rights issues of new ordinary shares ("Rights Shares") with warrants based on its shareholding as at Entitlement Date; and
 - (ii) Apply and subscribe by way of excess Rights Shares application, such number of additional Rights Shares not taken up or validly taken up by other Entitled Shareholders and/or their renounce(s).

The Company had on even date accepted the Undertaking. Subsequently on 11 April 2025, Telaxis had issued a revised undertaking letter to irrevocably undertake to apply and subscribe for an aggregate of 305,555,560 Rights Shares and the Company had on even date accepted the Undertaking.

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

39. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

- (b) On 28 February 2025, a subsidiary of the Group, Parkwood Templers Sdn. Bhd., completed the acquisition of four (4) parcels of freehold land located at Mukim Rawang, Daerah Gombak, Negeri Selangor, with a total area of approximately 12.4586 hectares, for a total purchase price of RM27,000,000.
- (c) On 10 March 2025, the Company had entered into a supplemental share subscription agreement to the SSA ("Supplemental SSA") with Telaxis to revise the terms of the Redeemable Convertible Preference Shares ("RCPS"), in particular:
- (i) Introduction of a new term "Adjustments to Conversion Ratio"; and
 - (ii) Substitution of the earlier term in relation to the conversion of the RCPS upon maturity with "Mandatory Redemption on Maturity Date".
- (d) On 11 July 2025, the Company has resolved to fix the issue price of Rights Shares at RM0.09 per Rights Share ("Issue Price") and exercise price of the Warrants at RM0.11 per Warrant ("Exercise Price"). Subsequently, on 10 September 2025, a total of 313,707,585 Rights Shares and 39,213,441 Warrants were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad.
- (e) On 23 September 2025, the Company completed the subscription of 98,372,000 Redeemable Convertible Preference Shares ("RCPS") by Telaxis Sdn. Bhd. pursuant to the corporate proposals. The RCPS issued are not listed or quoted on Bursa Malaysia Securities Berhad.

40. COMPARATIVE FIGURES

The following figures have been reclassified to conform with the presentation of the current financial year:-

Consolidated Cash Flows (Extract)	As Previously Reported RM	As Restated RM
The Group		
2024		
Net cash for investing activities	(1,529,732)	(1,732,649)
Net decrease in cash and cash equivalents	(4,928,341)	(5,131,258)
Cash and cash equivalents at beginning of the financial year	20,839,894	15,829,160
Cash and cash equivalents at end of the financial year	15,911,553	10,697,902
The Company		
2024		
Net cash from investing activities	2,882,758	2,679,841
Net decrease in cash and cash equivalents	(279,004)	(481,921)
Cash and cash equivalents at beginning of the financial year	8,731,798	3,721,064
Cash and cash equivalents at end of the financial year	8,452,794	3,239,143



PARKWOOD

PARKWOOD HOLDINGS BERHAD
[Registration No. 196901000692 (9118-M)]
(Incorporated in Malaysia)

FORM OF PROXY

FIFTY-FIFTH ANNUAL GENERAL MEETING
[PLEASE READ NOTES CAREFULLY BEFORE COMPLETING THIS FORM.]

CDS Account No.	
Number of Ordinary Shares held	

I/We (Full Name in Block Letters) _____
 NRIC No. / Passport No. / Company No. _____ Tel No. _____
 of _____ being a
 (full address and email address)
 shareholder of **PARKWOOD HOLDINGS BERHAD** hereby appoint

Proxy 1	No. of Shares	%
Full Name of Proxy as per NRIC/Passport		
NRIC / Passport No.		
Full Address		
Email address		
Contact No		

and/or failing him/her,

Proxy 2	No. of Shares	%
Full Name of Proxy as per NRIC/Passport		
NRIC / Passport No.		
Full Address		
Email address		
Contact No		

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the **Fifty-Fifth Annual General Meeting ("55th AGM")** of the Company to be held at at Level 5, Menara LGB, No. 1, Jalan Wan Kadir, Taman Tun Dr. Ismail, 60000 Kuala Lumpur on Wednesday, 18 June 2026 at 11.00 a.m. or at any adjournment thereof, in the manner indicated below:

Resolutions	Ordinary Business	For	Against
Ordinary Resolution 1	To approve the payment of Directors' fees of RM216,000.00 for the financial year ended 31 December 2025.		
Ordinary Resolution 2	To approve the payment of Directors' benefits (other than Directors' fees) of RM66,000.00 for the period from 19 June 2026 until the conclusion of the next AGM of the Company.		
Ordinary Resolution 3	To re-elect Ms. Jessica Low May-Teng as Director.		
Ordinary Resolution 4	To re-elect Mr. Chin Kok Siong as Director.		
Ordinary Resolution 5	To re-appoint Messrs Crowe Malaysia PLT as the Company's Auditors.		

	Special Business		
Ordinary Resolution 6	To authorise the allotment of shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
Ordinary Resolution 7	To approved the Proposed New Shareholders' Mandate for Recurrent Related Party Transaction of a Revenue or Trading In Nature		

Please indicate with an [X] in the spaces provided above on how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his discretion.

Dated this _____ day of _____ 2026.

Signature/Common Seal of Shareholder(s)



Notes: -

1. In respect of deposited securities, only members whose names appear in the Record of Depositors as at **10 June 2026** ("**General Meeting Record of Depositors**") shall be eligible to attend the meeting or appoint proxy(ies) to attend, speak and/or vote on his/her behalf.
2. If a member is unable to attend and vote at the Meeting, he/she may appoint a proxy to attend and vote at the Meeting on his/her behalf. The proxy may but need not be a member of the Company. A member may appoint any person to be his proxy without limitation and there shall be no restrictions as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
5. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, he/she may appoint at least one proxy in respect of each securities' account he holds with ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. The instrument appointing a proxy must be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll.
8. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
9. Last date and time for lodging the proxy form is **Monday, 16 June 2026 at 11.00 am**.

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STAMP

PARKWOOD HOLDINGS BERHAD
[Registration No. 196901000692 (9118-M)]
c/o **Boardroom Share Registrars Sdn Bhd**

11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya,
Selangor Darul Ehsan.


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PARKWOOD HOLDINGS BERHAD

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