宏誠集團

SunZen GROUP

SUNZEN GROUP BERHAD

Registration No. 200501003843 (680889-W)

Financial Services • Nutrition • Health







ANNUAL REPORT 2026

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CORPORATE INFORMATION

Board of Directors

Ching Chee Pun
Executive Chairman

Teo Yek Ming
Group Managing Director

Aida Lim Binti Abdullah
Senior Independent Non-Executive Director

Poo Long Yii
Independent Non-Executive Director

Yap Shuk Kem
Independent Non-Executive Director
(Appointed on 1 October 2026)

Khoo Kien Hoe
Independent Non-Executive Director
(Resigned on 30 June 2026)

Lee Yew Weng
Non-Independent Non-Executive Director

AUDIT COMMITTEE

Aida Lim Binti Abdullah
Chairperson, Senior Independent Non-Executive Director (Redesignated on 1 July 2026)

Khoo Kien Hoe
Chairman, Independent Non-Executive Director (Resigned on 30 June 2026)

Poo Long Yii
Member, Independent Non-Executive Director

Yap Shuk Kem
Member, Independent Non-Executive Director (Appointed on 1 October 2026)

Lee Yew Weng
Member, Non-Independent Non-Executive Director

NOMINATION COMMITTEE

Yap Shuk Kem
Chairperson, Independent Non-Executive Director (Appointed on 1 October 2026)

Khoo Kien Hoe
Chairman, Independent Non-Executive Director (Resigned on 30 June 2026)

Aida Lim Binti Abdullah
Member, Senior Independent Non-Executive Director

Poo Long Yii
Member, Independent Non-Executive Director

Lee Yew Weng
Member, Non-Independent Non-Executive Director

REMUNERATION COMMITTEE

Poo Long Yii
Chairperson, Independent Non-Executive Director

Aida Lim Binti Abdullah
Member, Senior Independent Non-Executive Director

Yap Shuk Kem
Member, Independent Non-Executive Director (Appointed on 1 October 2026)

Lee Yew Weng
Member, Non-Independent Non-Executive Director

Khoo Kien Hoe
Member, Independent Non-Executive Director (Resigned on 30 June 2026)

COMPANY SECRETARIES

Goh Xin Yee *(MAICSA 7077870) (SSM PC No. 202008000375)*

Qwik Tsae Yng *(MAICSA 7053568) (SSM PC No. 202308000539)*

REGISTERED OFFICE

Level 13, Menara 1 Sentrum
201, Jalan Tun Sambanthan, Brickfields
50470 Kuala Lumpur, Malaysia
Telephone No. : 603-2382 4288
Email : TMFKL-CoSec@tmf-group.com

CORPORATE OFFICE

No. 13, Jalan Anggerik Mokara 31/47
Kota Kemuning, 40460 Shah Alam
Selangor Darul Ehsan, Malaysia
Telephone No. : 603-5122 9333
Facsimile No. : 603-5131 9975
Website : www.sunzengroup.com

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Telephone No. : 603-7890 4700
Facsimile No. : 603-7890 4670

AUDITORS

Grant Thornton Malaysia PLT (AF 0737)
(201906003682 & LLP0022494-LCA)
Chartered Accountants
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
Telephone No. : 603-2692 4022
Facsimile No. : 603-2691 5229

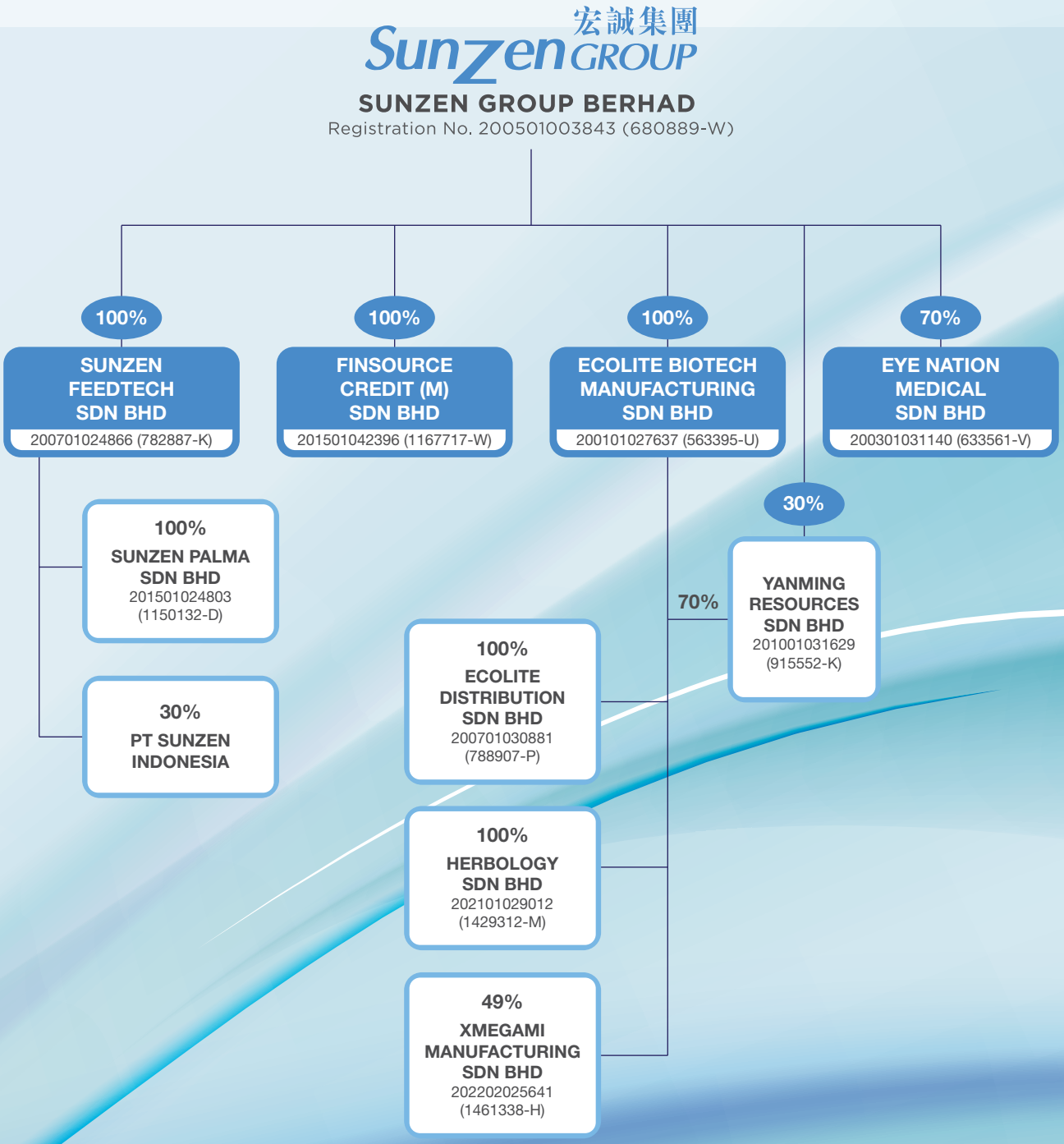
PRINCIPAL BANKERS

Malayan Banking Berhad
CIMB Bank

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad
Stock Name : SUNZEN
Stock Code :
0148 (Ordinary Shares)
0148WC (Warrants 2022/2027)

CORPORATE STRUCTURE



DIRECTORS' PROFILE

CHING CHEE PUN
Executive Chairman

Gender	Age	Nationality
Male	54 years old	Malaysian

Directorship in Public Companies and Listed Corporation

None

Attendance of Board Meeting

8/8

Mr. Ching Chee Pun ("Mr. Ching") was appointed to the Board as a Non-Independent Non-Executive Director on 1 August 2020. He was re-designated to Executive Director on 1 October 2020.

Mr. Ching is a Chartered Accountant (CA) of the Malaysian Institute of Accountants (MIA) and a Certified Financial Planner (CFP) of the Financial Planning Association of Malaysia.

Mr. Ching graduated in the UK with Hons degree majoring in Accounting and Management Control. He is also a member of the Association of Chartered Certified Accountants.

Mr. Ching has over 20 years' experience in areas such as audit, tax planning, financial accounting, corporate financial planning, business advisory, education and corporate training. He practised in Deloitte Kassim Chan for 5 years specialising in tax and audit. During his employment with Deloitte Kassim Chan, he worked with clients ranging from small and medium enterprises (SMEs) to multinational companies.

For the past few years, Mr. Ching focused on his area of specialisation, which is assisting SMEs secure business loans to meet both long-term and short-term financing needs. His impressive track record stems from his in-depth knowledge of the loan application process, the banks' requirements, and his extensive connections with top bankers in the country.

Being a recognised expert in business financing, he is often invited to give talks at business events and has appeared several times in Chinese newspapers and on Radio FM, where he gives advice on how to secure business loans.

Mr. Ching currently holds office as a Director at Finsource Sdn. Bhd., which provides advisory services to SMEs, and the Deputy President of the Malaysia Speakers Association (MSA).

TEO YEK MING
Group Managing Director

Gender	Age	Nationality
Male	42 years old	Malaysian

Directorship in Public Companies and Listed Corporation

None

Attendance of Board Meeting

8/8

Mr. Teo Yek Ming ("Mr. Teo") was appointed to the Board as the Managing Director and Chief Executive Officer of the Group on 16 June 2020. He was re-designated to Group Managing Director on 25 February 2022. He is an entrepreneur and savvy investor who has more than ten (10) years of combined experience in managing businesses in various industries, including the one-stop furniture industry, aquaculture, licensed money lending, information technology and property investment.

After completing his high school education, he started his career as a sales and marketing executive for a hardware trading company. Subsequently, he ventured into his first business in 2006, The Ring Telecommunication, which was a company involved in the retail of mobile phones. In 2012, he established Phoenix Arowana Breeders Sdn. Bhd., an aquaculture company involved in arowana fish farming, marketing, and distribution.

Mr. Teo later established Finsource Credit (M) Sdn. Bhd. in 2015, a moneylending company licensed under the Moneylenders Act 1951 which is governed under the Moneylenders (Control and Licensing) Regulations 2003. In addition, he also set up Avex Consulting Sdn. Bhd. and Avex Technology Sdn. Bhd. in 2016, which are principally involved in software development for local businesses.

In 2017, he became one of the major shareholders of Goodnite International Sdn. Bhd. ("Goodnite"), a leading bedding manufacturer in Malaysia. He is currently the managing director of Goodnite, overseeing the overall operations of the Goodnite Group businesses. He has been actively involved in the execution of the business expansion plan through incorporation and acquisition of some upstream and downstream outfits in diversifying the Goodnite Group businesses to include foam and latex manufacturing, bedframe manufacturing, sofa manufacturing, office furniture trading, sales, hire purchase and factory outlets.

DIRECTORS' PROFILE
cont'd

AIDA LIM BINTI ABDULLAH
Senior Independent Non-Executive Director

Gender	Age	Nationality
Female	58 years old	Malaysian

Directorship in Public Companies and Listed Corporation
None
Attendance of Board Meeting
8/8

Puan Aida Lim binti Abdullah ("Puan Aida") was appointed to the Board as a Senior Independent Non-Executive Director on 1 December 2023. Puan Aida is an accomplished professional with extensive experience across diverse industries. She was redesignated as a Chairperson of the Audit Committee on 1 July 2026 and serves as a member of the Nomination Committee and the Remuneration Committee.

Puan Aida holds a BA (Hons) in Accounting and Finance from Middlesex University, London. She is a Chartered Accountant with the Malaysian Institute of Accountants (MIA), she is also a Fellow Member of the Chartered Global Management Accountant (FCMA), the Chartered Institute of Management Accountants (CIMA), a Fellow Member of Institute of Corporate Directors of Malaysia (ICDM), Member of the Chartered Institute of Islamic Finance Professionals (CIIFP). She is also a Certified Financial Planner (CFP) with the Financial Planning Association of Malaysia (FPAM) and a Registered Shariah Financial Planner (RFP Shariah) with Malaysia Financial Planning Council (MFPC). Additionally, she also a Halal Professional, certified by JAKIM.

With over 30 years of comprehensive experience, Puan Aida has held prominent positions across audit firms, conglomerates, digital and fintech startups, financial institutions, government-linked companies (GLCs), and regulatory bodies, including Bursa Malaysia Bhd and the Securities Commission Malaysia. Her expertise spans a wide range of fields, including corporate governance, internal control, risk management, audit, banking, treasury, corporate finance, mergers and acquisitions, corporate reporting, investment analysis, financial technology, digital solutions, Shariah finance, halal management, and supply chain procurement.

Puan Aida was the inaugural Chief Executive Officer of Penang Halal International (PHI), a state-owned agency under the Penang State Government, where she spearheaded a significant transformation and rebranding initiative. Previously, she served as the Chief of Corporate Governance and Business Ecosystem at QSR Brands (M) Holdings Bhd, the largest "farm to fork" halal operator in Southeast Asia and a key subsidiary of Johor Corporation. Notably, she was instrumental in pioneering ESG initiatives ahead of competitors.

Her commitment to corporate governance extends to her previous roles as a member of the Board of Governors of the Malaysian Institute of Corporate Governance (MICG) and a member of the Board of the Malaysian American Commission on Educational Exchange (MACEE).

In recognition of her thought leadership and commitment to lifelong learning, Puan Aida actively contributes to professional and education networks. She serves as a Council Member of the Malaysian Financial Planning Council (MFPC) – UNESCO Entrepreneurship Education Network, promoting entrepreneurship education and financial literacy. She was also a member of the CGMA Southeast Asia Engagement Committee (2023-2024), supporting regional capacity building and professional standards.

In addition to her executive roles, Puan Aida founded Corporate Streets Sdn Bhd, a business consultancy firm, and currently serves as a member of the Education and Social Economy Committee of Yayasan Wilayah Persekutuan (YWP). She is also the Chairman of the Malaysia Art & Cultural Development Association.

DIRECTORS' PROFILE
cont'd

POO LONG YII
Independent Non-Executive Director

Gender	Age	Nationality
Female	36 years old	Malaysian

Directorship in Public Companies and Listed Corporation

None

Attendance of Board Meeting

8/8

Ms. Poo Long Yii ("Ms. Poo") was appointed to the Board as an Independent Non-Executive Director on 1 March 2023. She is the Chairperson of the Remuneration Committee and a member of the Audit Committee and Nomination Committee.

Ms. Poo graduated with a Bachelor of Law from the University of Malaya. She is a civil and commercial litigation lawyer who has been in legal practice for more than ten (10) years. She had been appointed as the head of litigation department in Messrs Andrew, Jye & Co. since year 2018.

Ms. Poo has conducted full trials from the Magistrate Court up to the High Court, and hearings from the Magistrate Court up to the Court of Appeal, Industrial Court, as well as hearings at the Asian Arbitration Centre of Malaysia. She has handled and attended numerous mediations for various commercial and civil cases.

LEE YEW WENG
Non-Independent Non-Executive Director

Gender	Age	Nationality
Male	49 years old	Malaysian

Directorship in Public Companies and Listed Corporation

Independent Non-Executive Director of Hiap Huat Holdings Berhad, DS Sigma Holdings Berhad and Go Hub Capital Berhad

Attendance of Board Meeting

7/8

Mr. Lee Yew Weng ("Mr. Lee") was appointed to the Board as a Non-Independent Non-Executive Director on 1 August 2020. He is a member of the Audit Committee, Nomination Committee and Remuneration Committee.

Mr. Lee obtained his Bachelor of Commerce degree in 1998 from the University of Adelaide, in Australia. He is a Chartered Accountant and a fellow member of CPA Australia. He is also a member of the Malaysian Institute of Accountants.

Mr. Lee began his career with KK Chow & Partners in March 1999 and then joined Crowe Horwath Malaysia (now known as Crowe Malaysia PLT) in January 2000 as an Audit Assistant where he was involved in performing statutory audits. Subsequently, he joined KPMG Malaysia as an Audit Assistant in January 2001.

Mr. Lee ventured into the corporate sector when he joined Jotech Holdings Berhad as their Group Accountant in 2002 where he was responsible for the group's accounting and financial matters. From May 2003 to June 2010, he worked with AmInvestment Bank Berhad, firstly in the Corporate Finance and Advisory Department and was promoted to Associate Director where he was involved in various corporate exercises, including corporate restructuring, reverse take-overs, mergers and acquisitions, fund raising and an initial public offering. Subsequently in July 2008, he was relocated to their Corporate & Institutional Banking Department of AmInvestment Bank Berhad as an Associate Director.

After he left AmInvestment Bank Berhad in 2010, he setup his own firms that are principally engaged in the provision of financial consultancy and management consultancy services.

From June 2019 to February 2020, he joined Canfield Corporate Finance Company Limited ("Canfield"), an approved Corporate Finance Adviser in Hong Kong, licenced by the Securities and Futures Commission of Hong Kong, as a Responsible Officer, where he was involved in marketing and structuring transactions for clients undertaking cross-border corporate exercises. Subsequently, in September 2020, he joined Sorrento Capital Limited, an approved Sponsor and Corporate Finance Adviser in Hong Kong, licenced by the Securities and Futures Commission of Hong Kong, as a Licenced Representative where he has similar responsibilities as his role in Canfield.

DIRECTORS' PROFILE cont'd

YAP SHUK KEM
Independent Non-Executive Director

Gender	Age	Nationality
Female	40 years old	Malaysian

Directorship in Public Companies and Listed Corporation

None

Attendance of Board Meeting

None *(Appointed 1 October 2026)*

Ms. Yap Shuk Kem ("Ms. Yap") was appointed to the Board as an Independent Non-Executive Director on 1 October 2026. She is the Chairperson of the Nomination Committee and a member of the Audit Committee and Remuneration Committee.

Ms. Yap has extensive experience in corporate governance, company secretarial practice, accounting, taxation, regulatory compliance and advisory services.

She is a Chartered Accountant registered with the Malaysian Institute of Accountants (MIA) since 2012 and a licensed GST Tax Agent since 2014. She is also an Associate Member of the Chartered Tax Institute of Malaysia (CTIM). Ms. Yap is a practicing Company Secretary holding a Practising Certificate issued pursuant to Section 241 of the Companies Act 2016.

Ms. Yap has accumulated more than a decade of professional experience in the areas of corporate secretarial services, financial reporting, taxation, corporate compliance, governance advisory and regulatory matters. Throughout her career, she has advised private companies and business owners on statutory compliance requirements, corporate restructuring exercises, governance practices, company administration, accounting matters and tax compliance.

She currently serves as the Managing Director of CWC Corporate Services Sdn. Bhd., where she oversees the provision of corporate secretarial, accounting and advisory services to a diverse portfolio of clients across various industries.

KEY SENIOR MANAGEMENTS' PROFILE

HUANG JIN TEN *Chief Executive Officer of Ecolite Biotech Manufacturing Sdn. Bhd.*	Gender	Age	Nationality
	Male	49 years old	Malaysian

Mr. Huang Jin Ten ("Mr. Huang") holds a Unified Examination Certificate (UEC) from a Malaysian Chinese Independent Secondary School.

Mr. Huang has extensive experience in the health food industry, and having developed his expertise through various management roles. He began his career at Kian Onn Marketing Sdn. Bhd. in 1993 and subsequently served as Manager at Kian Onn Sdn. Bhd. in 1995.

In 2010, he joined Ecolite Pharma Sdn. Bhd. as a Business Development Manager. He was subsequently promoted to General Manager of Ecolite Biotech Manufacturing Sdn. Bhd. ("Ecolite") in 2012.

On 8 April 2026, he was appointed as Director of Ecolite, taking on the overall leadership and management of the company.

He does not hold any other directorships in public companies and listed corporation.

PHANG TONG ENG *Chief Financial Officer*	Gender	Age	Nationality
	Male	62 years old	Malaysian

Mr. Phang Tong Eng ("Mr. Phang") holds a professional qualification in accountancy from the Chartered Institute of Management Accountants (CIMA) and is currently a member of Malaysia Institute of Accountants (MIA).

Mr. Phang worked at Resintech Plastic Sdn. Bhd. as Accounts Manager from January 1995 to June 1997. Later, he joined Jets Express Services Sdn. Bhd. as Finance Manager and served the Company until November 2007.

In February 2008, Mr. Phang joined Sunzen Corporation Sdn. Bhd. as Finance Manager and was promoted to Chief Financial Officer in June 2019.

He does not hold any other directorships in public companies and listed corporation.

Notes to Directors' and Key Senior Management's Profile

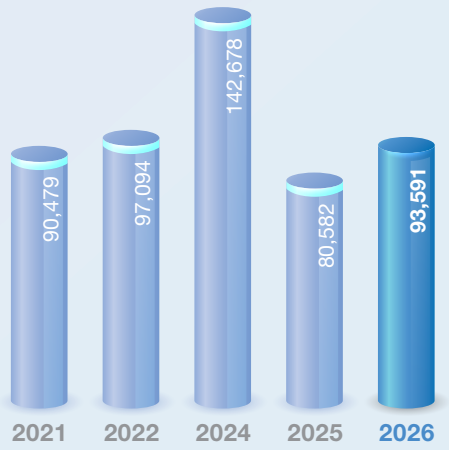
1. ***Family Relationships***
   The Directors and Key Senior Management do not have any family relationship with any Director and/or major shareholder of the Company.
2. ***Conflict of Interest***
   None of the Directors and Key Senior Management has any personal interest/conflict of interest/potential conflict of interest, including interest in any competing business with the Company and the subsidiaries.
3. ***Conviction of Offences***
   None of the Directors and Key Senior Management has been convicted for offences within the past five (5) years other than traffic offences or any public sanction or penalty imposed on him/her by the relevant regulatory bodies during the financial year ended 30 June 2026.
4. ***Directors' Shareholdings***
   The details of the Directors' interest in the securities of the Company are set out in the Analysis of Shareholdings on page 161 to 165 of this Annual Report.
5. ***Directorships in Public Companies and Listed Issuers***
   Save as disclosed herein, none of the Directors and Key Senior Management hold any other directorship of public companies and listed issuers.

5 YEAR FINANCIAL HIGHLIGHTS

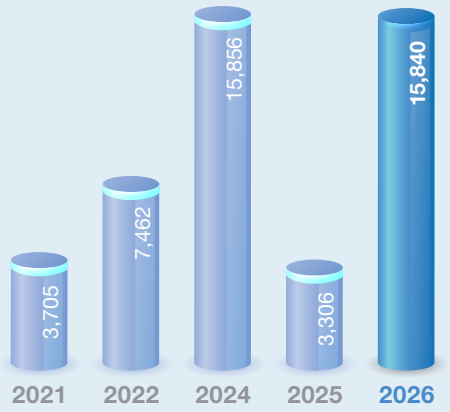
FINANCIAL YEAR (FYE)/ PERIOD (FPE) ENDED	FYE 31 December 2021 RM'000	FYE 31 December 2022 RM'000	FPE 30 June 2024 ^ RM'000	FYE 30 June 2025 RM'000	FYE 30 June 2026 RM'000
Revenue	90,479	97,094	142,678	80,582	**93,591**
Profit Before Tax	3,705	7,462	15,856	3,306	**15,840**
Profit	1,938	4,767	10,581	2,688	**10,605**
Total Shareholders' Equity	125,468	129,709	149,835	150,120	**157,231**

***Note**: ^ 18-month financial period due to the change of financial year end from 31 December to 30 June.*

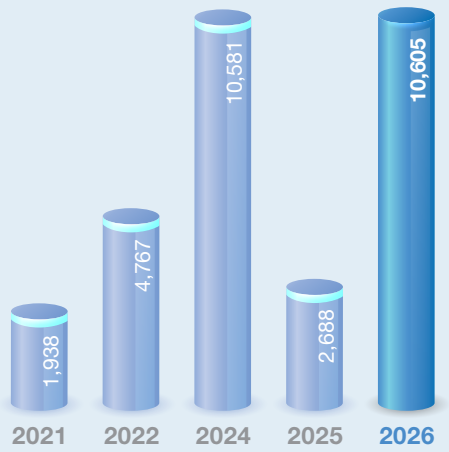
REVENUE (RM'000)



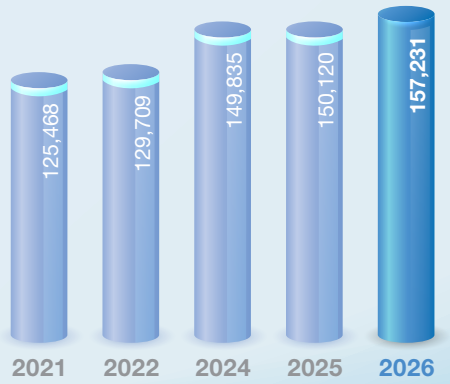
PROFIT BEFORE TAX (RM'000)



PROFIT (RM'000)



TOTAL SHAREHOLDERS' EQUITY (RM'000)



MANAGEMENT DISCUSSION AND ANALYSIS

The Board of Directors and Management of the Group are pleased to present the Management Discussion and Analysis for the financial year ended 30 June 2026 ("FYE 2026")

OVERVIEW OF THE GROUP'S BUSINESS

The principal operating activities of the Group during FYE 2026 are categorized into three core business segments:

Segments	Principal activities
Human Health	Manufacturing and trading of herbal health foods and beverages, edible bird's nest, foodstuff, and related wellness products.
Medical devices and services	Trading and distribution of ophthalmic equipment and other related products.
Loan Financing	Provision of financial consultancy services and licensed money lending operations.

FINANCIAL PERFORMANCE REVIEW

The table below sets out the financial performance highlights of the Group for FYE 2026 in comparison with FYE 2025:

	FYE 2026 RM'000	FYE 2025 RM'000
Revenue	93,591	80,582
Gross profit	35,217	24,998
Other income	1,855	1,042
Profit before tax	15,840	3,306
Profit for the year	10,605	2,688
Profit attributable to owners of the Company	10,246	2,585

FYE 2026

The Group's revenue expanded by approximately 16.15% or RM13.01 million to RM93.59 million in FYE 2026 from RM80.58 million in FYE 2025, mainly driven by sustained demand growth across all business segments.

Gross profit increased by 40.88% to RM35.22 million in FYE 2026 in comparison with RM25.00 million in FYE 2025, mainly attributable to higher revenue contribution from all business segments.

Other income reported RM0.81 million higher to approximately RM1.86 million, primarily attributable to successful bad debt recovery.

Profit surged to RM10.61 million in FYE 2026, as compared to RM2.69 million in FYE 2025. The improved bottom-line was driven by higher revenue contributions, bad debt recovery, and continuous operational efficiency initiatives undertaken by the Group.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

FINANCIAL POSITION REVIEW

	30 June 2026	30 June 2025	Variance	
	RM'000	RM'000	RM'000	%
ASSETS				
Non-current assets	134,781	117,230	17,551	14.97
Current assets	55,904	65,016	(9,112)	(14.02)
Total assets	190,685	182,246	8,439	4.63
LIABILITIES				
Non-current liabilities	22,648	21,401	1,247	5.83
Current liabilities	10,807	10,724	83	0.77
Total liabilities	33,455	32,125	1,330	4.14
Equity attributable to owners of the Company	155,330	148,578	6,752	4.54

Total assets grew by 4.63% to RM190.69 million as at 30 June 2026, driven by the expansion of the Group's loan financing portfolio, which led to higher trade receivables.

Total liabilities increased slightly by 4.14% to RM33.46 million as at 30 June 2026, primarily reflecting an additional flexi-term loan of RM3.06 million drawn down to support working capital requirements.

Equity attributable to owners increased by 4.54% or RM6.75 million to RM155.33 million as at 30 June 2026, mainly contributed from profit generated during the financial year.

LIQUIDITY

Turnover period:	FYE 2026 Days	FYE 2025 Days	Changes Days
- Trade receivables in current assets[1]	72	72	-
- Inventories[2]	65	62	3
- Trade payables[2]	21	27	(6)
Cash conversion cycle	116	107	9

(1) Based on formula: Average closing balance divided by total annual revenue multiplied by 365 days.
(2) Based on formula: Average closing balance divided by total annual cost of sales multiplied by 365 days.

The Group's average cash conversion cycle lengthened by 9 days to 116 days in FYE 2026 from 107 days in FYE 2025. The Group maintained a healthy liquidity buffer, recording a current ratio (Current assets: Current Liabilities) of 5.17 times as at 30 June 2026 compared with 6.06 times in FYE 2025.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

CAPITAL MANAGEMENT

	FYE 2026 RM'000	FYE 2025 RM'000
Loans and borrowings	20,169	18,851
Lease liabilities	1,131	1,036
Total	21,300	19,887
Owners' equity	155,330	148,578
Debt-to-equity ratio (no. of times)	0.14	0.13

The Group's Debt-to-equity ratio remained conservative at 0.14 times as at 30 June 2026 as compared with 0.13 times in FYE 2025. The minor increase reflects the additional term loan facility secured to support business operations while maintaining a prudent balance sheet structure.

PROSPECTS

Sunzen remains cautiously optimistic on its outlook for the financial year ahead, supported by Malaysia's resilient domestic economic environment. The Group will continue to execute its business transformation strategy by strengthening its core business segments, broadening its market reach and enhancing operational efficiency, while remaining mindful of prevailing external uncertainties and cost pressures.

Malaysia's economy expanded by 6.0% year-on-year in the second quarter of 2026, accelerating from 5.4% in the preceding quarter, bringing growth for the first half of 2026 to 5.7%. Growth was supported by continued expansion in domestic demand, services and manufacturing activities. Looking ahead, Bank Negara Malaysia projects the Malaysian economy to grow between 4.0% and 5.0% in 2026, underpinned by household spending and investment activity. Nevertheless, the outlook remains subject to external uncertainties arising from geopolitical developments, global trade conditions and potential cost pressures.

For the human health segment, momentum is expected to improve as customer order volumes ramp up. Ecolite is advancing its regional growth strategy through the appointment of a distributor in Indonesia and progressing the required product registration and Halal certification, while exploring distribution opportunities in Singapore and East Malaysia. Meanwhile, the Group will continue to improve operational efficiency amid rising utility and overhead costs.

The medical devices and services segment is expected to maintain its growth trajectory through deeper market penetration, a broader ophthalmic device portfolio and rising demand for diagnostic and surgical solutions. Eye Nation Medical Sdn. Bhd. will continue to strengthen its market presence and broaden its product offerings to capture opportunities within the ophthalmic care market.

The loan financing segment is expected to remain resilient, supported by steady demand for alternative financing solutions among small and medium-sized enterprises ("SMEs"). Amid expectations of more disciplined loan growth, Finsource will continue to adopt a prudent and selective lending approach, prioritising secured facilities, rigorous credit assessments and borrowers in sectors with stronger repayment profiles.

Moving forward, Sunzen will continue to strengthen its diversified business portfolio across human health, medical devices and services, and loan financing. Supported by its financial position and disciplined approach to capital management, the Group remains focused on capitalising on strategic growth opportunities, improving operational efficiency and maintaining prudent risk management to build a more resilient and sustainable earnings base.

Despite uncertainties in the operating environment, the Group remains committed to its long-term transformation strategy. Through continued execution across its core businesses and a prudent approach to growth, Sunzen aims to strengthen its competitive position and deliver sustainable value to shareholders over the longer term.

SUSTAINABILITY STATEMENT



INTRODUCTION

This Sustainability Statement outlines Sunzen Group Berhad and our subsidiaries' ("Sunzen" or "the Group") approach to managing sustainability-related risks and opportunities across our health products, medical devices and services, as well as loan financing business operations. It presents an overview of the Group's sustainability priorities, initiatives and performance for the financial year ended 30 June 2026.

BASIS OF PREPARATION

Sunzen prepared this statement in line with the Bursa Malaysia ACE Market Listing Requirements ("AMLR"), guided by the IFRS Sustainability Disclosure Standards (IFRS S1 and S2) issued by the International Sustainability Standards Board ("ISSB") and the Global Reporting Initiative ("GRI") Standards.

The Group's sustainability initiatives support selected United Nations Sustainable Development Goals ("UN SDGs") relevant to our business operations and sustainability priorities.

REPORTING BOUNDARY

This statement presents data for the financial year from 1 July 2025 to 30 June 2026 ("FYE2026") across the Group.

Sunzen Group Berhad ("Sunzen Group")

Health Products

- Ecolite Biotech Manufacturing Sdn Bhd ("Ecolite Biotech")
- Ecolite Distribution Sdn Bhd ("Ecolite Distribution")
- Yanming Resources Sdn Bhd ("Yanming")
- Herbology Sdn Bhd ("Herbology")

Medical Devices and Services

- Eye Nation Medical Sdn Bhd ("Eye Nation")

Loan Financing

- Finsource Credit (M) Sdn Bhd ("Finsource")

Comparative data for the preceding reporting periods are included where available to provide relevant context for performance evaluation.

Note: The totals presented in tables and charts may not equal the arithmetic sum of the individual figures due to rounding.

SUSTAINABILITY STATEMENT
cont'd

The Group applies the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (the "GHG Protocol") for greenhouse gas ("GHG") emissions measurement. Scope 3 emissions are determined with reference to the GHG Protocol Corporate Value Chain (Scope 3) Standard (2011).

a. Organisational Boundary

The Group adopts the operational control approach for GHG reporting, covering assets under the Group's operational control, consistent with the financial reporting boundary.

b. Operational Boundary

GHG emissions are categorised as follows:

- Scope 1 Emissions: Direct emissions from Group-owned or controlled sources, including fuel use in machinery and vehicles, where applicable.
- Scope 2 Emissions: Indirect emissions from purchased electricity consumed by Group operations.
- Limited Scope 3 Emissions: Indirect emissions from employee commuting and business travel.

DATA INTEGRITY

The information and data published in this statement were compiled from internal records and reviewed by the relevant data owners. The disclosures provide a fair representation of the Group's sustainability practices, initiatives and performance during the reporting period.

FEEDBACK

Sunzen welcomes stakeholder feedback to support the continuous improvement of our sustainability practices and disclosures. Stakeholders may contact the Group with any comments, enquiries or suggestions.

Email: info@sunzengroup.com

MEMBERSHIPS AND ASSOCIATIONS

Our associations and memberships enable us to stay informed of industry developments and evolving best practices.

Malaysian Employers Federation	Federation of Malaysian Manufacturers	GS1 Malaysia	Malaysian Institute of Accountants ("MIA")	Malaysia Swiftlet Nest Industry and Export Association

CERTIFICATIONS

The Group's product offerings are certified in accordance with applicable regulatory standards, reflecting our commitment to quality and compliance.

Good Manufacturing Practices	General Administration of Customs China ("GACC")	Hazard Analysis and Critical Control Point ("HACCP")
Medical Device Authority	*Makanan Selamat Tanggungjawab Industri* ("MeSTI")	Veterinary Health Mark ("VHM")
HALAL Certification	Good Veterinary Hygienic Practice ("GVHP")	Good Distribution Practices For Medical Device ("GDPMD")

SUSTAINABILITY STATEMENT
cont'd

EMBEDDING SUSTAINABILITY ACROSS OUR BUSINESS

Sunzen's sustainability strategy outlines the Group's approach to managing sustainability priorities across governance, operations and decision-making processes. Aligned with our corporate vision and mission, the strategy is anchored on Strategic Thrusts, focus areas, material matters, stakeholder groups and selected UN SDGs relevant to the Group's business operations.

VISION

Strive to become a continuously growing corporation, thriving for a century and beyond

MISSION

Continuously enhance corporate value to maximise returns for shareholders

Strategic Thrusts

- Uphold strong governance, ethical business practices and stakeholder trust across the Group
- Deliver safe and high-quality products while promoting responsible sourcing and customer trust
- Safeguard the environment through responsible resource management and sustainable operations
- Foster a safe, inclusive and empowering workplace that supports employee well-being and development

Focus Areas and Material Matters

Governance and Ethical Leadership

1) Corporate Ethics, Governance and Anti-Corruption
2) Data Governance and Information Management

Environmental Responsibility

1) Energy Management and Climate Change
2) Water Consumption
3) Waste Management
4) Materials

Social Equity and Impact

1) Occupational Health and Safety
2) Human Rights and Labour Practices
3) Diversity, Equity and Inclusion
4) Supply Chain Management
5) Product Safety and Quality
6) Customer Satisfaction and Trust
7) Community Engagement

Alignment with UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Stakeholder Groups

- Shareholders
- Government and regulatory authorities
- Financiers
- Suppliers & Vendors
- Consumers & Customers
- Employees
- Communities

SUSTAINABILITY STATEMENT
cont'd

OUR GROUP SUSTAINABILITY POLICY

The Group's Sustainability Policy outlines our approach to managing key sustainability matters across governance, environmental and social areas, supporting responsible business practices across our operations.

Governance and Ethical Leadership

- Uphold compliance with applicable laws, regulations and industry standards, regularly evaluating and updating our compliance mechanisms to address evolving legal requirements
- Adhere to policies and procedures that promote ethical conduct
- Prohibit all forms of bribery and corruption across the Group
- Foster transparent and open communication with stakeholders, ensuring accurate disclosures on our sustainability practices, performance and objectives

Environmental Responsibility

- Optimise energy usage and explore opportunities for reduction
- Adopt circular economy principles by prioritising waste reduction, reuse and recycling, particularly within production processes
- Ensure efficient water management across all operations
- Prevent environmental pollution by monitoring wastewater discharge from our manufacturing facilities, maintaining compliance with regulatory standards

Social Equity and Impact

- Prioritise employees' health, safety and well-being by setting clear safety protocols and procedures
- Conduct regular health and safety training to maintain a secure and healthy work environment
- Uphold fundamental human rights, inclusivity and equal employment opportunities to foster an engaged workforce
- Support employees' professional growth by fostering a workplace culture that encourages development
- Ensure our products and services meet the highest standards of quality and safety, integrating customer feedback into continuous improvement efforts and enforcing stringent quality controls
- Safeguard customer data privacy and security through robust protective measures
- Ensure that our raw materials, particularly for the manufacturing of Traditional Chinese Medicine ("TCM"), are sourced from sustainable and ethical suppliers

ALIGNMENT WITH THE UN SDGs

Sunzen references four UN SDGs relevant to the Group's multisector business operations, reflecting selected sustainability priorities across governance, operations and business activities.

SDG 8: Decent Work and Economic Growth



Target 8.8 | Sunzen provides employment opportunities to a total of 170 employees, with the majority of the workforce comprising local employees. We promote a safe and healthy working environment through the establishment of a Health and Safety Policy to safeguard employees from operational hazards, alongside an Employee Handbook that ensures we uphold employee rights. Our employment practices align with applicable labour laws and regulations, including the Employment Act (Amendment) 2022 and the Minimum Wage Act 2022.

SUSTAINABILITY STATEMENT
cont'd

SDG 12:
Responsible Consumption and Production



Target 12.4 & 12.5 | Sunzen manages waste and resource consumption through initiatives focused on packaging waste reduction, segregation and operational efficiency. Recycling activities and digital tracking mechanisms enable monitoring of recyclable volumes, while paper reuse initiatives and the digitalisation of selected reporting-related activities through an integrated workflow management system have contributed to reducing waste generation. During the year, the Group's ability to manage effluent waste was further enhanced by the commissioning of the Industrial Effluent Treatment System ("IETS"), supporting our compliance with environmental requirements.

SDG 13:
Climate Action



Target 13.1 | Guided by our Sustainability Policy and selected elements of IFRS S2, the Group considers climate-related risks and opportunities as part of business planning and risk management processes. Sunzen also discloses Scope 1, Scope 2 and selected Scope 3 greenhouse gas ("GHG") emissions, including business travel and employee commuting emissions, to improve transparency over environmental performance. In parallel, we continue to implement energy efficiency initiatives across our operations.

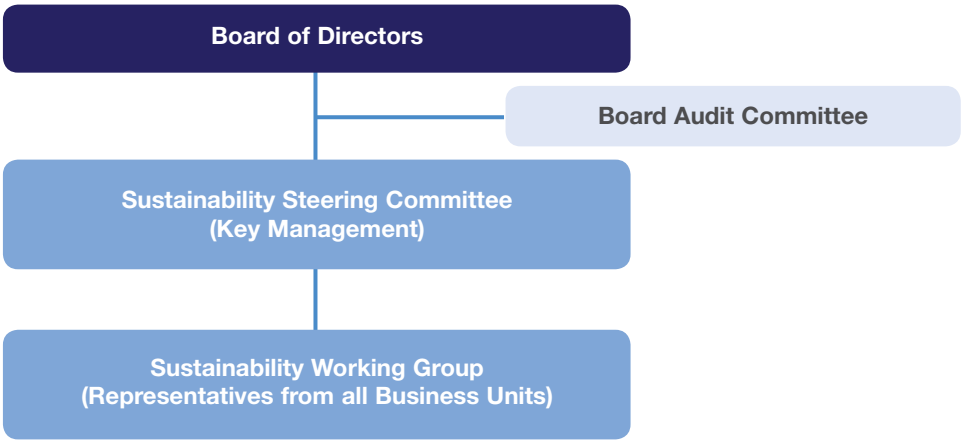
SDG 16:
Peace, Justice and Strong Institutions



Target 16.5 | Our internal governance policies such as the Anti-Corruption Policy, Whistleblowing Policy and Code of Ethics and Conduct ensure ethical business practices and anti-corruption principles are upheld across the Group's operations, reinforcing responsible conduct and accountability.

STRENGTHENING GOVERNANCE AND ACCOUNTABILITY

Sustainability-related matters are managed through a structured governance framework that drives effective oversight, accountability and decision-making across the Group. Our governance structure is led by the Board of Directors ("Board"), supported by the Board Audit Committee ("BAC"), Sustainability Steering Committee ("SSC") and Sustainability Working Group ("SWG").



SUSTAINABILITY STATEMENT
cont'd

The roles and responsibilities of the Board and its committees are set out in the respective Sustainability Governance Structure Terms of Reference.

Board Oversight	
Board of Directors	The Board of Directors is ultimately responsible for the Group's strategic direction on sustainability, including the oversight of Sunzen's sustainability-related risks and opportunities covering environmental, social and governance matters. In particular, the Board oversees: • The overall sustainability agenda, practices, performance and material sustainability matters from a strategic perspective; • The integration of sustainability-related risks and opportunities, including climate-related aspects, into the Group's strategy and risk management framework; and • The approval of sustainability policies, strategies, material sustainability matters and the annual Sustainability Statement, as proposed by the SSC. The Board receives quarterly updates on the Group's sustainability performance, key developments and progress against sustainability initiatives to support informed decision-making and resource allocation. Directors seeking re-appointment are assessed by the Nomination Committee ("NC") using the Directors' Evaluation Form, which evaluates their competencies and identifies any gaps against established criteria. The assessment results are considered by the NC before submission to the Board for approval. Sustainability- and climate-related performance metrics are currently not incorporated in the Group's remuneration policies.
BAC	The BAC oversees the effectiveness of the Group's sustainability governance, risk management and internal control processes. Its responsibilities include: • Reviewing sustainability strategies, initiatives and targets proposed by the SSC; • Assessing the integrity of sustainability disclosures prior to Board approval; and • Monitoring sustainability-related risk exposures and mitigation measures.
Management's Role	
SSC	Chaired by the Executive Chairman, the SSC supports the BAC and Board in managing sustainability-related risks and opportunities across the Group. Its responsibilities include: • Developing and recommending sustainability strategies, initiatives and targets to the BAC for Board approval; • Monitoring the implementation of sustainability strategies, policies and initiatives approved by the Board, with assistance from the SWG; and • Identifying and recommending sustainability-related training for Board members, management and employees to strengthen awareness and competency in sustainability matters.
SWG	The SWG supports the SSC in the operational implementation and monitoring of sustainability initiatives, including: • Coordinating sustainability-related data collection; • Tracking progress against sustainability targets; and • Supporting sustainability reporting and disclosures.

SUSTAINABILITY STATEMENT
cont'd

Risk Management

Sustainability- and climate-related risks are integrated into the Group's ERM framework in alignment with ISO 31000:2018, with risks identified alongside other business risks through structured interviews with key personnel across subsidiaries. The BAC is responsible for overseeing the overall risk management framework.

Risks are assessed based on likelihood and impact, considering the nature and magnitude of potential risks. Assessment incorporates both qualitative factors (management's perception of control effectiveness) and quantitative factors (e.g., revenue concentration).

Management is responsible for the prioritisation of the Group's overall risks, which is subsequently validated by senior management. Sustainability- and climate-related risks are evaluated using the same methodology and residual risk rating criteria applied across all enterprise risks, ensuring consistent assessment and prioritisation across the Group's risk profile.

Risks rated High are subject to close monitoring, with sustainability-related risks monitored on a continuous basis and periodic updates made to the Significant Risk Profile. Year-on-year comparisons are presented to the Audit Committee for oversight and review.

For further information on the Group's ERM framework and internal control processes, please refer to the Statement on Risk Management and Internal Control in Sunzen's Annual Report 2026

CREATING VALUE THROUGH STAKEHOLDER ENGAGEMENT

Effective stakeholder engagement is essential to identifying relevant sustainability matters and supporting informed decision-making across Sunzen. Our approach focuses on maintaining regular and structured engagement with key stakeholder groups to understand their perspectives and support the management of our operations.

Legend: ● Annually ● Quarterly ● As Needed

Stakeholders	Key Areas of Concern	Our Response	Engagement Platform
Shareholders	• Financial Performance • Regulatory Compliance • Business Development	• Provide updates on Sunzen's business development and financial performance • Maintain strong governance practices across the Group	● Quarterly Report ● Annual Report ● Annual General Meeting ● Bursa Announcement ● Investor Relation Briefing
Government and Regulatory Authorities	• Compliance with Laws, Regulations, Guidelines and National Policy • Governance Compliance	• Comply with regulatory requirements by updating our legal register • Establish Anti-corruption and Whistleblowing Policies • Renew licences promptly and meet financial regulations • Maintain full compliance with food safety standards	● Annual Report ● Agencies/Association ● Engagement ● Inspection/ Audit ● Meetings
Financiers	• Compliance with loan covenants and financial agreements • Financial Performance • Business Development	• Deliver updates on business development and financial performance • Routinely review and ensure compliance with all loan covenants • Communicate regularly on loan recovery issues and payment schedules	● General Meeting ● Analyst Meeting ● Corporate Website

SUSTAINABILITY STATEMENT
cont'd

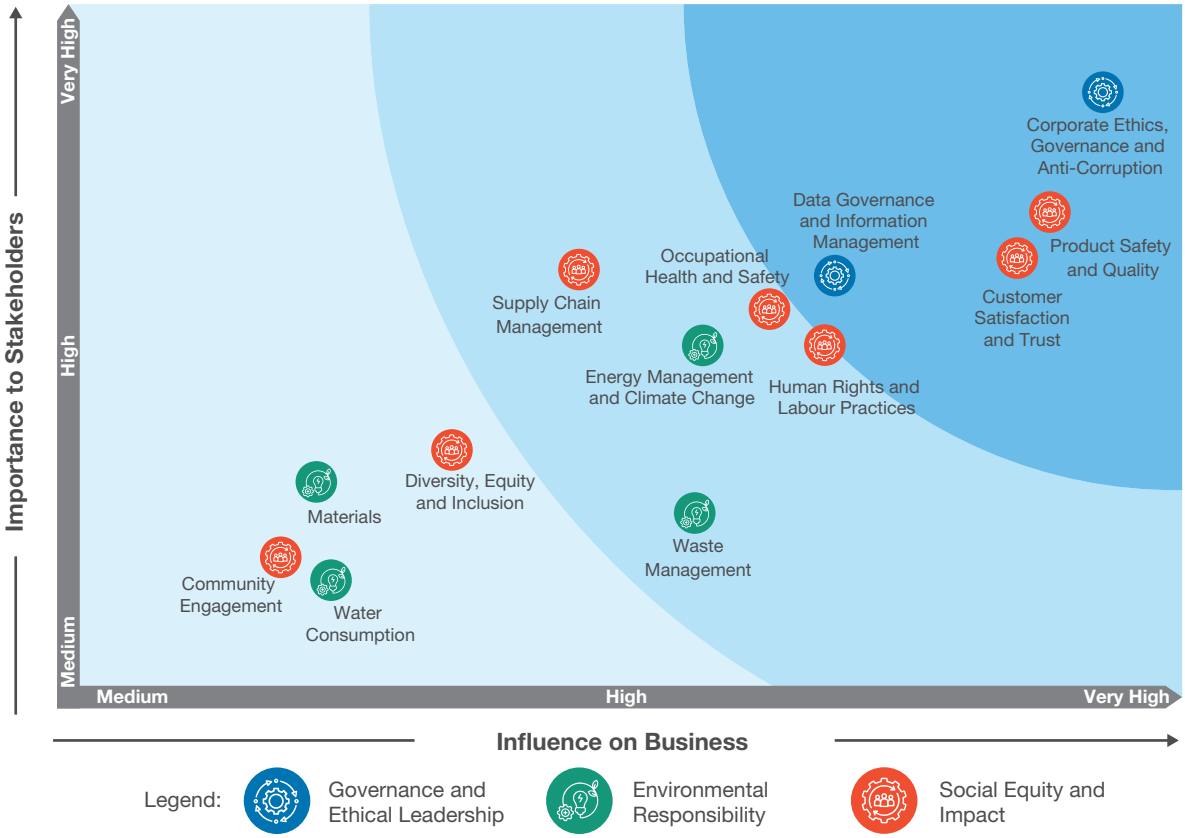
Stakeholders	Key Areas of Concern	Our Response	Engagement Platform
Suppliers and Vendors	• Payment Schedule • Fair and transparent procurement practices	• Set clear procurement guidelines and fair supplier contracts • Define payment terms clearly and resolve disputes promptly • Provide accurate sales forecasts	• Suppliers/Vendors Meeting Session • Supplier Evaluation • Physical and virtual meetings, as well as phone calls
Consumers and Customers	• Customer Service • Product Quality and Authenticity • Product Availability and Reliability	• Address customer feedback effectively • Provide necessary documents, including Certificates of Analysis ("COA") upon request • Conduct regular customer satisfaction evaluations • Ensure compliance with Food Safety Certifications	• Site visits and inspection • Annual Report • Customer Satisfaction Survey Feedback • Phone Call/Emails
Employees	• Job Training and Development • Employee Engagement • Employee Satisfaction and Well-being • Career Development	• Conduct training and employee engagement initiatives to strengthen skills, capabilities and collaboration • Maintain an employee feedback system and whistleblowing mechanism	• Performance Appraisals • Employee Feedback Form • Workshops and training sessions • Management Meetings
Communities	• Community Engagement	• Engage in CSR programmes such as education support and community well-being programmes	• Corporate Social Responsibility Activities

SUSTAINABILITY STATEMENT
cont'd

PRIORITISING WHAT MATTERS MOST

Sunzen identified 13 material sustainability matters in the previous reporting year through a materiality assessment to determine key sustainability priorities, align operational strategies with stakeholder expectations and strengthen overall risk management.

In FYE2026, the Group retained the materiality matrix as it remains relevant to our business operations. The four prioritised sustainability matters are Corporate Ethics, Governance and Anti-Corruption, Product Safety and Quality, Customer Satisfaction and Trust and Data Governance and Information Management.



SUSTAINABILITY STATEMENT
cont'd

GOVERNANCE AND ETHICAL LEADERSHIP

Relevant Key Stakeholders



Alignment with the UN SDG



Sunzen upholds governance, ethical conduct and data protection practices across the Group through internal corporate policies and regulatory compliance measures. These practices guide the management of governance, anti-corruption and information security matters across the Group's operations while reinforcing accountability and responsible business conduct.

Corporate Ethics, Governance and Anti-Corruption

Ethical conduct and integrity are upheld across the Group in accordance with applicable laws, regulations and the Malaysian Code on Corporate Governance ("MCCG"). Governance is upheld through various policies and codes, including the recently revised Board Charter and the newly implemented Data Retention Policy.



Exceeded MCCG's recommendation of at least 30% female representation on the Board for the past three years.

Anti-corruption practices are strengthened through training initiatives conducted in October 2025 and the Sunzen Group MACC Committee Meeting held in January 2026. 83% of operations across the Group were assessed for corruption risk (FYE2025: 58%).

For more information on the Group's corporate governance policies, please visit https://www.sunzengroup.com/corporate-governance/

We reinforced regulatory compliance through internal communication, operational reviews and targeted training where necessary. Our Health Products division ensures adherence through established SOPs, internal monitoring and compliance with relevant export regulations, HACCP and food safety requirements.

Data Governance and Information Management

Our data protection measures, such as cybersecurity controls and ongoing system safeguards, are implemented in compliance with the Personal Data Protection (Amendment) Act ("PDPA"). During the year, Sunzen invested RM15,228 in cybersecurity enhancements at Yanming Resources Sdn Bhd, focusing on strengthening system security and improving data protection capabilities.

SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENTAL RESPONSIBILITY

Relevant Key Stakeholders



Alignment with the UN SDG



The Group manages energy, water, waste and material consumption across our manufacturing operations through monitoring systems, operational controls and resource efficiency initiatives. Environmental management practices are integrated into the management of environmental impacts, climate-related considerations and resource utilisation across Sunzen's operations.

Energy Management and Climate Change

Sunzen is progressively incorporating climate considerations into our operations to manage energy-related operational risks and long-term business continuity. In FYE2026, we improved our climate-related disclosures by adopting selected elements of IFRS S2, providing greater transparency in how climate-related risks and opportunities are integrated into planning and risk management processes.

Physical Risks: Climate-related Risks, Impacts and Opportunities

Risk	Description	Potential Impacts	Potential Opportunities
		Short- to long-term	
Acute	• Exposure to extreme weather events such as floods, heatwaves and storms.	• Extreme weather events could disrupt operations at offices and distribution facilities. • Flooding, storms, or heatwaves may damage premises, equipment and inventory, interrupting product and service delivery.	• Emergency planning and training could enhance service reliability and operational resilience, strengthening business continuity and disaster preparedness. • Investing in more resilient facilities could minimise operational downtime and reduce risk of higher insurance premiums.
		Long-term	
Chronic	• Long-term climate changes, such as rising temperatures, changing precipitation patterns and more frequent extreme weather events.	• Rising temperatures and prolonged heat conditions may increase energy consumption and operating costs while affecting staff productivity. • Long-term climate impacts, such as gradual infrastructure stress or changing environmental conditions, could increase maintenance and facility upgrade costs.	• Upgrading to energy-efficient and climate-resilient facilities, including incorporating renewable energy solutions, could lower long-term operating costs. • Infrastructure improvements and operational adjustments could improve operational readiness and reduce exposure to changing environmental conditions.

SUSTAINABILITY STATEMENT
cont'd

Transition Risks: Climate-related Risks, Impacts and Opportunities

Risk	Description	Potential Impacts	Potential Opportunities
		Medium- to long-term	
Policy and Legal	• Potential future implementation of carbon pricing mechanisms and stricter enforcement of environmental compliance requirements.	• Increased operational costs from carbon-related charges, such as carbon taxes, imposed as part of future climate policies. • Potential costs associated with penalties or fines due to non-compliance with evolving environmental regulations.	• Enhancing energy efficiency, adopting low-carbon materials and generating onsite renewable energy could manage long-term costs. • Enhancing environmental management practices may improve regulatory compliance and operational consistency.
		Short- to long-term	
Technology	• Rapid developments in low-carbon technologies and manufacturing innovations.	• Increased costs and operational disruption arising from the adoption of new technologies, including capital investment and temporary downtime during implementation. • Reduced competitiveness or market relevance if emerging low-carbon or advanced manufacturing technologies are not adopted in a timely manner.	• Investing in low-carbon and advanced manufacturing technologies can improve efficiency, reduce energy costs and enhance product quality. • Leveraging technological innovation can strengthen competitiveness and market positioning.
Market	• Shifts in consumer preferences and investor expectations toward sustainable and environmentally responsible products.	• Reduced demand for products perceived as environmentally unfriendly, which could affect product sales.	• Developing sustainable products through eco-friendly packaging and responsible sourcing could attract customers seeking responsibly sourced and quality-assured products as well as strengthen brand reputation.
Supply Chain	• Suppliers may face challenges in complying with stricter environmental regulations.	• Delays or shortages of key products and supplies could disrupt the Group's operations, delay service delivery and affect customer satisfaction. • Increased costs from suppliers adapting to climate regulations or energy constraints could lead to higher procurement costs and reduced margins.	• Engaging suppliers on sustainability standards can strengthen supply chain resilience, improve compliance and ensure consistent product quality. • Diversifying the supplier base can reduce dependency risks, enhance operational flexibility and improve overall efficiency.

The Group continues to implement energy efficiency practices across operations, alongside employee awareness and training programmes relating to responsible energy management and environmental practices. On 30 October 2025, an online ESG awareness training session was conducted for employees across Sunzen to increase understanding of sustainability-related practices across the Group.

Energy Consumption

For FYE2026, we recorded total energy consumption of 9,963 GJ from fuel and electricity sources.

	Unit	FP2024	FYE2025	FYE2026
Total Energy Consumption	GJ	14,058	8,597	**9,963**
Energy Intensity	GJ/kg	0.007	0.010	**0.009**
	GJ/sqft	0.005	0.005	**0.010**

Notes:

1. *FP2024 covers an 18-month reporting period.*
2. *The energy consumption data for FP2024 and FYE2025 has been restated due to refinement of calculation methodology.*
3. *Energy intensity coverage varies by reporting period as follows:*
   - *FP2024 and FYE2025: Product manufacturing intensity (GJ/kg) covers Sunzen Group (comprising Sunzen Corporation Sdn Bhd and Sunzen Lifesciences Sdn Bhd, Ecolite Biotech, Ecolite Distribution and Yanming). Office administration intensity (GJ/sqft) covers Finsource in FP2024 and was expanded to include Eye Nation in FYE2025.*
   - *FYE2026: Following corporate restructuring, product manufacturing intensity (GJ/kg) covers Ecolite Biotech and Yanming. Office administration intensity (GJ/sqft) covers Sunzen Group, Ecolite Distribution, Herbology, Finsource and Eye Nation.*

Greenhouse Gas ("GHG") Emissions

Total GHG emissions amounted to 1,304 tCO2e in FYE2026, representing a 7% decrease compared to FYE2025. These encompass Scope 1, Scope 2 and selected Scope 3 GHG emissions, namely employee commuting and business travel.

Our rooftop solar photovoltaic ("PV") systems enabled the avoidance of 333 tCO_2e in FYE2026.

	Unit	FP2024	FYE2025	FYE2026
Scope 1 GHG Emissions	tCO_2e	589	320	**429**
Scope 2 GHG Emissions	tCO_2e	1,227	816	**526**
Scope 3 GHG Emissions	tCO_2e	N/A	268	**349**
Total GHG Emissions	tCO_2e	1,816	1,405	**1,304**
GHG Emissions Intensity	tCO_2e/kg	0.001	0.002	**0.001**
	tCO_2e/sqft	0.001	0.002	**0.006**

	Unit	FP2024	FYE2025	FYE2026
Scope 2 GHG Emissions Avoided	tCO_2e	N/A	56	**333**

Notes:

1. *Calculation methodology for GHG emissions is based on the GHG Protocol Corporate Accounting and Reporting Standards.*
2. *Scope 1 and 3 emission factors were sourced from the UK Government's GHG Conversion Factors for 2023, 2024 and 2025.*
3. *Scope 2 emission factors were sourced from the National Energy Commission: Grid Emissions Factor 2022.*
4. *The GHG emissions data for FP2024 and FYE2025 has been restated due to refinement of calculation methodology.*
5. *GHG Emissions intensity coverage varies by reporting period as follows:*
   - *FP2024 and FYE2025: Product manufacturing intensity (tCO2e/kg) covers Sunzen Group (comprising Sunzen Corporation Sdn Bhd and Sunzen Lifesciences Sdn Bhd, Ecolite Biotech, Ecolite Distribution and Yanming). Office administration intensity (tCO2e/sqft) covers Finsource in FP2024 and was expanded to include Eye Nation in FYE2025.*
   - *FYE2026: Following corporate restructuring, product manufacturing intensity (tCO2e/kg) covers Ecolite Biotech and Yanming. Office administration intensity (tCO2e/sqft) covers Sunzen Group, Ecolite Distribution, Herbology, Finsource and Eye Nation.*
6. *N/A indicates "not available".*

SUSTAINABILITY STATEMENT
cont'd

Water Consumption

We continue to enhance water efficiency through monitoring systems and maintenance practices, including the use of water meters across operations and regular facility inspections to identify and minimise water wastage.

During the year, the Group conducted maintenance on our water system to rectify damage to several pipeline components. Consequently, planned enhancements to the water management system were rescheduled for implementation in the third or fourth quarter of 2026 to ensure existing maintenance issues are fully resolved before proceeding with the proposed upgrades.

In FYE2026, the Group consumed 25 ML of water, representing a 17% reduction compared to the previous year.

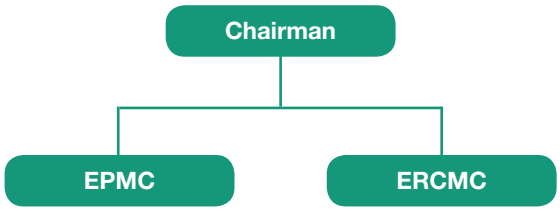
Notes:

1. *Water consumption data for Ecolite Distribution for FYE2026 covers the period from January 2026 onwards, following the expansion of its office to Kuala Lumpur.*
2. *Water consumption data excludes Herbology, where water consumption is included within tenancy arrangements.*

Waste Management

Our Environmental Management Committee ("EMC"), comprising the Environmental Performance Monitoring Committee ("EPMC") and the Environmental Regulatory Compliance Monitoring Committee ("ERCMC"), oversees waste management across our operations to improve operational efficiency, reduce environmental impacts and manage disposal costs.

Environmental Management Committee



Roles and Responsibilities:

EPMC: Oversees daily execution through the operations team and a DOE-certified competent representative

ERCMC: Ensures effective implementation and evaluates the feasibility of environmental policies

The Group continues to implement the following key initiatives to support our waste management practices.



Engaged licensed contractors to manage all scheduled waste in compliance with the Environmental Quality ("Scheduled Wastes") Regulations 2005.



Minimised paper usage by reusing wastepaper and shifting towards a cloud-based Work Operating System to manage reporting tasks.



Established a recycling box initiative in collaboration with a recycling partner across manufacturing sites to promote waste segregation.

In FYE2026, Sunzen generated 105.9 tonnes of waste with 53.1 tonnes diverted from disposal, indicating a 5% increase from the previous reporting year.

SUSTAINABILITY STATEMENT
cont'd

Total Waste Generation	Unit	FP2024	FYE2025	FYE2026
Scheduled Waste	tonnes	18.2	1.1	**0.1**
Non-Scheduled Waste	tonnes	130.3	108.9	**105.8**

Waste Diversion and Disposal	Unit	FP2024	FYE2025	FYE2026
Total Waste Diverted from Disposal	tonnes	46.3	50.6	**53.1**
Total Waste Directed to Disposal	tonnes	102.2	59.4	**52.9**

Notes:

1. FP2024 covers an 18-month reporting period.
2. The non-scheduled waste data for FYE2025 has been restated due to enhancement of data collection methodology.

Effluent Management

Construction of our Industrial Effluent Treatment System ("IETS") at Ecolite Biotech commenced in July 2025 and was completed in December 2025. A commissioning process was conducted on 26 January 2026 to evaluate its performance and confirm that the IETS operated as intended.

Materials Consumption

The Group continues to manage material usage through packaging optimisation and recyclable material initiatives to reduce waste, maintain product quality and improve cost efficiency. We are also exploring opportunities to further enhance packaging sustainability through reusable and refillable solutions.

Glass bottles, plastics and paper represented the three most consumed packaging materials in FYE2026, alongside paper cartons/boxes and carton cardboard.



SUSTAINABILITY STATEMENT
cont'd

SOCIAL EQUITY AND IMPACT

Relevant Key Stakeholders

Alignment with the UN SDG

Safeguarding workforce well-being remains a key priority for Sunzen alongside maintaining fair labour practices and inclusive workplaces. The Group also places emphasis on responsible supply chain management, product quality, customer relationships and community engagement to support sustainable business operations.

Occupational Health and Safety

Key initiatives introduced in the previous reporting year remained in place during FYE2026, including:

- Hazard Identification, Risk Assessment and Risk Control ("HIRARC") assessments
- Workplace and machinery inspections
- Health examinations for individuals with identified health concerns
- Emergency response drills

Health and safety standards are overseen by the Occupational Health and Safety ("OSH") Committee, established at Ecolite Biotech in FYE2025, and guided by the Group's Health and Safety Policy. Building on these efforts, OSH Coordinators were appointed across Sunzen Group and Eye Nation in FYE2026 to strengthen implementation and monitoring of health and safety practices across our operations.

Safety Training

Sunzen recorded zero work-related fatalities and maintained a Lost Time Incident Rate ("LTIR") of 0.00 over the past three reporting periods. We conducted four occupational health and safety training programmes involving 76 attendances, delivering a total of 7,828 training hours.

Note: Participants are from the following subsidiaries: Ecolite Biotech, Yanming and Eye Nation.



Emergency Response Training

Human Rights and Labour Practices

Sunzen upholds fair employment practices and equal employment opportunities through a structured labour contract system compliant with the Employment Act (Amendment) 2022 and the Minimum Wage Act 2022. Foreign workers are provided with accommodation in accordance with the Workers' Minimum Standards of Housing and Amenities Act, while our Human Rights Policy and labour practices are set out in the Employee Handbook.

Open communication is enabled through grievance channels, including the Employee Feedback Form, allowing for confidential reporting and fair resolution through established investigation procedures. In FYE2026, the Group recorded zero substantiated complaints concerning human rights violations.

SUSTAINABILITY STATEMENT
cont'd

Employee Engagement

Sunzen promotes employee engagement through activities such as annual dinners, festive celebrations and community events to encourage workplace interaction and strengthen employee connections across the organisation. These initiatives contribute to a positive and collaborative working environment.



Sunzen Chinese New Year Celebration



Sunzen Group's New Year Gathering



Finsource Badminton Match

Employee Benefits

Sunzen provides employee benefits to eligible full-time employees in accordance with applicable employment practices and internal policies.

Employee Benefits and Entitlements

Paid Leave

- Marriage Leave
- Compassionate Leave
- Annual Leave
- Parental Leave
- Medical Leave

Claims

- Mileage Claim
- Entertainment Claim
- Accommodation Claim

Note: Entertainment and accommodation claims are provided only for sales and technical service staff.

Medical Coverage

- Medical Benefits
- Hospitalisation Benefits

Insurance Coverage

- Personal Accident Insurance
- Life Insurance

Note: These insurance coverages are provided to eligible long-serving employees.

Allowance

- Travel Allowance
- Outstation Meal Allowance
- Transport Allowance
- Food Allowance
- Attendance Allowance

Note: Travel and outstation meal allowances are provided only for sales and technical service staff.

Company Shares

- Employee Share Option Scheme ("ESOS") for eligible long-serving employees (excluding Herbology and Eye Nation employees)

SUSTAINABILITY STATEMENT
cont'd

Diversity, Equity and Inclusion

In FYE2026, Sunzen's workforce comprised 170 employees. The workforce remained predominantly female, accounting for 56% of total employees, while 56% of our employees were aged between 30–50. Permanent employees accounted for 96% of the workforce. 35 employees were recruited during the year, of which 51% were female. Employee turnover totalled 39, indicating a 47% reduction compared to the previous reporting year.

Employee Training

The Group continued to develop employee capability through structured training and learning initiatives across Sunzen.

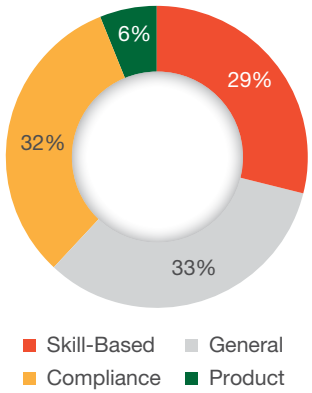
In FYE2026, a total of 6,293 training hours were delivered through 82 training and development programmes, representing an average of 37 training hours per employee.

In addition to formal training programmes, employee development initiatives included on-the-job learning, skills gap assessments and employee recognition activities to support capability development and performance management.

Sunzen also provides industrial internship opportunities for students, offering practical exposure to real-world working environments and promoting skills development, knowledge enhancement and career readiness.

Note: Average training hours per employee are calculated by dividing the Group's total training hours by the total number of employees.

Employee Training and Development Programmes in FYE2026



Employee Appraisal

Sunzen manages employee performance and professional development through structured appraisal processes based on individual KPIs, job performance and overall contribution. Periodic reviews and discussions between employees and management support performance evaluation and development planning. In FYE2026, a total of 160 employees underwent performance appraisals.

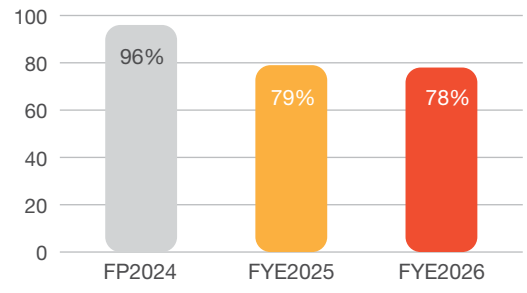
Supply Chain Management

The Group prioritises local sourcing where feasible to improve supply chain efficiency, reduce lead times and meet operational requirements.

In FYE2026, local suppliers accounted for 78% of our procurement budget, consistent with the proportion recorded in the previous year. Eye Nation predominantly sources its products and supplies from overseas as equivalent products are not readily available locally.

Note: The procurement budget spent on local suppliers for FP2024 and FYE2025 has been restated to reflect the latest data.

Proportion of Group Spending on Local Suppliers



SUSTAINABILITY STATEMENT
cont'd

Product Safety and Quality

Our quality and safety framework is built on internationally recognised certifications such as GMP, HACCP and Halal, alongside regulatory licenses like MeSTI and GACC, supporting compliance across production and distribution and facilitating access to export markets.

The Group continued implementing quality and safety measures introduced in FYE2025 to uphold product quality and safety standards. These included regular internal and external audits, as well as monthly inspections to maintain hygiene and sanitation standards across operations.

The following initiatives were implemented in FYE2026 to uphold our product quality and safety standards.

- Annual GMP compliance refresher training
- Induction training on GMP and HACCP requirements and compliance practices
- Food safety verification conducted on a quarterly basis
- Enhanced workplace, product and facility inspections
- Continuous monitoring of SOP and Critical Control Points ("CCP") to uphold compliance with relevant workplace, quality and product safety regulations
- Scheduled preventive maintenance programmes to ensure the effectiveness of facility management systems

Customer Satisfaction and Trust

Sunzen monitors customer feedback through regular communications and survey forms to understand customer expectations and identify opportunities to improve product quality and service delivery. This supports ongoing efforts to maintain customer confidence and long-term customer relationships.

In FYE2026, the Group reported no incidents of non-compliance relating to product health and safety regulations or voluntary codes. Yanming achieved the highest possible customer satisfaction score of 20 during the financial year.

Community Engagement

Our community initiatives focus on supporting schools and community organisations through activities that contribute to social inclusion and community development.

RM66,496 invested in community initiatives

In FYE2026, Sunzen's key contributions were directed towards charity and school food fair initiatives, benefiting five organisations. We also participated in the Forever Love Charity Dinner organised by the Malaysia Speakers Organisation to support fundraising for an elderly care home.

BUILDING SUSTAINABLE VALUE

Sunzen remains committed to managing sustainability-related priorities in a disciplined and practical manner through responsible business practices, sound governance and ongoing stakeholder engagement. As the Group continues to strengthen our sustainability disclosures and operational practices, we focus on supporting long-term business continuity and sustainable growth, in line with our mission of "continuously growing and thriving for a century and beyond."

PRESCRIBED TABLE

SUNZEN GROUP BERHAD
BMLR Transition Period

Date & Time: 2026-10-20_09:00:55
Ace Market | Group 3 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Corporate Ethics, Governance and Anti-Corruption	Percentage of operations assessed for corruption related risks	%	58	83	N/A	No assurance
Corporate Ethics, Governance and Anti-Corruption	Confirmed incidents of corruption and actions taken	Number	0	0	N/A	No assurance
Data Governance and Information Management	Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	0	0	N/A	No assurance
Supply Chain Management	Proportion of spending on local suppliers	%	79	78	N/A	No assurance
Energy Management and Climate Change	Total energy consumption	GJ	8597	9963	N/A	No assurance
Energy Management and Climate Change	Scope 1 emissions in tonnes of CO2e	tCO2e	320	429	N/A	No assurance
Energy Management and Climate Change	Scope 2 emissions in tonnes of CO2e	tCO2e	816	526	N/A	No assurance
Energy Management and Climate Change	Scope 3 emissions in tonnes of CO2e (business travel and employee commuting)	tCO2e	268	349	N/A	No assurance
Waste Management	Total waste generated	Metric tonnes	110.0	105.9	N/A	No assurance
Waste Management	Total waste diverted from disposal	Metric tonnes	50.6	53.1	N/A	No assurance
Waste Management	Total waste directed to disposal	Metric tonnes	59.4	52.9	N/A	No assurance
Water Consumption	Total volume of water used	ML	30	25	N/A	No assurance
Occupational Health and Safety	Number of work-related fatalities	Number	0	0	N/A	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Occupational Health and Safety	Lost time incident rate ("LTIR")	Rate	0.00	0.00	N/A	No assurance
Occupational Health and Safety	Number of health and safety training attendances	Number	58	76	N/A	No assurance
Human Rights and Labour Practices	Number of substantiated complaints concerning human rights violation	Number	0	0	N/A	No assurance
Diversity, Equity and Inclusion	Total hours of training by employee category: •Senior Management	Hours	154	230	N/A	No assurance
Diversity, Equity and Inclusion	Total hours of training by employee category: •Management	Hours	498	827	N/A	No assurance
Diversity, Equity and Inclusion	Total hours of training by employee category: •Executive	Hours	2420	3959	N/A	No assurance
Diversity, Equity and Inclusion	Total hours of training by employee category: •Non-Executive	Hours	1943	1278	N/A	No assurance
Diversity, Equity and Inclusion	Total number of employee turnover by employee category: •Senior Management	Number	0	1	N/A	No assurance
Diversity, Equity and Inclusion	Total number of employee turnover by employee category: •Management	Number	7	2	N/A	No assurance
Diversity, Equity and Inclusion	Total number of employee turnover by employee category: •Executive	Number	31	15	N/A	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity, Equity and Inclusion	Total number of employee turnover by employee category: •Non-Executive	Number	35	21	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Gender group by employee category: •Senior Management (Male)	%	77	79	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Gender group by employee category: •Senior Management (Female)	%	23	21	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Gender group by employee category: •Management (Male)	%	47	33	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Gender group by employee category: •Management (Female)	%	53	67	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Gender group by employee category: •Executive (Male)	%	26	28	N/A	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Gender group by employee category: •Executive (Female)	%	74	72	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Gender group by employee category: •Non-Executive (Male)	%	48	53	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Gender group by employee category: •Non-Executive (Female)	%	52	47	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Age group by employee category: •Senior Management (<30)	%	0	0	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Age group by employee category: •Senior Management (30-50)	%	62	57	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Age group by employee category: •Senior Management (>50)	%	38	43	N/A	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Age group by employee category: •Management (<30)	%	7	0	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Age group by employee category: •Management (30-50)	%	67	83	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Age group by employee category: •Management (>50)	%	27	17	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Age group by employee category: •Executive (<30)	%	36	37	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Age group by employee category: •Executive (30-50)	%	56	55	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Age group by employee category: •Executive (>50)	%	8	8	N/A	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Age group by employee category: •Non-Executive (<30)	%	46	40	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Age group by employee category: •Non-Executive (30-50)	%	41	50	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Age group by employee category: •Non-Executive (>50)	%	14	10	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Percentage of directors by gender and age: •Male	%	67	67	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Percentage of directors by gender and age: •Female	%	33	33	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Percentage of directors by gender and age: •<30	%	0	0	N/A	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Percentage of directors by gender and age: •30-50	%	50	50	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender and age group, for each employee category: Percentage of directors by gender and age: •>50	%	50	50	N/A	No assurance
Diversity, Equity and Inclusion	Percentage of employees that are contractors or temporary staff	%	2	4	N/A	No assurance
Community Engagement	Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	42,171	66,496	N/A	No assurance
Community Engagement	Total number of beneficiaries of the investment in communities	Number	8	5	N/A	No assurance

SUSTAINABILITY STATEMENT
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IFRS CONTENT INDEX

IFRS S1		
Code	**Disclosure**	**Page Reference**
Governance		
IFRS S1.27(a)	Governance bodies responsible for oversight of sustainability-related risks and opportunities	17–18, 51
IFRS S1.27(a)(i)	Responsibilities reflected in terms of reference, mandates, role descriptions, and related policies	18
IFRS S1.27(a)(ii)	How the governance body develops skills and competencies to oversee strategies addressing sustainability-related risks and opportunities	18, 52, 57
IFRS S1.27(a)(iii)	How and how often the governance body is informed about sustainability-related risks and opportunities	18, 52
IFRS S1.27(a)(iv)	How sustainability-related risks and opportunities are considered in strategy, major transactions, risk management, and related policies	18–19, 51
IFRS S1.27(a)(v)	Oversight of target-setting and progress monitoring for sustainability-related risks and opportunities	18, 51–52
IFRS S1.27(b)	Management's role in oversight of sustainability-related risks and opportunities	18, 51
IFRS S1.27(b)(i)	Delegation to management-level positions or committees and oversight mechanisms	18, 51
IFRS S1.27(b)(ii)	Controls and procedures supporting oversight and integration with internal functions	18, 51, 69–70
Strategy		
IFRS S1.29(a)	Sustainability-related risks and opportunities that could reasonably affect the entity's prospects	23–24
IFRS S1.29(b)	Current and anticipated effects on business model and value chain	23–24
IFRS S1.29(c)	Effects on strategy and decision-making	18, 22–31, 51
IFRS S1.29(d)	Effects on financial position, performance, and cash flows	23–24
Risk Management		
IFRS S1.44(a)	Processes and policies to identify, assess, prioritise, and monitor sustainability-related risks	19, 70
IFRS S1.44(a)(i)	Inputs and parameters used (e.g., data sources, operational scope)	19, 70
IFRS S1.44(a)(iii)	Assessment of risk nature, likelihood, and magnitude	19, 70
IFRS S1.44(a)(iv)	Prioritisation relative to other risks	19
IFRS S1.44(a)(v)	Risk monitoring	19, 70
IFRS S1.44(c)	Integration of sustainability-related risk and opportunity processes into overall risk management	19, 69–70
Metrics and targets		
IFRS S1.46(a)	Metrics required by an applicable IFRS Sustainability Disclosure Standard	25
IFRS S1.46(b)(i)	Metrics used to measure and monitor performance in relation to sustainability-related risks or opportunities	22, 25–31
IFRS S1.50(a)	Definition of entity-developed metrics, including adaptation from non-IFRS sources and differences from those sources.	30
IFRS S1.50(b)	Whether the metric is absolute, relative, or qualitative	25–27, 30
IFRS S1.50(d)	Method for metric calculation, inputs, limitations, and assumptions	25, 30

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IFRS S2		
Code	**Disclosure**	**Page Reference**
Governance		
IFRS S2.6(a)	Governance bodies responsible for oversight of climate-related risks and opportunities	17–18, 51
IFRS S2.6(a)(i)	Responsibilities reflected in terms of reference, mandates, role descriptions, and related policies	18
IFRS S2.6(a)(ii)	How the governance body develops skills and competencies to oversee strategies addressing climate-related risks and opportunities	18, 52, 57
IFRS S2.6 (a)(iii)	How and how often the governance body is informed about climate-related risks and opportunities	18, 52
IFRS S2.6 (a)(iv)	Consideration of climate-related risks and opportunities in strategy, major transactions, risk management, and related policies, including trade-offs	18–19, 51
IFRS S2.6 (a)(v)	Oversight of target-setting, monitoring, and inclusion of metrics in remuneration policies	18, 51–52
IFRS S2.6 (b)	Management's role in overseeing climate-related risks and opportunities	18, 51
IFRS S2.6 (b)(i)	Delegation to management-level positions or committees and oversight mechanisms	18, 51
IFRS S2.6 (b)(ii)	Controls and procedures supporting oversight and integration with internal functions	18, 51, 69–70
Strategy		
IFRS S2.9(a)	Climate-related risks and opportunities that could reasonably affect the entity's prospects	23–24
IFRS S2.9(b)	Current and anticipated effects on business model and value chain	23–24
IFRS S2.9(c)	Effects on strategy and decision-making, including climate-related transition plans	24–25
IFRS S2.9(d)	Effects on financial position, performance, and cash flows	23-24
Risk Management		
IFRS S2.25(a)	Processes and policies to identify, assess, prioritise, and monitor climate-related risks	19, 70
IFRS S2.25(a)(i)	Inputs and parameters used (e.g., data sources, scope of operations)	19, 70
IFRS S2.25(a)(iii)	Assessment of risk nature, likelihood, and magnitude	19, 70
IFRS S2.25(a)(iv)	Prioritisation of climate-related risks relative to other risks	19
IFRS S2.25(a)(v)	Risk monitoring	19, 70
IFRS S2.25(c)	Integration of risk and opportunity processes into overall risk management	19, 69–70
Metrics and Targets		
IFRS S2.28(a)	Information relevant to cross-industry metric categories	18, 25
IFRS S2.29(a)(i)	Absolute gross Scope 1, 2, and 3 greenhouse gas (GHG) emissions in metric tonnes CO_2e	25
IFRS S2.29(a)(ii)	Measurement of GHG emissions in accordance with the Greenhouse gas Protocol: A Corporate Accounting and Reporting Standard (2004)	14, 25
IFRS S2.29(a)(iii)	Measurement approach, inputs, assumptions, and reasons for changes during the reporting period	14, 25
IFRS S2.29(a)(vi)(1)	Categories included in Scope 3 emissions measurement	14, 25
IFRS S2.29(g)(i)	How climate-related considerations factor into executive remuneration	18

Note: The IFRS Content Index references selected IFRS S1 and S2 disclosure requirements that have been considered in preparing this Sustainability Statement. It is not intended to represent a complete mapping of all IFRS S1 and S2 disclosure requirements.

GRI INDEX

Statement of use	Sunzen Group Berhad has reported the information cited in this GRI content index for the period 1 July 2025 to 30 June 2026 ("FYE2026") with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure		Page Reference
GRI 2: General Disclosures 2021	2-1	Organisational details	2, 10, 13
	2-2	Entities included in the organisation's sustainability reporting	13
	2-3	Reporting period, frequency and contact point	13-14
	2-4	Restatements of information	25, 27, 30
	2-6	Activities, value chain and other business relationships	10, 13, 30–31
	2-7	Employees	30, 34–38
	2-9	Governance structure and composition	17–18, 53
	2-10	Nomination and selection of the highest governance body	53–55
	2-11	Chair of the highest governance body	4, 48
	2-12	Role of the highest governance body in overseeing the management of impacts	18, 51–52
	2-13	Delegation of responsibility for managing impacts	18, 51
	2-14	Role of the highest governance body in sustainability reporting	18, 51
	2-15	Conflicts of interest	45, 51
	2-17	Collective knowledge of the highest governance body	52, 57
	2-18	Evaluation of the performance of the highest governance body	52, 58
	2-19	Remuneration policies	18, 59–61
	2-20	Process to determine remuneration	59
	2-23	Policy commitments	16, 28, 50
	2-24	Embedding policy commitments	16, 18, 22, 26–28, 50
	2-25	Processes to remediate negative impacts	28
	2-26	Mechanisms for seeking advice and raising concerns	28, 50
	2-27	Compliance with laws and regulations	28
	2-28	Membership associations	14
	2-29	Approach to stakeholder engagement	19-20
GRI 3: Material Topics 2021	3-1	Process to determine material topics	19–21
	3-2	List of material topics	21
	3-3	Management of material topics	16, 18–19, 22–31
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	30
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	22, 32
	205-2	Communication and training about anti-corruption policies and procedures	22, 57
	205-3	Confirmed incidents of corruption and actions taken	32

SUSTAINABILITY STATEMENT
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GRI Standard	Disclosure		Page Reference
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	25, 32
	302-3	Energy intensity	25
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	26–27
	303-5	Water consumption	26, 32
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	14, 25, 32
	305-2	Energy indirect (Scope 2) GHG emissions	14, 25, 32
	305-3	Other indirect (Scope 3) GHG emissions	14, 25, 32
	305-4	GHG emissions intensity	25
	305-5	Reduction of GHG emissions	25
GRI 306: Waste 2020	306-2	Management of significant waste-related impacts	26–27
	306-3	Waste generated	26–27, 32
	306-4	Waste diverted from disposal	26–27, 32
	306-5	Waste directed to disposal	27, 32
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	30, 33–34
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	29
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	28
	403-2	Hazard identification, risk assessment, and incident investigation	28
	403-3	Occupational health services	28
	403-5	Worker training on occupational health and safety	28, 33
	403-6	Promotion of worker health	29
	403-9	Work-related injuries	28, 32–33
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	30, 33
	404-2	Programs for upgrading employee skills and transition assistance programs	30
	404-3	Percentage of employees receiving regular performance and career development reviews	30
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	22, 30, 34–38
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	31, 38
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	31
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	31
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	32

AUDIT COMMITTEE REPORT

The Board is pleased to present the Audit Committee Report for the financial year ended 30 June 2026 in accordance with Rule 15.15 of the ACE Market Listing Requirements ("**AMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

COMPOSITION OF THE AUDIT COMMITTEE AND MEETING ATTENDANCE

The Audit Committee ("**AC**") comprises the following members and the details of attendance of each member at the six (6) meetings held during the financial year ended 30 June 2026 were as follows:

Name	No. of Meetings Attended
Chairman	
Khoo Kien Hoe *(Independent Non-Executive Director)* *(Resigned on 30 June 2026)*	6/6
Aida Lim Binti Abdullah *(Senior Independent Non-Executive Director)* *(Redesignated as Chairperson on 1 July 2026)*	6/6
Members	
Poo Long Yii *(Independent Non-Executive Director)*	6/6
Lee Yew Weng *(Non-Independent Non-Executive Director)*	5/6
Yap Shuk Kem *(Independent Non-Executive Director)* *(Appointed on 1 October 2026)*	N/A

The former AC Chairman, Mr. Khoo Kien Hoe, is an Independent Non-Executive Director of the Company. He is a fellow member of the Association of Certified Chartered Accountants and a member of the Malaysian Institute of Accountants.

Following the resignation of Mr. Khoo Kien Hoe as a director of the Company, he ceased to be the Chairman of the AC with effect from 30 June 2026. Subsequently, upon the recommendation of the Nomination Committee and approval from the Board of Directors, Puan Aida Lim binti Abdullah was redesignated as the Chairperson of the AC with effect from 1 July 2026.

Puan Aida Lim binti Abdullah is a Chartered Accountant with the Malaysian Institute of Accountants (MIA), she is also a Fellow Member of the Chartered Global Management Accountant (FCMA), the Chartered Institute of Management Accountants (CIMA), a Fellow Member of Institute of Corporate Directors of Malaysia (ICDM), Member of the Chartered Institute of Islamic Finance Professionals (CIIFP).

In addition, the AC Chairperson is not the Chairman of the Board of Directors of the Company, and no Alternate Director has been appointed to the AC.

Accordingly, the Company complies with the requirements set out in Rules 15.09 and 15.10 of the AMLR of Bursa Securities, as well as Practice 9.1 (Chairman of the AC is not the Chairman of the Board) of the Malaysian Code on Corporate Governance 2021.

The meetings were conducted with a quorum of two (2) AC members and the majority of the members present at the meetings were Independent Non-Executive Directors. The meetings were appropriately structured through the use of agendas, which were distributed together with the minutes of the previous meeting, the relevant papers and reports to the members at least 7 days before the meetings to allow the members sufficient time to review the information in order to discharge their duties and responsibilities diligently and effectively in compliance with the AMLR of Bursa Securities and its Terms of Reference.

AUDIT COMMITTEE REPORT
cont'd

COMPOSITION OF THE AUDIT COMMITTEE AND MEETING ATTENDANCE *cont'd*

The AC may inspect the minutes of the AC at the registered office. The AC has been given adequate resources to discharge its functions and has full and unrestricted access to and cooperation from Management. The AC also has full discretion to invite the Senior Management, the Chief Financial Officer, employees of the Group, External Auditors and Internal Auditors to attend and brief the members on specific issues during the AC Meeting.

In addition, the AC had meetings with the External Auditors without the presence of Management where they were given the opportunity to raise any concerns or professional opinions and thus, be able to exert their functions independently.

Annually, the AC and each of its members conduct a self-assessment of their performance and the summary of results will be tabled to the Nomination Committee for further review. The Nomination Committee will assess the performance and terms of office of the AC and report the same to the Board.

For the financial year ended 30 June 2026, the Board is satisfied that the AC has discharged its functions, duties and responsibilities in accordance with its Terms of Reference.

TERMS OF REFERENCE

The AC discharges its responsibilities in accordance with its Terms of Reference ("**TOR**") which sets out its authority, duties and functions of the AC. The TOR is accessible on the Company's website at https://www.sunzengroup.com/corporate-governance/.

SUMMARY OF WORK DONE DURING THE FINANCIAL YEAR ENDED 30 JUNE 2026

During the financial year ended 30 June 2026, the AC worked closely with the External Auditors, Internal Auditors and Management to carry out its duties and functions as set out in its TOR.

The summary of activities carried out by the AC during the financial year ended were as follows:-

Financial Reporting

1. Reviewed the unaudited quarterly interim reports of the Group and made recommendations to the Board for approval. The Group Managing Director and Chief Financial Officer were invited to present these interim financial results, responded to the AC, and provided their explanations for any material changes in the financial performance and compliance with accounting standards and treatments.

2. Reviewed the annual audited financial statements of the Company and the Group for the financial year ended 30 June 2025 and other significant accounting issues together with Management and the External Auditors and made recommendations to the Board for approval. The key considerations in the deliberation of these financial statements focused particularly on changes in and implementation of major accounting policies and practices for the Group, significant adjustments arising from the audit (if any), the going concern assumption, significant and unusual events, and compliance with accounting standards and other legal requirements.

External Audit

1. Reviewed the audit plan of the Group prepared by the External Auditors for the financial year ended 30 June 2026, including the scope of work, audit approach adopted by the External Auditors, areas of focus, audit materiality, audit timetable, and so forth prior to the commencement of the audit.

2. Reviewed the audit findings for the financial year ended 30 June 2025 highlighted by the External Auditors as well as deficiencies in the internal control systems of the Group that required improvements. The External Auditors also updated the AC on audit-related matters, including but not limited to, new financial reporting standards and key audit matters to be included in the auditors' report.

AUDIT COMMITTEE REPORT cont'd

SUMMARY OF WORK DONE DURING THE FINANCIAL YEAR ENDED 30 JUNE 2026 *cont'd*

External Audit *cont'd*

3. Reviewed and recommended to the Board for approval, the fees for audit and non-audit services for the financial year ended 30 June 2026.

4. Reviewed and assessed the performance, independence and objectivity of the External Auditors via External Audit Function Evaluation Form and recommended to the Board for approval and recommendation on the re-appointment of External Auditors, Grant Thornton Malaysia PLT for the financial year ended 30 June 2026.

5. Conducted a private session with the External Auditors without the presence of Executive Directors and Management to seek feedback from the External Auditors on any concerns or difficulties encountered in the course of auditing and critical issues, if any, that are being objectively brought to the attention of the AC.

Internal Audit

1. Reviewed with the Internal Auditors, the internal audit reports including follow-up review reports, which covers the audit findings and recommendations, Management's responses and/or actions taken in relation thereto and ensured that material findings were satisfactorily addressed by Management.

2. Evaluated the internal audit function and ensured the adequacy of scope, competency, and resource sufficiency of the outsourced internal audit function.

   Based on the annual assessment, the AC is satisfied with the adequacy and effectiveness of the internal audit function.

3. Reviewed the effectiveness and efficiency of the internal control system in place and the risk factors affecting the Company as well as the action plans taken by management to resolve the issues to ensure adequacy of the internal control system.

Related Party Transactions

Reviewed the related party transactions transacted by the Group on a quarterly basis to ensure that these transactions are fair, conducted at arm's length, reasonable and carried out on normal commercial terms that are not favourable to the related party than those generally available to the public and do not compromise the interests of minority shareholders.

There were no material related party transactions noted during the financial year under review.

Conflict of Interest

The AC has adopted a Conflict-of-Interest Policy, for the purpose of identifying, evaluating, disclosing/reporting, monitoring and managing of conflict of interest and potential conflict of interest situation.

The AC reviewed all the conflict-of-interest or potential conflict-of-interest declarations made by Key Persons as at the financial year ended under review and concluded that sufficient disclosure of all conflict-of-interest or potential conflict-of-interest had been made and documented. The Committee is satisfied that there was no other conflict of interest or potential conflict of interest noted during the financial year under review.

Risk Management

Assisted the Board in identifying the principal risks, reviewing and assessing the adequacy and effectiveness of the risk management framework and internal control system based on the recommendation from the outsourced risk management consultant.

Others

Reviewed the AC Report and Statement of Risk Management and Internal Control before recommending them to the Board for approval and inclusion in the 2025 Annual Report.

AUDIT COMMITTEE REPORT
cont'd

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to an external service provider firm, namely Augment GC Sdn. Bhd., to assist the AC in discharging its duties and responsibilities in respect of reviewing the adequacy and effectiveness of the risk management and internal control systems of the Group.

The Internal Auditors, who report directly to the AC, conduct the internal audit activities as prescribed in the internal audit plan approved by the AC. Its role is to independently assess the adequacy, efficiency and effectiveness of the Group's risk management and internal control systems established by the Group and make recommendations for improvement.

During the financial year under review, the Internal Auditors carried out risk assessments on the Group's operations and an internal audit review on Human Resources Management of the Company and its subsidiaries namely Ecolite Biotech Manufacturing Sdn. Bhd., Finsource Credit (M) Sdn. Bhd., Yanming Resources Sdn. Bhd. and Eye Nation Medical Sdn. Bhd.

The Risk Management Report and Internal Audit Report were issued to the AC and tabled at the AC meeting for review and discussion. All audit findings were reported to the AC, and areas for improvement and audit recommendations identified were communicated to the Management for further action.

The cost incurred for the internal audit function in respect of the financial year ended 30 June 2026 was approximately RM18,312.

Further details of the Internal Audit Function are set out in the Statement on Risk Management and Internal Control on pages 71 to 73 of the Annual Report 2026.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT

The Board of Directors ("**Board**" or "**Directors**") of Sunzen Group Berhad ("**Sunzen**" or "**Company**") is committed in cultivating a responsible organisation by instilling corporate conscience through excellence in corporate governance ("**CG**") standards at all times, including accountability and transparency being observed throughout the Group as a fundamental part of building a sustainable business and discharging its responsibilities to protect and enhance shareholder value and financial performance of the Group.

This Statement provides an overview on the Company's corporate governance practices as set out in the Malaysian Code on Corporate Governance 2021 ("**MCCG**") and the extent of the Company has complied with the three (3) key principles and practices of the MCCG during the financial year under review, and this Statement is to be read together with the Corporate Governance Report 2026 of the Company which is available on the Company's website at www.sunzengroup.com/corporate-governance/.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

PART I – BOARD RESPONSIBILITIES

1. Board's Leadership on Objectives and Goals

1.1 Strategic Aims, Values and Standards

The Board establishes the vision and strategic objectives of the Group and is entrusted with the responsibility of leading and directing the Group towards achieving its strategic goals and realising long-term shareholders value.

The Board is responsible for formulating and reviewing the strategic plans and key policies of the Company and charting the course of the Group's business operations whilst providing effective oversight of Management's performance, risk assessment and controls over business operations. The Board is also responsible for ensuring that the Group's internal controls, risk management processes and reporting procedures are in place and that there is effective communication with stakeholders.

To promote accountability, the Board has established clear functions reserved for the Board and those delegated to Management. There is a formal schedule of matters reserved to the Board for its deliberation and decision to ensure the direction and control of the Company are in its hands.

The following are the Board's principal roles and responsibilities in discharging its leadership function and fiduciary duties towards meeting the goals and objectives of the Group:

- Reviewing and adopting a strategic plan;
- Overseeing and monitoring the conduct of business;
- Reviewing the adequacy and integrity of the management information and internal control systems and identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;
- Succession planning; and
- Ensuring effective communication with stakeholders.

The Board delegated and conferred some of its authority and discretion on the Chairman, Executive Directors, and Management as well as on properly constituted Board Committees comprising exclusively Non-Executive Directors.

Board Committees have been established to assist the Board in its oversight function with reference to specific responsibility areas. However, it should be noted that at all times, the Board retains collective oversight over the Board Committees. These Committees have been constituted with clear terms of reference, and they are actively engaged to ensure that the Group is in adherence with good corporate governance. The terms of reference for the Board Committees are published on the Company's website.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

PART I – BOARD RESPONSIBILITIES *cont'd*

1. Board's Leadership on Objectives and Goals *cont'd*

1.1 Strategic Aims, Values and Standards *cont'd*

Each Board Committee reviews the matters within their purview and report to the Board of the observations and recommendations in an objective and impartial manner. The decision and deliberations of the Board Committees are made unanimously and by consensus.

At each Board meeting, the Chairman of the respective Board Committees reports to the Board on key issues deliberated at the respective Board Committees' meetings and make recommendations to the Board for decision, where necessary. The Board will deliberate on the key issues and recommendations (if any) put forth by the Board Committees, and it is believed that with the diverse skills and competencies of the individual directors, especially the Independent Directors, who are appointed to form a competent and strong Board, a reasonable check and balance will be provided within the Board, which will sufficiently enable the Board to discharge its duties objectively.

1.2 Chairman

Mr. Ching Chee Pun, an Executive Director, is the Chairman of the Company throughout the financial year 2026.

The Chairman provides leadership at the Board level and represents the Board to the shareholders and other stakeholders, and is responsible for ensuring integrity and effectiveness of the Board and its committees. The Chairman is primarily responsible for matters pertaining to the Board and the overall conduct of the Group and is committed to leading the Board towards high-performing culture and the implementation of good governance practices.

The Chairman chairs the meetings of the Board and the shareholders thus ensuring effective communication with the shareholders as well as the relevant stakeholders.

1.3 Separation of the Positions of the Chairman and Group Managing Director

The positions of the Chairman and the Group Managing Director ("MD") are held by two different individuals. Mr. Ching Chee Pun is the Chairman of the Board whereas Mr. Teo Yek Ming is the MD of the Group.

The distinct and separate roles of the Chairman and the MD, with a clear division of responsibilities, ensure a balance of power and authority, such that no one individual has unfettered powers of decision-making.

The Group MD provides executive leadership and is responsible for the vision and strategic directions of the Group as well as initiating innovative ideas to create a competitive edge and the development of business and corporate strategies. He is assisted by the Key Senior Management in implementing the policies and decisions of the Board, but he would intervene when the need arises, and he is primarily accountable for overseeing the day-to-day operations to ensure the effective running of the Group.

1.4 Chairman is not member of the Board Committees

Mr. Ching Chee Pun, in his capacity as the Chairman of the Board, is not a member of the Audit Committee, Nomination Committee nor Remuneration Committee of the Company. This separation of roles promotes an appropriate level of check and balance within the Board. It also enables the Board Chairman to maintain an objective and impartial perspective when considering the recommendations, deliberations and decisions of these Committees at the Board level, thereby strengthening the overall effectiveness of the Company's corporate governance framework.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

PART I – BOARD RESPONSIBILITIES *cont'd*

1. Board's Leadership on Objectives and Goals *cont'd*

1.5 Qualified and Competent Secretaries

In performing their duties, all Directors have unrestricted access to the advice and services of two suitably qualified Company Secretaries and are regularly updated by the Company Secretaries on the changes in the relevant statutory and regulatory requirements, particularly in areas relating to the duties and responsibilities and disclosure requirements of the Directors.

The Company Secretaries play an advisory role and ensure good information flow within the Board, Board Committees and Senior Management. The Company Secretaries attend all meetings of the Board and Board Committees and advise the Directors on issues relating to corporate governance matters, requirements encapsulated in the Company's Constitution, compliance with the Companies Act 2016, ACE Market Listing Requirements ("**AMLR**"), and etc. The Company Secretary shall continuously guide the Directors on the requirements to be observed arising from new and/or amendments to the regulations and guidelines issued by the authorities.

The Company Secretaries are entrusted to record the Board's deliberations, in terms of issues discussed, ensure that deliberations at Board and Board Committee meetings are properly minuted.

1.6 Access to Information and Advice

In facilitating robust Board discussions, Management provides Directors with complete and timely information prior to the Board and Board Committee meetings and on an ongoing basis to enable them to make informed decisions.

To ensure the Board receives information in a timely manner, the Board papers for meetings will be circulated to the Board at least 7 days before the meeting. This provides the Directors with sufficient time to go through the meeting papers and obtain further explanation, where necessary, in order to be fully informed of the matters to be discussed at the meetings.

The Board and Board Committees meetings are held separately to enable impartial and independent discussion amongst the members.

The Company Secretary organises and attends all Board and Board Committees meetings to ensure proper recording of the proceedings. All issues and decisions made during the Board and Board Committees meetings are properly recorded in the minutes and thereafter circulated to the Board and Board Committee for comments in a timely manner upon the conclusion of the meetings before the minutes of proceedings are finalised and tabled to the Board and Board Committees for confirmation.

The Board is committed to acting in the best interest of the Group and its shareholders by exercising due diligence and care in discharging its duties and responsibilities to ensure that high ethical standards are applied at all times.

The Directors, in exercising their duties, have full and unrestricted access to any information pertaining to the Company and direct access to senior management executives and professional advice and services from the Company Secretaries. Where necessary, the Board may engage external independent advisors at the Group's expense on specialised issues to enable them to discharge their duties proficiently.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

PART I – BOARD RESPONSIBILITIES *cont'd*

2. Demarcation of Responsibilities

2.1 Board Charter

In discharging its duties, the Board is constantly mindful of the need to safeguard the interests of the Group's stakeholders. In order to facilitate the effective discharge of its duties, the Board is guided by the Board Charter which set out the composition, roles and responsibilities and processes of the Board. The Board Charter was last reviewed by the Board on 26 August 2025 and is available on the Company's website.

The Board will continue to review the Board Charter to ensure that it is updated in accordance with the needs of the Company, the MCCG, AMLR and any new regulations that may have an impact on the discharge of the Board's responsibilities.

3. Promoting Good Business Conduct and Corporate Structure

3.1 Code of Conduct and Ethics

The Group is committed to achieving and monitoring high standards of conduct at work.

The Board adhered strictly to the Code of Conduct and Ethics for Company Directors in discharging its oversight role effectively. The Codes of Conduct and Ethics require all Directors to observe high ethical business standards, to apply these values to all aspects of the Group's business and professional practice and to act in good faith in the best interests of the Group and its shareholders.

The Codes of Conduct and Ethics for the Company Directors are incorporated in the Board Charter which is available on the Company's website.

3.2 Whistleblowing Policy

The Board has adopted a Whistleblowing Policy for the Group as a measure to promote the highest standard of corporate governance. The Whistleblowing Policy outlines the avenues for the Group's employees and stakeholders to raise concerns or disclose in good faith any malpractice or improper conduct within the Group and to enable prompt corrective action and measures to be taken to resolve them effectively.

Any party who reasonably believes that there is serious malpractice relating to any matter disclosed, may direct such a complaint and report it to the Chairman of the Audit Committee ("AC") in writing. Management will ensure that any employee of the Company who raises a genuine complaint in good faith shall not be penalised for such disclosure, and the identity of such a complainant shall be kept confidential.

The Whistleblowing Policy is incorporated in the Board Charter which is available on the Company's website.

3.3 Anti-Corruption Policy

The Board has adopted the Anti-Corruption Policy to incorporate the policies and procedures on anti-corruption as guided by the "Guidelines on Adequate Procedures" issued by the Prime Minister's Department to promote better governance culture and ethical behaviour within the Group and to prevent the occurrence of corrupt practices in accordance with the new Section 17A of the Malaysian Anti-Corruption Commission Act 2018 on corporate liability for corruption, which came into force on 1 June 2020.

A copy of the Anti-Corruption Policy is made available on the Company's website.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

PART I – BOARD RESPONSIBILITIES *cont'd*

3. Promoting Good Business Conduct and Corporate Structure *cont'd*

3.4 Conflict of Interest ("COI") Policy

The Group has formalised and adopted the COI Policy for the Directors, Key Senior Management and Legal Representative of the Group.

The COI Policy serves as a guide to the Audit Committee ("AC") and the Board in assessing and dealing of actual or potential conflict of interest situations as and when it arises and to protect the Group from serious damages (financial and non-financial) and consequences while assisting the Key Persons to discharge their duties with high integrity and ethical standards.

The COI Policy is incorporated in the Board Charter which is available on the Company's website.

4. Sustainability Measures to Support Long-Term Strategy

4.1 Sustainability Leadership

The Board recognises the importance of creating sustainable value for stakeholders, employees, society and the environment, and remains committed to embedding sustainability considerations into the Group's business and decision-making processes.

The Board, in consultation with management, oversees and evaluates economic, environmental, social and governance ("ESG") matters, as well as other external factors that may affect the Group's business operations, long-term resilience and shareholders' interests.

The Board provides strategic oversight of the Group's sustainability governance framework, including the Group's sustainability agenda, strategies, performance and material sustainability matters. The Board also oversees the integration of sustainability-related risks and opportunities, including climate-related risks and opportunities, into the Group's strategy and risk management processes, and approves the Group's sustainability policies, strategies, material sustainability matters and Sustainability Statement.

Supporting the Board in discharging these responsibilities is the AC, which oversees the effectiveness of the Group's sustainability governance and risk management framework, evaluates the adequacy and effectiveness of sustainability strategies, initiatives and targets proposed by the Sustainability Steering Committee ("SSC"), and reviews the accuracy, integrity and transparency of the Group's Sustainability Statement prior to Board approval.

The SSC, comprising key management personnel and led by the Company's Executive Chairman, assists the AC in managing sustainability-related matters by developing and recommending sustainability strategies, initiatives and targets, overseeing sustainability-related risks and opportunities, and monitoring the implementation of approved sustainability policies and initiatives across the Group.

The SSC is supported by the Sustainability Working Group, comprising representatives from the Group's business units and subsidiaries, which is responsible for the day-to-day execution of sustainability initiatives, coordination of sustainability-related data collection and reporting, monitoring of sustainability performance and key performance indicators, and preparation of the Group's sustainability disclosures.

4.2 Delivery of the Sustainability Consideration to Stakeholder

Effective stakeholder engagement is integral to the Group's sustainability agenda and long-term value creation. The Board ensures that the Group's sustainability strategies, priorities, targets and performance are communicated to both internal and external stakeholders through transparent, timely and meaningful engagement.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

PART I – BOARD RESPONSIBILITIES *cont'd*

4. Sustainability Measures to Support Long-Term Strategy *cont'd*

4.2 Delivery of the Sustainability Consideration to Stakeholder *cont'd*

The Company engages with its stakeholders through various communication avenues, including dialogues, media engagements, general meetings, surveys, feedback mechanisms, annual and quarterly reports, Bursa Malaysia announcements, and a designated email allowing stakeholders to communicate their views and concerns to the Board and Management. Through these engagements, the Group obtains valuable feedback on sustainability-related matters and emerging issues that may impact the business.

The Group's Sustainability Statement which formed part of the Annual Report 2026 serves as a key platform for communicating its material sustainability matters, sustainability strategies, initiatives, targets and performance, thereby enhancing stakeholders' understanding of the Group's sustainability journey, achievements and future priorities.

4.3 Board Competency on Sustainability Matters

The Board is committed to maintaining an adequate understanding of sustainability-related matters to effectively oversee the Group's sustainability agenda, material sustainability matters, and sustainability-related risks and opportunities.

During the financial year, the Directors were kept informed of sustainability-related developments through updates from Management and discussions at Board and AC meetings. These updates covered, among others, ESG regulatory developments, climate-related risks and opportunities, material sustainability matters, and the Group's sustainability initiatives and performance.

Through these periodic updates and discussions, the Board remains abreast of emerging sustainability issues relevant to the Group's business and is able to provide effective oversight of the Group's sustainability strategy, risk management practices and sustainability disclosures.

The Board will continue to assess its sustainability knowledge and training needs from time to time to ensure that it possesses the requisite competencies to effectively oversee the Group's sustainability strategy, material sustainability matters, and long-term value creation objectives.

4.4 Board and Senior Management Sustainability Performance Evaluation

The Board recognises that effective oversight of sustainability-related matters is an integral component of good governance and long-term value creation. Accordingly, sustainability considerations are incorporated into the annual Board evaluation process to assess the Board's effectiveness in overseeing the Group's sustainability agenda, material sustainability matters, and sustainability-related risks and opportunities.

As part of the evaluation process, the Nomination Committee evaluates, among others, the extent to which the Group's business strategy incorporates ESG considerations, the effectiveness of Board deliberations on sustainability-related matters, the adequacy of the Board's ESG competencies, the oversight of sustainability-related risks and opportunities, and the Board's effectiveness in monitoring the Group's sustainability targets and objectives.

The Group will continue to review opportunities to further strengthen the integration of sustainability-related considerations into the evaluation of Senior Management.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

PART II – BOARD COMPOSITION

5. Strengthen Board's Objectivity & Overall Board Effectiveness

5.1 Board Composition

The Board comprises six (6) members, of whom three are INEDs, two are Executive Directors and one Non-Independent Non-Executive Director. The present Board composition fulfils the requirements as set out in Rule 15.02 of the AMLR and the MCCG as half of its members is Independent Director.

The INEDs fulfilled the criteria for independence as defined in the AMLR. The Independent Non-Executive Directors ("INEDs") do not participate in the day-to-day management of the Company and do not involve themselves in business transactions or relationships with the Company, in order not to compromise their objectivity. In staying clear of any potential conflict of interest, the INEDs remained in a position where they are able to fulfil their responsibility and act independently of Management to provide check and balance to the Board.

The INEDs are of the calibre to provide an independent judgment on the issues of strategy, performance, and resource allocation of the Group. They carry sufficient weight in Board decisions to ensure long-term interests of the shareholders, employees, customers, and other stakeholders are safeguarded.

The Company is helmed by an experienced Board comprising members of high calibre and integrity, who provide a wealth of knowledge, experience, and skills in the key areas of accountancy, business operations and development, finance, legal and risk management amongst others. The profile of each director is set out on pages 4 to 7 of this Annual Report 2026.

5.2 Tenure of Independent Director

The Board has adopted a policy which limits the tenure of its Independent Directors up to nine (9) years. An Independent Director should not exceed a cumulative term of nine (9) years and upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the re-designation of the director as a Non-Independent Director. If the Board intends to retain the Independent Director after nine (9) years, the Board will provide justification and seek shareholders' approval at the Annual General Meeting ("AGM") through a two-tier voting process in accordance with the MCCG.

The Nomination Committee carries out the evaluation of independence of each independent director annually. The independence of Directors is assessed based on the criteria prescribed under the AMLR, which required that an Independent Director must be independent and free from any business or other relationship that could interfere with the exercise of independent judgement or the ability to act in the best interests of the Company. In addition to complying with the criteria set out under the AMLR, the Independent Directors have also declared that they will continue to bring independent and objective judgement to the Board during the review of Directors' independence as part of the annual assessment carried out by the Nomination Committee.

Mr. Khoo Kien Hoe ("Mr. Khoo"), an Independent Director who had served the Company for a cumulative term of eleven (11) years, relinquished his position as Director of the Company with effect from 30 June 2026. Currently, no Independent Director of the Company has a tenure exceeding a cumulative term of nine (9) years.

The Board has adopted a cooling off period of 3 years for a former INED to be appointed to the Board as an INED, subject to the independence assessment.

5.3 Nomination Committee ("NC")

The NC comprised exclusively of NEDs, a majority of whom is independent and the NC is chaired by an Independent Non-Executive Director.

During the financial year ended 30 June 2026, the NC was chaired by Mr. Khoo, an Independent Non-Executive Director who had subsequently resigned as a director on 30 June 2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

PART II – BOARD COMPOSITION *cont'd*

5. Strengthen Board's Objectivity & Overall Board Effectiveness *cont'd*

5.3 Nomination Committee ("NC") *cont'd*

Following the resignation of Mr. Khoo, the current composition of the NC is as follows:-

Chairperson	:	Yap Shuk Kem – *Independent Non-Executive Director (Appointed w.e.f 1 October 2026)*
Members	:	Aida Lim Binti Abdullah – *Senior Independent Non-Executive Director* Poo Long Yii – *Independent Non-Executive Director* Lee Yew Weng – *Non-Independent Non-Executive Director*

The NC's duties and responsibilities are set out in its Terms of Reference which is available on the Company's website.

The NC is responsible for identifying and recommending suitable candidates for Board membership and Senior Management positions and for assessing the performance of the Board as a whole, the Board Committees and the contribution of each individual Director on an ongoing basis in terms of contribution, skills, experience and other qualities.

The Board will work with the NC to evaluate potential candidates, taking into account the challenges and opportunities faced by the Company and the skills and expertise, including age and gender diversity, needed on the Board.

In identifying suitable candidates, the NC will consider various source, including independent sources, to facilitate the search from a diverse pool of potential candidates meeting the skills, expertise, personal qualities and diversity requirements for the Board and Senior Management appointments.

Candidates for appointment to the Board will be provided the Prospective Directors Information Form, which is set out in the Directors' Fit and Proper Policy, for completion. The form gathers personal details, educational background, work experience, directorship, time commitment of the candidate, and declarations to be made by the candidate. With the completed Prospective Directors Information Form and the resume of the candidate, the NC evaluates and matches the criteria of the candidate based on the Directors' Fit and Proper Policy. The NC will consider diversity, including age and gender, where appropriate, for its recommendation to the Board for appointment. Consideration will be given to individuals possessing the identified skills, talents, and experiences.

A summary of key activities undertaken by the NC in discharging its duties during the financial year under review is set out below:

- Reviewed the performance of the Chief Financial Officer of the Company;
- Reviewed and assessed the independence of Independent Directors;
- Assessed the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director;
- Reviewed and assessed the term of office and performance of the AC and each of its members to determine whether the AC and its members have carried out their duties in accordance with their terms of reference;
- Review and assessed financial literacy of the AC members;
- Reviewed the re-election of Directors who are due for retirement by rotation based on the Director's Fit and Proper Policy and recommended for shareholders' approval at the AGM;
- Assessed the Directors' training needs;
- Reviewed the size and composition of the Board based on the required mix of skills, experience, knowledge and diversity;
- Reviewed and evaluated the qualification and experience of the board candidates based on the Board's requirements and recommended them to the Board for appointment.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

PART II – BOARD COMPOSITION *cont'd*

5. Strengthen Board's Objectivity & Overall Board Effectiveness *cont'd*

5.4 Diverse Board and Senior Management Team

The Board acknowledges the importance of a diverse Board and Senior Management and takes cognizance of the recommendation of the MCCG to have at least 30% female directors, and the requirement of the AMLR to have at least one female representative on the Board of the Company.

As at the date of this statement, the Board consists of six (6) members, including three (3) female Directors. This reflects a balanced board composition and demonstrates the Company's achievement of more than 30% female representation on the Board.

The Board has established the Boardroom Diversity Policy as set out in the Board Charter of the Company, which is available on the Company's website.

The Group adhered strictly to the practice of non-discrimination in any form, whether based on race, age, religion, or gender throughout the organisation, in the selection of Board members and Senior Management. The Board encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Company.

In the event of a vacancy in the Board and/or Senior Management arises, the Board, through the NC, will consider an independent representation when suitable candidates are identified. However, the appointment of a new Board member and/or Senior Management will not be guided solely by their independence but will also take into account the skillset, experience, and knowledge of the candidate. The Company's primary responsibility in making new appointments is to always select the best candidate available.

Hence, the fundamental selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board remain a priority.

5.5 Re-election of Retiring Director

In accordance with the Company's Constitution, one-third (1/3) of the Directors (with the exception of the Alternate Director) are subject to retirement by rotation annually and all Directors shall retire from office once at least every three years. The Directors to retire each year are those who have been longest in office since their last appointment on re-election. The Directors appointed during the financial year are subject to retirement at the next AGM held following their appointments in accordance with the Company's Constitution. All retiring Directors are eligible for re-election. The following Directors are subject to retirement at the forthcoming 21st AGM and they have expressed their willingness to seek for re-election at the 21st AGM:

Provision of Constitution	Name of Director
Clause 97	• Mr. Ching Chee Pun • Mr. Lee Yew Weng
Clause 104	• Ms. Yap Shuk Kem

Based on the NC's recommendation following the assessment of the retiring directors through the Directors' Evaluation Form set out in the Directors' Fit and Proper Policy, and the assessment conducted upon the appointment of Ms. Yap Shuk Kem, the Board is satisfied that Mr. Ching Chee Pun, Mr. Lee Yew Weng and Ms. Yap Shuk Kem have the character, experience, integrity, competence, and time required to effectively discharge their duties as Directors of the Company and therefore seeks the approval of the shareholders for the re-election of the Directors at the forthcoming 21st AGM.

The profiles of the retiring Directors standing for re-election are set out in the Directors' Profile of this Annual Report 2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

PART II – BOARD COMPOSITION *cont'd*

5. Strengthen Board's Objectivity & Overall Board Effectiveness *cont'd*

5.6 Board Meetings and Attendance

The Board undertakes to meet at least four (4) times a year, which are scheduled in advance to facilitate the Directors in planning their meeting schedule for the year.

Additional meetings may be convened as special Board meetings as and when necessary. In the intervals between Board meetings, any matters requiring urgent Board decisions or approvals will be sought via circular resolutions, which are supported with all the relevant information and explanations required for an informed decision to be made and the same applies to the Board Committees.

During the financial year, the Board convened a total of eight (8) Board meetings for the purposes of deliberating on the Group's operations and performance, quarterly financial results and other strategic issues that may affect the Group's business. Relevant senior management members were invited to attend some of the Board Meetings to provide the Board with their views and clarifications on issues raised by the Directors.

The attendance record of the Directors at the Board meetings held during the financial year under review are as follows:

Name	Meeting Attendance
Ching Chee Pun	8/8
Teo Yek Ming	8/8
Aida Lim Binti Abdullah	8/8
Khoo Kien Hoe	8/8
Poo Long Yii	8/8
Lee Yew Weng	7/8

5.7 Board Commitment

To ensure the Directors have sufficient time to focus and fulfil their roles and responsibilities effectively, the Directors must not hold more than five (5) directorships in public listed companies and shall seek the approval of the Chairman before accepting any new directorships.

The Directors shall remain fully committed to carrying out their duties and responsibilities by:

(1) ensuring the total number of directorships held are not more than five (5) in public listed companies; and
(2) the time commitment in full attendance at Board Meetings.

5.8 Professional Development of Director

All Directors have completed the Mandatory Accreditation Programmes (Part I) and (Part II) as prescribed by Bursa Securities.

The Board acknowledges the importance of continuous education and training programmes for its members to enable effective discharge of its responsibilities and to be apprised of changes to regulatory requirements and the impact of such requirements on the Group.

The Company Secretaries have and will continue to circulate and brief the Directors on the relevant updates to statutory and regulatory requirements from time to time during Board Meetings.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

PART II – BOARD COMPOSITION *cont'd*

5. Strengthen Board's Objectivity & Overall Board Effectiveness *cont'd*

5.8 Professional Development of Director *cont'd*

During the financial year ended 30 June 2026, the Directors attended the following training, seminars, and conferences, which they considered vital in keeping abreast of changes in laws and the regulations, business environment, and corporate governance development:

Name of Director	Trainings/Seminars/Conference/Course	Date
Ching Chee Pun	MACC Training	29/10/2025
	Cracking the ESG opportunity online training	18/11/2025
	The future of finance: Fintech - Drivers, Development & Enabling Technologies	21/05/2026
	Social media marketing	21/05/2026
	Coaching leadership: Increase your impact as a people manager	22/05/2026
	The Anatomy of a Financial Crisis - Distilling lessons from the past for the future	25/05/2026
Teo Yek Ming	MACC Training	29/10/2025
	The Way of the Sages: Principles, Discipline & Perseverance	3-19/12/2025
Khoo Kien Hoe	SSM National Conference 2025 on Leading Governance for Sustainable Growth	19-20/08/2025
	MACC Training	29/10/2025
	2026 Budget Seminar	03/11/2025
	Duties & Responsibilities of company secretaries as reporting institutions under AMLA 2001	23/06/2026
Lee Yew Weng	IFRS S1 & S2 Reporting: From Standards to Assurance	10/09/2025
	MACC Training	29/10/2025
Poo Long Yii	MACC Training	29/10/2025
	Leading for Impact Alumni Sharing & Networking Session	13/11/2025
Aida Lim Binti Abdullah	Artificial Intelligent (AI) Coaching Program (Level 2) AI Automation (Certified Course)	1-13/07/2025
	The Evolution and Impact of ESG: Shaping Our Future Together	14/08/2025
	Climate Change & Shaping Our Future Together: Embracing ESG	30/09/2025
	MACC Training	29/10/2025
	Tech-Driven Accounting: Innovations Shaping the Profession Including ESG	23/11/2025
	AI Inspiration & Innovation - Financial Technology: AI Applications in ESG Reporting	10/12/2025
	Artificial Intelligent LEVEL 2 - Claude Creator Program (Certified Course)	24/06/2026 (2 weeks)

The Board, via the NC will continue to identify and assess the training needs of the Directors from time to time to equip the Directors with the necessary knowledge including sustainability management to discharge their duties and responsibilities as Directors.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

PART II – BOARD COMPOSITION *cont'd*

6. Overall Board Effectiveness

6.1 Annual Assessment

The NC reviews and evaluates the performance of the Board, Board Committees, and individual Directors on an annual basis. The evaluation comprises a Board Assessment, Board Committees Assessment, an Individual Director Assessment, and an Assessment of Independence of Independent Directors.

The assessments of the Board and Board Committees are based on specific criteria, covering areas such as the Board structure, operations, roles and responsibilities. For Individual Director Assessment, the assessment criteria include areas of contribution and interaction with peers, quality of input, and understanding of role.

In addition, the NC also reviewed the terms of office and performance of the AC and its members to determine whether the AC and its members have carried out their duties in accordance with the terms of reference and financial literacy of the AC members.

The considerations for the assessment of the AC as a whole include quality and composition, skills and competencies, meeting administration and conduct, while the considerations for the assessment of individual AC members include skills, experience, understanding, calibre and personality, and participation and contribution. The assessment of the financial literacy of the AC members includes their ability to read, analyse and interpret financial statements, challenge the Management's assertions on financial matters, ability to ask probing questions about the Company's operations against internal control and risk factors, etc.

During the annual assessment, the NC members are given performance evaluation forms in respect of individual Directors, the Board and the Board Committees to complete. The AC evaluation form, AC members' self-evaluation form and the financial literacy questionnaire are furnished to the AC members for completion. Sufficient time is given to the NC and AC members to complete the forms, and upon completion, the forms are submitted to the Company Secretaries for compilation of the results of the assessment, the summary of which would then be presented to the NC.

Based on the annual assessment conducted, the NC was satisfied with the existing Board composition and concluded that each Director has the requisite competence to serve on the Board and has sufficiently demonstrated their commitment to the Company in terms of time and participation during the year and recommended to the Board the re-election of the retiring Directors at the Company's forthcoming AGM. All assessments and evaluations carried out by the NC in the discharge of its functions were properly documented.

In addition, the AC and each of its members have carried out their duties in accordance with their terms of reference, and the AC members shall continue in office for the next financial year.

The Board is of the view that its present size and composition are optimal based on the Group's operations and that it reflects a fair mix of financial, technical, and business experiences that are important to the stewardship of the Group.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

PART III – REMUNERATION

7. Remuneration Governance

7.1 Remuneration Committee ("RC")

The RC comprised exclusively of Non-Executive Directors, a majority of whom is independent, as follows:

Chairperson : Poo Long Yii – *Independent Non-Executive Director*

Members : Aida Lim Binti Abdullah – *Senior Independent Non-Executive Director*
Lee Yew Weng – *Non-Independent Non-Executive Director*
Khoo Kien Hoe – *Independent Non-Executive Director (Resigned w.e.f 30 June 2026)*
Yap Shuk Kem – *Independent Non-Executive Director (Appointed w.e.f 1 October 2026)*

The Term of Reference of the RC which set out the RC's duties and functions is published on the Company's website.

The RC reviews annually the Directors' Remuneration (including Non-Executive Directors) for recommendation and approval by the Board. The Directors' remuneration payable to the Non-Executive Directors will be tabled at the AGM for approval by shareholders.

The RC reviews annually the performance of the Executive Directors and submits recommendations to the Board on specific adjustments in remuneration and/or reward payments that reflect their contributions for the year and which are dependent on the performance of the Group, achievement of the goals and/or quantified organisational targets as well as strategic initiatives set at the beginning of each year.

The RC held one (1) meeting during the financial year ended 30 June 2026 to review the proposed remuneration package of the Executive Directors and the Director fee payable to the Non-Executive Directors and recommended the remuneration packages and fees to the Board for approval. The RC also reviewed the remuneration package of the Key Senior Management and recommends adjustments in remuneration and/or reward payments that reflect their respective contributions for the year and achievement goals and/or quantified organisational targets established by the Company.

7.2 Remuneration Policy

The RC and the Board ensure that the Company's remuneration policy remains supportive of the Company's corporate objectives and is aligned with the interests of shareholders, and further, that the remuneration packages of Directors and key Senior Management Officers are sufficiently attractive to attract and retain persons of high calibre.

The Board has adopted policies and procedures to determine the remuneration of Directors and Senior Management in line with the business strategy and long-term objectives of the Group.

The remuneration policy which was incorporated into the Board Charter and is available on the Company's website.

8. Remuneration of Directors and Senior Management

8.1 Remuneration of Directors

The remuneration package of the Executive Directors consists of a monthly salary, bonus and benefits-in-kind, such as the benefit of Directors and Officers Liability Insurance in respect of any liabilities arising from acts committed in their capacity as Directors and Officers of the Company. In the case of Non-Executive Directors, the level of remuneration reflects the contribution, experience and responsibilities undertaken by the particulars Non-Executive Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

PART III – REMUNERATION *cont'd*

8. Remuneration of Directors and Senior Management *cont'd*

8.1 Remuneration of Directors *cont'd*

The aggregate remuneration of Directors received from the Company and on Group basis for the financial year ended 30 June 2026 were as follows:-

Name of Director	Fee (RM)	Allowance (RM)	Salary (RM)	Bonus (RM)	Other emoluments (RM)	Total (RM)
Company:						
Executive Directors*						
Ching Chee Pun	-	-	102,000	10,200	14,857	127,057
Teo Yek Ming	-	-	336,000	42,000	46,753	424,753
Non-Executive Directors						
Khoo Kien Hoe *(Resigned w.e.f. 30 June 2026)*	42,000	800	-	-	-	42,800
Aida Lim Binti Abdullah	63,000	800	-	-	-	63,800
Poo Long Yii	33,600	800	-	-	-	34,400
Lee Yew Weng	81,000	600	-	-	-	81,600
Group:						
Executive Directors*						
Ching Chee Pun	-	-	307,800	59,700	46,886	414,385
Teo Yek Ming	-	-	541,800	91,500	78,782	712,081
Non-Executive Directors						
Khoo Kien Hoe *(Resigned w.e.f. 30 June 2026)*	42,000	800	-	-	-	42,800
Aida Lim Binti Abdullah	63,000	800	-	-	-	63,800
Poo Long Yii	33,600	800	-	-	-	34,400
Lee Yew Weng	81,000	600	-	-	-	81,600

Note:-
* *The remuneration paid to the Executive Directors was in respect of their employment with the Company/Group.*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

PART III – REMUNERATION *cont'd*

8. Remuneration of Directors and Senior Management *cont'd*

8.2 Remuneration of Senior Management

The Group has two (2) senior management whose remuneration (comprising salary, bonus, benefits in-kind and other emoluments) for the financial year ended 30 June 2026 within the successive bands of RM50,000 are as follows:

Remuneration Band	Number of Senior Management
RM50,001 to RM100,000	-
RM100,001 to RM150,000	-
RM150,001 to RM200,000	-
RM200,001 to RM250,000	2
RM250,001 to RM300,000	-
RM300,001 to RM350,000	-

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

PART I – AUDIT COMMITTEE ("AC")

9. Effectiveness and Independence of Audit Committee

9.1 Audit Committee ("AC")

The Audit Committee ("AC") is relied upon by the Board to, amongst others, provide advice in the areas of financial reporting, external audit, internal control environment and internal audit process, review of related party transactions and conflict of interest situations. The AC also undertakes to provide oversight on the risk management framework of the Group.

The AC is chaired by an Independent Non-Executive Director who is distinct from the Chairman of the Board and all members of the AC are financially literate. The composition of the AC, including its roles and responsibilities as well as a summary of its activities carried out during the financial year ended 30 June 2026, are set out in the AC Report on pages 43 to 46 of this Annual Report.

9.2 Cooling-off Period for Former Partner of External Audit Firm

In accordance with the MCCG, the AC's terms of reference require a former audit partner of the external audit firm to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC.

Since none of the AC members were former audit partners and the Board has no intention to appoint any former audit partner as a member of the AC, a policy to that effect is not relevant at present.

9.3 Assessment of Suitability and Independence of External Auditors

The AC is responsible for reviewing audit and recurring audit-related and non-audit services provided by the External Auditors. These recurring audit-related and non-audit services comprise regulatory reviews and reporting, interim reviews, tax advisory services and compliance services.

The terms of engagement for services provided by the External Auditors are reviewed by the AC prior to submission to the Board for approval.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE B – EFFECTVE AUDIT AND RISK MANAGEMENT *cont'd*

PART I – AUDIT COMMITTEE ("AC") *cont'd*

9. Effectiveness and Independence of Audit Committee *cont'd*

9.3 Assessment of Suitability and Independent of External Auditors *cont'd*

The AC has reviewed the provision of non-audit services by the External Auditors during the financial year and concluded that the provision of these services did not compromise the external auditors' independence and objectivity as the amount of the fees paid for these services was not significant when compared to the total fees paid to the External Auditors. The External Auditors had provided a confirmation of their independence to the AC stating that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The AC had evaluated and assessed the suitability, objectivity, resources, competency, and independence of Grant Thornton Malaysia PLT and being satisfied with their performance, the AC recommended the re-appointment of Grant Thornton Malaysia PLT to the Board for consideration.

Based on the AC's annual assessment of the External Auditors, the Board is satisfied with the independence, quality of service and adequacy of resources provided by the external auditors in carrying out the annual audit for the financial year ended 30 June 2026. In view thereof, the Board has recommended the re-appointment of Grant Thornton Malaysia PLT for the approval of shareholders at the forthcoming 21st AGM.

PART II – RISK MANAGEMENT AND INTERNAL CONTROL

10. Risk Management and Internal Control Framework

10.1 Effective Risk Management and Internal Control Framework

The Board has overall responsibility for maintaining a sound system of risk management and internal control of the Group that provides reasonable assurance of effective and efficient business operations, compliance with laws and regulations, as well as internal procedures and guidelines.

The AC oversees the risk management of the Group and advises the Board on areas of high risk faced by the Group and the adequacy of compliance and control throughout the organisation. The AC also reviews the action plan implemented and makes relevant recommendations to the Board to manage residual risks. The Group has established a formal risk management framework to oversee the risk management of the Company and engaged an external consultant to assist the Company in identifying, assessing, and managing the risks that are applicable to the Company's business, including corruption risk, and to ensure that the risk management processes are in place and functioning effectively.

The Company continues to maintain and review its internal control procedures to ensure the protection of its assets and its shareholders' investment.

The Statement on Risk Management and Internal Control as included on pages 71 to 73 in this Annual Report, provides an overview of the internal control framework adopted by the Company during the financial year ended 30 June 2026.

10.2 Internal Audit Function

The Company has outsourced its internal audit function to a professional service firm, namely Augment GC Sdn. Bhd. to assist the AC in discharging its duties and responsibilities in respect of reviewing the adequacy and effectiveness of the Group's risk management and internal control systems.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT
cont'd

PRINCIPLE B – EFFECTVE AUDIT AND RISK MANAGEMENT *cont'd*

PART II – RISK MANAGEMENT AND INTERNAL CONTROL *cont'd*

10. Risk Management and Internal Control Framework *cont'd*

10.2 Internal Audit Function *cont'd*

The outsourced Internal Auditors report directly to the AC and provide the Board with a reasonable assurance of the adequacy, functions, and resources of the internal audit functions. The engaging partner and team involved are free from any relationships or conflicts of interest with the Company, which could impair the Internal Auditors' objectivity and independence. All the internal audit personnel are guided by the International Professional Practices Framework issued by the Institute of Internal Auditors Malaysia in carrying out the internal audit function.

During the financial year under review, the Internal Auditors have conducted reviews of the Group in accordance with the Internal Audit Plans, which have been approved by the AC and the Board.

The Internal Auditors will perform periodic testing of the internal control systems to ensure that they are robust.

The activities of the internal auditors during the financial year are set out in the Statement on Risk Management and Internal Control in this Annual Report.

The AC had also conducted an assessment of the internal audit function. After having assessed the effectiveness and adequacy of resources of the outsourced Internal Auditors, the AC was satisfied that the internal audit function was effective and able to function independently.

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

PART I – ENGAGEMENT WITH STAKEHOLDERS

11.1 Effective, Transparent and Regular Communication with stakeholders

The Board recognises the importance of being transparent and accountable to the Company's stakeholders and acknowledges that continuous communication between the Company and its stakeholders would facilitate mutual understanding of each other's objectives and expectations. As such, the Board consistently ensures the supply of clear, comprehensive, and timely information to their stakeholders via various disclosures and announcements, including quarterly and annual financial results, which provide investors with up-to-date financial information of the Group. All these announcements and other information about the Company are available on the Company's website, https://www.sunzengroup.com/ ,which shareholders, investors and the public may access.

The Board has put in place a corporate disclosure policy with the objective of ensuring communication to the public is timely, factual, accurate, complete, broadly disseminated, and where necessary, filed with regulators in accordance with applicable laws.

In addition, the Directors engage with shareholders at least once a year during the AGM to understand their needs and seek their feedback.

PART II – CONDUCT OF GENERAL MEETINGS

12.1 General Meetings

The General Meetings are the principal forum for shareholder dialogue, allowing shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification. In compliance with the MCCG, all the Directors of the Company will endeavour to attend all general meetings, and the Chairs of the Audit Committee, Nomination Committee and Remuneration Committee will provide meaningful responses to questions addressed to them.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT
cont'd

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH THE STAKEHOLDERS *cont'd*

PART II – CONDUCT OF GENERAL MEETINGS *cont'd*

12.1 General Meetings *cont'd*

At the 20th AGM held on 2 December 2025 and the Extraordinary General Meeting ("EGM") held on 24 August 2026, all the Directors were present in person to engage directly and be accountable to the shareholders for their stewardship of the Company.

During the 20th AGM and the EGM, the Chairman had invited shareholders and proxies to raise their questions on the Company's financial statement and other agenda items for adoption at the meetings, before putting a resolution to vote. The Chairman of the Board ensured that sufficient opportunities were given to shareholders and proxies to raise questions relating to the affairs of the Company and that adequate responses were given.

There were no questions raised by the shareholders on the resolutions proposed at the 20th AGM and EGM. The minutes of the 20th AGM and EGM are made available on the Company's website.

In line with Practice 13.1 of the MCCG, the notice of the forthcoming 21st AGM is issued at least 28 days before the date of the AGM. The Board ensures that shareholders are given sufficient notice and time to consider the resolutions that will be discussed and decided at the forthcoming AGM.

The Chairman/Senior Independent Non-Executive Director ensures that the Board is accessible to shareholders and that an open channel of communication is cultivated.

Pursuant to Rule 2.19b of AMLR and the Constitution of the Company, the Annual Report 2026 and Statement in Relation to the Proposed Renewal of Authority for Purchase of Own Shares by the Company are sent out to the shareholders by electronic means, a copy of which can be downloaded from the Company's website at https://www.sunzengroup.com/investor-relations/.

KEY FOCUS AREA AND PRIORITIES ON CORPORATE GOVERNANCE

Looking ahead to 2027, the priorities of the Board will be in the following areas:

(1) Improving and implementing sustainability practices, policies and procedures to embrace the enhanced sustainability requirements and to be geared for the enhanced sustainability disclosures under the Enhanced Sustainability Reporting Framework issued by Bursa Securities and the amendments to the AMLR arising therefrom, which will be implemented in phases; and

(2) Continue working towards achieving high standards of corporate governance and leverage technology to broaden its channel of dissemination of information and enhance the quality of engagement with the shareholders

This Corporate Governance Overview Statement was approved by the Board on 22 October 2026.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company are required to prepare financial statements for each financial year which have been drawn up in accordance with Malaysian Financial Report Standards, IFRS Accounting Standards and the provisions of the Companies Act 2016 so as to give a true and fair view of the financial position of the Group and of the Company as at the end of the financial year and of the financial performance and cash flow of the Group and the Company for the financial year then ended.

In the preparation of the financial statements for the financial year ended 30 June 2026, the Directors of the Company have:

- adopted appropriate accounting policies and have applied them consistently;
- made judgements and estimates that are reasonable;
- ensured applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors are responsible for ensuring that the Company and its subsidiaries maintain proper accounting records that disclose with reasonable accuracy the financial positions of the Group and of the Company, and which enable them to ensure that the financial statements comply with the Companies Act 2016.

The Directors have general responsibility for taking such steps that are reasonably available to them to safeguard the assets of the Group and the Company, and to prevent and detect fraud and other irregularities.

ADDITIONAL COMPLIANCE INFORMATION

1) AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid to the firm or corporation affiliated to the External Auditors by the Company and the Group for the financial year ended 30 June 2026 are as follows:

Details of Fee	Group (RM'000)	Company (RM'000)
Audit Fee	255	56
Non-Audit Fee	10	10

The provision of non-audit services by the External Auditors of the Group is both cost effective and efficient due to their knowledge and understanding of the operations of the Group and did not compromise their independence and objectivity.

2) MATERIAL CONTRACTS INVOLVING INTERESTS OF THE DIRECTORS, CHIEF EXECUTIVE WHO IS NOT A DIRECTOR OR MAJOR SHAREHOLDER

There were no material contracts entered into by the Company and its subsidiaries that involve the interests of the Directors, Chief Executive who is not a Director or Major Shareholder, either still subsisting at the end of the financial year, or which were entered into since the end of the previous financial year.

3) UTILISATION OF PROCEEDS

On 31 July 2025, the Company completed the disposal of 100% of the equity interest in its wholly-owned subsidiaries namely Sunzen Corporation Sdn. Bhd. [Registration No. 199801014339 (470468-W)] and Sunzen Lifesciences Sdn. Bhd. [Registration No. 200701000077 (758075-D)] ("**Disposal of Shares**").

The proceeds of RM17.3 million raised from the Disposal of Shares were fully utilised for general working capital requirements in respect of Sunzen Group's day-to-day operations to support its existing business operations.

4) RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF A REVENUE OR TRADING NATURE

There was no shareholders' mandate obtained in respect of RRPT of a revenue or trading nature during the financial year ended 30 June 2026.

5) SHARE ISSUANCE SCHEME ("SIS")

The Company implemented a SIS on 15 April 2016, which was approved by the shareholders on 24 November 2015. The SIS is in force for a period of five (5) years [i.e., from 15 April 2016 to 15 April 2021], subject to an extension at the discretion of the Board, without having to obtain the approval of its shareholders, for up to another five (5) years immediately from the expiry of the first five (5) years, and should not in aggregate exceed ten (10) years from the effective date of implementation of the SIS.

On 9 October 2020, the Company had extended the SIS for a further period of five (5) years from 16 April 2021 to 15 April 2026.

On 26 November 2020, the Company offered 133,070,000 options pursuant to the SIS ("SIS Options"), out of which 94,000,000 was offered to the Directors of the Company. For eligible employees, 20% of the SIS Options are vested on the offer date, while the balance of 80% will be vested upon achievement of certain performance criteria. The exercise price of the SIS Options is fixed at RM0.1395 each. No options were granted to any person during the financial year end 30 June 2026.

5) SHARE ISSUANCE SCHEME ("SIS") *cont'd*

The SIS expired on 15 April 2026 pursuant to the terms of its by-laws, and no SIS Options remained exercisable as at 30 June 2026.

	SIS Offered '000	Number of SIS Options exercisable as at 1 July 2025 '000	Number of SIS Options vested			Number of SIS Options exercised			Number of SIS Options lapsed '000	Number of SIS Options exercisable as at 30 June 2026 '000
			In Number '000	%	Number of Participants	In Number '000	%	Number of Participants		
Directors/ Chief Executives	94,000	73,670	-	-	-	63,840	68	4	9,830	-
Senior Management	7,800	600	1,456	19	4	2,056	26	4	-	-
Management	17,320	236	1,711	10	11	1,947	11	11	-	-
Executive	11,230	378	1,103	10	19	1,313	12	17	168	-
Non-Executive	2,720	-	34	1	1	34	1	1	-	-
TOTAL	**133,070**	**74,884**	**4,304**	**3**	**35**	**69,190**	**52**	**37**	**9,998**	**-**

On 21 December 2021, the Company offered 8,990,000 options pursuant to the SIS to the eligible employees in accordance with the by-laws of the SIS. 20% of the SIS Options offered on 21 December 2021 were vested on 3 January 2022, while the balance of 80% will be vested upon achievement of certain performance criteria. The exercise price of the SIS Options is fixed at RM0.1772 each. No options were granted to any person during the financial year end 30 June 2026.

The SIS expired on 15 April 2026 pursuant to the terms of its by-laws, and no SIS Options remained exercisable as at 30 June 2026.

	SIS Offered '000	Number of SIS Options exercisable as at 1 July 2025 '000	Number of SIS Options vested			Number of SIS Options exercised			Number of SIS Options lapsed '000	Number of SIS Options exercisable as at 30 June 2026 '000
			In Number '000	%	Number of Participants	In Number '000	%	Number of Participants		
Directors/ Chief Executives	-	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-	-
Management	6,540	198	830	13	4	1,028	16	4	-	-
Executive	2,450	60	86	4	2	126	5	2	20	-
Non-Executive	-	-	-	-	-	-	-	-	-	-
TOTAL	**8,990**	**258**	**916**	**10**	**6**	**1,154**	**13**	**6**	**20**	**-**

ADDITIONAL COMPLIANCE INFORMATION
cont'd

5) SHARE ISSUANCE SCHEME ("SIS") *cont'd*

SIS Options granted to Directors and Senior Management

	During the financial year ended 30 June 2026	Since commencement of the SIS on 15 April 2016
Aggregate maximum allocation under the SIS	75.00%	80.00%
Actual SIS Options granted	72.00%	72.00%

There were no SIS Options offered to the Non-Executive Directors ("**NED**") during the financial year ended 30 June 2026. The balance of SIS Options held by the NEDs as at the expiry of the SIS on 15 April 2026 is as follows:

Name of NEDs	Balance of SIS Options as at 1 July 2025 ('000)	Number of SIS Options exercised ('000)	Balance of SIS Options as at 15 April 2026 ('000)
Khoo Kien Hoe *(Resigned 30 June 2026)*	3,000	3,000	-
Lee Yew Weng	2,000	2,000	-
Poo Long Yii	-	-	-
Aida Lim Binti Abdullah	-	-	-

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

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

(A) Group Total Income and Total Assets

		Group	
		30.06.2026	30.06.2025
Total Income	**Remarks**	**(RM)**	**(RM)**
Revenue		93,591,253	80,581,718
Other income		1,855,054	1,041,616
Finance income		43,624	66,061
Share of loss of an associate		-	(452,018)
Total		**95,489,931**	**81,237,377**
Total Assets		**190,685,213**	**182,245,428**

(B) Business Activities

		Group	
		30.06.2026	30.06.2025
Shariah Non-Compliant Activities	**Remarks**	**(RM)**	**(RM)**
Animal feeds and veterinary products related for pigs and dogs		-	2,806,104
Conventional banking & finance and related services	Loan financing	19,910,666	13,738,474
Gain from investment in conventional instruments		34,720	192,063
Interest income		43,624	66,061
Rental income received from tenant involved in Shariah non-compliant activities		281,050	396,959
Non-halal food and beverages (F&B) including F&B without halal certification from JAKIM or any certification bodies recognised by JAKIM	Export of edible bird's nest	38,384,845	35,517,167
Total		**58,654,905**	**52,716,828**

DISCLOSURE OF FINANCIAL DATA
FOR SHARIAH SCREENING
cont'd

(C) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group 30.06.2026 (RM)	Group 30.06.2025 (RM)
Cash at bank (exclude cash in hand)		3,333,345	1,103,889
Money market instruments		928,838	4,058,760
Total		**4,262,183**	**5,162,649**

Conventional Account/Instruments	Remarks	Group 30.06.2026 (RM)	Group 30.06.2025 (RM)
Cash at bank (exclude cash in hand)		16,948,387	9,216,038
Money market instruments		-	3,703,466
Short-term deposits		617,573	909,084
Total		**17,565,960**	**13,828,588**

(ii) Debt Component

Islamic Financing	Remarks	Group 30.06.2026 (RM)	Group 30.06.2025 (RM)
Current			
Bank borrowings		794,484	579,277
Non-Current			
Bank borrowings		12,541,390	11,067,063
Total		**13,335,874**	**11,646,340**

Conventional Borrowing	Remarks	Group 30.06.2026 (RM)	Group 30.06.2025 (RM)
Current			
Bank borrowings		258,198	322,120
Banker's acceptances		-	110,000
Hire purchase payables		121,936	165,107
Non-Current			
Bank borrowings		6,575,338	6,772,898
Hire purchase payables		345,851	587,705
Total		**7,301,323**	**7,957,830**

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ('the Board') is pleased to present the Statement on Risk Management and Internal Control ('the Statement') pursuant to the Rule 15.26(b), ACE Market Listing Requirements ('Listing Requirements') of Bursa Malaysia Securities Berhad ('Bursa Malaysia') with regard to the Group's risk management and internal control practices aligned with the Malaysian Code on Corporate Governance 2021.

The Statement outlines the state, nature, process and scope of risk management and internal controls carried out during the current financial year. For the purpose of disclosure, this Statement has considered and, where pertinent, included the mandatory contents outlined in the "Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Companies", a publication of Bursa Malaysia, which provides guidance to listed issuers in preparing the Statement.

RESPONSIBILITY

The Board acknowledges and assumes its overall responsibility for the Group's system of risk management and internal control, which includes the establishment of an appropriate control environment and framework to ensure effective risk management policies are in place to safeguard the interests of shareholders and all major stakeholders, as well as the assets of the Group. The Board regularly appraises the Group's system of risk management and internal control by reviewing the adequacy and integrity of the system in place and identifying, evaluating, monitoring, and managing significant risks that may affect the achievement of business objectives throughout the year.

In view of the limitations inherent in any system of risk management and internal control, the system is designed to reduce rather than eliminate the risk of not adhering to the Group's policies, failure in achieving its business objectives, it can only provide reasonable but not absolute assurance against the occurrence of any material misstatement, loss or fraud.

GOVERNANCE OVERSIGHT STRUCTURE

The Board is supported by Audit Committee, Internal Audit Function and External Assurance Providers, collectively forms the lines of defence in supporting sound governance, risk management and internal control. The Group's governance oversight structure is guided by the principles of the IIA's Three Lines Model, which sets out the distinctive but complementary roles:

Lines of Defence	Key Responsibilities
Governing Body - Board of Directors	❖ Sets the tone from the top, approves the Group's risk appetite and strategic direction ❖ Provides oversight on the adequacy and effectiveness of the risk management and internal control framework
First Line - Heads of Department	❖ Implement internal controls within their respective business divisions ❖ Manage day-to-day business risk
Second Line - Executive Directors and Senior Management	❖ Monitors the Group's business operation, including implementation of internal controls ❖ Reviews risk profiles and risk ratings ❖ Provides support and challenge on risk-related matters across the Group
Third Line - Outsourced Internal Audit Function	❖ Provides independent and objective assurance on the adequacy and effectiveness of governance, risk management and internal controls
External Assurance - External Auditors	❖ Provides additional independent assurance on this Statement pursuant to Chapter 15.23 of the ACE Market Listing Requirements.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

RISK MANAGEMENT

The Board and Management practise consistent risks identification on significant matters on an ongoing basis, particularly when there are any major changes in the nature of activities and/or operating environment, or venture into a new operating environment. The Group's risk management framework is guided by the globally accepted standard for risk management i.e. ISO 31000 Risk Management. The Group also engaged a consulting firm, Augment GC Sdn. Bhd. to facilitate the Board and Management in identifying and assessing principal risks relating to the Group's major operating entities. Results of the risk assessment were formally tabled to the Audit Committee on 27 May 2026, and Management was informed of the identified risks and mitigating controls, and endeavours to continuously monitor the effectiveness of controls and any residual risks.

Our risk management approach consists of the following:

- Risk Identification
- Risk Assessment
- Risk Responses
- Risk Performance and Review

Significant risks identified are assessed in terms of likelihood of the risks occurring and its impact should the risks occur. The Group's risk identification and assessment give due consideration to forward-looking and emerging risks, including cybersecurity threats, climate-related risks, geopolitical uncertainties, market competition, regulatory changes, supply chain disruption, etc. Risk responses are formulated to address threats arising from significant risks and to minimise the likelihood of such risks occurring or reducing the impact of such risks. The abovementioned risk management practices of the Group serve as the on-going process used to identify, evaluate and manage significant risks for the financial year under review and up to the date of approval of this Statement. Through these mechanisms, risks identified are managed and monitored on a continual basis, so that the impact of such risks crystalising may be mitigated to reduce potential loss or damage to the Group, in line with the Group's risk appetite.

INTERNAL AUDIT

The Group has outsourced its internal audit function to an independent Internal Audit firm, to assist the Board and Audit Committee in providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system and ensure operational compliance with standard operating procedures within the Group.

The Group's internal audit function adopts a risk-based approach in developing its audit plan that addresses the key risk areas. Scheduled internal audits are to be conducted and reported to the Audit Committee on areas for improvement and Internal Auditors will subsequently follow up to determine the extent of their recommendations that have been implemented by the Company and its subsidiaries. All Internal Audit reports issued are deliberated by the Audit Committee and reported to the Board for clarification. Subsequently, remedial actions thereon taken by the management are evaluated and monitored on an ongoing basis.

For the financial year ended 30 June 2026, internal audit reviews were carried out in accordance with the internal audit plan approved by the Audit Committee, which covered the aspects of human resources management of the Company and its subsidiaries namely Ecolite Biotech Manufacturing Sdn. Bhd., Finsource Credit (M) Sdn. Bhd., Yanming Resources Sdn. Bhd. and Eye Nation Medical Sdn. Bhd..

Various aspects of risks and risk consequences were identified, evaluated and findings were tabled and presented to the Audit Committee together with recommendations to the management for appropriate controls.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

CONCLUSION

For the financial year under review and up to the date of approval of this statement for inclusion in the annual report, based on inquiry, information and assurance provided by the Group Managing Director and the Chief Financial Officer, the Board is of the view that the risk management and internal control system were generally satisfactory and sufficient to safeguard the Group's assets, as well as the shareholders' investments, and the interests of customers, regulators, employees and other stakeholders, other than certain corporate governance oversight and internal control weaknesses highlighted by the External Auditors and Internal Auditors. There was no material loss identified as a result of weakness in the Group's risk management and internal control systems. The Board and the Management will continue to take necessary measures and the ongoing commitment to strengthen and improve its internal control environment and processes.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Rule 15.23 of Bursa Securities AMLR, the External Auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Audit and Assurance Practice Guide 3 ("AAPG3"): Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants.

The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosure required by Statement on Risk Management and Internal Control: Guidance for Directors of Listed Companies as set out, nor it factually inaccurate. AAPG 3 does not require the External Auditors to consider whether the Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk and control system.

This statement is made in accordance with the resolution of the Board of Directors dated on 22 October 2026.

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DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in business management, office administration services and investment holding.

The principal activities of the subsidiaries are as described in Note 7 to the financial statements.

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

RESULTS

	Group	Company
	RM	RM
Profit for the financial year	10,604,857	3,816,436
Attributable to:-		
Owners of the Company	10,245,807	
Non-controlling interests	359,050	
	10,604,857	

In the opinion of the Directors, the financial results of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

The amount of dividends declared and paid since the end of previous financial year was as follows:-

	RM
In respect of the financial year ended 30 June 2026	
First interim single tier dividend of RM0.002 per ordinary share declared on 26 November 2025 and paid on 12 January 2026	1,537,409

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

RESERVES AND PROVISIONS

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

DIRECTORS' REPORT
cont'd

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company issued:-

(a) 69,189,539 new ordinary shares at an issue price of RM0.1395 per ordinary share for a total cash consideration of RM9,651,940 pursuant to the exercise of share options A ("ESOS A") under the Share Issuance Scheme.

(b) 1,154,000 new ordinary shares at an issue price of RM0.1772 per ordinary share for a total cash consideration of RM204,490 pursuant to the exercise of share options B ("ESOS B") under the Share Issuance Scheme.

(c) 7,436,600 new ordinary shares at an issue price of RM0.20 per ordinary share for a total cash consideration of RM1,487,320 pursuant to the exercise of warrants.

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

There are no debentures issued during the financial year.

TREASURY SHARES

During the financial year, the Company repurchased 53,929,500 of its own ordinary shares from the open market for total consideration paid, including transaction costs of RM13,789,810. The average price paid for the shares repurchased was approximately RM0.26 per share and was financed by internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirements of Section 127(6) of the Companies Act 2016.

During the financial year, the Company cancelled 88,216,800 treasury shares amounting to RM22,927,449, resulting in reduction of its issued and paid-up share capital by RM15,462,307 and retained earnings by RM7,465,142.

As at 30 June 2026, the Company held 5,550,000 treasury shares out of the total 801,622,442 issued ordinary shares. Further relevant details are disclosed in Note 14 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year apart from the issue of options pursuant to the Share Issuance Scheme ("SIS").

At an Extraordinary General Meeting held on 24 November 2015, the Company obtained its shareholders' approval for the establishment and implementation for SIS up to thirty percent (30%) of the total issued shares of the Company (excluding treasury shares) at any point of time for the eligible directors and employees of the Company and its subsidiaries (excluding dormant subsidiaries). The SIS was implemented on 15 April 2016 and is in force for a period of five (5) years from the date of implementation in accordance with the terms of the By-Laws.

On 9 October 2020, the SIS was extended for a further period of five years from 16 April 2021 to 15 April 2026. The extension of SIS is not subject to shareholders' approval in accordance with the By-Law, where the Option Committee has the sole and absolute discretion to extend the duration of the SIS for up to another five (5) years immediately from the expiry of the initial five (5) years, provided that the SIS does not exceed a maximum of ten (10) years in its entirety.

Details of all the options to subscribe for the ordinary shares of the Company pursuant to the SIS are as follows:-

Offer date	Expiry date	Exercise price (RM)	Number of options
26 November 2020	15 April 2026	0.1395	126,940,000
21 December 2021	15 April 2026	0.1772	8,260,000

OPTIONS GRANTED OVER UNISSUED SHARES *cont'd*

Details of the share options vested, exercised and lapsed under the SIS are as follows:-

		Number of options				
Date of offer	**Exercise price**	**At 1.7.2025**	**Vested**	**Exercised**	**Lapsed**	**At 30.6.2026**
26 November 2020	RM0.1395	74,884,000	4,303,539	(69,189,539)	(9,998,000)	-
21 December 2021	RM0.1772	258,000	916,000	(1,154,000)	(20,000)	-

The salient terms of the share options are disclosed in Note 16.3 to the financial statements.

Details of options granted to Directors are disclosed in the section on Directors' Interests in this report.

WARRANTS 2022/2027

On 21 September 2022, the Company undertook a bonus issue of warrants on the basis of 1 new warrant for every 2 existing ordinary shares in the Company held by the entitled shareholders. 356,894,609 new warrants ("Warrants 2022/2027") were listed on the ACE Market of Bursa Malaysia Securities Berhad.

Each Warrant carries the right to subscribe for 1 new ordinary share each in the Company at any time up to the expiry date on 13 September 2027, at an exercise price of RM0.20 for each new share. Any Warrant not exercised by the expiry of the exercise period will lapse and cease to be valid for all purposes. The Warrants 2022/2027 are constituted by a Deed Poll dated 25 August 2022.

The movements in the Company's Warrants are as follows:-

	Number of Warrants 2022/2027			
	At 1.7.2025	**Issued**	**Exercised**	**At 30.6.2026**
Number of unexercised Warrants	336,827,259	-	(7,436,600)	329,390,659

The salient terms of the Warrants 2022/2027 are disclosed in Note 15 to the financial statements.

DIRECTORS OF THE COMPANY

The Directors of the Company who held office during the financial year until the date of this report are:-

Teo Yek Ming*
Ching Chee Pun*
Lee Yew Weng
Poo Long Yii
Aida Lim Binti Abdullah
Yap Shuk Kem (Appointed on 1 October 2026)
Khoo Kien Hoe (Resigned on 30 June 2026)

* Directors of the Company and of certain subsidiaries

DIRECTORS' REPORT
cont'd

DIRECTORS OF THE COMPANY *cont'd*

The Directors of the Company's subsidiaries who held office during the financial year until the date of this report, excluding those who are already listed above are:-

Lim Poh Chuw
Lee Peng Hwa
Huang Jin Ten (Appointed on 8 April 2026)
Lim Wee Chun (Resigned on 8 April 2026)

DIRECTORS' INTERESTS IN SHARES

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares and options over ordinary shares (including warrants) of the Company and its related corporations during the financial year as recorded in register of directors' shareholdings kept by the Company under Section 59 of the Companies Act 2016, were as follows:-

	Number of ordinary shares			
	At 1.7.2025	Bought	Sold	At 30.6.2026
The Company				
Direct interests				
Teo Yek Ming	118,380,908	50,840,000	(5,578,100)	163,642,808
Ching Chee Pun	4,121,212	8,000,000	-	12,121,212
Poo Long Yii	83,000	-	-	83,000
Lee Yew Weng	-	2,000,000	-	2,000,000
Indirect interests				
Teo Yek Ming*	1,026,000	400,000	-	1,426,000

	SIS options (Exercise price of RM0.1395) Number of options			
	At 1.7.2025	Exercised	Lapsed	At 30.6.2026
The Company				
Direct interests				
Teo Yek Ming	60,670,000	(50,840,000)	(9,830,000)	-
Ching Chee Pun	8,000,000	(8,000,000)	-	-
Lee Yew Weng	2,000,000	(2,000,000)	-	-

DIRECTORS' REPORT cont'd

DIRECTORS' INTERESTS IN SHARES *cont'd*

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares and options over ordinary shares (including warrants) of the Company and its related corporations during the financial year as recorded in register of directors' shareholdings kept by the Company under Section 59 of the Companies Act 2016, were as follows:- *cont'd*

	Number of warrants			
	At 1.7.2025	Addition	Sold	At 30.6.2026
The Company				
Direct interests				
Teo Yek Ming	54,709,753	-	-	54,709,753
Ching Chee Pun	2,060,606	-	-	2,060,606
Indirect interests				
Teo Yek Ming*	413,000	-	-	413,000

* Deemed interest by virtue of shareholdings held by parent and spouse pursuant to Section 8 of the Companies Act 2016

By virtue of Teo Yek Ming's interests in the shares of the Company, he is also deemed to be interested in the shares of all the subsidiaries to the extent the Company has an interest under Section 8 of the Companies Act 2016.

None of the other Board of Directors in office at the end of the financial year held any interest in the ordinary shares of the Company and its related corporations.

DIRECTORS' REMUNERATION AND BENEFITS

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

	Incurred by the Company	Incurred by the subsidiaries	Group
	RM	RM	RM
Directors' fees	219,600	-	219,600
Directors' remuneration	493,200	515,100	1,008,300
Defined contribution plan	58,824	61,272	120,096
Social security contribution	2,786	2,786	5,572
	774,410	579,158	1,353,568

During and at the end of the financial year, no arrangement subsisted to which the Company is a party whereby Director of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as shown above) 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, other than those related party transactions disclosed in Note 32 to the financial statements.

DIRECTORS' REPORT
cont'd

OTHER STATUTORY INFORMATION

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

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

(b) to ensure that the current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

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

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

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

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

(d) not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the Group's and the Company's financial statements misleading.

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

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

(b) any contingent liabilities in respect of the Group and of the Company which have arisen since the end of the financial year other than those arising in the ordinary course of business.

In the opinion of the Directors:-

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

(b) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to substantially affect the results of the operations of the Group and of the Company for the current financial year.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The amount of indemnity coverage and insurance premium paid for the Directors and Officers of the Group and of the Company during the financial year amounted to RM3,000,000 and RM8,000 respectively.

DIRECTORS' REPORT cont'd

AUDITORS

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

The amount of audit and other fees paid or payable to the auditors by the Group and the Company for the financial year ended 30 June 2026 amounted to RM265,000 and RM66,000 respectively. Further details are disclosed in Note 24 to the financial statements.

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

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 22 October 2026.

.....)
TEO YEK MING)
)
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) DIRECTORS
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.....)
CHING CHEE PUN

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 87 to 159 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 22 October 2026.

…….....
TEO YEK MING

.....
CHING CHEE PUN

STATUTORY DECLARATION

I, Phang Tong Eng, being the Officer primarily responsible for the financial management of Sunzen Group Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 87 to 159 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
the Federal Territory this day of)
22 October 2026)

.....
PHANG TONG ENG
(MIA NO. 12472)

Before me:

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SUNZEN GROUP BERHAD
(Incorporated in Malaysia) Registration No: 200501003843 (680889-W)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Sunzen Group Berhad, which comprise the statements of financial position as at 30 June 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 87 to 159.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026, and of their financial performance and 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.

Independent 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 as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
(i) Impairment of trade receivables Impairment of trade receivables is a key audit matter due to the involvement of significant management's judgement and estimates in the assessment of credit risk exposures and collectability of trade receivables. Management used judgement to estimate the quantum of impairment required which may vary due to changes in circumstances from year to year and this has impacted the carrying amount of trade receivables. Refer to Notes 10 and 34 to the financial statements.	Our procedures included, amongst others:- We evaluated management's assessment of Expected Credit Losses by taking into consideration if there is any indication of significant financial difficulty of these receivables and if there is any default or delinquency in the repayment by debtors or where legal action has been taken to recover such debts. We have also reviewed the ageing analysis of trade receivables and tested the reliability thereof and assessed the recoverability of the overdue trade receivables through examination of cash receipts subsequent to the financial year.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SUNZEN GROUP BERHAD
(Incorporated in Malaysia) Registration No: 200501003843 (680889-W)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *cont'd*

Key Audit Matters *cont'd*

Key audit matters	How our audit addressed the key audit matters
(ii) Inventory valuation The Group holds inventories that amounted to RM11,379,456 as at the reporting date which is subject to a risk that the inventories become slow-moving or obsolete and rendering it not saleable or can only be sold at selling prices that are less than their carrying value. There are inherent subjectivity and estimation involved by the management in determining the accuracy of inventories obsolescence and in making an assessment of its adequacy due to risks of inventories not stated at the lower of cost and net realisable value. Refer to Note 11 to the financial statements.	Our procedures included, amongst others:- We tested the methodology for calculating the provisions, assessed the appropriateness and consistency of judgements and assumptions. In doing so, we obtained an understanding on the ageing profile of inventories, the process for identifying specific problem inventories, historical loss rates and the latest selling price of inventories.
(iii) Goodwill on consolidation The Group is required to test the amount of the goodwill for impairment annually. This impairment testing relies on estimates of value-in-use based on the estimated future cash flows. The annual impairment test is significant to our audit because the assessment process used in preparing the estimated future cash flows is complex and highly judgemental and is based on assumption that are affected by expected future market or economic conditions. Refer to Note 6 to the financial statements.	Our procedures included, amongst others:- We evaluated the Directors' future cash flow projections, and the process of which they were drawn up, including testing the underlying calculations. We reviewed the Directors' key assumptions applied in the projections by comparing them to the historical results as well as economic and industry forecasts and the discount rate used by assessing the cost of capital for the Group.

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

Information other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SUNZEN GROUP BERHAD
(Incorporated in Malaysia) Registration No: 200501003843 (680889-W)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *cont'd*

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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SUNZEN GROUP BERHAD
(Incorporated in Malaysia) Registration No: 200501003843 (680889-W)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *cont'd*

Auditors' Responsibilities for the Audit of the Financial Statements *cont'd*

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

We also provide to 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 Matter

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

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

LUI LEE PING
(NO: 03334/11/2027 (J))
CHARTERED ACCOUNTANT

Kuala Lumpur
22 October 2026

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	38,465,469	38,910,682	14,321,432	14,435,959
Right-of-use assets	4	1,064,724	1,038,140	-	-
Investment property	5	500,000	500,000	-	-
Intangible assets	6	6,233,888	6,233,888	-	-
Investment in subsidiaries	7	-	-	43,795,264	43,477,861
Investment in an associate	8	-	-	5,186,441	5,186,441
Amount due from subsidiaries	9	-	-	87,319,014	75,400,875
Trade receivables	10	88,516,778	70,546,794	-	-
Total non-current assets		134,780,859	117,229,504	150,622,151	138,501,136
Current assets					
Inventories	11	11,379,456	9,507,446	-	-
Trade receivables	10	19,960,984	17,048,604	-	-
Other receivables	12	1,550,972	17,056,083	210,150	15,657,239
Amount due from an associate	8	-	1,117,016	-	-
Amount due from subsidiaries	9	-	-	584,031	555,710
Tax recoverable		1,184,799	1,295,538	367,158	243,570
Cash and bank balances, deposits and short-term placements	13	21,828,143	18,991,237	4,829,479	2,317,153
Total current assets		55,904,354	65,015,924	5,990,818	18,773,672
TOTAL ASSETS		190,685,213	182,245,428	156,612,969	157,274,808
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to owners of the Company					
Share capital	14	140,505,345	138,008,012	140,505,345	138,008,012
Treasury shares	14	(1,281,712)	(10,419,351)	(1,281,712)	(10,419,351)
Reserves	16	16,105,946	20,989,408	5,139,840	16,446,252
		155,329,579	148,578,069	144,363,473	144,034,913
Non-controlling interests		1,901,103	1,542,053	-	-
TOTAL EQUITY		157,230,682	150,120,122	144,363,473	144,034,913

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2026
cont'd

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
EQUITY AND LIABILITIES *cont'd*					
LIABILITIES					
Non-current liabilities					
Lease liabilities	17	667,454	726,510	-	-
Loans and borrowings	18	19,116,728	17,839,961	10,243,042	11,067,063
Deferred tax liabilities	19	2,863,483	2,835,008	-	-
Total non-current liabilities		22,647,665	21,401,479	10,243,042	11,067,063
Current liabilities					
Trade payables	20	2,555,537	4,178,645	-	-
Other payables	21	5,594,472	4,827,476	1,381,356	1,219,971
Lease liabilities	17	463,844	309,442	-	-
Loans and borrowings	18	1,052,682	1,011,397	613,576	579,277
Amount due to an associate	8	-	-	-	47,587
Amount due to subsidiaries	9	-	-	11,522	325,997
Tax payable		1,140,331	396,867	-	-
Total current liabilities		10,806,866	10,723,827	2,006,454	2,172,832
TOTAL LIABILITIES		33,454,531	32,125,306	12,249,496	13,239,895
TOTAL EQUITY AND LIABILITIES		190,685,213	182,245,428	156,612,969	157,274,808

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

		Group		Company	
		2026	2025	2026	2025
	Note	RM	RM	RM	RM
Revenue	22	93,591,253	80,581,718	-	239,652
Cost of sales		(58,373,829)	(55,583,796)	-	(338,210)
Gross profit/(loss)		35,217,424	24,997,922	-	(98,558)
Other income		1,855,054	1,041,616	4,107,025	20,148,155
Selling and distribution expenses		(6,327,665)	(5,384,669)	(166,002)	(250,058)
Administrative expenses		(9,096,447)	(7,891,933)	(2,519,942)	(2,090,619)
Net reversal/(impairment loss) on financial assets		410,948	(120,005)	982,953	2,040,234
Other expenses		(5,504,103)	(8,470,658)	(1,297,696)	(2,861,314)
Profit from operations		16,555,211	4,172,273	1,106,338	16,887,840
Finance income		43,624	66,061	3,484,550	2,605,163
Finance costs	23	(758,476)	(480,805)	(304,947)	(113,078)
Share of losses of an associate		-	(452,018)	-	-
Profit before tax	24	15,840,359	3,305,511	4,285,941	19,379,925
Tax expense	25	(5,235,502)	(617,324)	(469,505)	(60,703)
Profit for the financial year		10,604,857	2,688,187	3,816,436	19,319,222

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026
cont'd

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Profit for the financial year		10,604,857	2,688,187	3,816,436	19,319,222
Other comprehensive (loss)/income for the financial year, net of tax					
Item that may be reclassified subsequently to profit or loss					
- Foreign currency translation		(41)	43,377	-	-
Other comprehensive (loss)/income for the financial year, net of tax		(41)	43,377	-	-
Total comprehensive income for the financial year		10,604,816	2,731,564	3,816,436	19,319,222
Profit attributable to:					
- Owners of the Company		10,245,807	2,585,367		
- Non-controlling interests		359,050	102,820		
		10,604,857	2,688,187		
Total comprehensive income attributable to:					
- Owners of the Company		10,245,766	2,628,744		
- Non-controlling interests		359,050	102,820		
		10,604,816	2,731,564		
Earnings per share attributable to owners of the Company (sen)					
- Basic	28	1.32	0.34		
- Diluted	28	1.20	0.28		

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

		← Attributable to equity holders of the Company →									
		← Non-distributable →									
	Note	Share capital	Treasury shares	Revaluation reserve	Merger deficit	Currency translation reserve	Share option reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group											
At 1 July 2025		138,008,012	(10,419,351)	16,571,310	-	24,568	7,040,386	(2,646,856)	148,578,069	1,542,053	150,120,122
Profit for the financial year		-	-	-	-	-	-	10,245,807	10,245,807	359,050	10,604,857
Other comprehensive loss for the financial year,net of tax											
- Foreign currency translation		-	-	-	-	(41)	-	-	(41)	-	(41)
Total comprehensive (loss)/income for the financial year		-	-	-	-	(41)	-	10,245,807	10,245,766	359,050	10,604,816
Transactions with owners:-											
Share options granted under Share Issuance Scheme		-	-	-	-	-	513,740	-	513,740	-	513,740
Share options exercised under Share Issuance Scheme		16,472,320	-	-	-	-	(6,615,890)	-	9,856,430	-	9,856,430
Share options lapsed under Share Issuance Scheme		-	-	-	-	-	(938,236)	938,236	-	-	-
Purchase of treasury shares		-	(13,789,810)	-	-	-	-	-	(13,789,810)	-	(13,789,810)
Cancellation of treasury shares		(15,462,307)	22,927,449	-	-	-	-	(7,465,142)	-	-	-
Issuance of ordinary shares upon exercise of warrants		1,487,320	-	-	-	-	-	-	1,487,320	-	1,487,320
Dividends	29	-	-	-	-	-	-	(1,537,409)	(1,537,409)	-	(1,537,409)
Total transactions with owners		2,497,333	9,137,639	-	-	-	(7,040,386)	(8,064,315)	(3,469,729)	-	(3,469,729)
Deconsolidation of a subsidiary		-	-	-	-	(24,527)	-	-	(24,527)	-	(24,527)
At 30 June 2026		140,505,345	(1,281,712)	16,571,310	-	-	-	(465,364)	155,329,579	1,901,103	157,230,682

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

		Attributable to equity holders of the Company									
		Non-distributable									
	Note	Share capital	Treasury shares	Revaluation reserve	Merger deficit	Currency translation reserve	Share option reserve	Retained earnings/ (Accumulated losses)	Total	Non-controlling interests	Total equity
		RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group *cont'd*											
At 1 July 2024		111,844,068	(2,956,219)	22,711,626	(8,397,548)	(18,809)	7,011,227	9,200,419	139,394,764	10,440,428	149,835,192
Profit for the financial year		-	-	-	-	-	-	2,585,367	2,585,367	102,820	2,688,187
Other comprehensive income for the financial year, net of tax											
- Foreign currency translation		-	-	-	-	43,377	-	-	43,377	-	43,377
Total comprehensive income for the financial year		-	-	-	-	43,377	-	2,585,367	2,628,744	102,820	2,731,564
Transactions with owners:-											
Share options granted under Share Issuance Scheme		-	-	-	-	-	497,613	-	497,613	-	497,613
Share options exercised under Share Issuance Scheme		1,112,658	-	-	-	-	(447,630)	-	665,028	-	665,028
Share options lapsed under Share Issuance Scheme		-	-	-	-	-	(20,824)	20,824	-	-	-
Purchase of treasury shares		-	(7,463,132)	-	-	-	-	-	(7,463,132)	-	(7,463,132)
Acquisition of a subsidiary	7	-	-	-	-	-	-	-	-	1,281,147	1,281,147
Acquisition of non-controlling interests	7	22,474,576	-	4,569,608	-	-	-	(16,765,842)	10,278,342	(10,282,342)	(4,000)
Issuance of ordinary shares upon exercise of warrants		2,576,710	-	-	-	-	-	-	2,576,710	-	2,576,710
Total transactions with owners		26,163,944	(7,463,132)	4,569,608	-	-	29,159	(16,745,018)	6,554,561	(9,001,195)	(2,446,634)
Disposal of subsidiaries		-	-	(10,709,924)	8,397,548	-	-	2,312,376	-	-	-
At 30 June 2025		138,008,012	(10,419,351)	16,571,310	-	24,568	7,040,386	(2,646,856)	148,578,069	1,542,053	150,120,122

		← Attributable to equity holders of the Company →				
		← Non-distributable →				
	Note	Share capital RM	Treasury shares RM	Share option reserve RM	(Accumulated losses)/ Retained earnings RM	Total equity RM
Company						
At 1 July 2024		111,844,068	(2,956,219)	7,011,227	(9,913,356)	105,985,720
Total comprehensive income for the financial year		-	-	-	19,319,222	19,319,222
Transactions with owners:-						
Share options granted under Share Issuance Scheme		-	-	497,613	-	497,613
Share options exercised under Share Issuance Scheme		1,112,658	-	(447,630)	-	665,028
Share options lapsed under Share Issuance Scheme		-	-	(20,824)	-	(20,824)
Purchase of treasury shares		-	(7,463,132)	-	-	(7,463,132)
Issuance of ordinary shares upon acquisition of subsidiaries		22,474,576	-	-	-	22,474,576
Issuance of ordinary shares upon exercise of warrants		2,576,710	-	-	-	2,576,710
Total transactions with owners		26,163,944	(7,463,132)	29,159	-	18,729,971
At 30 June 2025		138,008,012	(10,419,351)	7,040,386	9,405,866	144,034,913
Total comprehensive income for the financial year		-	-	-	3,816,436	3,816,436
Transactions with owners:-						
Share options granted under Share Issuance Scheme		-	-	513,740	-	513,740
Share options exercised under Share Issuance Scheme		16,472,320	-	(6,615,890)	-	9,856,430
Share options lapsed under Share Issuance Scheme		-	-	(938,236)	920,089	(18,147)
Purchase of treasury shares		-	(13,789,810)	-	-	(13,789,810)
Cancellation of treasury shares		(15,462,307)	22,927,449	-	(7,465,142)	-
Issuance of ordinary shares upon exercise of warrants		1,487,320	-	-	-	1,487,320
Dividends	29	-	-	-	(1,537,409)	(1,537,409)
Total transactions with owners		2,497,333	9,137,639	(7,040,386)	(8,082,462)	(3,487,876)
At 30 June 2026		140,505,345	(1,281,712)	-	5,139,840	144,363,473

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
OPERATING ACTIVITIES				
Profit before tax	15,840,359	3,305,511	4,285,941	19,379,925
Adjustments for:-				
Bad debts written off	853,444	2,569,168	-	-
Depreciation of property, plant and equipment	1,717,145	1,856,357	139,900	81,558
Depreciation of right-of-use assets	505,000	464,913	-	-
Dividend income	(53,226)	(7,992)	(3,000,701)	(13,002,408)
(Gain)/Loss on:				
- deconsolidation of subsidiaries	(24,284)	34,821	-	-
- disposal of property, plant and equipment	(103,946)	(31,250)	(107,498)	750
- disposal of subsidiaries	-	4,658	-	(6,628,155)
- disposal of right-of-use assets	(33,966)	-	-	-
- early termination of lease	(457)	(1,566)	-	-
Net (reversal)/impairment loss on financial assets	(410,948)	120,005	(982,953)	(2,040,234)
Impairment loss on investment in an associate	-	109,790	-	-
Interest expenses	758,476	480,805	304,947	113,078
Interest income	(43,624)	(66,061)	(3,484,550)	(2,605,163)
Inventories written down	748,256	164,144	-	-
Reversal of inventories written down	-	(235,913)	-	(53,568)
Share of losses of an associate	-	452,018	-	-
Share Issuance Scheme - employee benefit expenses	513,740	497,613	178,190	97,718
Unrealised loss on foreign exchange	85,634	253,779	198	24,288
Written off:				
- property, plant and equipment	6,292	22,832	-	649
- inventories	290,380	160,591	-	488
Operating profit/(loss) before working capital changes	20,648,275	10,154,223	(2,666,526)	(4,631,074)
Inventories	(2,910,646)	1,039,781	-	218,774
Receivables	(4,974,520)	(19,442,684)	16,230,089	103,785
Payables	(871,550)	2,142,924	161,385	921,488
Subsidiaries	-	-	-	1,105,499
Cash generated from/(used in) operations	11,891,559	(6,105,756)	13,724,948	(2,281,528)
Interest received	31,589	12,863	8,999	4,640
Income tax refunded	67,406	201,985	-	-
Income tax paid	(4,420,169)	(2,918,614)	(593,093)	(304,273)
Net cash from/(used in) operating activities	7,570,385	(8,809,522)	13,140,854	(2,581,161)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026
cont'd

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
INVESTING ACTIVITIES					
Net cash (outflows)/inflows from disposal of subsidiaries	7	-	(253,863)	-	1,730,000
Net cash (outflows)/inflows from deconsolidation of a subsidiary	7	(304)	499,163	-	-
Net cash outflows from acquisition of a subsidiary	7	-	(4,226,502)	-	(6,370,000)
Dividend income received		53,226	7,992	3,000,701	13,002,408
Advance to subsidiaries		-	-	(11,746,507)	(3,209,969)
Interest received		12,035	53,198	3,475,551	2,600,523
Proceeds from disposal of property, plant and equipment		107,500	265,699	116,025	75,828
Proceeds from disposal of right-of-use assets		252,000	-	-	-
Repayment from/(Advance to) an associate		279,791	(159,616)	-	-
Purchase of right-of-use assets	A	-	(3,897)	-	-
Purchase of property, plant and equipment		(1,281,778)	(3,004,023)	(33,900)	(14,495,657)
Net cash used in investing activities		(577,530)	(6,821,849)	(5,188,130)	(6,666,867)
FINANCING ACTIVITIES					
Dividends paid		(1,537,409)	-	(1,537,409)	-
Interest paid		(758,476)	(480,805)	(304,947)	(113,078)
Additional investment in a subsidiary acquired from non-controlling interests		-	(4,000)	-	-
Placement of pledged deposits with a licensed bank		(10,844)	(17,910)	(10,844)	(17,910)
Repayment of lease liabilities		(653,815)	(410,544)	-	(5,542)
Drawdown of term loans		3,060,000	12,937,050	-	12,000,000
Repayment of term loans		(1,631,948)	(685,095)	(789,722)	(353,660)
(Repayment)/Drawdown of bankers' acceptance		(110,000)	110,000	-	-
Proceeds from share options exercised		9,856,430	665,028	9,856,430	665,028
Proceeds from issuance of ordinary shares upon exercise of warrants		1,487,320	2,576,710	1,487,320	2,576,710
Purchase of treasury shares		(13,789,810)	(7,463,132)	(13,789,810)	(7,463,132)
(Repayment to)/Advance from an associate		-	-	(47,587)	47,587
(Repayment to)/Advance from subsidiaries		-	-	(314,475)	10,997
Net cash (used in)/from financing activities		(4,088,552)	7,227,302	(5,451,044)	7,347,000
CASH AND CASH EQUIVALENTS					
Net changes		2,904,303	(8,404,069)	2,501,680	(1,901,028)
Effect of foreign exchange rate changes		(78,241)	(255,856)	(198)	(24,288)
Brought forward		18,384,508	27,044,433	1,710,424	3,635,740
Carried forward	13	21,210,570	18,384,508	4,211,906	1,710,424

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026
cont'd

NOTE TO THE STATEMENTS OF CASH FLOWS

A. PURCHASE OF RIGHT-OF-USE ASSETS

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Total purchase	766,672	189,270	-	-
Future lease payment included in lease liabilities	(766,672)	(185,373)	-	-
Cash payments	-	3,897	-	-

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

NOTES TO THE FINANCIAL STATEMENTS

30 June 2026

1. PRINCIPAL ACTIVITIES

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the ACE Market of Bursa Malaysia Securities Berhad.

The Company is principally engaged in business management, office administration services and investment holding.

The principal activities of the subsidiaries are as described in Note 7 to the financial statements.

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

The registered office of the Company is located at Level 13, Menara 1 Sentrum, 201, Jalan Tun Sambanthan, Brickfields, 50470 Kuala Lumpur.

The principal place of business of the Company is located at No. 13, Jalan Anggerik Mokara 31/47, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan.

The financial statements of the Group and of the Company were authorised for issuance by the Board of Directors in accordance with a resolution of the Directors on 22 October 2026.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Basis of measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention, unless otherwise indicated.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group and by the Company.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

NOTES TO THE FINANCIAL STATEMENTS

30 June 2026
cont'd

2. BASIS OF PREPARATION *cont'd*

2.2 Basis of measurement *cont'd*

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

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

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

2.3 Functional and presentation currency

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

2.4 MFRSs

2.4.1 Adoption of new standards/amendments/improvements to MFRSs

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

The initial application of the new standards/amendments/improvements to the standards did not have a material impact on the financial statements of the Group and of the Company.

2.4.2 Standards issued but not yet effective

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

Amendments to MFRSs effective for annual periods beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments
Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures: Contracts Referencing Nature-dependent Electricity
Annual Improvements to MFRS Accounting Standards - Volume 11:	
Amendments to MFRS 1*, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	First-time Adoption of Malaysian Financial Reporting Standards, Financial Instruments: Disclosures, Financial Instruments, Consolidated Financial Statements and Statement of Cash Flows

NOTES TO THE
FINANCIAL STATEMENTS
30 June 2026
cont'd

2. BASIS OF PREPARATION *cont'd*

2.4 MFRSs *cont'd*

2.4.2 Standards issued but not yet effective *cont'd*

MFRSs and amendments to MFRSs effective for annual periods beginning on or after 1 January 2027

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

MFRSs effective for annual periods beginning on or after 1 January 2029

MFRS 20*	Regulatory Assets and Regulatory Liabilities

Amendments to MFRSs effective for a date yet to be confirmed

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

* *Not applicable to the Group's and the Company's operations*

The initial application of the above standards and amendments are not expected to have material financial impact to the financial statements of the Group and of the Company upon its first adoption, except for:-

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 introduces three sets of new requirements to improve companies' reporting of financial performance:

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

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. It carries forward many requirements from MFRS 101 unchanged. MFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, early adoption is permitted.

The Group and the Company are currently assessing the impact of MFRS 18 and plan to adopt the new standard on the required effective date.

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FINANCIAL STATEMENTS
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2. BASIS OF PREPARATION *cont'd*

2.5 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

2.5.1 Key sources of estimation uncertainty

Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

Useful lives of depreciable assets

The management estimates the useful lives of the depreciable assets to be within 2 to 50 years and reviews the useful lives of depreciable assets at each reporting period. The management assesses that the useful lives represent the expected utility of the assets to the Group and the Company. Actual results, however, may vary due to change in the expected level of usage and technological developments, which may resulting in adjustments to the Group's and the Company's assets.

The management expects that the expected useful lives of the depreciable assets would not differ materially from the management's estimates hence it would not result in material variance in the Group's and the Company's profit for the financial year.

Valuation of property, plant and equipment and investment properties

The Group and the Company measure their land and buildings (under property, plant and equipment) and investment properties at revalued amounts with changes in fair value being recognised in other comprehensive income and in profit or loss respectively. The Group and the Company engaged independent valuation specialists to determine fair values with sufficient regularity to ensure that the carrying amount or closing balance does not differ materially from the fair value of the land and buildings and investment properties at the reporting date.

Impairment of non-financial assets

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's and the Company's assets within the next financial year.

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

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FINANCIAL STATEMENTS
30 June 2026
cont'd

2. BASIS OF PREPARATION *cont'd*

2.5 Significant accounting estimates and judgements *cont'd*

2.5.1 Key sources of estimation uncertainty *cont'd*

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

The Group and the Company use a provision matrix to calculate ECLs for receivables. The provision rates are based on days past due for grouping of various customer segments that have similar loss patterns such as geography, customer type and rating.

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

Income tax/Deferred tax liabilities

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

Leases – Estimating the incremental borrowing rate

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

Deferred tax assets

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

NOTES TO THE FINANCIAL STATEMENTS

30 June 2026
cont'd

2. BASIS OF PREPARATION *cont'd*

2.5 Significant accounting estimates and judgements *cont'd*

2.5.1 Key sources of estimation uncertainty *cont'd*

Deferred tax assets *cont'd*

Assumptions about the generation of future taxable profits depend on the management's estimates of future cash flows. These depend on estimates of future production and sales volume, operating costs, capital expenditure, dividends and other capital management transactions. Judgement is also required about the application of income tax legislation. These judgements and assumptions are subject to risks and uncertainties, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised in the statements of financial position and the amount of unrecognised deductible temporary differences, unrecognised business losses and unrecognised capital allowances.

Share-based payments

Share-based payments are measured at grant date fair value. For share options granted to employees, in many cases market prices are not available and therefore the fair value of the options granted shall be estimated by applying an option pricing model. Option pricing models need input data such as expected volatility of the share price, expected dividends or the risk-free interest rate for the life of the option. The overall objective is to approximate the expectations that would be reflected in a current market or negotiated exchange price for the option. Such assumptions are subject to judgements and may turn out to be significantly different than expected.

Fair value determined at the grant date of equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's and the Company's estimate of equity instruments that will eventually vest. The estimate of the number of equity instruments expected to vest is revised by the Group and the Company at the end of each reporting period through settlement. Revisions of the original estimates, if any, are recognised in profit or loss so that the cumulative expense includes the revised estimate, with the corresponding adjustment to the reserve for employee equity-settled benefits.

2.5.2 Significant management judgement

The following are significant management judgements in applying the accounting policies of the Group and of the Company that have the most significant effect on the financial statements:-

Determining the lease term of contracts with renewal options

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

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

3. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land	Factory buildings	Computers, furniture and fittings, office equipment and renovation	Motor vehicles	Plant, machinery and equipment	Building improvements	Capital work in progress	Total
	RM	RM	RM	RM	RM	RM	RM	RM
2026	← At valuation →		← At cost →					
Cost/Valuation								
At 1 July 2025	16,234,497	17,273,207	5,046,488	698,616	15,517,176	-	67,000	54,836,984
Additions	-	-	233,043	-	1,036,235	-	12,500	1,281,778
Disposals	-	-	(4,099)	(201,080)	-	-	-	(205,179)
Written off	-	(5,660)	(24,307)	-	(5,991)	-	-	(35,958)
Reclassification	-	60,000	19,500	-	-	-	(79,500)	-
Deconsolidation of a subsidiary	-	-	(9,122)	-	-	-	-	(9,122)
At 30 June 2026	16,234,497	17,327,547	5,261,503	497,536	16,547,420	-	-	55,868,503
Accumulated depreciation								
At 1 July 2025	-	469,424	3,524,131	666,595	11,266,152	-	-	15,926,302
Charge for the financial year	-	460,750	363,323	21,345	871,727	-	-	1,717,145
Disposals	-	-	(547)	(201,078)	-	-	-	(201,625)
Written off	-	(2,038)	(23,008)	-	(4,620)	-	-	(29,666)
Deconsolidation of a subsidiary	-	-	(9,122)	-	-	-	-	(9,122)
At 30 June 2026	-	928,136	3,854,777	486,862	12,133,259	-	-	17,403,034
Net carrying amount								
At 30 June 2026	16,234,497	16,399,411	1,406,726	10,674	4,414,161	-	-	38,465,469

3. PROPERTY, PLANT AND EQUIPMENT *cont'd*

Group *(cont'd)*	Freehold land	Factory buildings	Computers, furniture and fittings, office equipment and renovation	Motor vehicles	Plant, machinery and equipment	Building improvements	Capital work in progress	Total
2025	RM	RM	RM	RM	RM	RM	RM	RM
	At valuation		At cost					
Cost/Valuation								
At 1 July 2024	27,090,000	22,367,733	6,393,262	694,871	14,954,328	1,261,232	396,000	73,157,426
Additions	404,497	199,503	813,034	2	1,519,987	-	67,000	3,004,023
Transfer from right-of-use assets	-	-	-	441,598	-	-	-	441,598
Effect on acquisition of a subsidiary	-	-	235,321	106,724	1,979,732	-	-	2,321,777
Disposals	-	-	(502,125)	(438,422)	(814,322)	(881,655)	-	(2,636,524)
Written off	-	-	(625,439)	-	(959,535)	-	-	(1,584,974)
Disposal of subsidiaries	(11,260,000)	(5,294,029)	(1,267,565)	(106,157)	(1,163,014)	(379,577)	(396,000)	(19,866,342)
At 30 June 2025	16,234,497	17,273,207	5,046,488	698,616	15,517,176	-	67,000	54,836,984
Accumulated depreciation								
At 1 July 2024	-	87,169	4,909,356	694,761	11,633,599	1,109,004	-	18,433,889
Charge for the financial year	-	668,085	339,898	16,010	832,364	-	-	1,856,357
Transfer from right-of-use assets	-	-	-	441,597	-	-	-	441,597
Effect on acquisition of a subsidiary	-	-	214,902	58,698	1,302,496	-	-	1,576,096
Disposals	-	-	(347,272)	(438,418)	(740,973)	(875,412)	-	(2,402,075)
Written off	-	-	(623,465)	-	(938,677)	-	-	(1,562,142)
Disposal of subsidiaries	-	(285,830)	(969,288)	(106,053)	(822,657)	(233,592)	-	(2,417,420)
At 30 June 2025	-	469,424	3,524,131	666,595	11,266,152	-	-	15,926,302
Accumulated impairment loss								
At 1 July 2024	-	-	141,512	-	40,196	-	396,000	577,708
Disposal of subsidiaries	-	-	(141,512)	-	(40,196)	-	(396,000)	(577,708)
At 30 June 2025	-	-	-	-	-	-	-	-
Net carrying amount								
At 30 June 2025	16,234,497	16,803,783	1,522,357	32,021	4,251,024	-	67,000	38,910,682

3. PROPERTY, PLANT AND EQUIPMENT *cont'd*

Company	Freehold land	Factory buildings	Furniture, fittings and office equipment	Motor vehicles	Plant, machinery and equipment	Capital work in progress	Total
	RM	RM	RM	RM	RM	RM	RM
2026	← At valuation →		← At cost →				
Cost/Valuation							
At 1 July 2025	9,540,740	4,705,614	358,761	304,081	8,116	67,000	14,984,312
Additions	-	-	21,400	-	-	12,500	33,900
Disposal	-	-	(8,525)	(201,080)	-	-	(209,605)
Reclassification	-	60,000	19,500	-	-	(79,500)	-
At 30 June 2026	9,540,740	4,765,614	391,136	103,001	8,116	-	14,808,607
Accumulated depreciation							
At 1 July 2025	-	37,551	203,397	304,076	3,329	-	548,353
Charge for the financial year	-	95,312	40,205	-	4,383	-	139,900
Disposal	-	-	-	(201,078)	-	-	(201,078)
At 30 June 2026	-	132,863	243,602	102,998	7,712	-	487,175
Net carrying amount							
At 30 June 2026	9,540,740	4,632,751	147,534	3	404	-	14,321,432

3. PROPERTY, PLANT AND EQUIPMENT *cont'd*

Company (cont'd)	Freehold land	Factory buildings	Furniture, fittings and office equipment	Motor vehicles	Plant, machinery and equipment	Capital work in progress	Total
	RM	RM	RM	RM	RM	RM	RM
2025	← At valuation →		← At cost →				
Cost/Valuation							
At 1 July 2024	-	-	343,404	103,000	887,951	-	1,334,355
Additions	9,540,740	4,705,614	174,185	2	8,116	67,000	14,495,657
Transfer from right-of-use assets	-	-	-	201,079	-	-	201,079
Disposal	-	-	(123,397)	-	(774,371)	-	(897,768)
Written off	-	-	(35,431)	-	(113,580)	-	(149,011)
At 30 June 2025	9,540,740	4,705,614	358,761	304,081	8,116	67,000	14,984,312
Accumulated depreciation							
At 1 July 2024	-	-	321,050	102,998	811,221	-	1,235,269
Charge for the financial year	-	37,551	29,191	-	14,816	-	81,558
Transfer from right-of-use assets	-	-	-	201,078	-	-	201,078
Disposal	-	-	(112,053)	-	(709,137)	-	(821,190)
Written off	-	-	(34,791)	-	(113,571)	-	(148,362)
At 30 June 2025	-	37,551	203,397	304,076	3,329	-	548,353
Net carrying amount							
At 30 June 2025	9,540,740	4,668,063	155,364	5	4,787	67,000	14,435,959

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3. PROPERTY, PLANT AND EQUIPMENT *cont'd*

Fair value of freehold land and factory buildings

The fair value of the freehold land and factory buildings of the Group had been revalued on 8 May 2024 and 28 June 2024 by Messrs. Raine & Horne International Zaki + Partners Sdn. Bhd., an independent firm of professional valuers. The valuations were performed based on the market comparison method that reflects recent transaction price for similar properties in the vicinity. No separate revaluation is carried out as at 30 June 2026 as the carrying amount approximates the fair value.

Details of the Group's and of the Company's land and buildings and information about the fair value hierarchy as at reporting date are as follows:-

Group	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2026				
Freehold land	-	-	16,234,497	16,234,497
Factory buildings	-	-	16,399,411	16,399,411
	-	-	32,633,908	32,633,908
2025				
Freehold land	-	-	16,234,497	16,234,497
Factory buildings	-	-	16,803,783	16,803,783
	-	-	33,038,280	33,038,280
Company				
2026				
Freehold land	-	-	9,540,740	9,540,740
Factory buildings	-	-	4,632,751	4,632,751
	-	-	14,173,491	14,173,491
2025				
Freehold land	-	-	9,540,740	9,540,740
Factory buildings	-	-	4,668,063	4,668,063
	-	-	14,208,803	14,208,803

The following table shows the significant unobservable input used in the valuation model:-

Type	Significant unobservable inputs	Relationship of unobservable inputs and fair value measurement
Freehold land and factory buildings	Sale price of comparable land and buildings	The higher the sales price of comparable land and buildings, the higher the fair value

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3. PROPERTY, PLANT AND EQUIPMENT *cont'd*

Fair value of freehold land and factory buildings *cont'd*

If the freehold land and factory buildings were measured using the cost model, the net carrying amount would be as follows:-

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Freehold land	5,332,307	5,332,307	9,540,740	9,540,740
Factory buildings	8,157,097	8,340,196	4,632,751	4,668,063

Assets pledged as securities

The net carrying amounts of properties of the Group and of the Company which have been pledged as securities for banking facilities granted to the Group and the Company are as follows:-

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Freehold land	14,254,497	14,254,497	9,540,740	9,540,740
Factory buildings	15,027,983	15,398,069	4,632,751	4,668,063

Material accounting policy information

(a) Recognition and measurement

All property, plant and equipment, except for land and buildings, are measured at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Land and buildings are measured at fair value less accumulated depreciation and any impairment losses after the date of the revaluation. Valuations are performed with sufficient regularity, to ensure that the carrying amount does not differ materially from the fair value of the land and buildings at the reporting date.

As at the date of revaluation, accumulated depreciation, if any, is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Any revaluation surplus arising upon appraisal of land and buildings are recognised in other comprehensive income and credited to the 'revaluation reserve' in equity. To the extent that any revaluation decreases or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluation of land and buildings are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in revaluation reserve on disposal of the asset is transferred to retained earnings.

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FINANCIAL STATEMENTS
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3. PROPERTY, PLANT AND EQUIPMENT *cont'd*

Material accounting policy information *cont'd*

(b) Depreciation

Property, plant and equipment are depreciated on the straight-line method to write off the cost or revalued amount of each asset to its residual value over its estimated useful lives, at the following annual rates:

Factory buildings	2%
Computers, furniture and fittings, office equipment and renovation	10% - 33.3%
Motor vehicles	20%
Plant, machinery and equipment	7% - 20%
Building improvements	25%

Freehold land with an infinite life is not depreciated.

Capital work in progress is not depreciated until the asset is ready for its intended use.

4. RIGHT-OF-USE ASSETS

As a lessee

The Group and the Company have lease contracts for premises and motor vehicles used in its operations that have lease terms of between 2 to 5 years. The lease contracts restrict the Group and the Company from assigning and subleasing the leased assets.

Group	Motor vehicles RM	Premises RM	Total RM
Cost			
At 1 July 2024	1,507,308	506,255	2,013,563
Effect on acquisition of a subsidiary	165,403	-	165,403
Additions	62,480	126,790	189,270
Transfer to property, plant and equipment	(441,598)	-	(441,598)
Early termination of lease contracts	-	(93,424)	(93,424)
Expiration of lease contracts	-	(92,847)	(92,847)
At 30 June 2025	1,293,593	446,774	1,740,367
Additions	-	766,672	766,672
Disposal	(455,403)	-	(455,403)
Early termination of lease contracts	-	(26,693)	(26,693)
Expiration of lease contracts	-	(286,479)	(286,479)
At 30 June 2026	838,190	900,274	1,738,464

NOTES TO THE FINANCIAL STATEMENTS

30 June 2026
cont'd

4. RIGHT-OF-USE ASSETS *cont'd*

As a lessee *cont'd*

Group	Motor vehicles RM	Premises RM	Total RM
Accumulated depreciation			
At 1 July 2024	570,663	205,487	776,150
Effect on acquisition of a subsidiary	57,891	-	57,891
Charge for the financial year	248,366	216,547	464,913
Transfer to property, plant and equipment	(441,597)	-	(441,597)
Early termination of lease contracts	-	(62,283)	(62,283)
Expiration of lease contracts	-	(92,847)	(92,847)
At 30 June 2025	435,323	266,904	702,227
Charge for the financial year	215,973	289,027	505,000
Disposal	(237,369)	-	(237,369)
Early termination of lease contracts	-	(9,639)	(9,639)
Expiration of lease contracts	-	(286,479)	(286,479)
At 30 June 2026	413,927	259,813	673,740
Net carrying amount			
At 30 June 2026	424,263	640,461	1,064,724
At 30 June 2025	858,270	179,870	1,038,140

Company	Motor vehicles RM
Cost	
At 1 July 2024	201,079
Transfer to property, plant and equipment	(201,079)
At 30 June 2025/30 June 2026	-
Accumulated depreciation	
At 1 July 2024	201,078
Transfer to property, plant and equipment	(201,078)
At 30 June 2025/30 June 2026	-
Net carrying amount	
At 30 June 2025/30 June 2026	-

The Group's and the Company's motor vehicles are under finance lease arrangement and pledged as securities for the related finance leases.

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cont'd

4. RIGHT-OF-USE ASSETS *cont'd*

Material accounting policy information

(a) Recognition and measurement

The Group and the Company recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

(b) Depreciation

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

Premises	2 - 3 years
Motor vehicles	5 years

5. INVESTMENT PROPERTY

	Group	
	2026	2025
	RM	RM
Fair value		
Brought forward/Carried forward	500,000	500,000

The above investment property represents one unit of condominium.

The following income/(expenses) are recognised in profit or loss in respect of investment property:-

	Group	
	2026	2025
	RM	RM
Rental income	19,800	19,500
Direct operating expenses		
- revenue generating investment property	(631)	(494)

The fair value of the investment property of the Group as at reporting date is based on a revaluation by Ziyad Property Consultants Sdn. Bhd. (2025: MN Associates (Nilai) Sdn. Bhd.), an independent firm of professional valuers. The valuation was performed based on the market comparison method that reflects recent transaction price for similar properties in the vicinity.

Fair value measurement of the investment property was categorised as Level 3 and the following table shows the significant unobservable input used in the valuation model:-

Type	Significant unobservable inputs	Relationship of unobservable inputs and fair value measurement
Condominium	Sales price of comparable condominium	The higher the sales price of comparable condominium, the higher the fair value

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5. INVESTMENT PROPERTY *cont'd*

Material accounting policy information

Investment properties which are held to earn rentals or for capital appreciation or both, are measured at fair value with any changes therein recognised in profit or loss for the period in which they arise.

6. INTANGIBLE ASSETS

Group	Goodwill on consolidation	Registered drug formula rights	Total
	RM	RM	RM
At cost			
At 1 July 2024	2,853,230	300,000	3,153,230
Effect of acquisition of a subsidiary	3,380,658	-	3,380,658
At 30 June 2025/30 June 2026	6,233,888	300,000	6,533,888
Accumulated amortisation			
At 1 July 2024/30 June 2025/30 June 2026	-	300,000	300,000
Net carrying amount			
At 30 June 2025/30 June 2026	6,233,888	-	6,233,888

Goodwill on consolidation

Goodwill has been allocated to the Group's cash generating unit ("CGU"). A segment-level summary of the goodwill allocation is presented below:-

	Group	
	2026	2025
	RM	RM
Loan financing	2,853,230	2,853,230
Pharmaceutical and medical goods	3,380,658	3,380,658
	6,233,888	6,233,888

The Group undertakes an annual test for impairment evaluation. No impairment loss was required for the goodwill on consolidation as its recoverable value was in excess of its carrying values.

Impairment test for goodwill

The recoverable amount of a CGU is determined based on value-in-use calculations using cash flow projections based on financial budgets approved by management covering three to five years (2025: three to five years) period.

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6. INTANGIBLE ASSETS *cont'd*

Goodwill on consolidation *cont'd*

Impairment test for goodwill cont'd

The key assumptions represent management's assessment of future trends in the respective industries and are based on both external sources and internal sources (historical data). Key assumptions made in determining the value-in-use are as follows:-

	Terminal growth rate		Average discount rate	
	2026	2025	2026	2025
	%	%	%	%
CGU/Segment				
Loan financing	1.79	1.86	5.80	6.20
Pharmaceutical and medical goods	1.79	2.00	9.11	7.70

The following describes each key assumption on which the Directors have used in the cash flow projections for the purposes of impairment testing of goodwill:-

(i) Terminal growth rate : based on published industry research

(ii) Average discount rate : based on the industry weighted average cost of capital. The discount rate applied is pre-tax and reflects management's estimate of the risk specific to the CGU at the date of assessment

Sensitivity to changes in assumptions

With regard to the assessment of the value-in-use of the CGU, management believes that any changes to the key assumptions above would not result in the carrying values of the CGU to materially exceed their recoverable amounts.

Registered drug formula rights

The registered drug formula rights were acquired by a subsidiary from a third party before the subsidiary became part of the Group.

Material accounting policy information

(a) Recognition and measurement

(i) Goodwill on consolidation

Goodwill on consolidation is measured at cost less any accumulated impairment losses.

(ii) Registered drug formula rights

Registered drug formula rights are measured at cost less any accumulated amortisation and impairment losses.

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FINANCIAL STATEMENTS
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6. INTANGIBLE ASSETS *cont'd*

Material accounting policy information *cont'd*

(b) Amortisation

(i) Goodwill on consolidation

Goodwill is not amortised but instead reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

(ii) Registered drug formula rights

Registered drug formula rights are amortised over the useful economic lives of 8 years.

7. INVESTMENT IN SUBSIDIARIES

	Company	
	2026	2025
	RM	RM
Unquoted shares, at cost	50,508,495	50,508,495
Share options granted to subsidiaries' employees pursuant to Share Issuance Scheme	1,286,769	969,366
Less: Accumulated impairment loss	(8,000,000)	(8,000,000)
	43,795,264	43,477,861

The movements of accumulated impairment loss during the financial years are as follows:-

	Company	
	2026	2025
	RM	RM
Brought forward	8,000,000	8,621,864
Disposal	-	(621,864)
Carried forward	8,000,000	8,000,000

The impairment loss was recognised to adjust the carrying amount of investment in subsidiaries as the recoverable amounts were lower than the carrying amount.

The recoverable amount of the investment in subsidiaries is assessed by reference to the fair value less cost to sell of the respective subsidiaries.

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

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

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7. INVESTMENT IN SUBSIDIARIES *cont'd*

Details of the subsidiaries are as follows:

Name of company	Principal place of business	Effective equity interest		Principal activities
		2026	2025	
		%	%	
Sunzen Feedtech Sdn. Bhd.	Malaysia	100	100	Biotechnology research and development, manufacturers, importers, exporters, and trading of veterinary, pharmaceutical, chemical, animal health, beauty & cosmetic products, investment holding and trading of crude palm oil and derivative products.
Finsource Credit (M) Sdn. Bhd. ("FCSB")	Malaysia	100	100	Financial consultancy services and licensed money lending activities.
PT Sunzen Indonesia #*	Indonesia	-	100	Dormant.
Sunzen Palma Sdn. Bhd.	Malaysia	100	100	Trading of animal health and nutrition products for livestock, animal beauty and cosmetic products and trading of crude palm oil and derivative products.
Ecolite Biotech Manufacturing Sdn. Bhd. ("Ecolite")	Malaysia	100	100	Manufacturing and sales of herbal drinks, food stuff and related health products.
Eye Nation Medical Sdn. Bhd. ("ENM")	Malaysia	70	70	Trading of diagnostic equipment and other related products.
Subsidiaries of Ecolite Biotech Manufacturing Sdn. Bhd.				
Ecolite Distribution Sdn. Bhd.	Malaysia	100	100	Retail, wholesale, distribution, and trading of health and herbal products.
Yanming Resources Sdn. Bhd. ("Yanming") ^	Malaysia	70	70	Manufacturing and processing of edible bird's nest product, trading and distribution of bird's nest and related products, manufacturing and trading in cosmetic and personal care products including their usage, application and related consumer goods.
Herbology Sdn. Bhd.	Malaysia	100	100	Manufacturing, trading, marketing, e-commerce, sales of food and beverage nutrition.

^ *Held 30% and 70% through the Company and Ecolite respectively.*
\# *Not audited by member firms of Grant Thornton Malaysia PLT.*
* *The subsidiary had ceased its business operation in year 2021 and since then, the subsidiary is not required to be audited in its incorporated country. The latest audited accounts were 31 December 2020 and the subsidiary is consolidated based on management accounts.*

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7. INVESTMENT IN SUBSIDIARIES *cont'd*

Acquisition of new subsidiary

In the prior financial year, the Company had acquired 70,000 ordinary shares in ENM, representing 70% equity interest in ENM, for a total purchase consideration of RM6,370,000 by cash. Subsequent to the acquisition of equity interest, ENM becomes the subsidiary of the Company.

Consideration, assets recognised and liabilities assumed

	2025 RM
Fair value of considerations	6,370,000
Fair value of identifiable net assets:	
Property, plant and equipment	745,681
Right-of-use assets	107,512
Inventories	2,093,691
Trade receivables	1,058,167
Other receivables	23,602
Tax recoverable	10,884
Cash and bank balances	2,143,498
Deferred tax liabilities	(78,113)
Lease liabilities	(120,507)
Trade payables	(38,448)
Other payables	(1,675,478)
Total identifiable net assets	4,270,489
Goodwill arising from business combination	
Fair value of considerations	6,370,000
Non-controlling interests	1,281,147
Fair value of identifiable net assets	(4,270,489)
Goodwill arising from acquisition of a subsidiary	3,380,658
Net cash outflows from acquisition of a subsidiary:	
Cash and cash equivalents acquired	2,143,498
Less: Fair value of considerations paid in cash	(6,370,000)
Net cash outflows from acquisition of a subsidiary	(4,226,502)

Impact of the acquisition on the Consolidated Statement of Profit or Loss and Other Comprehensive Income

From the date of acquisition up to the end of the prior financial year, the acquired subsidiary had contributed RM6,963,062 and RM869,688 to the Group's revenue and profit for the prior financial year respectively. If the acquisition had taken place at the beginning of the prior financial year, the Group's revenue and profit for the prior financial year would have been RM82,538,268 and RM2,947,312 respectively.

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7. INVESTMENT IN SUBSIDIARIES *cont'd*

Acquisition of additional equity in subsidiaries

In the prior financial year, Ecolite completed acquisition of 40,000 shares (40%) in Herbology Sdn. Bhd ("HSB") from its non-controlling interest for a cash consideration of RM4,000. As a result of this acquisition, Ecolite increased its ownership in HSB from 60% to 100%. The net cash outflow from the acquisition amounted to RM4,000.

In the prior financial year, the Company completed acquisition of 2,250,000 shares (30%) in Ecolite and 150,000 shares in Yanming (a 70% owned subsidiary of Ecolite) from the non-controlling interest for total purchase consideration of RM17,288,135 and RM5,186,441 respectively.

These acquisitions were completed on 11 October 2024 and Ecolite and Yanming have become wholly owned by the Company.

The purchase consideration was fully settled through the issuance and allotment of 66,101,694 new ordinary shares of the Company, reported at a fair value of RM0.34 per share, being the quoted market price of the Company's shares on the completion date, based on the requirements of MFRS 3: Business Combinations and MFRS 13: Fair Value Measurement.

Disposal of subsidiaries

In prior financial year, the Company disposed of all the interests in Sunzen Corporation Sdn. Bhd. and Sunzen Lifesciences Sdn. Bhd. to third party. The effect of the disposal of a subsidiary on the financial position of the Group as at that date of disposal was as follows:-

	Group 2025 RM
Property, plant and equipment	16,871,214
Inventories	923,924
Other receivables	302,301
Tax recoverable	202,292
Cash and bank balances	1,983,863
Deferred tax liabilities	(968,639)
Trade payables	(28,519)
Other payables	(1,981,778)
Net assets	17,304,658
Loss on disposal of subsidiaries	(4,658)
Cash consideration	17,300,000
Less: Consideration receivable	(15,570,000)
Less: Cash and cash equivalents	(1,983,863)
Net cash outflows	(253,863)

NOTES TO THE FINANCIAL STATEMENTS

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7. INVESTMENT IN SUBSIDIARIES *cont'd*

Deconsolidation of subsidiaries

During the financial year ended 30 June 2026, the Group's equity interest in PT Sunzen Indonesia was reduced from 100% to 30%, resulting in the loss of control over PT Sunzen Indonesia, which ceased to be a subsidiary of the Group and became an associate of the Group.

In the prior financial year, the subsidiary of Ecolite Biotech Manufacturing Sdn. Bhd. (Ecolite Pharma Sdn. Bhd.) was wound up.

The effect of deconsolidation/winding up on the financial position of the Group as at that date of deconsolidation/winding up was as follows:-

	Group	
	2026	2025
	RM	RM
Other receivables	-	524,000
Tax recoverable	-	9,984
Cash and bank balances	304	837
Tax payable	(61)	-
Net assets	243	534,821
Less: currency translation reserve	(24,527)	-
Gain/(Loss) on deconsolidation of subsidiaries	24,284	(34,821)
Capital repayment from a subsidiary	-	500,000
Less: Cash and cash equivalents	(304)	(837)
Net cash (outflows)/inflows	(304)	499,163

Non-controlling interests in a subsidiary

The Group's subsidiary, ENM that has material non-controlling interests ("NCI") is as follows:-

	2026	2025
NCI percentage of ownership interest and voting interest	30%	30%
Carrying amount of NCI (RM)	1,901,103	1,542,053
Profit allocated to NCI (RM)	359,050	260,906
Total comprehensive income allocated to NCI (RM)	359,050	260,906

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7. INVESTMENT IN SUBSIDIARIES *cont'd*

Non-controlling interests in a subsidiary *cont'd*

Summarised financial information of ENM before intra-group elimination is as follows:-

	2026 RM	2025 RM
Non-current assets	604,709	865,654
Current assets	7,571,826	6,194,839
Non-current liabilities	(78,113)	(147,453)
Current liabilities	(1,761,411)	(1,772,863)
Net assets	6,337,011	5,140,177
Revenue	9,825,494	12,871,737
Profit for the year	1,196,834	947,201
Total comprehensive income for the year	1,196,834	947,201
Cash flows from operating activities	1,991,254	242,085
Cash flows from/(used in) investing activities	88,306	(201,148)
Cash flows used in financing activities	(99,487)	(974,817)
Net increase/(decrease) in cash and cash equivalents	1,980,073	(933,880)

Material accounting policy information

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

8. INVESTMENT IN AN ASSOCIATE

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Unquoted shares, at cost	980,000	980,000	5,186,441	5,186,441
Share of post-acquisition reserve	(870,210)	(870,210)	-	-
Less: Accumulated impairment losses				
Brought forward	(109,790)	-	-	-
Addition	-	(109,790)	-	-
Carried forward	(109,790)	(109,790)	-	-
	-	-	5,186,441	5,186,441

The impairment loss was recognised to adjust the carrying amount of investment in an associate as the recoverable amounts were lower than the carrying amount.

Impairment loss on investment in an associate is included in other expenses.

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8. INVESTMENT IN AN ASSOCIATE *cont'd*

The recoverable amount of the investment in an associate is assessed by reference to the fair value less cost to sell of the associate.

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

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

Details of the Group's associates are as follows:

Name of company	Principal place of business	Effective equity interest		Principal activities
		2026	2025	
		%	%	
Xmegami Manufacturing Sdn. Bhd. ("XMSB") *	Malaysia	49	49	To carry on the business related to manufacturing local products.
PT Sunzen Indonesia *#	Indonesia	30	-	Dormant.

Details of the Company's associate are as follow:

Name of company	Principal place of business	Effective equity interest		Principal activities
		2026	2025	
		%	%	
Yanming Resources Sdn. Bhd.	Malaysia	30	30	Manufacturing and processing of edible bird's nest product, trading and distribution of bird's nest and related products, manufacturing and trading in cosmetic and personal care products including their usage, application and related consumer goods.

* *Not audited by Grant Thornton Malaysia PLT.*

\# *The associate had ceased its business operation in year 2021 and since then, the associate is not required to be audited in its incorporated country. The latest audited accounts were 31 December 2020 and the associate is accounted for based on management accounts.*

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8. INVESTMENT IN AN ASSOCIATE *cont'd*

The summarised financial information of the material associate not adjusted for the proportion of ownership interests held by the Group are as follows:-

	XMSB 2026 RM	XMSB 2025 RM
Financial position		
Non-current assets	-	2,468,129
Current assets	22,183	170,329
Current liabilities	(2,500)	(2,414,397)
Net assets	19,683	224,061
Financial performance		
Revenue	165,429	808,880
Loss/Total comprehensive loss for the financial year	204,378	922,486
Reconciliation of net assets to carrying amount		
Group's share of net assets	9,645	109,790
Share of losses not recognised	100,145	-
Less: Accumulated impairment losses	(109,790)	(109,790)
Carrying amount in the statements of financial position	-	-
Group's share of results for the financial year		
Group's share of loss/total comprehensive loss	-	452,018

Unrecognised share of losses

The Group has not recognised loss related to XMSB, totalling RM100,145 (2025: Nil) and cumulatively RM100,145 (2025: Nil) since the Group has no obligation in respect of these losses.

Contingent liabilities and capital commitments

The associate has no contingent liabilities and capital commitments as at the reporting date.

Related balance

In prior financial year, the amount due from/to an associate was non-trade in nature, unsecured, interest-free and receivable/repayable on demand.

Material accounting policy information

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

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9. AMOUNT DUE FROM/TO SUBSIDIARIES

	Company	
	2026	2025
	RM	RM
Amount due from subsidiaries		
Non-current asset		
Loan to subsidiaries	87,319,014	75,400,875
Current asset		
Amount due from subsidiaries		
- non-trade	7,041,097	7,241,050
Loan to subsidiaries	581,861	553,540
Less: Accumulated impairment loss	(7,038,927)	(7,238,880)
	584,031	555,710
	87,903,045	75,956,585
Amount due to subsidiaries		
Current liability		
Amount due to subsidiaries		
- non-trade	11,522	325,997

The movements of the accumulated impairment loss of amount due from subsidiaries are as follows:-

	Company	
	2026	2025
	RM	RM
Brought forward	7,238,880	10,418,881
Reversal during the financial year	(199,953)	(2,040,234)
Written off	-	(1,139,767)
Carried forward	7,038,927	7,238,880

Included in the loan to subsidiaries is RM76,500,000 (2025: RM64,000,000), which is non-trade in nature, unsecured, bears interest at 4% (2025: 4%) per annum and has no fixed term of repayment. The amount is not expected to be repaid within the next twelve months.

The remaining amount of RM11,400,875 (2025: RM11,954,415) loan to subsidiaries is non-trade in nature, unsecured, bears interest at 5% (2025: 5%) per annum and is receivable in 180 (2025: 180) monthly instalments.

The non-trade balances are unsecured, interest-free and repayable on demand.

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10. TRADE RECEIVABLES

The trade receivables are recognised at their original invoice amount which represent their fair values on initial recognition. The Group's normal trade credit terms ranged from cash term to 90 days (2025: cash term to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

	Group	
	2026	2025
	RM	RM
Non-current asset		
Trade receivables	88,516,778	70,546,794
Current asset		
Trade receivables	20,572,181	17,902,576
Less: Accumulated individual and collective loss allowances	(611,197)	(853,972)
	19,960,984	17,048,604
	108,477,762	87,595,398

The movements in the allowance for impairment loss were as follows:

	Group	
	2026	2025
	RM	RM
Brought forward	853,972	712,546
Effect on acquisition of a subsidiary	-	28,670
Loss allowances recognised in profit or loss		
- Collective impairment losses	273,846	146,005
- Individual impairment losses	112,155	-
Reversal of allowances for impairment loss recognised		
- Individual impairment losses	(13,949)	(26,000)
Disposal of subsidiaries	-	(7,249)
Written off	(614,827)	-
Carried forward	611,197	853,972

Included in the Group's trade receivables are secured loan receivables arising from its financing business of RM103,126,333 (2025: RM80,492,092), bearing interest at 12% (2025: 12%) per annum and repayable over 12 to 120 (2025: 12 to 120) monthly installments.

The carrying amount of the collateral approximate their fair values as at the reporting date.

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11. INVENTORIES

	Group	
	2026	2025
	RM	RM
Raw materials	635,118	488,248
Finished goods	5,295,192	5,164,192
Trading goods	2,024,563	1,609,411
Packing materials	3,424,583	2,245,595
	11,379,456	9,507,446

Recognised in profit or loss:

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Inventories recognised in cost of sales	35,679,548	35,352,508	-	219,856
Reversal of inventories written down	-	(235,913)	-	(53,568)
Inventories written down	748,256	164,144	-	-
Inventories written off	290,380	160,591	-	488

In prior financial year, the reversal of inventories written down was made when the related inventories were sold above their carrying amounts.

Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

12. OTHER RECEIVABLES

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Non-trade receivables	139,597	16,531,691	4,815	16,377,228
Loss allowances recognised in profit or loss:				
- Individual impairment losses	-	(783,000)	-	(783,000)
	139,597	15,748,691	4,815	15,594,228
Deposits	344,208	202,809	135,859	14,918
Prepayments	334,144	330,733	69,476	48,093
Advances to suppliers	728,620	770,123	-	-
Sales tax recoverable	4,403	3,727	-	-
	1,550,972	17,056,083	210,150	15,657,239

12. OTHER RECEIVABLES *cont'd*

The movements in the individual impairment losses are as follows:-

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Brought forward	783,000	783,000	783,000	783,000
Reversal of allowances for impairment loss recognised	(783,000)	-	(783,000)	-
Carried forward	-	783,000	-	783,000

In prior financial year, included in non-trade receivables of the Group and of the Company is a balance of consideration receivable from the purchaser for disposed subsidiaries amounting to RM15,570,000.

13. CASH AND BANK BALANCES, DEPOSITS AND SHORT-TERM PLACEMENTS

Cash and cash equivalents comprise the following:-

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
At amortised cost:-				
Fixed deposits with licensed banks	617,573	909,084	617,573	606,729
Cash in hand and bank balances	20,281,732	10,319,927	3,862,608	1,372,146
	20,899,305	11,229,011	4,480,181	1,978,875
At fair value through profit or loss:-				
Money market fund investments	928,838	7,762,226	349,298	338,278
Cash and bank balances	21,828,143	18,991,237	4,829,479	2,317,153
Less:-				
Fixed deposits pledged for loans and borrowings	(617,573)	(606,729)	(617,573)	(606,729)
Cash and cash equivalents	21,210,570	18,384,508	4,211,906	1,710,424

Fixed deposits with licensed banks

Fixed deposits with licensed banks amounting to RM617,573 (2025: RM606,729) of the Group and of the Company have been pledged as collateral to a licensed bank to secure banking facilities granted to the Company and certain subsidiaries of the Group.

Effective interest rates per annum on the fixed deposits of the Group and of the Company are as follows:-

	Group		Company	
	2026	2025	2026	2025
	%	%	%	%
Fixed deposits with licensed banks	2.75 - 3.00	2.80 - 3.00	2.75 - 3.00	3.00

The maturity period of the fixed deposits with licensed banks of the Group is 6 months (2025: 6 months).

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13. CASH AND BANK BALANCES, DEPOSITS AND SHORT-TERM PLACEMENTS *cont'd*

Money market fund investments

Money market fund investments represent investment in deposits and money market investments which are highly liquid. These investments are convertible into cash in short-term period and has insignificant risk of changes in value.

Reconciliation of liabilities arising from financing activities of the Group and of the Company:-

	Brought forward	Additions	Early termination	Cash flows	Carried forward
	RM	RM	RM	RM	RM
Group					
2026					
Lease liabilities	1,035,952	766,672	(17,511)	(653,815)	1,131,298
Bankers' acceptance	110,000	-	-	(110,000)	-
Term loans	18,741,358	-	-	1,428,052	20,169,410
Total	19,887,310	766,672	(17,511)	664,237	21,300,708
2025					
Lease liabilities	1,173,323	305,880*	(32,707)	(410,544)	1,035,952
Bankers' acceptance	-	-	-	110,000	110,000
Term loans	6,489,403	-	-	12,251,955	18,741,358
Total	7,662,726	305,880	(32,707)	11,951,411	19,887,310
Company					
2026					
Amount due to subsidiaries	325,997	-	-	(314,475)	11,522
Amount due to an associate	47,587	-	-	(47,587)	-
Term loans	11,646,340	-	-	(789,722)	10,856,618
Total	12,019,924	-	-	(1,151,784)	10,868,140
2025					
Lease liabilities	5,542	-	-	(5,542)	-
Amount due to subsidiaries	315,000	-	-	10,997	325,997
Amount due to an associate	-	-	-	47,587	47,587
Term loans	-	-	-	11,646,340	11,646,340
Total	320,542	-	-	11,699,382	12,019,924

* *The additions consist of the future lease payment of RM185,373 and effect on acquisition of a subsidiary of RM120,507.*

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14. SHARE CAPITAL AND TREASURY SHARES

	Group and Company			
	Share capital	Treasury shares	Share capital	Treasury shares
	Number of shares		RM	RM
At 1 July 2025	812,059,103	(39,837,300)	138,008,012	(10,419,351)
Issued pursuant to:				
- Share options exercised under Share Issuance Scheme	70,343,539	-	16,472,320	-
- Exercise of warrants	7,436,600	-	1,487,320	-
- Purchase of treasury shares	-	(53,929,500)	-	(13,789,810)
- Cancellation of treasury shares	(88,216,800)	88,216,800	(15,462,307)	22,927,449
At 30 June 2026	801,622,442	(5,550,000)	140,505,345	(1,281,712)
At 1 July 2024	728,480,459	(15,937,300)	111,844,068	(2,956,219)
Issued pursuant to:				
- Share options exercised under Share Issuance Scheme	4,593,400	-	1,112,658	-
- Exercise of warrants	12,883,550	-	2,576,710	-
- Acquisition of non-controlling interests	66,101,694	-	22,474,576	-
- Purchase of treasury shares	-	(23,900,000)	-	(7,463,132)
At 30 June 2025	812,059,103	(39,837,300)	138,008,012	(10,419,351)

(i) Share capital

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

(ii) Treasury shares

Treasury shares relate to the ordinary shares of the Company that are held by the Company. The amount consists of the acquisition costs of treasury shares net of proceeds received on their subsequent sale or issuance.

The Company purchased 53,929,500 (2025: 23,900,000) of its issued share capital from the open market at the average price paid of RM0.26 (2025: RM0.31) per share. The purchase transactions were financed by internally generated funds.

The shares purchased were retained as treasury shares. The Company has the right to re-issue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

During the financial year ended 30 June 2026, the Company cancelled 88,216,800 treasury shares amounting to RM22,927,449, resulting in reduction of its issued and paid-up share capital by RM15,462,307 and retained earnings by RM7,465,142.

As at the end of the reporting year, the Group held 5,550,000 (2025: 39,837,300) of the Company's shares and the number of outstanding shares in issue after setting treasury shares off against equity is 796,072,442 (2025: 772,221,803).

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15. WARRANTS

Warrants 2022/2027

On 21 September 2022, the Company undertook a bonus issue of warrants on the basis of 1 new warrant for every 2 existing ordinary shares in the Company held by the entitled shareholders. 356,894,609 new warrants ("Warrants 2022/2027") were listed on the ACE Market of Bursa Malaysia Securities Berhad. The Warrants 2022/2027 are constituted by a deed poll ("Deed Poll") dated 25 August 2022.

The salient terms of the Warrants 2022/2027 are as follows:

(i) Each Warrant will entitle the registered holder to subscribe for 1 new ordinary share in the Company at an exercise price of RM0.20 each subject to adjustment in accordance with the conditions stipulated in the Deed Poll;

(ii) The Warrants may be exercised any time within 5 years beginning on the date of issuance on 14 September 2022. Warrants not exercised within the exercise period will therefore lapse and cease to be valid;

(iii) The exercise price is RM0.20 per Warrant. The exercise price and the number of outstanding Warrants shall be subject to adjustments that may be required during the exercise period by the Company, in consultation with the approved adviser and certified by auditors appointed by the Company, in accordance with the terms and provisions of the Deed Poll;

(iv) The new shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issue, rank pari passu in all respect with the existing ordinary shares of the Company in issue except that they will not be entitled to any dividend, rights, allotment or other distributions, the entitlement date of which is before the allotment and issuance of the new shares; and

(v) The persons to whom the Warrants have been granted have no rights to participate in any distribution and/ on offer of further securities in the Company until/and unless Warrants holders exercise their Warrant for new shares.

As at the reporting date, the number of Warrants that remain unexercised was 329,390,659 (2025: 336,827,259).

16. RESERVES

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Revaluation reserve	16,571,310	16,571,310	-	-
Currency translation reserve	-	24,568	-	-
Share option reserve	-	7,040,386	-	7,040,386
(Accumulated losses)/Retained earnings	(465,364)	(2,646,856)	5,139,840	9,405,866
	16,105,946	20,989,408	5,139,840	16,446,252

16.1 Revaluation reserve

The asset revaluation reserve represents increases in the fair value of freehold land and factory buildings, net of tax, and decreases to the extent that such decreases relate to an increase on the same asset previously recognised in other comprehensive income and is not distributable by way of dividends.

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16. RESERVES *cont'd*

16.2 Currency translation reserve

The currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign subsidiary whose functional currency is different from that of the Group's presentation currency.

16.3 Share option reserve

The Group operates an equity-settled share options pursuant to the Company's Share Issuance Scheme ("SIS"). The share option reserve represents the cumulative value of services received from Directors and employees recorded over the vesting period commencing from the grant date of the equity-settled share options, and is reduced by the expiry or exercise of the share options.

At an Extraordinary General Meeting held on 24 November 2015, the Company had obtained its shareholders' approval for the establishment and implementation of a SIS up to thirty percent (30%) of the total issued shares of the Company (excluding treasury shares) at any point of time for the eligible Directors and employees of the Company and its subsidiaries (excluding dormant subsidiaries).

The salient terms of the SIS are as follows:-

(i) In accordance with the By-Laws, where an offer, allocation of options under the SIS and the related allotment of Shares is proposed to be made to any person who is a Director, major shareholder (who is also a Director and/or employee) or chief executive of the Company or persons connected to any of them, such allocation shall require prior approval from the shareholders of the Company in a general meeting provided always that the foregoing persons and persons connected to them shall not vote on the resolutions approving the said offer, allocation and allotment;

(ii) Only eligible Directors and employees of the Company and its subsidiaries who meet the criteria of eligibility will be eligible for participation in the SIS, provided always that the selection of any Director or employee for participation in the SIS shall be at the discretion of the Option Committee and the decision of the Option Committee shall be final and binding;

(iii) The aggregate number of SIS Shares that may be offered under the SIS Options to the eligible Directors and employees shall be determined at the sole and absolute discretion of the Option Committee after taking into consideration, amongst others, the position, ranking, performance, seniority and length of service of the eligible Directors and employees, and such other factors that Option Committee may in sole and absolute discretion deem fit, subject to the following:-

(a) the Directors and senior management of the Company and its subsidiaries (excluding dormant subsidiaries) do not participate in the deliberation or discussion of their own allocation of SIS Options;

(b) the number of SIS Shares allocated, in aggregate, to the Directors and senior management of the Company and its subsidiaries (excluding dormant subsidiaries) shall not exceed eighty percent (80%) of the total number of SIS Shares to be issued at any one time during the duration of the Proposed SIS;

(c) not more than ten percent (10%) of the total number of SIS Options shall be allocated to any eligible Directors and employees, who, either singly or collectively through persons connected with the eligible Directors, hold twenty percent (20%) or more of the issued and paid-up share capital of the Company (excluding treasury shares);

(iv) The actual number of SIS shares which may be offered to any eligible Directors and employees shall be at the discretion of the Option Committee and the number of SIS Shares so offered shall not be less than one hundred (100) shares nor more than the maximum allowable allocation of such eligible Directors and employees and shall be in multiples of one hundred (100) shares;

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16. RESERVES *cont'd*

16.3 Share option reserve *cont'd*

The salient terms of the SIS are as follows:- *cont'd*

(v) The price payable upon exercise of an option granted under the SIS shall be subject to any adjustments in accordance with the By-Laws, the option price of each share comprised in any option shall be based on the 5-day weighted average market price of the Company's shares as quoted on the ACE Market of Bursa Malaysia Securities Berhad immediately preceding the date of offer of the options, and at the Option Committee's discretion with a discount of not more than ten percent (10%);

(vi) The SIS shares shall, upon issuance and allotment, rank pari passu in all respects with the then existing ordinary shares of the Company, save and except that the SIS shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution, the entitlement date of which is prior to the date of allotment and issuance of such SIS shares; and

(vii) The SIS shall be in force for a duration of ten (10) years from the effective date of implementation of the SIS on 15 April 2016.

Movement of share options during the financial year/period

The terms and conditions related to the offer of the share options scheme are as follows:

	Offer date/employee entitled	Number of options	Contractual life of options
ESOS A	Option offer to eligible Directors on 26 November 2020	94,000,000	Up to 15 April 2026
ESOS A	Option offer to eligible employee on 26 November 2020	32,940,000	Up to 15 April 2026
ESOS B	Option offer to eligible employee on 21 December 2021	8,260,000	Up to 15 April 2026
	Total share options offered and accepted	135,200,000	

All options are to be settled by physical delivery of shares.

Vesting conditions

(i) For eligible Directors, all the Directors must not sell, transfer or assign shares obtained through the exercise of options offered to them within one (1) year from the date of offer of such options; and

(ii) For eligible employees, 20% of the options are vested on the date of offer. The balance number of options to be vested shall be subject to the achievement of certain performance criteria over the next five (5) years and shall be vested upon achievement of the performance criteria.

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16. RESERVES *cont'd*

16.3 Share option reserve *cont'd*

The number of share options are as follows:-

	ESOS A 2026 Unit	ESOS B 2026 Unit	ESOS A 2025 Unit	ESOS B 2025 Unit
Outstanding at 1 July	82,197,200	2,522,800	88,968,200	3,974,000
Exercised during the year	(69,189,539)	(1,154,000)	(3,950,200)	(643,200)
Forfeited during the year	(3,009,661)	(1,348,800)	(2,670,800)	(752,000)
Lapsed during the year	(9,998,000)	(20,000)	(150,000)	(56,000)
Outstanding at 30 June	-	-	82,197,200	2,522,800
Exercisable at 30 June	-	-	74,884,000	258,000

The ESOS A and ESOS B have an exercise price at RM0.1395 and RM0.1772 respectively.

Fair value of share options granted

The fair value of services received in return for share options granted is based on the fair value of share options granted, measured using Binomial option pricing model, with the following inputs:-

	ESOS A RM	ESOS B RM
Fair value of share options and assumptions		
Fair value at grant date (RM)	0.0936	0.1211
Share price at grant date (RM)	0.1550	0.2050
Exercise price (RM)	0.1395	0.1772
Expected volatility (weighted average volatility) (%)	67.12%	66.33%
Options life (expected weighted average life) (years)	5	4.32
Expected dividends	Nil	Nil
Risk-free interest rate (based on Malaysian government bonds) (%)	2.11%	3.06%

Value of employee services received for issue of share options

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Share options granted				
- Company's employees	178,190	97,718	178,190	97,718
- Subsidiaries' employees	335,550	399,895	-	-
Total expenses recognised as share-based payments	513,740	497,613	178,190	97,718

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17. LEASE LIABILITIES

17.1 Lease liabilities

	Group	
	2026	2025
	RM	RM
Non-current liability		
- between 2 to 5 years	667,454	696,926
- more than 5 years	-	29,584
	667,454	726,510
Current liability		
- within 1 year	463,844	309,442
	1,131,298	1,035,952

17.2 Cash outflows for leases as a lessee

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Payment relating to short-term leases	264,666	138,632	-	-
Payment relating to leases of low value assets	11,649	8,321	4,788	3,274
Payment of lease liabilities	653,815	410,544	-	5,542
Interest paid in relation to lease liabilities	62,639	56,340	-	39
Total cash outflows for leases	992,769	613,837	4,788	8,855

The lease liabilities of the Group bear interest rates ranging from 4.61% to 5.00% (2025: 2.26% to 6.00%) per annum.

Material accounting policy information

Recognition exemption

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

18. LOANS AND BORROWINGS

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Current liability:				
- Term loan	1,052,682	901,397	613,576	579,277
- Bankers' acceptance	-	110,000	-	-
	1,052,682	1,011,397	613,576	579,277

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18. LOANS AND BORROWINGS *cont'd*

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Non-current liability:				
Term loan				
- between 1 to 5 years	4,696,462	4,332,466	2,748,001	2,610,856
- more than 5 years	14,420,266	13,507,495	7,495,041	8,456,207
	19,116,728	17,839,961	10,243,042	11,067,063
	20,169,410	18,851,358	10,856,618	11,646,340

The term loan of the Group and of the Company bears interest rates ranging from 4.10% to 4.75% (2025: 4.35% to 4.75%) per annum and ranging from 4.50% to 4.75% (2025: 4.75%) per annum respectively.

In prior financial year, the bankers' acceptance borne interest rate at 5.18% per annum.

The loans and borrowings are secured by the following:-

(a) legal charge over the freehold land and factory buildings belonging to the Group and the Company as disclosed in Note 3 to the financial statements;
(b) corporate guarantee by the Company and a subsidiary;
(c) personal guarantee by a former director (2025: director) of the subsidiary; and
(d) absolute assignment of life policy of a Director of the Company.

19. DEFERRED TAX LIABILITIES

	Group	
	2026	2025
	RM	RM
Brought forward	2,835,008	5,456,025
Effect on acquisition of a subsidiary	-	78,113
Disposal of subsidiaries	-	(968,639)
Recognised in profit or loss	28,475	(1,730,491)
Carried forward	2,863,483	2,835,008

The deferred tax liabilities comprise the tax effects of:-

	Group	
	2026	2025
	RM	RM
Property, plant and equipment	1,433,906	1,246,066
Right-of-use assets	38,000	34,000
Lease liabilities	(33,000)	(29,000)
Loss allowances for receivables	(49,813)	(2,837)
Loss allowances for inventories	(173,292)	(60,903)
Revaluation reserve	1,647,682	1,647,682
	2,863,483	2,835,008

NOTES TO THE FINANCIAL STATEMENTS

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20. TRADE PAYABLES

The trade payables are interest-free and the normal credit terms granted to the Group ranging from cash term to 90 days (2025: 30 days to 90 days).

21. OTHER PAYABLES

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Non-trade payables	3,506,487	2,922,681	1,173,273	1,056,727
Accruals	1,767,816	1,655,190	168,083	163,244
Deposits	44,150	4,150	40,000	-
Trade deposits	-	2,640	-	-
Refund liabilities	276,019	242,815	-	-
	5,594,472	4,827,476	1,381,356	1,219,971

(a) The trade deposits represent advance payments received based on trade arrangement with the customers to secure sales of the Group.

(b) In prior financial year, included in non-trade payables of the Group and of the Company was an amount of RM12,038 due to companies in which a Director has interest, unsecured, interest-free and repayable on demand.

22. REVENUE

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Revenue from contracts with customers:				
Manufacturing and trading of:				
- Animal health products	-	2,806,104	-	239,652
- Traditional chinese medicines and herbal health foods and beverages	63,855,093	57,074,078	-	-
- Pharmaceutical and medical goods	9,825,494	6,963,062	-	-
	73,680,587	66,843,244	-	239,652
Revenue from other sources:				
Loan financing:				
- Interest income	19,910,666	13,738,474	-	-
	93,591,253	80,581,718	-	239,652
Timing of revenue from contracts with customers:				
- At a point in time	73,680,587	66,843,244	-	239,652

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22. REVENUE *cont'd*

Disaggregation of revenue

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Primary geographical markets:-				
Malaysia	21,676,124	19,513,064	-	239,652
China	37,267,414	35,144,910	-	-
Singapore	12,811,816	11,903,236	-	-
Others[#]	1,925,233	282,034	-	-
	73,680,587	66,843,244	-	239,652

[#] *less than 10% for each individual country*

(a) Revenue from manufacturing and trading are recognised at a point in time upon the acceptance of those products by the customers.

(b) Interest income is recognised on an accrual basis unless recoverability is in doubt, or where a loan is considered to be non-performing in which case the recognition of interest is suspended. Subsequent to suspension, interest is recognised on receipt basis until all arrears have been paid.

(c) The payment terms for billings arising from revenue are disclosed in Note 10 to the financial statements.

(d) The revenue of the Group and the Company contain no elements of variable consideration and obligations for warranties.

23. FINANCE COST

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Interest expense:				
- lease liabilities	62,639	56,340	-	39
- term loans	693,712	417,423	304,947	113,039
- bankers' acceptance	2,125	7,042	-	-
	758,476	480,805	304,947	113,078

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24. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting), amongst others, the following items:-

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Auditors' remuneration:				
- Grant Thornton Malaysia PLT	255,000	235,000	56,000	55,000
Non-audit fees				
- Grant Thornton Malaysia PLT	10,000	11,500	10,000	10,000
Bad debts recovered	(567,770)	(6,500)	-	-
Expenses relating to short-term leases	264,666	138,632	-	-
Expenses relating to leases of low-value assets	11,649	8,321	4,788	3,274
Fair value gain on money market fund investments	(34,720)	(192,063)	-	-
Interest income				
- licensed banks	(31,589)	(12,863)	(8,999)	(4,640)
- fixed deposits	(12,035)	(39,610)	(10,844)	(17,910)
- loan to subsidiaries	-	-	(3,464,707)	(2,582,613)
- late interest	-	(13,588)	-	-
Rental income	(281,050)	(396,959)	(265,200)	(136,000)
Realised loss/(gain) on foreign exchange	220,867	(65,859)	-	-

25. TAX EXPENSE

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Income tax expense:				
- for current financial year	5,033,023	2,299,167	371,177	-
- under provision in the prior financial year/ period	174,004	48,648	98,328	60,703
	5,207,027	2,347,815	469,505	60,703
Deferred tax:				
- for current financial year	28,475	(15,437)	-	-
- over recognised in the prior financial period	-	(1,715,054)	-	-
	28,475	(1,730,491)	-	-
	5,235,502	617,324	469,505	60,703

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25. TAX EXPENSE *cont'd*

A reconciliation of tax expense applicable to the profit before tax with the applicable statutory income tax rate is as follows:-

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Profit before tax	15,840,359	3,305,511	4,285,941	19,379,925
Tax at the statutory tax rate of 24% (2025: 24%)	3,801,686	793,323	1,028,626	4,651,182
Tax effects of:				
Non-deductible expenses	1,301,029	1,289,746	388,974	545,729
Non-taxable income	(323,476)	(34,893)	(1,082,663)	(5,200,991)
Movement of deferred tax assets not recognised	282,259	280,554	36,240	4,080
Change in tax rate for the first tranche of chargeable income	-	(45,000)	-	-
Over recognised of deferred tax expense in the prior financial period	-	(1,715,054)	-	-
Under provision of tax expense in the prior financial year/period	174,004	48,648	98,328	60,703
	5,235,502	617,324	469,505	60,703

As at reporting date, the Group and the Company have the following deferred tax assets (stated at gross) which are not recognised in the financial statements because it is not probable that whether future taxable income will be available to allow the deferred tax assets to be utilised:-

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Unutilised capital allowances	5,072,927	4,892,829	151,000	-
Loss allowance for receivables	257,000	840,000	-	-
Unabsorbed business losses	14,321,726	12,893,744	6,158,000	6,158,000
Inventories written down	265,000	-	-	-
Provisions	370,000	498,000	-	-
Lease liabilities	14,000	-	-	-
	20,300,653	19,124,573	6,309,000	6,158,000

The unutilised capital allowances do not expire under current tax legislation.

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25. TAX EXPENSE *cont'd*

Unabsorbed business losses for which no deferred tax assets were recognised are expired as follows:-

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
YA 2028	958,000	958,000	559,000	559,000
YA 2029	3,106,000	3,106,000	1,498,000	1,498,000
YA 2030	3,541,000	3,541,000	2,090,000	2,090,000
YA 2031	2,931,000	2,931,000	1,538,000	1,538,000
YA 2032	1,108,938	1,108,938	381,000	381,000
YA 2034	215,664	215,664	92,000	92,000
YA 2035	1,033,142	1,033,142	-	-
YA 2036	1,427,982	-	-	-
	14,321,726	12,893,744	6,158,000	6,158,000

Any amounts not utilised upon expiry period of the year of assessment ("YA") will be disregarded.

26. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Directors' fees	219,600	203,030	219,600	203,030
Salaries and other emoluments	11,249,205	9,538,734	1,676,168	1,510,051
Defined contribution plan	1,189,571	1,025,630	230,968	201,744
Social security contribution	143,214	133,480	16,310	15,516
Share Issuance Scheme - employee benefit expenses	513,740	497,613	178,190	97,718
	13,315,330	11,398,487	2,321,236	2,028,059

The employee benefits expense of the Group and of the Company included Directors' emoluments as disclosed in Note 27 to the financial statements.

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27. DIRECTORS' REMUNERATION

The aggregate amount of emoluments received and receivable by the Directors of the Group and of the Company during the financial year were as follows:-

Group	No. of Directors	Salaries and bonuses RM	EPF, SOCSO and EIS RM	Fee RM	Allowances RM	Total RM
2026						
Executive						
- Between RM700,001 and RM750,000	1	635,550	78,782	-	-	714,332
- Between RM400,001 and RM450,000	1	369,750	46,886	-	-	416,636
Non-executive						
- Less than or equal to RM50,000	2	-	-	75,600	1,600	77,200
- Between RM50,001 and RM100,000	2	-	-	144,000	1,400	145,400
	6	1,005,300	125,668	219,600	3,000	1,353,568
2025						
Executive						
- Between RM600,001 and RM650,000	1	563,500	69,749	-	-	633,249
- Between RM350,001 and RM400,000	1	342,500	43,228	-	-	385,728
Non-executive						
- Less than or equal to RM50,000	2	-	-	65,030	1,600	66,630
- Between RM50,001 and RM100,000	2	-	-	138,000	2,000	140,000
	6	906,000	112,977	203,030	3,600	1,225,607

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27. DIRECTORS' REMUNERATION *cont'd*

The aggregate amount of emoluments received and receivable by the Directors of the Group and of the Company during the financial year were as follows:- *cont'd*

Company	No. of Directors	Salaries and bonuses RM	EPF, SOCSO and EIS RM	Fee RM	Allowances RM	Total RM
2026						
Executive						
- Between RM400,001 and RM450,000	1	378,000	46,753	-	-	424,753
- Between RM100,001 and RM150,000	1	112,200	14,857	-	-	127,057
Non-executive						
- Less than or equal to RM50,000	2	-	-	75,600	1,600	77,200
- Between RM50,001 and RM100,000	2	-	-	144,000	1,400	145,400
	6	490,200	61,610	219,600	3,000	774,410
2025						
Executive						
- Between RM350,001 and RM400,000	1	325,000	40,334	-	-	365,334
- Between RM100,001 and RM150,000	1	104,000	13,814	-	-	117,814
Non-executive						
- Less than or equal to RM50,000	2	-	-	65,030	1,600	66,630
- Between RM50,001 and RM100,000	2	-	-	138,000	2,000	140,000
	6	429,000	54,148	203,030	3,600	689,778

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28. EARNINGS PER SHARE

28.1 Basic

The basic earnings per ordinary share is calculated based on consolidated profit for the financial year attributable to equity holders of the Company over the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2026	2025
	RM	RM
Profit for the year attributable to equity holders of the Company	10,245,807	2,585,367

	2026	2025
	Number of shares	Number of shares
Weighted average number of ordinary shares		
Issued ordinary shares at 1 July	812,059,103	728,480,459
Effect of treasury shares held	(39,837,300)	(15,937,300)
Effect of warrants exercised	4,353,607	7,305,561
Effect of share options exercised under SIS	16,611,798	3,274,074
Effect of share issuance	-	47,629,440
Effect of purchase of treasury shares	(17,914,275)	(12,337,501)
Weighted average number of ordinary shares at 30 June	775,272,933	758,414,733

	2026	2025
	RM	RM
Basic earnings per ordinary share (sen)	1.32	0.34

28.2 Diluted

The diluted earnings per ordinary share is calculated based on consolidated profit for the financial year attributable to equity holders of the Company over the weighted average number of ordinary shares outstanding after adjusting for the effects of all dilutive potential ordinary shares as follows:-

	Group	
	2026	2025
	RM	RM
Profit for the year attributable to equity holders of the Company	10,245,807	2,585,367

	2026	2025
	Number of shares	Number of shares
Weighted average number of ordinary shares as above	775,272,933	758,414,733
Effect of outstanding ESOS and Warrants	76,013,229	164,331,474
Weighted average number of ordinary shares assumed to be in issue at 30 June	851,286,162	922,746,207

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28. EARNINGS PER SHARE *cont'd*

28.2 Diluted *cont'd*

The diluted earnings per ordinary share is calculated based on consolidated profit for the financial year attributable to equity holders of the Company over the weighted average number of ordinary shares outstanding after adjusting for the effects of all dilutive potential ordinary shares as follows:- *cont'd*

	Group	
	2026	2025
	RM	RM
Diluted earnings per ordinary share (sen)	1.20	0.28

29. DIVIDENDS

The amount of dividends declared and paid since the end of previous financial year was as follow:-

	Group and Company	
	2026	2025
	RM	RM
In respect of the financial year ended 30 June 2026		
First interim single tier dividend of RM0.002 per ordinary share declared on 26 November 2025 and paid on 12 January 2026	1,537,409	-

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

30. COMMITMENTS

30.1 Capital commitment

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Approved and contracted for:				
- Acquisition of property, plant and equipment	13,980	67,600	-	12,000

31. CAPITAL MANAGEMENT

The Group's and the Company's objectives when managing capital are to maintain a strong capital base and safeguard the Group's and the Company's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor the capital structure and seek to maintain an optimal debt-to-equity ratio that complies with regulatory requirements and debt covenants.

The Group and the Company manage their capital based on debt-to-equity ratio. The Group's and the Company's strategies were unchanged from the previous financial year. The debt-to-equity ratio is calculated as debt divided by owners' equity.

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31. CAPITAL MANAGEMENT *cont'd*

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Loans and borrowings	20,169,410	18,851,358	10,856,618	11,646,340
Lease liabilities	1,131,298	1,035,952	-	-
	21,300,708	19,887,310	10,856,618	11,646,340
Owners' equity	155,329,579	148,578,069	144,363,473	144,034,913
Debt-to-equity ratio (times)	0.14	0.13	0.08	0.08

There was no change in the Group's and the Company's approach to capital management during the financial year.

32. RELATED PARTY DISCLOSURES

Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and of the Company, other than those disclosed elsewhere in the financial statements, are as follows:

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Companies in which a Director has interest				
- Sales	5,130	-	-	-
- Rental income	63,250	91,400	-	30,400
- Advertising and marketing expenses charged by	19,720	346,075	9,720	-
- Upkeep of office expenses charged by	350	-	350	-
- Staff welfare and refreshment expenses charged by	6,833	-	5,125	-
- Gifts, hamper and bouquet expenses charged by	583	-	583	-
- Supply and installation fees charged by	320	-	-	-
- Seminar and training expenses charged by	9,395	-	-	-
Subsidiaries				
- Sales	-	-	-	239,652
- Dividend income	-	-	3,000,000	13,000,000
- Rental income	-	-	67,200	33,600
- Interest charged to	-	-	3,464,707	2,582,613
- Management fee charged to	-	-	324,000	252,000
- Packing material charged to	-	-	240	-
- Purchase of property, plant and equipment	-	-	-	13,793,979
- Disposal of property, plant and equipment	-	-	8,525	75,828

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32. RELATED PARTY DISCLOSURES *cont'd*

Significant related party transactions *cont'd*

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and of the Company, other than those disclosed elsewhere in the financial statements, are as follows: *cont'd*

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Associate				
- Sales	-	19,894	-	-
- Purchases	177,133	152,185	-	-
- Management fee charged to	-	30,000	-	30,000
- Sundry income charged to	59,589	98,502	-	-
- Sundry expenses charged by	8,547	-	-	-
- Rental income	96,000	144,000	96,000	72,000
- Staff redundancy charged by	74,308	-	74,308	-
- Purchase of property, plant and equipment	241,399	-	-	-
- Upkeep expenses charged by	137,828	-	-	-

The outstanding related party balances are disclosed in Notes 8, 9 and 21 to the financial statements.

Key management personnel

Key management personnel are those personnel having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly that provides key management services to the Group and the Company.

The Group and the Company have no other member of key management personnel apart from the Board of Directors. The Directors' remuneration is disclosed in the Note 27 to the financial statements.

33. OPERATING SEGMENTS

The reportable segments, as described below, are the Group's strategic business units. For each of the strategic business units, the Group's Chief Executive Officer who is the Group's Chief Operating Decision Maker ("CODM") reviews internal management reports on at least a quarterly basis. The following summary describes the operation in each of the Group's reportable segments:

(i) Manufacturing and trading of animal health products.

(ii) Traditional Chinese medicines and herbal health foods and beverages.

(iii) Loan financing.

(iv) Pharmaceutical and medical goods.

(v) Others include investment holding activities and other dormant companies.

During the financial year, the Group ceased its manufacturing and trading of animal health products operations. Consequently, the entities previously operating under the "Manufacturing and trading of animal health products" segment are presented under the "Others" segment.

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33. OPERATING SEGMENTS *cont'd*

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss for the financial year, in certain respects as set out below, is measured differently from operating profit or loss in the consolidated financial statements.

Segment assets and liabilities

The total of segment assets and liabilities are measured based on all assets and liabilities of a segment, as included in the internal management reports that are reviewed by the CODM. Segment total assets is used to measure the return of assets of each segment.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment and right-of-use assets.

Group	Traditional Chinese medicines and herbal health foods and beverages RM	Loan financing RM	Pharmaceutical and medical goods RM	Others RM	Eliminations RM	Consolidated RM
2026						
Revenue						
External sales	63,855,093	19,910,666	9,825,494	-	-	93,591,253
Inter-segment sales (a)	-	-	-	-	-	-
Total revenue	63,855,093	19,910,666	9,825,494	-	-	93,591,253
Results						
Finance costs	(442,953)	(3,512,408)	(375)	(304,947)	3,502,207	(758,476)
Finance income	48,162	-	13,119	3,484,550	(3,502,207)	43,624
Depreciation of property, plant and equipment	(1,280,484)	(50,328)	(208,709)	(177,624)	-	(1,717,145)
Depreciation of right-of-use assets	(337,325)	(167,675)	-	-	-	(505,000)
Other non-cash (expense)/ income (b)	(2,325,858)	(92,521)	(256,505)	750,739	-	(1,924,145)
Tax expense	(623,059)	(3,720,020)	(422,918)	(469,505)	-	(5,235,502)
Segment (loss)/profit	(2,965,095)	11,780,819	1,196,834	4,005,645	(3,413,346)	10,604,857
Assets						
Additions to non-current assets (c)	1,617,851	374,759	30,465	25,375	-	2,048,450
Segment assets (d)	46,003,563	109,937,512	8,176,535	156,386,863	(137,237,947)	183,266,526
Liabilities						
Segment liabilities (e)	4,904,591	91,066,055	1,695,744	8,449,614	(97,965,995)	8,150,009

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33. OPERATING SEGMENTS *cont'd*

Group (cont'd)	Manufacturing and trading of animal health products RM	Traditional Chinese medicines and herbal health foods and beverages RM	Loan financing RM	Pharmaceutical and medical goods RM	Eliminations RM	Consolidated RM
2025						
Revenue						
External sales	2,806,104	57,074,078	13,738,474	6,963,062	-	80,581,718
Inter-segment sales (a)	1,461,651	-	-	-	(1,461,651)	-
Total revenue	4,267,755	57,074,078	13,738,474	6,963,062	(1,461,651)	80,581,718
Results						
Finance costs	(113,078)	(357,684)	(2,588,833)	(3,823)	2,582,613	(480,805)
Finance income	2,612,107	13,588	-	22,979	(2,582,613)	66,061
Depreciation of property, plant and equipment	(466,532)	(1,193,761)	(49,618)	(146,446)	-	(1,856,357)
Depreciation of right-of-use assets	-	(296,862)	(143,240)	(24,811)	-	(464,913)
Share of losses of an associate	-	(452,018)	-	-	-	(452,018)
Impairment loss on investment in an associate	-	(109,790)	-	-	-	(109,790)
Other non-cash (expense)/income (b)	(45,759)	(734,567)	(2,634,949)	(143,607)	-	(3,558,882)
Tax expense	1,644,052	(279,128)	(1,706,701)	(275,547)	-	(617,324)
Segment profit/(loss)	19,193,272	(2,044,357)	5,553,870	869,688	(20,884,286)	2,688,187
Assets						
Additions to non-current assets (c)	929,660	2,066,494	13,421	183,718	-	3,193,293
Segment assets (d)	157,379,951	47,401,022	85,211,109	7,009,843	(122,285,923)	174,716,002
Liabilities						
Segment liabilities (e)	8,846,863	5,888,408	76,096,810	1,743,091	(83,569,051)	9,006,121

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33. OPERATING SEGMENTS *cont'd*

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:-

(a) Inter-segment revenue is eliminated on consolidation.

(b) Other non-cash income/(expenses) consist of the following items as presented in the respective notes to the financial statements:-

	2026 RM	2025 RM
Gain/(Loss) on:		
- deconsolidation of subsidiaries	24,284	(34,821)
- disposal of property, plant and equipment	103,946	31,250
- disposal of subsidiaries	-	(4,658)
- disposal of right-of-use assets	33,966	-
- early termination of lease	457	1,566
Reversal of inventories written down	-	235,913
Written off of property, plant and equipment	(6,292)	(22,832)
Net reversal/(impairment loss) on financial assets	410,948	(120,005)
Bad debts written off	(853,444)	(2,569,168)
Inventories written off	(290,380)	(160,591)
Inventories written down	(748,256)	(164,144)
Share Issuance Scheme - employee benefit expenses	(513,740)	(497,613)
Unrealised loss on foreign exchange	(85,634)	(253,779)
	(1,924,145)	(3,558,882)

(c) Additions to non-current assets other than financial instruments consist of:-

	2026 RM	2025 RM
Property, plant and equipment	1,281,778	3,004,023
Right-of-use assets	766,672	189,270
	2,048,450	3,193,293

(d) The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position:-

	2026 RM	2025 RM
Segments assets	183,266,526	174,716,002
Goodwill on consolidation	6,233,888	6,233,888
Tax recoverable	1,184,799	1,295,538
Total assets	190,685,213	182,245,428

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33. OPERATING SEGMENTS *cont'd*

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:- *cont'd*

(e) The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:-

	2026	2025
	RM	RM
Segments liabilities	8,150,009	9,006,121
Lease liabilities	1,131,298	1,035,952
Loans and borrowings	20,169,410	18,851,358
Deferred tax liabilities	2,863,483	2,835,008
Tax payable	1,140,331	396,867
Total liabilities	33,454,531	32,125,306

Geographical information

Revenue information based on the geographical location of the customers are as follows:-

	2026	2025
	RM	RM
Malaysia	41,586,790	33,251,538
China	37,267,414	35,144,910
Singapore	12,811,816	11,903,236
Others #	1,925,233	282,034
	93,591,253	80,581,718

Less than 10% for each individual country

All non-current assets are held in Malaysia.

Information about major customers

The following are major customers with revenue equal or more than 10 percent of Group's total revenue, arising from traditional Chinese medicines and herbal health foods and beverages segment:-

	Revenue	
	2026	2025
	RM	RM
Customer A	11,698,541	11,699,496
Customer B	14,817,035	-
Customer C	14,075,305	-
	40,590,881	11,699,496

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34. FINANCIAL INSTRUMENTS

Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:-

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Financial assets at amortised cost				
Trade receivables	108,477,762	87,595,398	-	-
Other receivables	483,805	15,951,500	140,674	15,609,146
Amount due from an associate	-	1,117,016	-	-
Amount due from subsidiaries	-	-	87,903,045	75,956,585
Cash and bank balances, deposits and short-term placements	20,899,305	11,229,011	4,480,181	1,978,875
	129,860,872	115,892,925	92,523,900	93,544,606
Financial assets at fair value through profit or loss				
Cash and bank balances - money market fund investments	928,838	7,762,226	349,298	338,278
Financial liabilities at amortised cost				
Trade payables	2,555,537	4,178,645	-	-
Other payables	5,594,472	4,824,836	1,381,356	1,219,971
Loans and borrowings	20,169,410	18,851,358	10,856,618	11,646,340
Amount due to an associate	-	-	-	47,587
Amount due to subsidiaries	-	-	11,522	325,997
	28,319,419	27,854,839	12,249,496	13,239,895

Financial risk management

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. Financial risk management policies are established to ensure that adequate resources are available for the development of the Group's and the Company's business whilst managing their credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group and the Company operate within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process. The Group and the Company do not actively engage in the trading of financial assets for speculative purposes nor does it write options. The Group and the Company do not apply hedge accounting.

The main areas of financial risks faced by the Group and the Company and the policies of the Group and the Company in respect of the major areas of treasury activity are set out as follows:-

(i) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arises principally from its receivables, loans and advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries.

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34. FINANCIAL INSTRUMENTS *cont'd*

Financial risk management *cont'd*

The main areas of financial risks faced by the Group and the Company and the policies of the Group and the Company in respect of the major areas of treasury activity are set out as follows:- *cont'd*

(i) Credit risk *cont'd*

(a) Receivables

The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount. Based on the credit evaluation, the customers are rated into three risk categories, namely low risk, medium risk and high risk.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group and the Company.

When an account is more than 90 days past due, the credit risk is considered to have increased significantly since the initial recognition. The Group and the Company identify as a default account if it is more than 365 days past due and the customer is having significant financial difficulties (analysed by financial measures of reported losses, negative cash flows, and qualitative evaluation of the customer's characteristics). The Group and the Company classify an impaired receivable when a customer is in default, in liquidation or other financial reorganisation.

For each significant receivable that is credit-impaired, individual lifetime ECL is recognised using the probability of default technique. The inputs used are: (i) the percent chance of default, and (ii) the expected cash shortfalls. The lifetime ECL is measured at the probability-weighted expected cash shortfalls by reference to the Group's and the Company's past experience, current conditions and forecast of future economic benefits.

For significant receivables that are not individually credit-impaired and all other receivables, the Group and the Company use a provision matrix that categorise the different risk classes (low risk, medium risk and high risk) and the ageing profiles. The collective lifetime ECLs are measured based on the Group's past loss rate experience, current conditions and forecast of future economic conditions. The past loss rates are adjusted upward in the measurement in worsening current conditions and forecasts of future macroeconomic conditions.

Collateral is considered an integral part of the trade receivables and is considered in the impairment calculation. No expected credit losses are required for the trade receivables that are covered by collateral.

A receivable is written off only if there is no reasonable expectation of recovery. This is when the customer is experiencing significant financial difficulties, undertaking financial reorganisation or has gone bankrupt.

Concentration of credit risk

The Group and the Company assess concentrations of credit risk by exposure to single-large customers, industry sectors and overseas jurisdictions.

The Group and the Company have no significant concentration of credit risk with any single counterparty or any group of counterparties having similar characteristic.

Exposure to credit risk

As at end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statements of financial position.

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34. FINANCIAL INSTRUMENTS *cont'd*

Financial risk management *cont'd*

The main areas of financial risks faced by the Group and the Company and the policies of the Group and the Company in respect of the major areas of treasury activity are set out as follows:- *cont'd*

(i) Credit risk *cont'd*

(a) Receivables *cont'd*

Exposure to credit risk *cont'd*

The exposure of credit risk for trade receivables by geographical region is as follows:-

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Malaysia	107,394,745	84,632,755	-	-
China	1,278,637	3,198,401	-	-
Singapore	255,290	618,214	-	-
Vietnam	160,287	-	-	-
	109,088,959	88,449,370	-	-
Impairment loss	(611,197)	(853,972)	-	-
	108,477,762	87,595,398	-	-

The Group's exposure of credit risk for trade receivables by business segment is as follows:-

	Group	
	2026	2025
	RM	RM
Traditional Chinese medicines and herbal health foods and beverages	3,486,198	5,274,015
Loan financing	103,126,333	80,492,092
Pharmaceutical and medical goods	1,865,231	1,829,291
	108,477,762	87,595,398

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34. FINANCIAL INSTRUMENTS *cont'd*

Financial risk management *cont'd*

The main areas of financial risks faced by the Group and the Company and the policies of the Group and the Company in respect of the major areas of treasury activity are set out as follows:- *cont'd*

(i) Credit risk *cont'd*

(a) Receivables *cont'd*

Exposure to credit risk *cont'd*

The aging analysis of trade receivables as at the end of the reporting year was:-

	Group			
	Gross amount	Individual impairment	Collective impairment	Net amount
	RM	RM	RM	RM
2026				
Within term	103,642,377	-	(17,007)	103,625,370
Past due 1-30 days	2,054,008	(37,907)	(21,190)	1,994,911
Past due 31-60 days	1,165,662	(3,750)	(47,501)	1,114,411
Past due 61-90 days	708,497	(12,140)	(78,938)	617,419
Past due 91-120 days	520,910	(7,850)	(147,276)	365,784
Past due 121-365 days	997,505	(53,178)	(184,460)	759,867
Total past due	5,446,582	(114,825)	(479,365)	4,852,392
	109,088,959	(114,825)	(496,372)	108,477,762
2025				
Within term	82,210,450	-	(34,615)	82,175,835
Past due 1-30 days	1,936,952	-	(29,683)	1,907,269
Past due 31-60 days	1,302,360	-	(14,063)	1,288,297
Past due 61-90 days	924,003	-	(74,347)	849,656
Past due 91-120 days	1,196,777	-	(23,473)	1,173,304
Past due 121-365 days	250,052	(2,670)	(46,345)	201,037
Past due more than 365 days	628,776	(628,776)	-	-
Total past due	6,238,920	(631,446)	(187,911)	5,419,563
	88,449,370	(631,446)	(222,526)	87,595,398

(b) Other receivables

The maximum exposure to credit risk is represented by the carrying amount in the statements of financial position.

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34. FINANCIAL INSTRUMENTS *cont'd*

Financial risk management *cont'd*

The main areas of financial risks faced by the Group and the Company and the policies of the Group and the Company in respect of the major areas of treasury activity are set out as follows:- *cont'd*

(i) Credit risk *cont'd*

(c) Financial guarantees

The Company provides unsecured financial guarantees to the banks in respect of banking facilities granted to a subsidiary. The Company monitors on an ongoing basis on the results of the subsidiary and repayments made by the subsidiary.

The maximum exposure to credit risk amounts to RM6,833,536 (2025: RM7,205,018) for the Company representing the outstanding banking facilities of the subsidiary as at the end of the reporting period.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

(d) Inter-company balances

The Company has trade transactions and provides unsecured loan and advances to subsidiaries and an associate. The Company monitors the results of the subsidiaries and an associate regularly.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

As at the end of the reporting period, there was no indication that the carrying amounts due from subsidiaries and an associate are not recoverable, other than disclosed in Note 9 to the financial statements.

(e) Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. These banks and financial institutions have low credit risks.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet their liabilities as and when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

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34. FINANCIAL INSTRUMENTS *cont'd*

Financial risk management *cont'd*

The main areas of financial risks faced by the Group and the Company and the policies of the Group and the Company in respect of the major areas of treasury activity are set out as follows:- *cont'd*

(ii) Liquidity risk *cont'd*

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on undiscounted contractual payments:-

Group	Carrying amount	Contractual undiscounted cash flows	Under 1 year	1 - 5 years	More than 5 years
	RM	RM	RM	RM	RM
2026					
Trade payables	2,555,537	2,555,537	2,555,537	-	-
Other payables	5,594,472	5,594,472	5,594,472	-	-
Term loans	20,169,410	26,708,006	1,815,131	7,334,993	17,557,882
Lease liabilities	1,131,298	1,212,120	503,117	709,003	-
	29,450,717	36,070,135	10,468,257	8,043,996	17,557,882
2025					
Trade payables	4,178,645	4,178,645	4,178,645	-	-
Other payables	4,824,836	4,824,836	4,824,836	-	-
Term loans	18,741,358	26,572,309	1,755,898	7,244,399	17,572,012
Bankers' acceptance	110,000	110,000	110,000	-	-
Lease liabilities	1,035,952	1,133,368	350,736	752,714	29,918
	28,890,791	36,819,158	11,220,115	7,997,113	17,601,930

NOTES TO THE
FINANCIAL STATEMENTS
30 June 2026
cont'd

34. FINANCIAL INSTRUMENTS *cont'd*

Financial risk management *cont'd*

The main areas of financial risks faced by the Group and the Company and the policies of the Group and the Company in respect of the major areas of treasury activity are set out as follows:- *cont'd*

(ii) Liquidity risk *cont'd*

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on undiscounted contractual payments:- *cont'd*

Company	Carrying amount RM	Contractual undiscounted cash flows RM	Under 1 year RM	1 - 5 years RM	More than 5 years RM
2026					
Other payables	1,381,356	1,381,356	1,381,356	-	-
Term loans	10,856,618	14,435,357	1,089,588	4,358,352	8,987,417
Amount due to subsidiaries	11,522	11,522	11,522	-	-
Financial guarantees*	-	6,833,536	6,833,536	-	-
	12,249,496	22,661,771	9,316,002	4,358,352	8,987,417
2025					
Other payables	1,219,971	1,219,971	1,219,971	-	-
Term loans	11,646,340	16,334,467	1,120,078	4,480,311	10,734,078
Amount due to an associate	47,587	47,587	47,587	-	-
Amount due to subsidiaries	325,997	325,997	325,997	-	-
Financial guarantees*	-	7,205,018	7,205,018	-	-
	13,239,895	25,133,040	9,918,651	4,480,311	10,734,078

* *This exposure of liquidity risk is included for illustration purpose only as the related financial guarantees have not crystalised.*

NOTES TO THE
FINANCIAL STATEMENTS
30 June 2026
cont'd

34. FINANCIAL INSTRUMENTS *cont'd*

Financial risk management *cont'd*

The main areas of financial risks faced by the Group and the Company and the policies of the Group and the Company in respect of the major areas of treasury activity are set out as follows:- *cont'd*

(iii) Foreign currency risk

The Group and the Company are exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Chinese Yuan ("CNY") and Singapore Dollar ("SGD").

The Group and the Company do not hedge the exposure of foreign currencies. The management monitors the foreign currency exposure on an ongoing basis.

Exposure to foreign currency risk

Group	USD	CNY	SGD
	RM	RM	RM
2026			
Trade receivables	160,287	1,278,637	111,483
Cash and bank balances	106,126	68	2,780,461
Trade payables	(278,652)	-	-
Net currency exposure	(12,239)	1,278,705	2,891,944
2025			
Trade receivables	-	3,387,336	618,214
Cash and bank balances	57,581	145	745,047
Money market fund investment	-	-	3,703,466
Trade payables	(563,604)	-	-
Net currency exposure	(506,023)	3,387,481	5,066,727

Company	USD
	RM
2026	
Cash and bank balances	4,283
2025	
Cash and bank balances	4,481

A 5% (2025: 5%) strengthening of the RM against the above foreign currencies at the end of the reporting period would have decreased equity and post-tax profit by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group and the Company considered to be reasonably possible at the end of the reporting period.

The analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

NOTES TO THE
FINANCIAL STATEMENTS
30 June 2026
cont'd

34. FINANCIAL INSTRUMENTS *cont'd*

Financial risk management *cont'd*

The main areas of financial risks faced by the Group and the Company and the policies of the Group and the Company in respect of the major areas of treasury activity are set out as follows:- *cont'd*

(iii) Foreign currency risk *cont'd*

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Effects on equity/profit or loss				
USD	465	19,229	(163)	(170)
CNY	(48,591)	(128,724)	-	-
SGD	(109,894)	(192,536)	-	-

A 5% (2025: 5%) weakening of RM against the above currencies at the end of the reporting year would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

(iv) Interest rate risk

The Group's and the Company's investments in fixed rate securities and its fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Investments in equity securities and short-term receivables and payables are not significantly exposed to interest rate risk.

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Fixed rate instruments				
Financial assets				
Trade receivables	103,126,333	80,492,092	-	-
Amount due from subsidiaries	-	-	87,900,875	75,954,415
Fixed deposits with licensed banks	617,573	909,084	617,573	606,729
	103,743,906	81,401,176	88,518,448	76,561,144
Financial liabilities				
Lease liabilities	(1,131,298)	(1,035,952)	-	-
Bankers' acceptance	-	(110,000)	-	-
	(1,131,298)	(1,145,952)	-	-
Net financial assets	102,612,608	80,255,224	88,518,448	76,561,144
Floating rate instrument				
Financial liability				
Term loans	20,169,410	18,741,358	10,856,618	11,646,340

NOTES TO THE
FINANCIAL STATEMENTS
30 June 2026
cont'd

34. FINANCIAL INSTRUMENTS *cont'd*

Financial risk management *cont'd*

The main areas of financial risks faced by the Group and the Company and the policies of the Group and the Company in respect of the major areas of treasury activity are set out as follows:- *cont'd*

(iv) Interest rate risk *cont'd*

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

At the reporting date, if interest rates had been 100 basis points lower/higher, with all other variables held constant, the Group's and the Company's profit/loss after tax and equity would have been RM153,288 (2025: RM142,434) and RM82,510 (2025: RM88,512) higher/lower, arising mainly as a result of lower/higher interest expenses on floating interest rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

Fair value of financial instruments

The carrying amounts of financial assets and liabilities of the Group and of the Company at the reporting date approximate their fair values due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date or insignificant impact of discounting.

Fair value hierarchy of financial instruments

The following table provides an analysis of the financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the fair value is observable:-

(i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

(iii) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE
FINANCIAL STATEMENTS
30 June 2026
cont'd

34. FINANCIAL INSTRUMENTS *cont'd*

Fair value hierarchy of financial instruments *cont'd*

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Group				
2026				
Financial asset at FVTPL:				
Cash and bank balances - money market fund investments	928,838	-	-	928,838
2025				
Financial asset at FVTPL:				
Cash and bank balances - money market fund investments	7,762,226	-	-	7,762,226
Company				
2026				
Financial asset at FVTPL:				
Cash and bank balances - money market fund investments	349,298	-	-	349,298
2025				
Financial asset at FVTPL:				
Cash and bank balances - money market fund investments	338,278	-	-	338,278

Policy on transfer between levels

The fair value of the financial instruments to be transferred between levels are determined as of the date of the event or change in circumstances that caused the transfer.

There is no transfer between Level 1, 2 and 3 during the reporting year.

LIST OF PROPERTIES

Location	Description	Date of Acquisition (A)/ Revaluation (R)	Gross Land Area (L)/ Build-Up Area (B)	Tenure	Age of Building (No. of year)	Net Carrying Amount As At 30.06.2026 (RM)
Sunzen Group Berhad No. 13, Jalan Anggerik Mokara 31/47, Kota Kemuning, 40460 Shah Alam, Selangor	3 storey factory building held under H.S.(D) 54898 P.T No. 56301, Mukim & Daerah Klang, Negeri Selangor	03.04.2006 (A) 08.05.2024 (R)	46,000 sq ft (L) 32,294 sq ft (B)	Freehold	15.50 years	16,874,316
Ecolite Biotech Manufacturing Sdn. Bhd. Lot 9284 & 9285, Jalan Yong Peng, 83400, Sri Medan, Batu Pahat, Johor	2 storey office cum factory building held under GM 1100, Lot 9284 & GM 3342, Lot 9285 Mukim Sri Medan, Daerah Batu Pahat, Negeri Johor	15.01.2004 (A) 28.06.2024 (R)	177,077 sq ft (L) 86,522 sq ft (B)	Freehold	18.50 years	12,408,164
Yanming Resources Sdn. Bhd. No. 17, Jalan BPU 8, Bandar Puchong Utama, 47100 Puchong, Selangor	3 storey end terrace shop office held under HSD 124646, PT 33809, Mukim & Daerah Petaling Negeri Selangor	24.11.2017 (A) 08.05.2024 (R)	1,754 sq ft (L) 5,280 sq ft (B)	Freehold	25.50 years	1,713,809
Yanming Resources Sdn. Bhd. No. 23, Jalan BPU 8, Bandar Puchong Utama, 47100 Puchong, Selangor	3 storey intermediate terrace shop office held under HSD 124649, PT 33812, Mukim & Daerah Petaling Negeri Selangor	29.11.2016 (A) 08.05.2024 (R)	1,754 sq ft (L) 5,280 sq ft (B)	Freehold	25.50 years	1,637,619
Finsource Credit (M) Sdn. Bhd. Unit A-11-6, Pelangi Utama Condo, PJU6A, Jalan Masjid, 47400 Petaling Jaya, Selangor.	Condominium held under PN 39267/ M1-A/12/130, Lot No. 42562, Pekan Kayu Ara & Daerah Petaling, Negeri Selangor	29.12.2019 (A) 30.06.2026 (R)	1,000 sq ft (L) 1,000 sq ft (B)	Leasehold Expired on 12/5/2101	24.50 years	500,000

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2026

Class of shares : Ordinary Shares

Total No. of Issued Shares : 792,164,542 Ordinary Shares (Excluding treasury shares of 9,996,500)

Voting Rights : One (1) vote per ordinary share

Size of shareholdings	No. of Holders	%	No. of Shares	%
1 - 99	123	5.72	3,822	0.00
100 - 1,000	784	36.43	227,638	0.03
1,001 - 10,000	436	20.26	2,511,949	0.32
10,001 - 100,000	557	25.88	23,354,696	2.95
100,001 - 39,608,227[1]	248	11.52	581,373,729	73.39
39,608,228 and above[2]	4	0.19	184,692,708	23.31
TOTAL	**2,152**	**100.00**	**792,164,542[3]**	**100.00**

Note:
(1) Less than 5% of issued shares
(2) 5% and above of issued shares
(3) excluding treasury shares of 9,996,500

LIST OF SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 30 SEPTEMBER 2026

		Direct		Indirect	
No.	Name	No. of Shares Held	%	No. of Shares Held	%
1.	Teo Yek Ming	163,642,808	20.66	1,426,000[1]	0.18
2.	Chen Khai Voon	64,700,950	8.17	-	-

LIST OF DIRECTORS' SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS AS AT 30 SEPTEMBER 2026

		Direct		Indirect	
No.	Name	No. of Shares Held	%	No. of Shares Held	%
1.	Teo Yek Ming	163,642,808	20.66	1,426,000[1]	0.18
2.	Ching Chee Pun	12,121,212	1.53	-	-
3.	Aida Lim Binti Abdullah	-	-	-	-
4.	Poo Long Yii	83,000	0.01	-	-
5.	Lee Yew Weng	2,000,000	0.25	-	-
6.	Yap Shuk Kem	-	-	-	-

(1) *Deemed interest pursuant to Section 8 of the Companies Act 2016.*

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2026
cont'd

TOP THIRTY (30) SECURITIES ACCOUNTS HOLDERS AS AT 30 SEPTEMBER 2026
(Without aggregating the securities from different securities account belonging to the same Depositor)

No.	Name	No. of Shares Held	%
1.	RHB Capital Nominees (Tempatan) Sdn. Bhd. David Lai & Tan Services Sdn. Bhd.	60,000,000	7.57
2.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Teo Yek Ming (0129944)	43,772,208	5.53
3.	CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB For Teo Yek Ming (PB)	40,920,500	5.17
4.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Teo Yek Ming (MY4629)	40,000,000	5.05
5.	Chum Mun Cuan	37,930,915	4.79
6.	Kenanga Investment Bank Berhad IVT Naga 8	37,751,000	4.77
7.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chen Khai Voon	36,700,950	4.63
8.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Chen Khai Voon (MY4783)	28,000,000	3.53
9.	Amsec Nominees (Tempatan) Sdn. Bhd. Ambank (M) Berhad for Kuan Ah Hock (3091-1501)	27,636,000	3.49
10.	JAG Capital Equity Sdn. Bhd.	27,041,600	3.41
11.	Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teow Wooi Huat (STA2)	25,972,772	3.28
12.	Global Mines Services Sdn. Bhd.	25,372,039	3.20
13.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Teo Yek Ming	22,500,000	2.84
14.	AllianceGroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Koo Weng Seng (7003217)	15,442,500	1.95
15.	TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Teo Yek Ming	15,000,000	1.89
16.	Teow Chee Chow	13,047,700	1.65
17.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Ching Chee Pun (MF00380)	11,012,122	1.39
18.	Lee Chee Hua	11,000,000	1.39
19.	CGS International Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim Seng Lee (MY4422)	10,000,000	1.26
20.	Wu Wai Cheng	8,000,000	1.01

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2026
cont'd

TOP THIRTY (30) SECURITIES ACCOUNTS HOLDERS AS AT 30 SEPTEMBER 2026 *cont'd*
(Without aggregating the securities from different securities account belonging to the same Depositor)

No.	Name	No. of Shares Held	%
21.	Teoh Shy Ming	7,248,900	0.92
22.	Jaring Metal Industries Sdn. Bhd.	7,000,000	0.88
23.	Kejaya Kaya Sdn. Bhd. Pledged Securities Account for Goh Kok Foong	7,000,000	0.88
24.	Huam Hong Ping	6,109,300	0.77
25.	Wong Pei Fern	6,000,000	0.76
26.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Go Yoong Chang	5,623,000	0.71
27.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ng Min Lin	5,452,400	0.69
28.	Koh Ah Tiam	5,382,950	0.68
29.	Lim Wei Foon	5,377,500	0.68
30.	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Choong Kian Sun (E-IMO)	5,296,600	0.67

ANALYSIS OF WARRANT
2022/2027 HOLDINGS
As at 30 September 2026

Class of shares	:	Warrants 2022/2027
Date of Expiry	:	13 September 2027
Exercise Rights	:	Each warrant carries the entitlement to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.20
Voting Rights	:	The holder of warrants is not entitled to any voting rights

Size of Warrant Holdings	No. of Holders	%	No. of Warrants	%
1 - 99	553	28.77	32,315	0.01
100 - 1,000	478	24.87	147,066	0.04
1,001 - 10,000	366	19.04	1,996,972	0.61
10,001 - 100,000	336	17.48	12,723,589	3.87
100,001 - 16,442,602[1]	185	9.63	185,874,327	56.52
16,442,603 and above[2]	4	0.21	128,077,790	38.95
TOTAL	**1,922**	**100.00**	**328,852,059**	**100.00**

Note:
(1) Less than 5% of issued warrants
(2) 5% and above of issued warrants

LIST OF DIRECTORS' WARRANT 2022/2027 HOLDINGS AS PER THE REGISTER OF DIRECTORS' WARRANT HOLDINGS AS AT 30 SEPTEMBER 2026

		Direct		Indirect	
No.	**Name**	**No. of Warrants Held**	**%**	**No. of Warrants Held**	**%**
1.	Teo Yek Ming	54,709,753	16.64	413,000[1]	0.13
2.	Ching Chee Pun	2,060,606	0.63	-	-
3.	Aida Lim Binti Abdullah	-	-	-	-
4.	Poo Long Yii	-	-	-	-
5.	Lee Yew Weng	-	-	-	-
6.	Yap Shuk Kem	-	-	-	-

(1) *Deemed interest pursuant to Section 8 of the Companies Act 2016.*

ANALYSIS OF WARRANT
2022/2027 HOLDINGS

As at 30 September 2026
cont'd

TOP THIRTY (30) SECURITIES ACCOUNTS HOLDERS AS AT 30 SEPTEMBER 2026
(Without aggregating the securities from different securities account belonging to the same Depositor)

No.	Name	No. of Warrants Held	%
1.	Teo Yek Ming	49,241,108	14.97
2.	Chen Kim Lian	33,350,475	10.14
3.	Global Mines Services Sdn. Bhd.	26,520,750	8.06
4.	Chum Mun Cuan	18,965,457	5.77
5.	Amsec Nominees (Tempatan) Sdn. Bhd. Ambank (M) Berhad for Kuan Ah Hock (3091-1501)	13,818,000	4.20
6.	Apex Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Teow Wooi Huat (STA2)	12,986,386	3.95
7.	AllianceGroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Koo Weng Seng (7003217)	8,890,000	2.70
8.	Teow Chee Chow	6,268,850	1.91
9.	JAG Capital Equity Sdn. Bhd.	6,169,050	1.88
10.	Lee Chee Hua	5,500,000	1.67
11.	AllianceGroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Teo Yek Ming (0129944)	5,454,545	1.66
12.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Wu Wai Kong	5,000,000	1.52
13.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim Seng Lee (MY4422)	5,000,000	1.52
14.	Goh Kok Foong	5,000,000	1.52
15.	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim Khek Chong (E-TAI)	4,012,600	1.22
16.	Lim Wei Foon	2,688,750	0.82
17.	Lam Wee Teck	2,510,500	0.76
18.	Boo Zi Jie	2,509,000	0.76
19.	Boo Choon Yong	2,270,800	0.69
20.	See Kim Chiau	2,200,000	0.67
21.	Tong Lee Chin	2,190,200	0.67
22.	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Lim Khek Keng (E-TAI)	2,064,300	0.63
23.	Lee Ching Yong	2,060,606	0.63
24.	Chew Kean Huat	2,029,500	0.62
25.	Tey Say Ek	2,003,900	0.61
26.	Moomoo Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chow Ping Chuong	2,000,000	0.61
27.	Lim Yau Chong	1,988,800	0.60
28.	Teoh Shy Ming	1,953,050	0.59
29.	Chien Su Lang	1,860,000	0.57
30.	Chew Woei Choon	1,700,000	0.52

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-First Annual General Meeting ("**21st AGM**") of Sunzen Group Berhad will be held at Kota Permai Golf & Country Club, Permai 2, No. 1, Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia on Wednesday, 16 December 2026 at 10:30 a.m. for the purpose of considering the following businesses:

A G E N D A

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2026 and the Reports of the Directors and Auditors thereon. ***Please refer to Explanatory Note 1***

2. To approve the payment of Directors' fee and benefits payable to the Directors of the Company amounting to RM220,000 for the financial year ending 30 June 2027. ***Ordinary Resolution 1***

3. To re-elect Mr. Ching Chee Pun as Director, who is retiring by rotation in accordance with Clause 97 of the Company's Constitution. ***Ordinary Resolution 2***

4. To re-elect Mr. Lee Yew Weng as Director, who is retiring by rotation in accordance with Clause 97 of the Company's Constitution. ***Ordinary Resolution 3***

5. To re-elect Ms. Yap Shuk Kem as Director, who is retiring in accordance with Clause 104 of the Company's Constitution. ***Ordinary Resolution 4***

6. To re-appoint Messrs. Grant Thornton Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and authorise the Directors to fix their remuneration. ***Ordinary Resolution 5***

SPECIAL BUSINESS

7. To consider and if thought fit, pass the following Ordinary Resolution, with or without modification: ***Ordinary Resolution 6***

   AUTHORITY TO ISSUE AND ALLOT SHARES

   "THAT subject always to the Companies Act 2016, Constitution of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/regulatory bodies, where such approval is necessary, authority be and is hereby given to the Directors pursuant to Section 75 of the Companies Act 2016 to issue and allot not more than ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company at any time upon any such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force until the conclusion of the next Annual General Meeting of the Company pursuant to Section 76 of the Companies Act 2016.

   THAT the Directors be further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval hereof.

   THAT in connection with the above, pursuant to Section 85 of the Companies Act 2016, to be read together with Clause 54 of the Constitution of the Company, approval be hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered with new shares ranking equally to the existing issued shares of the Company arising from any issuance of new shares in the Company 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 other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares."

NOTICE OF TWENTY-FIRST
ANNUAL GENERAL MEETING
cont'd

8. To consider and if thought fit, pass the following Ordinary Resolution, with or without modification: ***Ordinary Resolution 7***

PROPOSED RENEWAL OF AUTHORITY FOR PURCHASE OF OWN SHARES BY THE COMPANY

"THAT, subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

(i) the aggregate number of shares purchased does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase; and

(ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall be backed by an equivalent amount of retained profits of the Company based on the latest audited financial statements and/or the latest management accounts of the Company (where applicable) available at the time of the purchase(s).

("Proposed Renewal of Share-Buy-back Authority")

THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the shares purchased until all the purchased shares have been dealt with by the Directors in the following manner as may be permitted by the Act, ACE Market Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

(i) To cancel all or part of the shares so purchased;
(ii) To retain all or part of the shares so purchased in treasury;
(iii) To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
(iv) To resell all or part of the treasury shares;
(v) To transfer the shares or any of shares for the purpose of or under an employees' share scheme established by the Company; or
(vi) To transfer all or part of the treasury shares as purchase consideration; or
(vii) To deal with the treasury shares in the manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

THAT the authority conferred by this resolution will commence after the passing of this ordinary resolution and will continue to be in force until:

(i) the conclusion of the next Annual General Meeting ("AGM") at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
(ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

cont'd

AND THAT authority be and are hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the Proposed Renewal of Share-Buy-back Authority with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities."

9. To transact any other ordinary business of which due notice shall have been given.

BY ORDER OF THE BOARD

GOH XIN YEE *(MAICSA 7077870) (SSM Practicing Certificate No. 202008000375)*
QWIK TSAE YNG *(MAICSA 7053568) (SSM Practicing Certificate No. 202308000539)*
Company Secretaries

Kuala Lumpur
Dated this 30th day of October, 2026

NOTES:

1. A member is entitled to appoint not more than two (2) proxies to attend, participate, speak, and vote in his/her stead at the meeting. A proxy may, but need not, be a member of the Company and there shall be no restriction as to the qualification of the proxy. Where a member appoints more than one (1) proxy, he shall specify the proportions of his/her holdings to be represented by each proxy, failing which the appointment shall be invalid. A member who wishes to attend and participate in the meeting personally should not submit a proxy form, as the member will not be permitted to participate in the meeting concurrently with a proxy appointed by him/her.

2. The instrument appointing a proxy shall be in writing, under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.

3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.

4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of the SICDA.

5. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority shall be deposited at the Registered Office of the Company at Level 13, Menara 1 Sentrum, 201, Jalan Tun Sambanthan, Brickfields, 50470 Kuala Lumpur, Malaysia or via electronic means at info@sunzengroup.com not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

6. For the purpose of determining who shall be entitled to attend the 21st AGM, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Clause 62 of the Constitution of the Company, a Record of Depositors as at 9 December 2026 and only a Depositor whose name appears on such Record of Depositors shall be entitled to attend the 21st AGM.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING
cont'd

EXPLANATORY NOTE

1. **Item 1 of the Agenda - Audited Financial Statements for the financial year ended 30 June 2026 and the Reports of the Directors and Auditors**

   The Audited Financial Statements under this agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders and hence this item is not put forward for voting.

2. **Ordinary Resolution 1 – Payment of Directors' fee and benefits**

   The Board of Directors has reviewed the payment of Directors' fees and benefits for the financial year ending 30 June 2027 after taking into consideration the market trends for similar positions, time commitment and responsibilities of the respective Directors.

   The estimated total amount of Directors' fee and benefits payable (comprising meeting allowance) to the Directors of the Company was determined based on the number of scheduled meetings for the Board and Board Committees as well as the extent of involvement of the respective Directors.

   The Directors' fee and benefits will be made to the Directors by the Company on monthly basis and/or as and when incurred if the proposed Ordinary Resolution 1 is passed at the 21st AGM.

3. **Ordinary Resolution 2, 3 and 4 – Re-election of Directors**

   Mr. Ching Chee Pun and Mr. Lee Yew Weng are retiring by rotation in accordance with Clause 97 of the Constitution of the Company. Ms. Yap Shuk Kem who was appointed on 1 October 2026, is retiring in accordance with Clause 104 of the Constitution of the Company

   The profiles of the retiring Directors are set out in the Annual Report 2026.

   The Nomination Committee has taken into account the Board Evaluation Assessment including the results of the assessment for the retiring Directors and concurred that they have met the Board's expectations in terms of experience, expertise, integrity, competency, commitment and individual contribution by continuously performing their duties diligently as Directors of the Company. Accordingly, the Board has recommended them to be re-elected as Directors of the Company.

4. **Ordinary Resolution 6 - Authority to Issue and Allot Shares**

   The proposed Ordinary Resolution 6, if passed, will empower the Directors of the Company to issue and allot ordinary shares of the Company from time to time and to grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer, provided that the aggregate number of shares allotted pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being ("10% General Mandate").

   This authorisation will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next Annual General Meeting ("AGM") or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

   The purpose of the 10% General Mandate is to give flexibility to the Directors to take swift action in case of a need to issue and allot new shares in the Company for fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of borrowing, acquisitions and etc. as they consider would be in the best interest of the Company to raise funds quickly and efficiently to ensure the long-term sustainability of the Company without having to convene separate general meetings.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING
cont'd

The previous mandate obtained at the 20th AGM of the Company was not utilised and accordingly, no proceeds were raised.

This is also to approve the disapplication of statutory pre-emption rights under Section 85 of the Companies Act 2016, to allot new shares (or to grant rights over shares) without first offering them to existing shareholders in proportion to their holdings pursuant to the general mandate.

5. Ordinary Resolution 7 - Proposed Renewal of Authority for Purchase of Own Shares by the Company

The proposed Ordinary Resolution 7, if passed, will allow the Company to purchase its own shares up to 10% of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the retained profits of the Company.

For further information, please refer to the Share Buy-Back Statement dated 30 October 2026.

宏誠集團
SunZen GROUP

SUNZEN GROUP BERHAD
Registration No. 200501003843 (680889-W)
(Incorporated in Malaysia)

FORM OF PROXY

Number of Shares Held	
CDS Account No.	

*I/We ..... *NRIC/ Passport/ Company No .....

of .....

.....

Tel No. ..... Email Address: .....

being a member(s) of **SUNZEN GROUP BERHAD [Registration No. 200501003843 (680889-W)]** hereby appoints

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)
***and/or (delete as appropriate)**			

or failing *him/her, THE CHAIRMAN OF THE MEETING, as *my/our *proxy/proxies, to vote for *me/us on *my/our behalf at the Twenty-First Annual General Meeting ("21st AGM") of the Company to be held at Kota Permai Golf & Country Club, Permai 2, No. 1, Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia on Wednesday, 16 December 2026 at 10:30 a.m. and at any adjournment thereof.

 # If you wish to appoint other person/persons to be your proxy/ proxies, kindly delete the words "or failing him/ her, #THE CHAIRMAN OF THE MEETING" and insert the name/ names of the person/ persons desired.

Mark either box if you wish to direct the proxy how to vote. If no mark is made, the proxy may vote on the resolution or abstain from voting as the proxy thinks fit. If you appoint two (2) proxies and wish them to vote differently this should be specified.

*My/our *proxy/proxies *is/are to vote as indicated below:

No.	Resolutions		For	Against
1.	To approve the payment of Directors' fee and benefits payable to the Directors of the Company amounting to RM220,000 for the financial year ending 30 June 2027	Ordinary Resolution 1		
2.	To re-elect Mr. Ching Chee Pun as Director, who is retiring by rotation in accordance with Clause 97 of the Company's Constitution	Ordinary Resolution 2		
3.	To re-elect Mr. Lee Yew Weng as Director, who is retiring by rotation in accordance with Clause 97 of the Company's Constitution	Ordinary Resolution 3		
4.	To re-elect Ms. Yap Shuk Kem as Director, who is retiring in accordance with Clause 104 of the Company's Constitution	Ordinary Resolution 4		
5.	To re-appoint Messrs. Grant Thornton Malaysia PLT as Auditors of the Company	Ordinary Resolution 5		
6.	To approve the Authority to Issue and Allot Shares	Ordinary Resolution 6		
7.	To approve the Proposed Renewal of Authority for Purchase of Own Shares by the Company	Ordinary Resolution 7		

* *Delete if not applicable.*

.....
Signature/Common Seal of Shareholder

Signed this ..... day of 2026

Fold This Flap For Sealing

NOTES:

1. A member is entitled to appoint not more than two (2) proxies to attend, participate, speak, and vote in his/her stead at the meeting. A proxy may, but need not, be a member of the Company and there shall be no restriction as to the qualification of the proxy. Where a member appoints more than one (1) proxy, he shall specify the proportions of his/her holdings to be represented by each proxy, failing which the appointment shall be invalid. A member who wishes to attend and participate in the meeting personally should not submit a proxy form, as the member will not be permitted to participate in the meeting concurrently with a proxy appointed by him/her.

2. The instrument appointing a proxy shall be in writing, under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.

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5. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority shall be deposited at the Registered Office of the Company at Level 13, Menara 1 Sentrum, 201, Jalan Tun Sambanthan, Brickfields, 50470 Kuala Lumpur, Malaysia or via electronic means at info@sunzengroup.com not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

6. For the purpose of determining who shall be entitled to attend the 21st AGM, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Clause 62 of the Constitution of the Company, a Record of Depositors as at 9 December 2026 and only a Depositor whose name appears on such Record of Depositors shall be entitled to attend the 21st AGM.

Then Fold Here

AFFIX
STAMP

The Company Secretaries

Sunzen Group Berhad
Level 13, Menara 1 Sentrum
201, Jalan Tun Sambanthan, Brickfields
50470 Kuala Lumpur
W.P. Kuala Lumpur

1st Fold Here

www.sunzengroup.com



宏誠集團
SunZen GROUP

SUNZEN GROUP BERHAD
Registration No. 200501003843 (680889-W)

No. 13, Jalan Anggerik Mokara 31/47,
Kota Kemuning, 40460 Shah Alam,
Selangor.

+603 5122 9333
+603 5131 9975

info@sunzengroup.com

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Visionary Partner