



Hextar

HEXTAR TECHNOLOGIES SOLUTIONS BERHAD

(Registration No.: 200501034100 (716241-X))

2026

ANNUAL REPORT

OUR VISION

To become the preferred business partner and employer of choice, enriching lives with our products and solutions

OUR MISSION

We build shareholder value by carving a niche in the global arena, earning market respect through outstanding products and services, endorse human capital development and enhance business synergy in diversity with sustainability principles underpinning our corporate thinking and actions

CORE VALUE

Humility

Fostering an environment of mutual respect that encourages appreciation and cooperation amongst each other, with self-awareness and open-mindedness to learn and grow

Excellence

Pushing boundaries to achieve the highest possible standards of performance and quality

X-factor

Ability to think outside the box to develop unique solutions to complex challenges and to push past traditions with innovative and progressive ideas

Trustworthy

Being honest and showing a consistent and uncompromising adherence to strong moral and ethical principles and values

Adaptability

Ability to change and adjust to shifting demands and requirements by being proactive and resourceful

Responsibility

Demonstrating reliability by staying true to the task, accepting accountability for your duties and carrying out the task to the best of our capabilities

21ST ANNUAL GENERAL MEETING

DATE : Thursday, 20 August 2026

TIME : 10.30 a.m.

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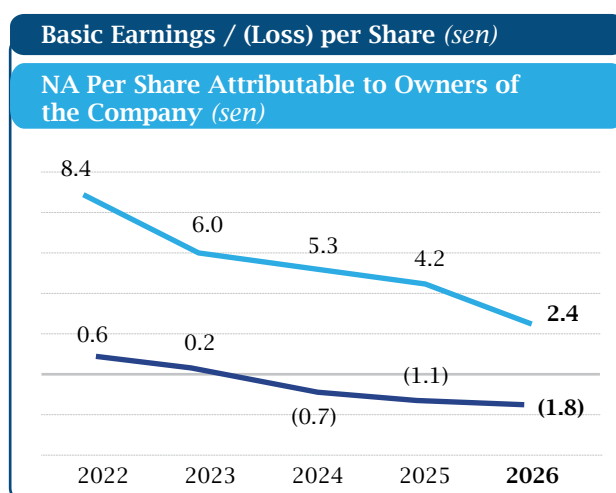
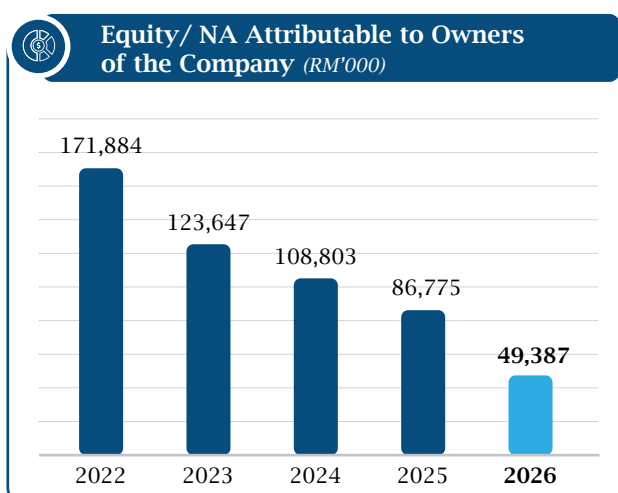
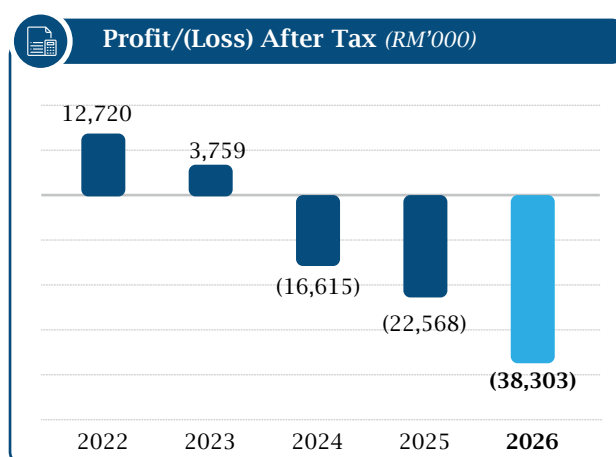
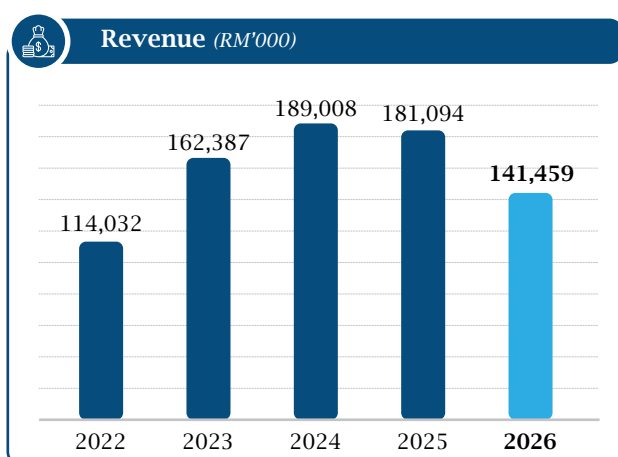
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5 YEARS FINANCIAL HIGHLIGHTS

Financial Year Ended 31 March ("FYE")	2022	2023	2024	2025	2026
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	114,032	162,387	189,008	181,094	141,459
Profit / (Loss) After Tax ("PAT") / ("LAT")	12,720	3,759	(16,615)	(22,568)	(38,303)
Total Assets	197,841	156,350	157,461	149,847	113,941
Equity / Net Assets ("NA") Attributable to Owners of the Company	171,884	123,647	108,803	86,775	49,387
Basic Earnings / (Loss) per Share (sen)	⁽¹⁾ 0.6	⁽¹⁾ 0.2	(0.7)	(1.1)	(1.8)
NA Per Share Attributable to Owners of the Company (sen)	⁽¹⁾ 8.4	⁽¹⁾ 6.0	5.3	4.2	2.4

Note:

⁽¹⁾ Restated to reflect the bonus issue of 15 bonus shares for every 1 existing ordinary share which was completed on 18 January 2024.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Muhammad Bin Ibrahim
Independent Non-Executive Chairman

Dato' Ong Choo Meng
Group Chief Executive Officer and
Executive Director

Choo Joon Keong
Group Deputy Chief Executive Officer and
Executive Director

Ronald Khoo Boo Soon
Executive Director

Yeoh Chin Hoe
Independent Non-Executive Director

Sujatha Sekhar A/P Tan Sri B.C. Sekhar
Independent Non-Executive Director

Tan Pei Shiun
Independent Non-Executive Director

REGISTERED OFFICE

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HEAD OFFICE

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Selangor Darul Ehsan, Malaysia.

Tel No. : +603 3003 3333
Fax No. : +603 3003 3330
Website : www.hextartech.com

COMPANY SECRETARY

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(MAICSA 7058813)
(SSM PC No. 202008001958)

Lim Li Heong
(MAICSA 7054716)
(SSM PC No. 202008001981)

Wong Kah Yeong
(MAICSA 7081604)
(SSM PC No. 202508000417)

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Fax No. : +603 2788 9998

SHARE REGISTRAR

**Tricor Investor &
Issuing House Services Sdn Bhd**
Unit 32-01, Level 32, Tower A,
Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur, Malaysia.

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Email : is.enquiry@vistra.com

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market, Transportation & Logistics

BOARD COMMITTEES

AUDIT COMMITTEE

Chairman
Yeoh Chin Hoe

Members
Sujatha Sekhar A/P Tan Sri B.C. Sekhar
Tan Pei Shiun

NOMINATION AND REMUNERATION COMMITTEE

Chairman
Sujatha Sekhar A/P Tan Sri B.C. Sekhar

Members
Yeoh Chin Hoe
Tan Pei Shiun

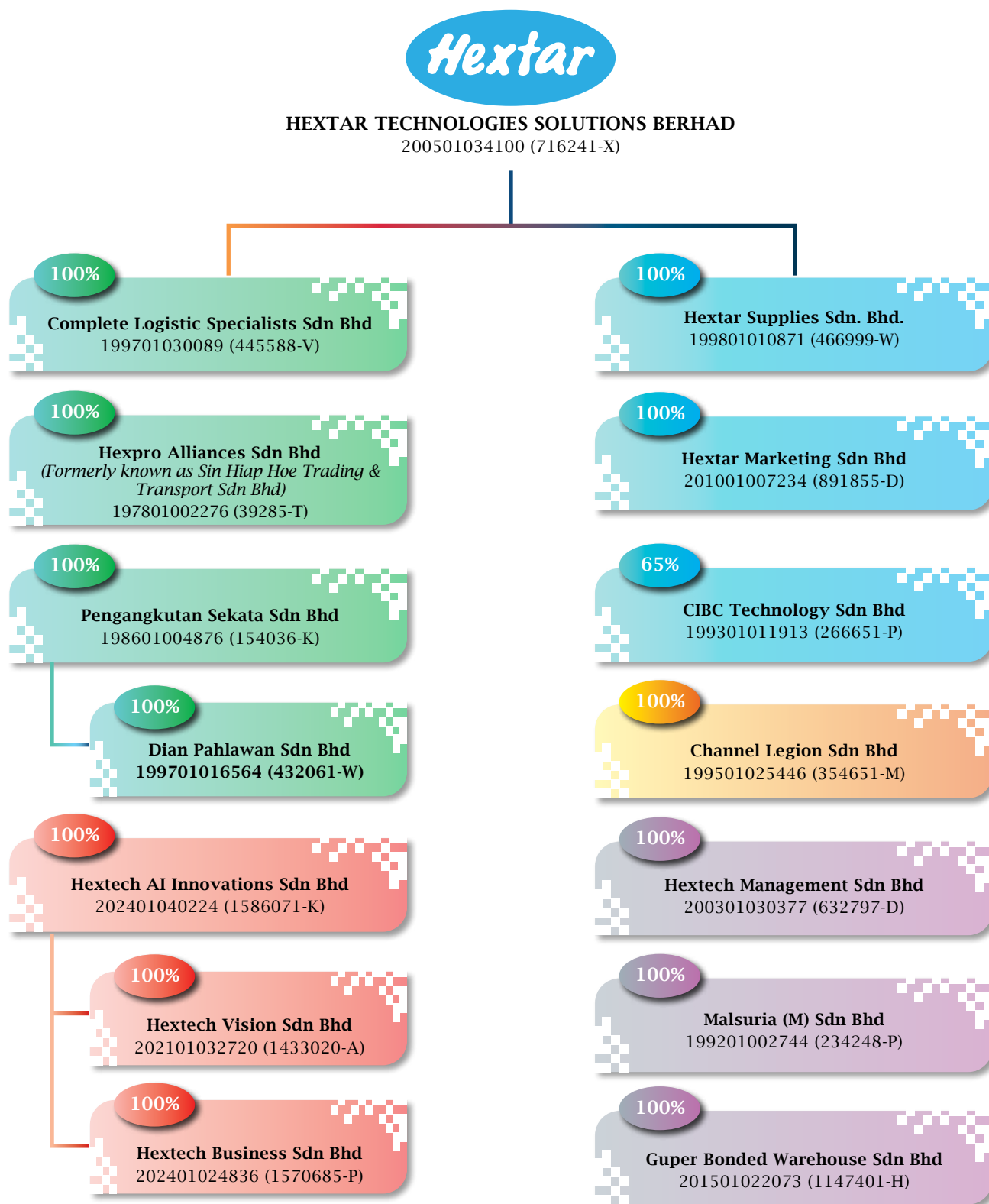
RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

Chairman
Ronald Khoo Boo Soon

Members
Sujatha Sekhar A/P Tan Sri B.C. Sekhar
Tan Pei Shiun

CORPORATE STRUCTURE

AS AT 20 JULY 2026



Legend:

- Logistics Segment
- Trading Segment
- Others Segment
- Technology Segment
- Warehousing Segment

CHAIRMAN'S STATEMENT



“

DEAR ESTEEMED SHAREHOLDERS,

On behalf of the Board of Directors (“Board”), I am pleased to present the Annual Report and Audited Financial Statements of Hextar Technologies Solutions Berhad (“HexTech” or “the Company”) and its subsidiaries (“HexTech Group” or “the Group”) for the financial year ended 31 March 2026 (“FYE 2026”).

Tan Sri Muhammad Bin Ibrahim
Independent Non-Executive Chairman

”

A YEAR OF STRATEGIC TRANSFORMATION

FYE 2026 was a year of strategic transition for the Group as we continued to build our position as a technology-driven business while navigating a challenging and evolving operating environment. Although the Group's financial performance was affected by softer market conditions and lower contributions from certain business segments, we remained steadfast in executing our long-term strategy of building sustainable growth through innovation, operational discipline and prudent capital management.

Throughout the year, the Board remained focused on reinforcing the Group's business fundamentals, improving operational resilience and investing in initiatives that support future growth. While these strategic investments have impacted our short-term financial performance, we believe they will reinforce the Group's competitive position and create sustainable long-term value for our shareholders.

ECONOMIC AND BUSINESS LANDSCAPE

The Malaysian economy continued to demonstrate resilience during the financial year, supported by healthy domestic demand, continued investment activities and the Government's commitment towards accelerating the nation's digital economy. At the same time, businesses continued to operate within an increasingly competitive landscape characterised by evolving customer expectations, rapid technological advancement, rising operating costs and ongoing geopolitical uncertainties.

Digital transformation continues to reshape industries, with businesses increasingly adopting digital technologies and artificial intelligence (“AI”) to improve productivity, deepen customer engagement and improve operational efficiency. These developments present significant opportunities for organisations that are able to innovate and respond effectively to changing market demands.

CHAIRMAN'S STATEMENT

(CONTINUED)

Against this backdrop, the Group remained committed to expanding its technology ecosystem while maintaining the resilience of its existing businesses. During the financial year, we continued to develop our digital platforms, MoneyX and MoneyX Biz, serving both consumer and business segments. Subsequent to the financial year, the Group has successfully launched NET7, its first AI-powered networking platform featuring intelligent business relationship management and smart task management capabilities. NET7 complements the Group's existing technology ecosystem and reflects our commitment to developing innovative digital solutions that support sustainable future revenue growth.

In parallel, the Group continued to regularly review and optimise its business portfolio while implementing prudent cost management initiatives across all business segments. These efforts are aimed at improving operational efficiency, reinforce business resilience and positioning the Group to capitalise on emerging opportunities within the digital economy.

FINANCIAL PERFORMANCE

The Group recorded revenue of RM141.46 million during FYE 2026, compared with RM181.09 million in the preceding financial year. The decline was primarily attributable to lower contributions from certain business segments amid challenging market conditions.

The Group reported a loss after tax of RM38.30 million for the financial year, compared with a loss after tax of RM22.57 million in FYE 2025. The financial performance reflected lower revenue contribution and weaker gross margins while continuing investments in expanding the Group's technology capabilities, product development and supporting infrastructure.

Although the financial results were below our expectations, the Board remains committed to balancing strategic investments with prudent financial management. We continue to maintain disciplined cost management, improve operational efficiency and optimise capital allocation to enhance the Group's financial resilience while positioning the business for sustainable long-term growth.

Further details of the Group's financial and operational performance are set out in the Management Discussion and Analysis section of this Annual Report.

STRENGTHENING GOVERNANCE AND SUSTAINABILITY

Strong corporate governance remains fundamental to the Group's long-term success. During the financial year, the Group continued to strengthen its governance framework through the periodic review of its governance policies and the enhancement of its sustainability governance structure. In line with the Group's commitment to embedding sustainability into its business strategy and decision-making processes, the Board expanded the role of the Risk Management Committee to include sustainability oversight, which was subsequently renamed to Risk Management and Sustainability Committee ("RMSC"). To reinforce its governance framework, the Board also adopted the Terms of Reference for the RMSC, clearly defining its roles and responsibilities in overseeing the Group's risk management and sustainability agenda.

These enhancements reinforce the Group's commitment to high standards of corporate governance, effective risk management and sustainable business practices. By integrating environmental, social and governance ("ESG") considerations into our governance framework, we are better positioned to strengthen organisational resilience, manage emerging risks and create sustainable long-term value for our shareholders and stakeholders.

Further information on the Group's corporate governance and sustainability initiatives is available in the Corporate Governance Overview Statement, Corporate Governance Report and Sustainability Statement contained in this Annual Report.

FUTURE PROSPECTS

Looking ahead, the Board remains cautiously optimistic despite the continued uncertainties in the global economic environment. We believe the continued advancement of digital technologies, AI and supportive Government initiatives will create new opportunities for the Group's technology segment.

The Group will continue to strengthen and expand its technology ecosystem through continuous innovation, strategic partnerships and the development of solutions that address evolving customer needs. The introduction of NET7 marks another important milestone in our technology journey and complements our existing digital platforms as we continue to explore new avenues for recurring and sustainable revenue growth.

CHAIRMAN'S STATEMENT (CONTINUED)

At the same time, we remain committed to improving our existing businesses through operational improvements, disciplined cost management and prudent capital allocation. To support the growing demand for our transportation services, we are planning to expand our fleet size in the coming year, thereby improving our service capabilities and operational efficiency. Concurrently, we are actively pursuing the divestment of non-core and non-productive properties to support future business expansion and improve the Group's working capital position. Although previous disposal agreements were terminated, we remain committed to identifying suitable buyers for these non-core assets as part of our ongoing capital optimisation strategy. These initiatives reflect the Group's balanced approach to driving sustainable growth while maintaining financial discipline. The Board will continue to review the Group's business portfolio to ensure that our resources are strategically allocated to initiatives that deliver sustainable returns and create long-term shareholder value.

Supported by a clear strategic direction, a strengthened governance framework and the dedication of our people, we remain confident in the Group's ability to navigate future challenges and create sustainable value for our shareholders and stakeholders.

APPRECIATION

On behalf of the Board, I would like to express my sincere appreciation to our shareholders, customers, business partners, financiers and all stakeholders for your continued trust, confidence and unwavering support.

I also wish to extend my heartfelt gratitude to my fellow Board members, Management and employees for their dedication, resilience and commitment throughout the year. Their collective efforts have enabled the Group to navigate a challenging year while laying a solid foundation for future growth.

As we move forward, we remain committed to executing our strategic priorities, embracing innovation and creating sustainable long-term value for all our stakeholders.

Tan Sri Muhammad Bin Ibrahim
Independent Non-Executive Chairman
20 July 2026



MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS AND OPERATIONS OVERVIEW

Founded in 1995 as a marine transportation provider, our Group expanded into comprehensive logistics services in 1997. Following a change in leadership in the past few years, we embarked on a series of strategic initiatives that enabled us to diversify successfully into multiple industries. Today, our operations are structured around five business segments:

Segment	Principal Business Activities
Trading	Trading of building materials
Logistics	Total logistics services including lorry transportation services (tanker, bulk cargo, side curtain), project logistics and door to door delivery services
Warehousing	Provision of warehouse for renting
Technology	Fintech application and related technology services
Others	Investment holding, insurance agency and others

Anticipating the eventual stagnation of our traditional business through early market forecasting, leadership pre-emptively pivoted into the Technology sector - a visionary move designed to secure our future fast growth. We solidified this commitment by rebranding from “Logistics” to “Technologies” and making a substantial capital investment to officially launch MoneyX in March 2024, our first one-stop fintech mobile application designed to empower individual users through enhancing financial literacy and improving decision-making related to life goals.

Following encouraging market acceptance of MoneyX, we introduced MoneyX Biz in March 2025. This web-based digital platform expands our reach into the B2B market, enabling Micro, Small, and Medium Enterprises (“MSMEs”) to purchase solutions that streamline operations and cut costs. By tapping into this new segment, MoneyX Biz creates powerful synergies that drive user acquisition and monetization across both platforms. More recently, we launched NET7, our first AI-powered networking platform in the local market. Built for intelligent business relationship and on-the-go task management, NET7 directly complements our monetization strategy to support sustainable revenue growth. Moving forward, the Group remains dedicated to continuous innovation, developing new digital solutions across our expanding business verticals.

Concurrently, the Group progressively identifies strategic opportunities that complement our diversification strategy and accelerate existing business growth. We maintain a vigilant watch over evolving market trends and regulatory shifts, particularly within the construction and property development sectors, given their direct influence on our Trading and Logistics segments.

FINANCIAL PERFORMANCE REVIEW

	FYE 2026	FYE 2025	Variance	
	RM'000	RM'000	RM'000	%
Financial Indicators				
Revenue	141,459	181,094	(39,635)	(21.9)
Gross (Loss) / Profit [“(GL)” / “GP”]	(13,271)	9,815	(23,086)	(235.2)
Loss Before Tax (“LBT”)	(36,153)	(21,788)	(14,365)	(65.9)
Loss After Tax (“LAT”)	(38,303)	(22,568)	(15,735)	(69.7)
Financial Ratios				
(GL) / GP margin (%)	(9.4)	5.4	-	(14.8)
LBT margin (%)	(25.6)	(12.0)	-	(13.6)
LAT margin (%)	(27.1)	(12.5)	-	(14.6)

MANAGEMENT DISCUSSION & ANALYSIS

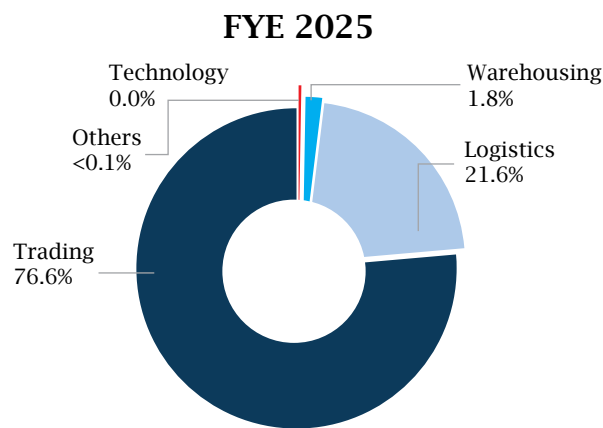
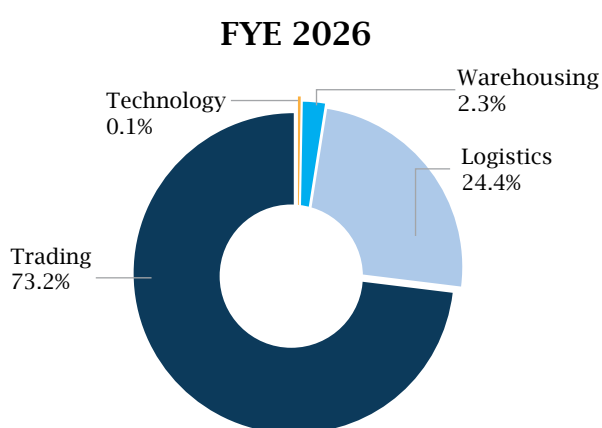
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FINANCIAL PERFORMANCE REVIEW (CONT'D)

Revenue

The table below sets out the segmental revenue of the Group for FYE 2026 and the corresponding comparative figure:

	FYE 2026	FYE 2025	Variance	
	RM'000	RM'000	RM'000	%
● Trading	103,570	138,629	(35,059)	(25.3)
● Logistics	34,485	39,112	(4,627)	(11.8)
● Warehousing	3,249	3,249	-	-
● Technology	155	30	125	416.7
● Others	-	74	(74)	(100.0)
Total Revenue	141,459	181,094	(39,635)	(21.9)



In FYE 2026, our Group recorded a total revenue of RM141.46 million, marking a 21.9% decline from RM181.09 million in FYE 2025. This contraction was primarily driven by lower contributions from our largest revenue contributor, the Trading segment, resulting from fewer major building material supply contracts secured. Revenue from this segment, which accounted for 73.2% of total revenue in FYE 2026, decreased by RM35.06 million or 25.3%, falling to RM103.57 million in FYE 2026 from RM138.63 million in FYE 2025.

The construction sector experienced widespread project deferments and slower progress, leading contractors and developers to scale back order volumes. Furthermore, rising cement prices, escalating logistics costs, and stricter regulatory enforcement - specifically tighter vehicle overloading rules - compressed client budgets. Consequently, industry players adopted highly cautious procurement strategies, delaying non-essential purchases and further impacting our top-line performance.

The Logistics segment was the second largest revenue contributor in FYE 2026, generating RM34.49 million or approximately 24.4% of the Group's total revenue. Revenue from this segment weakened by RM4.63 million or 11.8% from RM39.11 million in FYE 2025. The downturn was primarily due to lower demand for freight forwarding services, particularly for exports to Indonesia from the existing key customers.

The Warehousing segment maintained stable revenue of RM3.25 million in both FYE 2026 and FYE 2025. The segment continues to generate consistent rental income from the Group's property located in Port Klang Free Zone ("PKFZ"). Although the property was previously earmarked for disposal to a related party, the proposed transaction was terminated due to the non-fulfilment of certain conditions precedent. The Group has therefore retained the property to support stable cash flow generation capacity.

MANAGEMENT DISCUSSION & ANALYSIS

(CONTINUED)

FINANCIAL PERFORMANCE REVIEW (CONT'D)

Revenue (Cont'd)

Revenue from the Technology segment, derived from the MoneyX and MoneyX Biz platforms, rose by 416.7% from RM0.03 million in FYE 2025 to RM0.16 million in FYE 2026. Although the segment's contribution to the Group remains modest as it is still under ongoing development, the Group remains confident in its long-term growth potential and strategic importance as a future core contributor.

GP and GP Margin

Gross profit turned into a loss of RM13.27 million in FYE 2026 vis-à-vis gross profit of RM9.82 million in the previous financial year. This was mainly due to the lower revenue base, coupled with accounting changes relating to the Group's fintech application, MoneyX. Against the backdrop of rapid pace of technological advancement and the heightened risk of obsolescence, the Group has prudently revised the estimated useful life of MoneyX from five years to three years and expensed the current year's development costs as incurred rather than capitalised. These changes resulted in an additional RM4.88 million in amortisation expense, while RM14.91 million of current-year development costs were recognised directly in the income statement.

In addition, the termination of the proposed disposal of the PKFZ property necessitated the reinstatement of amortisation and depreciation expenses that had been suspended following its reclassification as an asset held for sale. This resulted in an additional RM1.83 million of expenses being charged in FYE 2026 as compared to FYE 2025.

Nevertheless, the Logistics segment recorded an improvement in gross profit margin, backed by stronger results from the truck transportation business. Demand for transportation services picked up following stricter enforcement against overloaded commercial vehicles. The higher revenue, together with lower truck maintenance and operating costs arising from the replacement of older trucks with new ones, contributed to the improved margin.

LBT and LBT Margin

The Group continued to exercise prudent cost management throughout the year, with successful disciplined cost control initiatives, particularly the reduction of marketing overheads in the Technology segment by shifting to more cost-effective digital marketing channels. Supported by a one-time gain of RM5.68 million from the disposal of property in Pasir Gudang and aging trucks, these efforts helped cushion the impact of the gross loss as highlighted earlier. Consequently, the Group's LBT stood at RM36.15 million in FYE 2026 compared to RM21.79 million in the previous financial year.

FINANCIAL POSITION REVIEW

Statement of Financial Position

	31 March 2026 RM'000	31 March 2025 RM'000	Variance	
			RM'000	%
Financial Indicators				
Non-current assets	46,811	38,640	8,171	21.1
Current assets	67,130	111,207	(44,077)	(39.6)
Total assets	113,941	149,847	(35,906)	(24.0)
Non-current liabilities	18,704	958	17,746	1,852.4
Current liabilities	49,772	65,121	(15,349)	(23.6)
Total liabilities	68,476	66,079	2,397	3.6
Equity / NA attributable to Owners of the Company	49,387	86,775	(37,388)	(43.1)
Financial Ratios				
Current ratio (times)	1.3	1.7	-	(0.4)
Gearing ratio (times)	0.8	0.4	-	0.4

MANAGEMENT DISCUSSION & ANALYSIS

(CONTINUED)

FINANCIAL POSITION REVIEW (CONT'D)

Statement of Financial Position (Cont'd)

The Group's total assets stood at RM113.94 million as at 31 March 2026, shrunk by RM35.91 million or 24.0% from RM149.85 million as at 31 March 2025. This was mainly due to the successful disposal of the Pasir Gudang property (RM10.38 million), accelerated amortisation of the MoneyX intangible asset after revising its useful life from five to three years, and a corresponding reduction in trade receivables following the lower revenue base.

On the other hand, the Group's total liabilities remained relatively stable at RM68.48 million as at 31 March 2026, moving up marginally by RM2.40 million or 3.6%, from RM66.08 million as at 31 March 2025. This was mainly due to the drawdown of hire purchase loans to fund the acquisition of new trucks to support the growing demand for truck transportation services in the Logistics segment. This strategic investment reflects the Group's continued efforts to upgrade its operational capacity and fleet efficiency.

The Group's gearing ratio doubled from 0.4 times as at 31 March 2025 to 0.8 times as at 31 March 2026, resulting from higher hire purchase financing for truck acquisitions and a lower equity base. Despite this, the Group's overall financial position remains sound and healthy, underpinned by a reasonable current ratio of 1.3 times and a positive net assets position.

Statement of Cash Flows

	FYE 2026 RM'000	FYE 2025 RM'000
Net cash used in operating activities	(13,559)	(15,204)
Net cash generated from / (used in) investing activities	16,378	(2,038)
Net cash (used in) / generated from financing activities	(3,130)	2,334
Net changes in cash and cash equivalents	(311)	(14,908)
Effect of foreign exchange translation	(10)	(24)
Cash and cash equivalents at the beginning of the financial year	5,657	20,589
Cash and cash equivalents at the end of the financial year	5,336	5,657

In FYE 2026, the Group recorded net cash used in operating activities of RM13.56 million, an improvement compared with RM15.20 million in FYE 2025. The cash outflow was primarily due to operating losses in the Technology segment, particularly marketing and development costs incurred in the fintech application, MoneyX. This was partially offset by improved collection from trade receivables.

The Group generated net cash inflow from investing activities of RM16.38 million, mainly from the disposal of the Pasir Gudang property and aging trucks. These proceeds were utilised to fund development and promotion expenses for MoneyX, as well as the acquisition of new trucks to support long-term sustainable growth.

Net cash used in financing activities amounted to RM3.13 million, primarily for interest payments on borrowings and repayment of hire purchase instalments.

CAPITAL STRUCTURE, RESERVES AND EXPENDITURE

As at 31 March 2026, the Company's share capital totalled RM72.40 million, comprising 2,058,384,000 ordinary shares. Net assets per share attributable to Owners of the Company stood at 2.4 sen.

The Group maintains a balanced and prudent capital structure, funding its operations through internally generated cash flows, available cash reserves, trade credit, and banking facilities secured from financial institutions. These facilities mainly consist of bills payable and finance leases for working capital and asset acquisitions.

MANAGEMENT DISCUSSION & ANALYSIS

(CONTINUED)

CAPITAL STRUCTURE, RESERVES AND EXPENDITURE (CONT'D)

During FYE 2026, our Group incurred a total capital expenditure of RM0.79 million, breakdown as follows:

Capital Expenditure	RM'000	%
■ Intangible assets	567	71.4
■ Computer and office equipment	155	19.5
■ Renovation and others	72	9.1
Total	794	100.0

As at 31 March 2026, our Group's capital commitments amounted to RM5.23 million, representing approved and contracted purchases of Property, Plant and Equipment.

ANTICIPATED OR KNOWN RISK

Risk is inherent in the Group's operations. We are exposed to various operational, financial, and market risks that may impact the Group's business performance, financial position, and liquidity. The Group addresses these potential risks through a comprehensive risk management framework that includes clear policies, ongoing monitoring, and mitigation measures. This structured approach enables the Group to manage uncertainties effectively while pursuing sustainable long-term growth and maximising long-term shareholder value.

Dependence on the Construction and Property Development Industries

The Trading segment is significantly exposed to the construction and property development industries, both of which are facing considerable headwinds. These include acute labour shortages (especially foreign workers), escalating material costs (driven by higher prices of diesel, bitumen, and logistics), and potential political or economic uncertainties. Such challenges may result in project delays, slowdowns, or cancellations, which could materially affect the Group's revenue and financial performance.

To mitigate these risks, the Group actively monitors industry developments and regularly reviews its business strategies to remain agile and responsive to market changes. The Group also leverages on the established network through Hextar group of companies to secure building material supply contracts. In addition, strategic partnerships have been developed with multiple suppliers to ensure stable supply chains and negotiate favourable pricing terms. Furthermore, the Group has diversified into the technology sector through the development of the MoneyX fintech platform. These initiatives collectively reduce dependency on the Trading segment, bolster operational resilience, and support sustainable long-term growth.

Fluctuation in Fuel Costs

Fuel costs, particularly diesel, constitute a significant portion of the operating costs within the Logistics segment. As such, any unfavourable fluctuations in diesel prices could affect the segment's profitability. The Group currently benefits from subsidised diesel price under the SKDS 2.0 (Land Goods Logistics) framework with a monthly cap. Given the significant gap between the subsidised and market rates, any reduction in the monthly cap by the Government or consumption exceeding the approved limit could lead to higher operating costs and exert pressure on the Group's profit margins.

To mitigate this risk, we have implemented a fuel surcharge mechanism with built-in fuel escalation clauses, allowing us to pass on increased costs to customers who have agreed to fixed-rate arrangements. Furthermore, we regularly review fuel price movements and engage in rate renegotiations with customers, opting for shorter contract durations when fuel prices exceed our predetermined cost thresholds. This multi-layered approach, which combines surcharge mechanisms, flexible contract structures, and proactive customer engagement, ensures better cost management and protects our margins while maintaining service quality and customer satisfaction in the volatile fuel price environment.

MANAGEMENT DISCUSSION & ANALYSIS

(CONTINUED)

ANTICIPATED OR KNOWN RISK (CONT'D)

Cybersecurity Risks

Given the nature of our Technology segment business, we face significant cybersecurity risks, including unauthorised access, data leaks, and system disruptions caused by malicious activities and vulnerabilities. These risks pose considerable threats to the confidentiality, integrity, and availability of our digital assets. Unauthorised access to sensitive information or data breaches could result in non-compliance with data protection regulations, substantial financial losses, and significant reputational damage.

To mitigate these risks, we have established and implemented a comprehensive cybersecurity framework based on industry best practices. Our multi-layered security approach includes regular assessments and penetration testing of our security protocols, and the implementation of advanced access controls, such as user authentication and role-based permissions. We deploy next-generation firewalls and intrusion detection systems to monitor network activity and identify potential threats. Furthermore, we conduct regular data backups with immutable storage capabilities and tested disaster recovery plans to ensure business continuity in the event of data loss or system failure. We also facilitate a structured security awareness training program for all employees to empower our human firewall capabilities.

Our commitment to cybersecurity is evidenced by our achievement of the ISO 27001:2022 certification on 14 June 2025, which validates our adherence to international standards for information security management. Furthermore, we maintain ongoing compliance with the Personal Data Protection Act 2010 (PDPA) and undergo security posture reviews by our Internal Auditor, which provides clearance and actionable recommendations for continuous improvement.

Technology Asset Protection Risk

The development of our fintech mobile application, MoneyX, and our web-based digital platform, MoneyX Biz, expose us to intellectual property ("IP") and trademark risks including potential infringement of our user interface designs and brand identity. Failure to adequately protect our IP could result in the loss of competitive advantage, operational disruptions and potential legal issues.

To address this risk, we have implemented comprehensive protection strategies, including applying for trademarks and patents, as well as registering for copyrights. We also engage IP and legal experts to provide guidance on IP protection and enforcement and to keep informed on industry best practices and emerging IP trends.

Competition Risk

The Group operates in a highly competitive environment across all business segments, facing challenges from both new entrants and established players that may adopt more aggressive expansion strategies.

Despite these challenges, we remain committed to maintaining our competitive edge through our established track record, extensive industry expertise, skilled workforce, efficient process management, strong customer relationships, and consistent delivery of high-quality services. We continuously monitor competitive developments and adapt our strategies accordingly. Our diversified business portfolio and extensive network coverage through the Hextar group of companies provide us with cross-selling opportunities and synergies that many of our competitors lack. Together, these strengths enable us to effectively navigate competitive pressures and sustain our market position.

Credit Risks

Our Group faces credit risk arising from the possibility that counterparties may fail to fulfil their payment obligations related to our trade and other receivables. This risk is notably pronounced in our Trading segment, where extended payment terms and delayed payments are common industry practices. Significant delays or defaults in payment from our major customers could negatively impact our cash flows and financial position.

MANAGEMENT DISCUSSION & ANALYSIS

(CONTINUED)

ANTICIPATED OR KNOWN RISK (CONT'D)

Credit Risks (Cont'd)

To manage this risk, we have implemented a robust credit control system, including credit approval procedures, credit limit settings, background checks for new customers, and legal action for delinquent accounts where necessary. We also continuously assess the creditworthiness of our customers to enable timely identification and cover some customers under trade credit insurance for the mitigation of potential risks.

Interest Rate Risks

The Group is exposed to interest rate risk primarily through its borrowings and cash holdings. Fluctuations in interest rates can impact our cost of borrowing on floating-rate loans and affect the returns on our cash and cash equivalents.

To mitigate this risk, we have maintained a balanced mix of fixed and floating-rate borrowings to reduce sensitivity to interest rate fluctuations. We also closely monitor monetary policy developments and economic indicators to anticipate potential interest rate changes and adjust our financial strategies accordingly.

Technology Obsolescence Risks

The Group is exposed to technology obsolescence risks, whereby our core application platforms could face diminished performance, security vulnerabilities, or operational incompatibility due to rapid advancements in software and infrastructure.

To mitigate this risk, the Group proactively invests in continuous R&D, regular framework upgrades, and robust architectural design. We maintain strong strategic collaborations with technology partners, ensuring our applications remain highly secure, scalable, and fully aligned with evolving technological standards. Furthermore, we conduct regular impairment assessments and will shorten the useful life or accelerate the amortization of any application demonstrating signs of technological obsolescence.

FUTURE OUTLOOK AND PROSPECTS

Malaysia's economy expanded by a resilient 5.4% year-on-year in Q1 2026, driven by robust domestic demand, strong E&E exports, and AI-related tech investments. Full-year 2026 GDP is officially projected to grow between 4.0% and 5.0%, with the IMF raising its forecast to 4.7% for 2026 and 4.3% for 2027. The Services and Manufacturing sectors remain the primary engines of the economy, alongside steady output in Construction sector. Private consumption continues to anchor growth, supported by a firm labour market, civil servant salary adjustments, and targeted government subsidies.

Trading segment

The Malaysian construction sector has entered a period of steady project execution and consolidation, with growth projected to expand by 5% annually under the 13th Malaysia Plan (2026-2030), which targets structured and long-term construction growth. This growth is spurred by large-scale infrastructure projects, construction of AI-related data centres and smart factories, domestic private sector projects and others. In addition, the property market is expected to continue expanding, driven by population growth, urbanisation, and improving buyer sentiment. The Malaysia Real Estate Market, valued at USD 42.43 billion in 2026, is growing at a CAGR of 5.64% to reach USD 55.82 billion by 2031.

MANAGEMENT DISCUSSION & ANALYSIS

(CONTINUED)

FUTURE OUTLOOK AND PROSPECTS (CONT'D)

Trading segment (Cont'd)

This positive economic outlook will certainly create consistent demand for building materials and provide a solid support base for prices and margins in the trading of building materials. Nevertheless, the Group will take precautionary steps to balance the risks and opportunities in this sector, given the headwinds experienced in this industry. These include the strict enforcement of regulations against overloaded commercial vehicles by JPJ and the unstable fuel supply and pricing arising from geopolitical tensions, which are anticipated to elevate transport and construction costs, potentially causing delays and slowdowns in construction activities. Despite these challenges, the Group expects that ongoing growth in local economic activities to positively impact revenue and earnings in the Trading segment. The Group will also leverage on the robust network through Hextar group of companies to pursue supply contracts and source competitively priced suppliers.

Logistics segment

The Truck Transportation division delivered a stronger turnover performance in the second half of FYE 2026, driven by JPJ's stricter enforcement against overloaded commercial trucks. This regulatory tightening effectively required trucks to make additional trips to compensate for reduced load capacity per trip, thereby increasing overall demand for transportation services. Consequently, the division's full capacity was deployed, leading to improvements in both revenue and margins. To further capitalise on this favourable opportunity, the Group has decided to expand its existing fleet size. Based on these positive factors, we anticipate that this business will contribute positively to the Group's performance in FYE 2027.

Meanwhile, our Freight Forwarding division encountered a modest setback due to permit restrictions imposed by an export country. These restrictions have reduced our customers' export transactions, consequently lowering the volume of orders directed to us. Nevertheless, this business continues to deliver positive results and cash flow to the Group. Moving forward, the Group will explore new markets to offer freight forwarding services as part of our diversification strategy, while capitalising on our high-quality services and skilled problem-solving capabilities to maintain customer retention.

Warehousing segment

The Warehousing segment continues to generate stable rental income from its warehouse located in PKFZ. While the previous disposal plan to a related party was recently terminated, we have decided to retain this profitable asset as it provides reliable cash flow. With PKFZ's strategic location, experienced management team, and comprehensive infrastructure, we are confident that this segment will maintain its positive cash contribution to the Group.

Technology segment

Our Group continues to grow its Technology segment through the MoneyX and MoneyX Biz platforms, two fintech solutions built to meet the rising demand for accessible, digital-first financial services in Malaysia. Both platforms are designed to deliver practical, everyday value - giving individuals and businesses intuitive tools to compare financial products, discover relevant deals and services, and manage their finances with greater convenience and confidence.

MoneyX Biz is purpose-built for MSMEs, a segment that often faces barriers in accessing suitable financial services and modern business tools. By bringing digital financial services and business management tools together on a single, easy-to-use platform, MoneyX Biz helps business owners improve productivity, streamline day-to-day operations, and strengthen their competitiveness. To date, MoneyX Biz has onboarded 46 business partners to offer a diverse range of financial and commercial services to our corporate users.

MANAGEMENT DISCUSSION & ANALYSIS

(CONTINUED)

FUTURE OUTLOOK AND PROSPECTS (CONT'D)

Technology segment (Cont'd)

On the consumer side, our fintech mobile application, MoneyX, continues to demonstrate steady growth momentum, driven by rising download volumes and deeper engagement with reputable partners across key sectors. We remain focused on enhancing the value MoneyX delivers to individual users, continuously upgrading the application with new features and financial modules while forging strategic partnerships with established industry players to broaden our ecosystem of products and services. To date, the application has garnered over 720,000 downloads and 370,000 registered users, establishing a robust foundation for future monetisation.

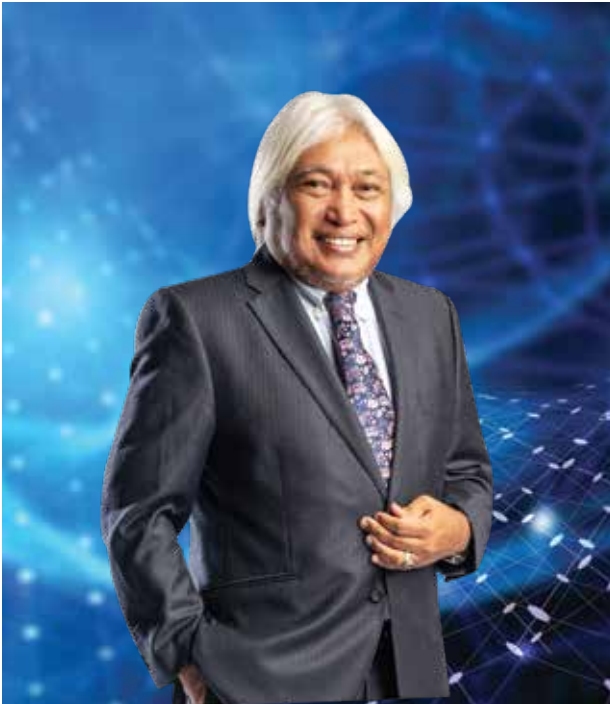
We also recently introduced NET7, an AI-powered networking app developed with our strategic technology partner, Mandrill Tech Sdn Bhd, to help businesses automate their entire networking journey. From capturing contacts and surfacing AI-driven insights on each connection at their fingertips, to creating and delegating tasks for team members to action and close leads, NET7 brings the full process together in one place - all while users are on the go. Following its launch, we rolled out the platform to our existing business network and received encouraging feedback, with a number of corporate users completing trials and converting into paying subscribers. We continue to engage closely with users, including those who have churned, to gather insights and refine the offering. NET7 complements our existing MoneyX and MoneyX Biz applications, further enriching our ecosystem of partners and users and supporting sustainable, long-term revenue growth for the Group.

DIVIDEND

At present, the Company does not maintain a formal dividend policy. The recommendation or declaration of dividends remains at the absolute discretion of the Board and is contingent upon various factors, including financial performance, cash flow requirements, capital expenditures, and strategic business expansion plans.

For the financial year under review, no dividend was declared or paid. The Board has chosen to prioritize capital deployment toward business expansion, ensuring sustainable long-term growth and maximizing value for our stakeholders.

PROFILE OF DIRECTORS



TAN SRI MUHAMMAD BIN IBRAHIM

INDEPENDENT NON-EXECUTIVE CHAIRMAN

MALAYSIAN | MALE | AGE 66

Date of Appointment :

3 January 2023

Board Meeting Attendance in FYE 2026 :

5/5

Board Committees Membership :

Nil

Tan Sri Muhammad Bin Ibrahim (“Tan Sri Muhammad”) holds a Master of Public Administration from Harvard Kennedy School, United States of America, a Bachelor of Accounting from the University of Malaya, and an Advanced Diploma in Islamic Banking and Finance from the International Islamic University Malaysia. He also completed the Advanced Management Programme at Harvard Business School, United States of America. He is a member of the Malaysian Institute of Accountants (“MIA”) and a Fellow Chartered Banker of the Asian Institute of Chartered Bankers.

Tan Sri Muhammad has over 34 years of experience in central banking, financial regulation and public policy. He joined Bank Negara Malaysia (“BNM”) in 1984 and held various senior positions, including Assistant Governor in 2004, Deputy Governor in 2010, before being appointed as the 8th Governor of BNM until 2018. Throughout his tenure, he chaired the Monetary Policy Committee and Financial Stability Committee and played a key role in strengthening the resilience of Malaysia’s financial system, enhancing consumer protection and promoting financial inclusion. He also represented Malaysia in numerous regional and international financial forums.

In addition, he has served in various leadership positions in public institutions and corporations, including as Commissioner of the Securities Commission Malaysia and Independent Director of Petroliaam Nasional Berhad (PETRONAS). He currently serves as Pro-Chancellor of Universiti Selangor.

He is also an Independent Non-Executive Chairman in GDEX Berhad.

Save as disclosed above, none of the Directors have any family relationship with any directors and/or major shareholders of the Group and have no conflict of interest. None of the Directors have convictions of any offences within the past five years, nor any public sanctions or penalties imposed by regulatory bodies during the financial year under review.

PROFILE OF DIRECTORS

(CONTINUED)



DATO' ONG CHOO MENG

GROUP CHIEF EXECUTIVE OFFICER
AND EXECUTIVE DIRECTOR

MALAYSIAN | MALE | AGE 48

Date of Appointment :

3 January 2023

Board Meeting Attendance in FYE 2026 :

5/5

Board Committees Membership :

Nil

Dato' Ong Choo Meng ("Dato' Eddie Ong") holds a Bachelor of Business (Economics and Finance) from the Royal Melbourne Institute of Technology, Australia.

Dato' Eddie Ong has over 20 years of experience in corporate leadership, business development and strategic management. As Group Chief Executive Officer of the Hextar group of companies, he is responsible for overseeing the Group's strategic direction, business expansion initiatives, financial management and corporate development activities.

Under his leadership, the Hextar group has expanded into a diversified portfolio of businesses spanning the manufacturing and distribution of chemicals, fertilisers, rubber gloves, medical test kits and wooden picture frame mouldings, as well as information and communications technology solutions and services, telecommunications solutions and services, renewable energy, logistics, food and beverage, and real estate investment trust-related investments.

Prior to his appointment to the Board, Dato' Eddie Ong served as Executive Director of Hextar Global Berhad. He also held directorships in other companies within the Hextar group, including Hextar Industries Berhad and Hextar Healthcare Berhad.

Dato' Eddie Ong does not hold directorships in any other public companies and listed issuers.

Dato' Eddie Ong is director and shareholder of Hextar Tech Sdn Bhd, the substantial shareholder of HexTech.

Save as disclosed above, none of the Directors have any family relationship with any directors and/or major shareholders of the Group and have no conflict of interest. None of the Directors have convictions of any offences within the past five years, nor any public sanctions or penalties imposed by regulatory bodies during the financial year under review.

PROFILE OF DIRECTORS

(CONTINUED)



CHOO JOON KEONG

GROUP DEPUTY CHIEF EXECUTIVE OFFICER
AND EXECUTIVE DIRECTOR

MALAYSIAN | MALE | AGE 56

Date of Appointment :

3 January 2023

Board Meeting Attendance in FYE 2026 :

5/5

Board Committees Membership :

Nil

Mr Choo Joon Keong (“Mr Choo”) holds a Bachelor Degree in Accounting from RMIT University, Australia.

Mr Choo has over 30 years of experience in the banking and financial services industry. He began his banking career as a Management Trainee with an international bank in 1993. In 2000, he joined a Singapore-based regional bank, where he was initially based in Malaysia before being seconded to its China subsidiary from 2002 to 2008 as part of its leadership team to spearhead expansion.

Upon returning to Malaysia in 2008, Mr Choo assumed a senior leadership role with a local bank, serving as Head of Wholesale Banking until 2012. He subsequently joined a Thailand-based regional bank as Head of Business Banking and was later appointed Chief Executive Officer of its Malaysian subsidiary in 2018 to scale the bank’s franchise in Malaysia. Upon completion of his tenure as Chief Executive Officer, he served as an advisor from November 2021 to April 2022 to facilitate an orderly leadership transition.

Throughout his career, Mr Choo has held various leadership positions across corporate, commercial and business banking, with extensive experience in strategic planning, business development, organisational transformation and talent development. He has successfully led high-performing teams, driven business growth initiatives and established strong relationships across diverse industries and markets in the region.

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

Save as disclosed above, none of the Directors have any family relationship with any directors and/or major shareholders of the Group and have no conflict of interest. None of the Directors have convictions of any offences within the past five years, nor any public sanctions or penalties imposed by regulatory bodies during the financial year under review.

PROFILE OF DIRECTORS

(CONTINUED)



RONALD KHOO BOO SOON

EXECUTIVE DIRECTOR

MALAYSIAN | MALE | AGE 55

Date of Appointment :

15 June 2021

Board Meeting Attendance in FYE 2026 :

5/5

Board Committees Membership :

Chairman, Risk Management and Sustainability Committee

Mr Ronald Khoo Boo Soon (“Mr Ronald”) is a Fellow Member of The Association of Chartered Certified Accountants (UK) (“FCCA”).

Mr Ronald began his career in 1994 with one of the Big Four accounting firms before joining the Corporate Advisory Department of Malaysian International Merchant Bank Berhad in 1996. In 2001, he briefly served with Deloitte & Touche Corporate Advisory Services Sdn Bhd before joining AmInvestment Bank Berhad in 2002.

During his tenure at AmInvestment Bank Berhad, he held various roles within the Corporate Finance and Equity Capital Markets divisions, where he was involved in a broad range of corporate exercises, capital market transactions and advisory assignments. In 2012, he joined Maybank Investment Bank Berhad as Director, Equity Capital Markets, where he continued to advise on and execute equity fundraising and capital market transactions.

With over 30 years of experience in corporate finance, investment banking and capital markets, Mr Ronald joined the Hextar Group in 2021 as Group Chief Corporate Officer. He plays a key role in overseeing the Group’s corporate strategy, mergers and acquisitions, corporate finance and investor relations initiatives.

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

Save as disclosed above, none of the Directors have any family relationship with any directors and/or major shareholders of the Group and have no conflict of interest. None of the Directors have convictions of any offences within the past five years, nor any public sanctions or penalties imposed by regulatory bodies during the financial year under review.

PROFILE OF DIRECTORS

(CONTINUED)



YEOH CHIN HOE

INDEPENDENT NON-EXECUTIVE DIRECTOR

MALAYSIAN | MALE | AGE 75

Date of Appointment :

16 March 2021

Board Meeting Attendance in FYE 2026 :

5/5

Board Committees Membership :

- Chairman, Audit Committee
- Member, Nomination and Remuneration Committee

Mr Yeoh Chin Hoe (“Mr Yeoh”) holds a Master of Business Administration (General Management) from Universiti Putra Malaysia. He is a Chartered Accountant of the MIA, a FCCA, a Fellow Member of The Chartered Governance Institute UK & Ireland, and a member of the Malaysian Institute of Certified Public Accountants (MICPA).

Mr Yeoh has over 50 years of professional experience in accounting, auditing, finance and corporate management. He began his professional career with Spicer & Pegler, Chartered Accountants in London (now part of Deloitte), where he served from 1973 to 1978. He subsequently joined Coopers & Lybrand in Kuala Lumpur as Assistant Manager before joining Harrisons Trading (Peninsular) Sdn Bhd in 1980 as Group Internal Auditor.

During his tenure with Harrisons Trading (Peninsular) Sdn Bhd, Mr Yeoh held various senior leadership positions, including Finance Director in 1990 and Managing Director in 1997. He remained in the latter position until his retirement in 2006. Following his retirement, he founded BPI Corptall Consulting Sdn Bhd, a business management consulting firm specialising in business process improvement and general business management services.

Mr Yeoh is also an Independent Non-Executive Director of Chin Hin Group Berhad and Senior Independent Non-Executive Director of Hextar Global Berhad.

Save as disclosed above, none of the Directors have any family relationship with any directors and/or major shareholders of the Group and have no conflict of interest. None of the Directors have convictions of any offences within the past five years, nor any public sanctions or penalties imposed by regulatory bodies during the financial year under review.

PROFILE OF DIRECTORS

(CONTINUED)



SUJATHA SEKHAR A/P TAN SRI B.C. SEKHAR @ SUJATHA SEKHAR NAIK

INDEPENDENT NON-EXECUTIVE DIRECTOR

MALAYSIAN | FEMALE | AGE 63

Date of Appointment :

23 May 2023

Board Meeting Attendance in FYE 2026 :

5/5

Board Committees Membership :

- Chairman, Nomination and Remuneration Committee
- Member, Audit Committee
- Member, Risk Management and Sustainability Committee

Madam Sujatha Sekhar Naik (“Madam Sujatha”) holds a Bachelor of Laws (Honours) from the University of London. A Fellow of the Institute of Corporate Directors Malaysia and an accredited trainer and mediator with the Malaysian International Mediation Centre, she is a qualified Advocate and Solicitor of the High Court of Malaya, with a legal career spanning regulatory work, private practice, and in-house counsel. She was also called to the Bar of England and Wales and re-qualified as a Solicitor with the Law Society of England and Wales.

Madam Sujatha has more than 30 years of experience across legal practice and the financial and capital markets, with expertise in corporate governance, sustainability, regulatory affairs, compliance, policy development and dispute resolution. She is currently Managing Partner & Lead Consultant of SSN Consult, Chair and Governor of the Malaysian Institute of Corporate Governance (“MICG”), an Independent Director of the Financial Markets Ombudsman Service (“FMOS”) and Metrod Holdings Berhad.

She served for 18 years at the Securities Commission Malaysia, holding various senior positions and contributing to significant policy and regulatory reforms, including spearheading its investor education strategy. She was the Chief Executive Officer of the Securities Industry Dispute Resolution Center (now part of FMOS) from 2013 to 2019, leading initiatives to enhance dispute resolution services in line with international standards.

In addition to her regulatory experience, she has held senior leadership positions in governance, legal, risk, compliance and sustainability. Madam Sujatha continues to support corporate governance in the capital and financial markets through her advisory work and remains active in policy development and capacity building as a trainer, speaker, moderator, and committee member across domestic and international forums.

Save as disclosed above, none of the Directors have any family relationship with any directors and/or major shareholders of the Group and have no conflict of interest. None of the Directors have convictions of any offences within the past five years, nor any public sanctions or penalties imposed by regulatory bodies during the financial year under review.

PROFILE OF DIRECTORS

(CONTINUED)



TAN PEI SHIUN

INDEPENDENT NON-EXECUTIVE DIRECTOR

MALAYSIAN | FEMALE | AGE 38

Date of Appointment :

25 November 2025

Board Meeting Attendance in FYE 2026 :

1/1

Board Committees Membership :

- Member, Audit Committee
- Member, Risk Management and Sustainability Committee
- Member, Nomination and Remuneration Committee

Ms Tan Pei Shiun (“Ms Daphne”) holds a Master of Business Administration from Cardiff Metropolitan University, United Kingdom, and a Bachelor of Business Studies from the University of the West of England, Bristol, United Kingdom.

Ms Daphne has extensive experience in business development, corporate strategy and investment management. She began her career with Royal Bank of Canada, where she served as a Fund Accountant before transitioning into business development roles within the oil and gas sector.

Throughout her career, Ms Daphne has held various business development and leadership positions with regional responsibilities across the Asia Pacific region. She has extensive experience in identifying growth opportunities, strategic partnerships, mergers and acquisitions, and investment evaluation. Since 2016, she has been actively involved in sourcing, evaluating and coordinating acquisition and investment opportunities across diverse industries. She also oversees the business development activities of companies within the Group’s investment portfolio, including businesses in the e-commerce and food and beverage sectors.

Prior to joining the Company, Ms Daphne served as an Independent Non-Executive Director and Chairman of the Nomination and Remuneration Committees of APB Resources Berhad.

Ms Daphne does not hold directorships in any other public companies and listed issuers.

Save as disclosed above, none of the Directors have any family relationship with any directors and/or major shareholders of the Group and have no conflict of interest. None of the Directors have convictions of any offences within the past five years, nor any public sanctions or penalties imposed by regulatory bodies during the financial year under review.

PROFILE OF KEY SENIOR MANAGEMENT

TAN ENG KIONG

CHIEF FINANCIAL OFFICER

MALAYSIAN | MALE | AGE 51

Mr Tan Eng Kiong (“Mr Tan”) is the Chief Financial Officer (“CFO”) of the Group and is responsible for overseeing the Group’s finance, accounting, treasury, taxation, financial reporting and corporate finance functions.

He holds a Bachelor’s Degree in Accounting from the University of Malaya and is a Chartered Accountant of the MIA.

Mr Tan has over 20 years of experience in accounting, finance and financial management. He began his career with a public listed company before holding various senior finance positions in private companies across diverse industries. Since joining the Group in September 2021, he has played a key role in overseeing the Group’s financial operations and strengthening its financial reporting and governance framework. He was promoted to CFO on 1 January 2026.

Mr Tan does not hold directorships in any public companies and listed issuers. He has no family relationship with any directors and/or major shareholders of the Company and has no conflict of interest with the Company. He has not been convicted of any offences within the past five years (other than traffic offences, if any), nor has he been subject to any public sanction or penalty imposed by any relevant regulatory bodies during the financial year.

SUSTAINABILITY STATEMENT



“

Dear Valued Stakeholders,

Hextar Technologies Solutions Berhad (“HexTech” or the “Company”) and its subsidiaries (collectively known as “HexTech Group” or the “Group”) operate within a fast-evolving business landscape where innovation, digitalisation and data-driven solutions continue to reshape how businesses function and grow. In this environment, sustainability is no longer viewed as a standalone initiative, but as an integral part of how we build resilience, manage risk and create long-term value.

As such, we recognise that meaningful progress is not solely measured by financial growth, but also by the quality and sustainability of the foundations we lay for future generations. Every aspect of our business carries implications that extend beyond the present, and we embrace that responsibility with purpose and intent. Guided by this perspective, we continue to integrate Economic, Environment, Social and Governance (“EESG”) considerations into our Group’s operations and strategic decision-making, pursuing growth that is responsible, inclusive and resilient.

Against this backdrop, the Board of Directors (“Board”) is pleased to present the Sustainability Statement for the financial year ended 31 March (“FYE”) 2026, detailing our performance, progress and initiatives across each EESG pillar.

”

SUSTAINABILITY STATEMENT

(CONTINUED)

REPORTING SCOPE AND PERIOD

This Sustainability Statement provides an overview of our Group's sustainability strategies, initiatives and performance across our 4 major business segments, namely Trading, Logistics, Warehousing and Technology. Unless otherwise stated, the information presented in this Sustainability Statement covers all subsidiaries within our Group for the period from 1 April 2025 to 31 March 2026.

STATEMENT OF ASSURANCE

To strengthen the credibility of this Sustainability Statement, the disclosures on "Workforce Diversity and Equal Opportunity", "Energy Management" and "Water Management" were subjected to an internal review by our Company's outsourced internal auditor, which concluded that the relevant disclosures are properly prepared, presented and adequately supported. In addition, this Sustainability Statement has been reviewed by our Audit Committee and approved by our Board. No external independent assurance has been obtained for FYE 2026.

FEEDBACK

As part of our commitment to strengthen our sustainability measures and reporting standards, we value all stakeholders' feedback on this Sustainability Statement or any related sustainability matters. Any relevant feedback or comments can be directed to info@hextartech.com.

REPORTING GUIDELINES

This Sustainability Statement was prepared based on all available internal information and in accordance with Bursa Malaysia Securities Berhad's ("Bursa Securities") Main Market Listing Requirements ("MMLR") relating to the sustainability statement and its Sustainability Reporting Guide 3rd Edition. In addition, we have referred to the United Nations Sustainable Development Goals ("UNSDGs") in the mapping of our material sustainability matters and developing our sustainability strategies.

As our sustainability journey continues to evolve, this year also marks our first year of preparing climate-related disclosures in accordance with the IFRS S2 Climate-related Disclosures ("IFRS S2") issued by the International Sustainability Standards Board, in line with the sustainability reporting requirements under the MMLR applicable to our Company as a Group 1 listed issuer under the National Sustainability Reporting Framework. This reflects our commitment to progressively enhance the quality and transparency of our sustainability reporting in line with the evolving global reporting standards.

OUR SUSTAINABILITY GOVERNANCE

Strong governance forms the foundation of meaningful sustainability progress. To support this, we have in place an Environmental, Social and Governance ("ESG") Policy to embed sustainability considerations into our daily operations and decision-making, serving as the ethical foundation for achieving long-term business success while creating value for our stakeholders, communities and the environment. The policy is published on our Company's website at <https://ir2.chartnexus.com/hextech/corporate-governance.php> for public's reference.

During FYE 2026, the Board remained ultimately responsible for our Group's sustainability direction and oversight, while execution rested with our Management, led by the Executive Directors and supported by the Heads of Department ("HODs"), ensuring that sustainability priorities established at the Board level were effectively translated into operational actions across our Group. The same governance structure also applies to the management of our climate-related risks and opportunities, which are integrated into our Group's broader sustainability management and Enterprise Risk Management ("ERM") Framework rather than being managed in isolation. In discharging this oversight role, the Board was kept informed of sustainability and climate-related developments at our quarterly Board meetings.

SUSTAINABILITY STATEMENT

(CONTINUED)

OUR SUSTAINABILITY GOVERNANCE (CONT'D)

In driving long-term resilience, the Board embeds climate considerations into our Group's strategic planning, considering both physical and transition climate risks alongside climate-related opportunities in strategic discussions, and reviewing and approving climate risk mitigation strategies and contingency plans. The Board also oversees the allocation of resources for sustainability, including approving budgets for major climate-related initiatives, and evaluates climate-related risks and opportunities arising from major corporate transactions, such as mergers and acquisitions, through the conduct of climate-related due diligence.

In relation to climate-related targets, while formal targets and metrics have not been established as at 31 March 2026, any future targets will be benchmarked against recognised methodologies and designed to be measurable, time-bound and achievable.

For FYE 2026, climate-related performance metrics have not been incorporated into the remuneration of our Directors and Senior Management. As our climate-related targets and metrics mature, the Board will consider whether such metrics should be integrated into future remuneration considerations.

Subsequent to FYE 2026, we strengthened our sustainability governance by integrating Board Committee oversight, with the Risk Management Committee ("RMC") redesignated as the Risk Management and Sustainability Committee ("RMSC") on 26 May 2026.

The Board

In line with its Terms of Reference, the RMSC is tasked with supporting the Board in integrating sustainability considerations into our Group's overall risk management approach. In particular, the RMSC is responsible for identifying and assessing potential ESG-related risks impacting our Group, including climate-related risks, and recommending appropriate mitigation strategies to the Board. The RMSC shall meet at least twice a year, during which climate-related and other sustainability risks and opportunities are tabled for review before being reported to the Board. The Terms of Reference of the RMSC are also made available on our Company's website.

RMSC

Management

The Board and RMSC collectively possess an adequate understanding of our Group's business, sustainability matters and key risk areas, supported by ongoing training and access to internal ESG expertise within the Hextar group of companies. In addition, the Nomination and Remuneration Committee ("NRC") is empowered to review the composition, effectiveness and performance of the Board and RMSC annually so as to identify any skills or competencies to be developed.

At the operational level, the RMSC is supported by the Executive Directors, CFO and Heads of Department ("HODs"), comprising representatives from our Trading, Logistics, Warehousing and Technology segments, together with our Group Finance and Human Resources functions. They are responsible for implementing sustainability initiatives within their respective operational areas, supporting the identification, assessment and monitoring of sustainability-related and climate-related risks and opportunities across the Group, and reporting the progress of sustainability initiatives, together with significant sustainability-related and climate-related risks and opportunities, to the RMSC for review and further escalation to the Board where appropriate.

As climate-related risks and opportunities are integrated into our ERM Framework, the Management is tasked to conduct periodic climate risk assessments and scenario analysis, as well as to implement relevant key risk indicators ("KRIs") to support ongoing monitoring. Climate-related considerations are also embedded into our Group's financial and operational planning processes, including identifying and quantifying climate-related financial impacts and incorporating relevant climate assumptions into financial forecasting, where appropriate.

Through this sustainability governance structure, we ensure that sustainability is embedded across all tiers of decision-making, from strategic oversight to operational execution, reinforcing our commitment to managing sustainability responsibly and positioning us well to pursue long-term, resilient growth.

SUSTAINABILITY STATEMENT

(CONTINUED)

STAKEHOLDER ENGAGEMENT

Building a sustainable business begins with understanding the perspectives of those who matter most to our business. Our stakeholders are central to shaping our sustainability strategies and play a vital role in guiding the direction of our EESG approach. Through meaningful stakeholder engagement, we gain valuable insights into their expectations, priorities and concerns, enabling us to make informed decisions and develop sustainability strategies and initiatives that create long-term value for both our stakeholders and our Group.

During FYE 2026, we continued to engage our 7 key stakeholder groups through various channels, as outlined below:

Stakeholder Groups	Areas of Concern	Engagement Approaches	Frequency of Engagement
Shareholders / Investors 	- Investment risks and returns - Financial and operational performance - Corporate governance - Regulatory compliance - Business strategies and management	- General meetings - Annual reports - Quarterly financial results - Announcements made on Bursa Securities' website - Press release - Company's website and social media platforms	Annually, quarterly and as required
Vendors 	- Long-term business relationships - Fair credit terms and timely payments - Efficient and transparent procurement process	- Business meetings - Phone and email communication	Ongoing and as required
Customers 	- Products and services quality - Competitive pricing and on-time delivery - Timely response to customer enquiries	- Business meetings - Phone and email communications - Company's website and social media platforms	Ongoing and as required
Employees 	- Career development opportunities - Competitive remuneration and benefit packages - Occupational safety and health ("OSH") - Continuous training and learning development - Employee welfare and engagement	- Performance appraisals - Operational discussions and meetings - Training and development programmes	Annually, monthly and ongoing
Regulators / Government Authorities 	- Corporate governance - Regulatory compliance - Licenses and permits - OSH - Accurate, timely and transparent disclosures	- Periodic visits and inspections - Licenses and permits renewal - Announcements made on Bursa Securities' website - Ad-hoc information disclosure	Periodically and as required

SUSTAINABILITY STATEMENT

(CONTINUED)

STAKEHOLDER ENGAGEMENT (CONT'D)

During FYE 2026, we continued to engage our 7 key stakeholder groups through various channels, as outlined below: (cont'd)

Stakeholder Groups	Areas of Concern	Engagement Approaches	Frequency of Engagement
Financiers / Bankers 	- Financial performance - Repayment capabilities	- Quarterly financial results - Annual reports - Announcements made on Bursa Securities' website - Annual review	Quarterly and annually
Local Communities 	- Local employment opportunity creation and economic support - Environmental impacts from business operations - Community wellbeing	- Company's website and social media platforms - Community outreach programmes	Ongoing and as required

MATERIALITY ASSESSMENT AND KEY SUSTAINABILITY MATTERS

Materiality Assessment Process

Building on the insights gained from our stakeholder engagement, we are better positioned to identify and prioritise the sustainability matters that are most significant to both our stakeholders and our Group. This enables us to direct our resources and efforts towards the areas where we can create the greatest long-term value.

During FYE 2026, our Executive Directors continued to lead the annual materiality assessment, adopting the following 4-step materiality assessment process to review our existing sustainability matters and identify emerging risks and opportunities across the EESG pillars.

Stakeholder Identification and Engagement

- To identify our Group's key stakeholders.
- To engage with the identified key stakeholders to understand their concerns, needs and expectations.

Sustainability Matters Identification

- To identify and review material sustainability matters based on insights gathered from stakeholder engagement, including the identification of any emerging matters.

Categorisation and Prioritisation

- To assess, evaluate and categorise the identified sustainability matters based on our Group's EESG pillars.
- To rank and prioritise the identified material sustainability matters based on their impact and importance level towards our Group and key stakeholders.
- To develop relevant sustainability strategies.

Process Review

- To conduct periodic review of the materiality assessment process and make improvements, where necessary.

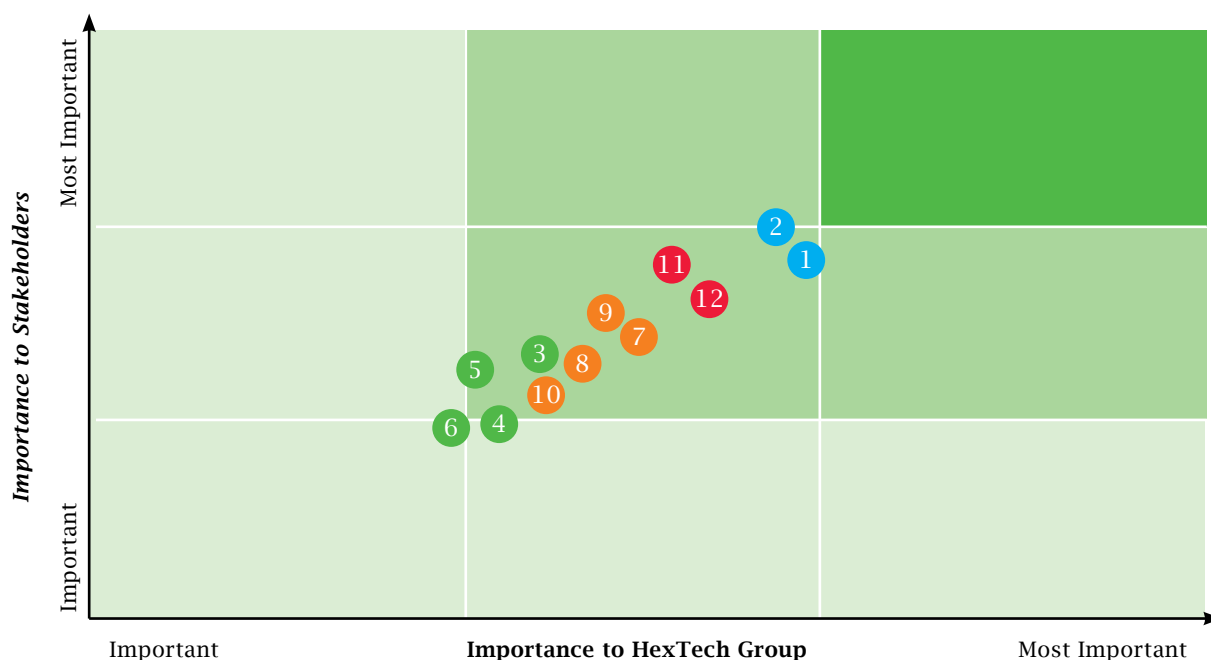
SUSTAINABILITY STATEMENT

(CONTINUED)

MATERIALITY ASSESSMENT AND KEY SUSTAINABILITY MATTERS (CONT'D)

Materiality Matrix

During FYE 2026, we undertook a review of the sustainability matters identified in the previous financial year to ensure their continued relevance to both our Group and stakeholders. While all these material matters remained relevant, we have refined “Energy Conservation and Emission Management” to “Energy Management”, with emissions-related monitoring now addressed under our new material matter, “Climate Change”, which was introduced in recognition of the growing significance of climate-related risks and opportunities in the global sustainability agenda and to align with the evolving sustainability reporting practices. As a result, a total of 12 material matters have been identified, ranked from “Important” to “Most Important”, as illustrated in the Materiality Matrix below:



ECONOMIC		ENVIRONMENT		SOCIAL		GOVERNANCE	
1.	Economic Performance	3.	Climate Change	7.	OSH	11.	Regulatory Compliance
2.	Cybersecurity and Data Protection	4.	Energy Management	8.	Workforce Diversity and Equal Opportunity	12.	Corporate Governance
		5.	Waste Management and Environmental Compliance	9.	Employee Welfare and Management		
		6.	Water Management	10.	Corporate Social Responsibility ("CSR")		

SUSTAINABILITY STATEMENT

(CONTINUED)

MATERIALITY ASSESSMENT AND KEY SUSTAINABILITY MATTERS (CONT'D)

Sustainability Strategies and Mapping of UNSDGs

Following the identification of 12 sustainability matters, we developed and implemented sustainability strategies to address our sustainability risks and opportunities while meeting the expectations of our stakeholders. To further strengthen the focus of our sustainability approach, we reference the UNSDGs as a global framework to guide the alignment of our initiatives with internationally recognised sustainability priorities. Accordingly, our sustainability strategies for FYE 2026 are aligned with 7 relevant UNSDGs, as outlined below:

	Material Matters	Stakeholder Groups	Sustainability Strategies	UNSDG
ECONOMIC	- Economic Performance - Cybersecurity and Data Protection	- Shareholders / Investors - Vendors - Customers - Employees - Financiers / Bankers	- Leverage technological advancements to support sustainable long-term value creation. - Strengthen cybersecurity and safeguard data through appropriate security controls.	
	- Climate Change - Energy Management - Waste Management and Environmental Compliance - Water Management	- Employees - Regulators / Government Authorities - Local Communities	- Build resilience to climate-related risks through ongoing risk monitoring and adaptation measures, while progressively reducing our carbon emissions. - Monitor and control diesel and electricity consumption on a continuous basis. - Manage waste responsibly in accordance with applicable environmental requirements. - Advance resource stewardship through the efficient use of water resources.	
SOCIAL	- OSH - Workforce Diversity and Equal Opportunity - Employee Welfare and Management - CSR	- Employees - Regulators / Government Authorities - Local Communities	- Create a safe, inclusive and supportive workplace. - Contribute to the wellbeing of local communities through charitable initiatives and donations.	

SUSTAINABILITY STATEMENT

(CONTINUED)

MATERIALITY ASSESSMENT AND KEY SUSTAINABILITY MATTERS (CONT'D)

Sustainability Strategies and Mapping of UNSDGs (Cont'd)

Following the identification of 12 sustainability matters, we developed and implemented sustainability strategies to address our sustainability risks and opportunities while meeting the expectations of our stakeholders. To further strengthen the focus of our sustainability approach, we reference the UNSDGs as a global framework to guide the alignment of our initiatives with internationally recognised sustainability priorities. Accordingly, our sustainability strategies for FYE 2026 are aligned with 7 relevant UNSDGs, as outlined below: (cont'd)

	Material Matters	Stakeholder Groups	Sustainability Strategies	UNSDG
GOVERNANCE	- Regulatory Compliance - Corporate Governance	- Shareholders / Investors - Employees - Regulators / Government Authorities	Enforce policies and procedures across our Group to maintain strong corporate governance and regulatory compliance.	

ECONOMIC

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ECONOMIC PERFORMANCE

A resilient business forms the foundation of every other sustainability commitment. As such, we remain focused on managing our economic performance not only for the returns of any single financial year, but for the long-term strength, adaptability and resilience of our Group as the bedrock of our broader sustainability agenda.

During FYE 2026, our Group recorded a higher loss after tax ("LAT") of RM38.30 million as compared to LAT of RM22.57 million in the previous financial year. This was mainly due to the lower revenue base, coupled with accounting changes relating to the Group's fintech application, MoneyX. Amid rapid technological evolution and the rising risk of obsolescence, the Group has prudently shortened the estimated useful life of MoneyX from five years to three years and expensed the current year's development costs as incurred rather than capitalised.

Despite the reported loss, we continued to undertake a number of strategic initiatives during FYE 2026 to strengthen our long-term competitiveness and create sustainable value, as highlighted below:

Building a Future-Ready Digital Ecosystem

Since diversifying into the Technology segment in FYE 2023, we have remained committed to building digital solutions that create lasting value for individuals, businesses and our stakeholders. Rather than pursuing short-term gains, our focus has been on continuously strengthening our technology ecosystem and expanding the capabilities of our fintech application, MoneyX.

During FYE 2026, we continued to enhance MoneyX's position as a comprehensive financial ecosystem through a series of platform improvements. These include the introduction of a new user interface and experience, incorporation of an in-house voucher platform, integration of Luckin Coffee into our partner ecosystem as well as the implementation of a new electronic Know-Your-Customer ("eKYC") engine to strengthen customer onboarding and verification processes. Collectively, these enhancements contributed to the continued growth of the platform. During FYE 2026, we continued to promote our MoneyX app, which has achieved approximately 720,000 downloads and 370,000 registered users to date.

SUSTAINABILITY STATEMENT (CONTINUED)

ECONOMIC

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ECONOMIC PERFORMANCE (CONT'D)

Building a Future-Ready Digital Ecosystem (Cont'd)



On Ground Promotional Campaigns

Beyond platform growth, our MoneyX app also received external recognition for its innovation and data capabilities. In October 2025, our MoneyX app was honoured with Snowflake's Innovation in Analytics of the Year Award 2025 for the ASEAN region, recognising our innovative use of the Snowflake Artificial Intelligence ("AI") Data Cloud to build a transformative ecosystem that democratises personal finance and investment education. By transforming complex financial information into personalised insights through trusted digital tools and services, MoneyX app empowers users to make more informed financial decisions, supporting greater financial literacy and inclusion.

Building on this momentum, we also expanded our technology portfolio through the co-development of NET7, Malaysia's first AI-powered networking platform, together with Mandrill Tech Sdn Bhd. By leveraging AI, NET7 transforms contact data into structured and searchable business profiles, enabling professionals and enterprises to manage their networks more intelligently and efficiently while significantly reducing manual data entry. The platform also features intelligent industry tagging, role identification, filterable insights and shared corporate intelligence, enhancing the effectiveness of customer relationship management while enabling businesses to retain valuable contacts and leads within a centralised system for improved continuity and accessibility. In addition, NET7 features mobile task management to create and delegate tasks, allowing team members to take action and close leads in one central place while on the go. NET7 was introduced to the local market officially in June 2026. With plans to extend its reach to enterprises globally, NET7 is expected to contribute to sustainable revenue growth in the long run.

SUSTAINABILITY STATEMENT

(CONTINUED)

ECONOMIC	ENVIRONMENT	SOCIAL	GOVERNANCE
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ECONOMIC PERFORMANCE (CONT'D)

Building a Future-Ready Digital Ecosystem (Cont'd)



NET7 Signing Ceremony

Building Trust Through Customer Experience and Transparency

During FYE 2026, we continued to prioritise customer experience as an important driver of our long-term business growth and continuous improvement, particularly for MoneyX app. In this regard, we continuously monitor our customer satisfaction through public app marketplace ratings, which provide valuable insights into users' experiences and expectations. As at 9 June 2026, our MoneyX app recorded a rating of 4.2/5 on the Google Play Store and 3.5/5 on the Apple App Store, reflecting generally positive user reception while highlighting opportunities to further enhance our iOS user experience.

 4.2/5 ★

 3.5/5 ★

In addition to app ratings, we also actively monitor user feedback and complaints received through our customer support channels. Users may submit enquiries, feedback or complaints via email, WhatsApp and live chat, all of which are managed by our Customer Success Team as the first point of contact. Where necessary, cases are escalated to relevant technical teams or external service providers for further investigation and resolution. The Customer Success Team also monitors outstanding cases to ensure timely follow-up while systematically recording customer feedback for continuous product enhancements and service improvements.

During FYE 2026, the primary customer enquiries and complaints received related to the following:

- One-Time Password (“OTP”) issues, mainly arising from overseas access or network connectivity limitations. Our Customer Success Team assisted users in troubleshooting and verifying the source of the issue, and the occurrence of such issues has since reduced compared to previous periods;
- eKYC verification failures during account onboarding, which have since reduced following the engagement of a new eKYC service provider;
- MoneyX voucher display issues, which were generally attributable to application settings, location permissions or partner-related configurations. Our Customer Success Team guided the users through troubleshooting steps and escalated any unresolved issues to the technical team, where necessary; and
- Account access issues, primarily arising from device changes or forgotten Personal Identification Numbers (“PINs”). To improve accessibility, we streamlined the account access process by removing the previous device-binding requirement, significantly reducing account lock incidents and enabling users to regain access more efficiently.

SUSTAINABILITY STATEMENT

(CONTINUED)

ECONOMIC

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ECONOMIC PERFORMANCE (CONT'D)

Building Trust Through Customer Experience and Transparency (Cont'd)

Meanwhile, for our Logistics, Trading and Warehousing segments, customer enquiries and complaints are generally received via phone call or email, and are managed directly by the respective HODs and operational teams to ensure timely response and resolution.

In addition, we recognise that transparency is also essential to delivering a positive customer experience. Through the MoneyX app, we provide users with clear product information, including its features, terms and conditions, as well as practical user guidance, enabling them to make informed decisions and gain a better understanding of the product's features and functionalities. Where further clarification is required, our Customer Success Team is available to provide timely assistance and support on any product-related enquiries.

Building a Resilient Supply Chain with Local Value Creation

While customer satisfaction reflects the quality of our output, it is equally important to ensure that our input, particularly our supply chain, is well-managed, reliable and aligned with our operational needs. A strong supply chain forms the foundation of our economic performance, enabling us to deliver consistent quality, maintain cost efficiency and ensure uninterrupted business operations.

Our supply chain management is mainly governed by our Supply Chain Policy, which extends our EESG commitments across our value chain. Under the policy, we expect our suppliers to uphold the same standards and commitment we set for ourselves, including compliance with environmental regulations, workplace health and safety, the prohibition of child and forced labour, equal opportunity and non-discrimination, respect for freedom of association, fair working conditions, and a zero-tolerance approach to bribery and corruption. The policy is made publicly available on our Company's website at <https://ir2.chartnexus.com/hextech/corporate-governance.php>.

To ensure the reliability and consistency of our supply chain, we conduct supplier assessments based on key criteria, including quality, delivery, service, pricing and dependability. As a result of the assessments for FYE 2026, all suppliers engaged during the financial year met our stringent requirements. We also maintained a stable and uninterrupted supply chain throughout FYE 2026, reflecting the effectiveness of our supply chain management.

Furthermore, in line with our commitment to supporting the local economy and UNSDG Target 8.1, we actively promote and prioritise local procurement, whenever viable. In this regard, we are glad to report that 97.5% of our Group's procurement of goods and services for FYE 2026 was sourced from local suppliers.



CYBERSECURITY AND DATA PROTECTION

As a technology-driven organisation, cybersecurity and data protection are critical to safeguarding customer trust and ensuring the secure operation of our digital ecosystem, particularly the MoneyX app. In light of increasing reliance on fintech solutions, we remain committed to strengthening our information security governance framework and maintaining the trust our customers place in us.

During FYE 2026, we further enhanced our information security framework through a comprehensive review and enhancement of 4 key Standard Operating Procedures ("SOPs"), which now form the foundation of our Group's information security governance. Central to this enhancement is the establishment of the Information Security Management System ("ISMS"), with our Group Deputy Chief Executive Officer and Executive Director overseeing and championing its implementation.

The ISMS provides a structured governance framework that underscores the critical role of information technology ("IT") in supporting MoneyX's business operations. It reinforces our commitment to delivering secure, reliable and compliant digital services while continuously enhancing our information security practices in line with recognised industry standards and regulatory requirements. Ultimately, this framework supports the protection of sensitive customer information and strengthens users' confidence in our digital ecosystem.

SUSTAINABILITY STATEMENT

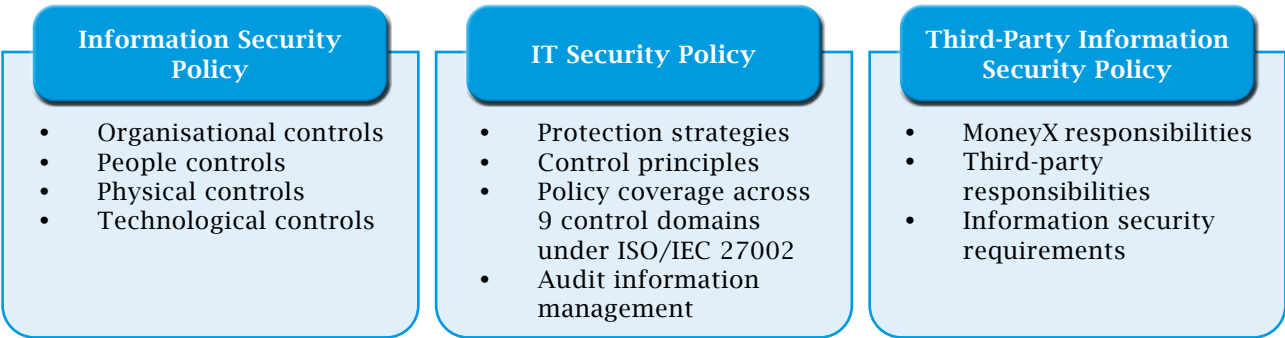
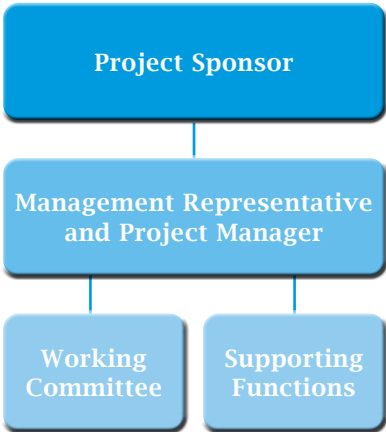
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ECONOMIC	ENVIRONMENT	SOCIAL	GOVERNANCE
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CYBERSECURITY AND DATA PROTECTION (CONT'D)

To ensure effective implementation, the ISMS adopts a cross-functional governance structure to ensure information security responsibilities are embedded across the organisation rather than being confined to the IT function only. The Working Committee comprises representatives from Technology, Product, Operations, Commercial Partnership, Human Resource and Customer Success, supported by both the Compliance and Finance functions. Collectively, these teams oversee the implementation of security controls, risk management, operational processes, employee awareness, product development, customer support and regulatory compliance, thereby fostering a holistic approach to information security across our Group.

In addition to the ISMS Manual, the following SOPs were also put in place to further strengthen our Group’s cybersecurity governance and control environment:



The Information Security Policy establishes the overarching principles and guidelines for safeguarding MoneyX’s IT systems and data assets. It outlines our Group’s approach across organisational, people, physical and technological controls, serving as the foundational reference for ensuring information security is consistently embedded in daily operations. On the other hand, the IT Security Policy defines the specific control measures required to protect information assets across our Group. It translates the overarching policy into operational requirements by detailing protection strategies and control principles aligned with recognised standards.

Meanwhile, the Third-Party Information Security Policy sets out the security requirements, responsibilities and expectations for external parties that interact with MoneyX’s information assets, ensuring that external collaborations do not compromise the confidentiality and integrity of our Group’s information.

Supported by a robust cybersecurity governance framework, we are pleased to report that we did not receive any complaints regarding data breaches or privacy violations during FYE 2026. Day-to-day oversight of customer data privacy rests with our Data Protection Officer, who reports directly to our Group Deputy Chief Executive Officer. Building on this strengthened governance foundation, we also successfully obtained the ISO/IEC 27001:2022 Information Security Management System certification during the financial year, held by Hextech AI Innovations Sdn Bhd, together with Hextech Vision Sdn Bhd and Hextech Business Sdn Bhd, covering the ISMS for our fintech platform and solutions, development and maintenance, reflecting the effectiveness of our ISMS framework and continued alignment with internationally recognised standards in safeguarding information assets.

To ensure the continued effectiveness of these controls at the operational level, we have conducted 2 cybersecurity-focused training programmes during FYE 2026, namely Cybersecurity Awareness Training and System and Application Access Briefing. These sessions aim to reinforce good security practices, strengthen employees’ awareness of cybersecurity risks, and ensure appropriate management of access rights across systems and applications.

SUSTAINABILITY STATEMENT

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CLIMATE CHANGE

Climate change is no longer solely an environmental issue; it has become a business consideration that can influence operational continuity, costs, investment decisions and long-term value creation. Understanding our exposure to climate-related risks and opportunities is therefore an important part of how we plan for long-term resilience and sustainable growth.

For our Group, more intense rainfall and frequent flooding have the potential to disrupt the roads we rely on and interrupt the movement of goods across our supply chain, rising temperatures place greater stress on our drivers and fleet, while the gradual rise in sea levels increases flood risk at our warehouse located near the coastline. At the same time, the global transition towards a lower carbon economy is reshaping regulations, operating costs and customer expectations. Understanding how these evolving risks and opportunities may affect our business enables us to make informed decisions and strengthen our resilience.

Our climate-related risks and opportunities sit primarily within our physical, asset-intensive operations; our Logistics and Warehousing segments are the most exposed to physical climate risks, while our Trading segment is more exposed to transition risks, being risks arising from the shift towards a lower-carbon economy, such as new regulations, carbon pricing and changing customer preferences. This exposure spans our operations across Peninsular Malaysia, particularly in Kuala Lumpur, Selangor, Negeri Sembilan, Johor and the East Coast. In contrast, our Technology segment operates through a predominantly digital and asset-light business model and is therefore subject to comparatively lower direct climate exposure.

To better understand how climate-related risks and opportunities may evolve over time, we considered the following 3 time horizons in alignment with our strategic planning process:

- Short-term: 2026 to 2030;
- Medium-term: 2031 to 2050; and
- Long-term: 2051 and beyond.

Climate-Related Risks

Our Management, supported by the climate risk working group, is responsible for identifying, assessing and monitoring climate-related risks across our Group. In doing so, we draw on a combination of internal information, including operational data and business experience, as well as external inputs, such as published climate research and regulatory developments. With UNSDG Target 13.2 in mind, climate-related risks are assessed and managed as an integral part of our Group-wide ERM Framework, ensuring they are evaluated alongside other strategic, operational, financial and compliance risks within a consistent and holistic risk management approach.

To better understand the potential implications of climate change under different future pathways, we identify and assess our climate-related risks through scenario analysis. Rather than relying on a single view of how the future may unfold, this approach enables us to evaluate a range of plausible climate futures, helping us to identify risks that may otherwise be overlooked and prioritise the most significant ones for action.



SUSTAINABILITY STATEMENT

(CONTINUED)

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CLIMATE CHANGE (CONT'D)

Climate-Related Risks (Cont'd)

We identify and assess both physical and transition climate-related risks across our Group by using the following 3 climate scenarios, with their respective sources set out in the “Climate Resilience” section:

Scenario Name	Description	Temperature Pathway	Global Sea Level Projection	Key Assumptions
Orderly transition	Very stringent emissions reductions aligned with the Paris Agreement pathway to limit global warming and avoid the most severe climate impacts	~1.5°C (Net Zero 2050)	26cm to 77cm	- Early and coordinated mitigation actions supported by policy frameworks - Gradual implementation of carbon pricing mechanisms, alongside electric vehicle incentives and infrastructure development
Disorderly transition	Intermediate transition scenario in which global emissions peak around mid-century before gradually declining	~2 to 3°C (Representative Concentration Pathway (“RCP”) 4.5)	36cm to 87cm	- Delayed policy intervention followed by abrupt policy tightening - Sudden regulatory changes with fragmented and uneven implementation across jurisdictions
Hot house world	High emissions pathway with limited mitigation action leading to severe and irreversible climate impacts	~4°C (RCP 8.5)	50cm to more than 100cm	- Limited mitigation actions, leading to escalating physical climate impacts - Increased frequency and severity of extreme weather events, coupled with weak policy responses

Note: The scenario names describe the pace of the global transition: an orderly transition assumes early and coordinated action; a disorderly transition assumes delayed and abrupt action; a hot house world assumes limited action resulting in severe warming.

Under each scenario, we assess the risk levels through qualitative scoring based on a combined consideration of likelihood and magnitude of impact, providing a balanced view of our climate-related risk exposure. Risk levels are classified into 5 categories: Low, Low-Moderate, Moderate, Moderate-High and High.

SUSTAINABILITY STATEMENT (CONTINUED)

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CLIMATE CHANGE (CONT'D)

Climate-Related Risks (Cont'd)

To complement our risk assessment, we also monitor the following set of KRIs to keep track of our climate-related risk exposure over time. These indicators provide early warning of emerging trends and support our timely risk monitoring and decision-making:

Physical risks	- Frequency and severity of extreme-weather events affecting operations - Sea-level measurements in coastal areas - Temperature trends
Transition risks	- Carbon-price levels - Regulatory changes relating to emissions and building standards - Market share of sustainable products
Business impacts	- Operational downtime due to climate events - Costs associated with climate-related disruptions - Revenue from sustainable products and services

Physical Risks

Physical risks arise from the direct effects of a changing climate, including both acute, which refers to event-driven hazards such as extreme weather events, and chronic, which refers to long-term shifts in climate patterns such as rising temperatures and sea levels. These risks may affect our Group's operations, assets, supply chains and broader business continuity across different time horizons.

The following table outlines the key physical risks identified, together with the segment affected, their expected time horizon, assessed risk level under different climate scenarios as well as the associated operational and financial implications:

Physical Risk 1: Extreme Weather (Acute Risk)

Segment Affected	Time Horizon	Description and Risk Ratings	Impact
Logistics	Short-term	Description Increasing heat stress on drivers, more frequent short-duration heatwaves, monsoon flooding along East Coast routes, and flash floods in Johor Bahru and Kuala Lumpur. Risk Ratings Orderly transition: Low Disorderly transition: Low Hot house world: Low	Operational: Increased driver fatigue, heat-related health issues and reduced alertness. At the same time, higher tyre degradation due to hotter road surfaces and increased engine cooling stress for trucks. Financial: Rising fuel and maintenance costs amid minor revenue loss due to monsoon-related disruptions along East Coast routes and in Johor Bahru.

SUSTAINABILITY STATEMENT

(CONTINUED)

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CLIMATE CHANGE (CONT'D)

Climate-Related Risks (Cont'd)

Physical Risks (Cont'd)

Physical Risk 1: Extreme Weather (Acute Risk) (Cont'd)

Segment Affected	Time Horizon	Description and Risk Ratings	Impact
Logistics	Medium-term	Description More intense and prolonged heatwaves, increased frequency of extreme rainfall and flooding (particularly along the East Coast), and noticeable asphalt degradation on major highways. Risk Ratings Orderly transition: Low-Moderate Disorderly transition: Moderate Hot house world: Moderate	Operational: Higher risk of heat exhaustion, reduced visibility during heavy rainfall and increased accident risk on slippery roads for drivers. At the same time, accelerated suspension and tyre degradation due to deteriorating road conditions, as well as increased corrosion and electrical damage from flood. Financial: Moderate increase in maintenance and repair costs, and insurance premium amid the moderate revenue loss arising from more frequent and severe monsoon-related disruptions.
Warehousing	Short-term	Description Minor increase in nuisance flooding, including occasional tidal or localised surface flooding. Risk Ratings Orderly transition: Low Disorderly transition: Low Hot house world: Low	Operational: Minor disruptions to tenant operations. Financial: Regular maintenance expenditure.
	Medium-term	Description More frequent flooding events during king tides and heavy rainfall, with increasing strain on drainage systems. Risk Ratings Orderly transition: Low-Moderate Disorderly transition: Low-Moderate Hot house world: Moderate	Operational: Occasional disruptions to tenant operations. Financial: Increasing maintenance costs due to accelerated asset wear and corrosion, with potential downward pressure on rental rates.

SUSTAINABILITY STATEMENT

(CONTINUED)

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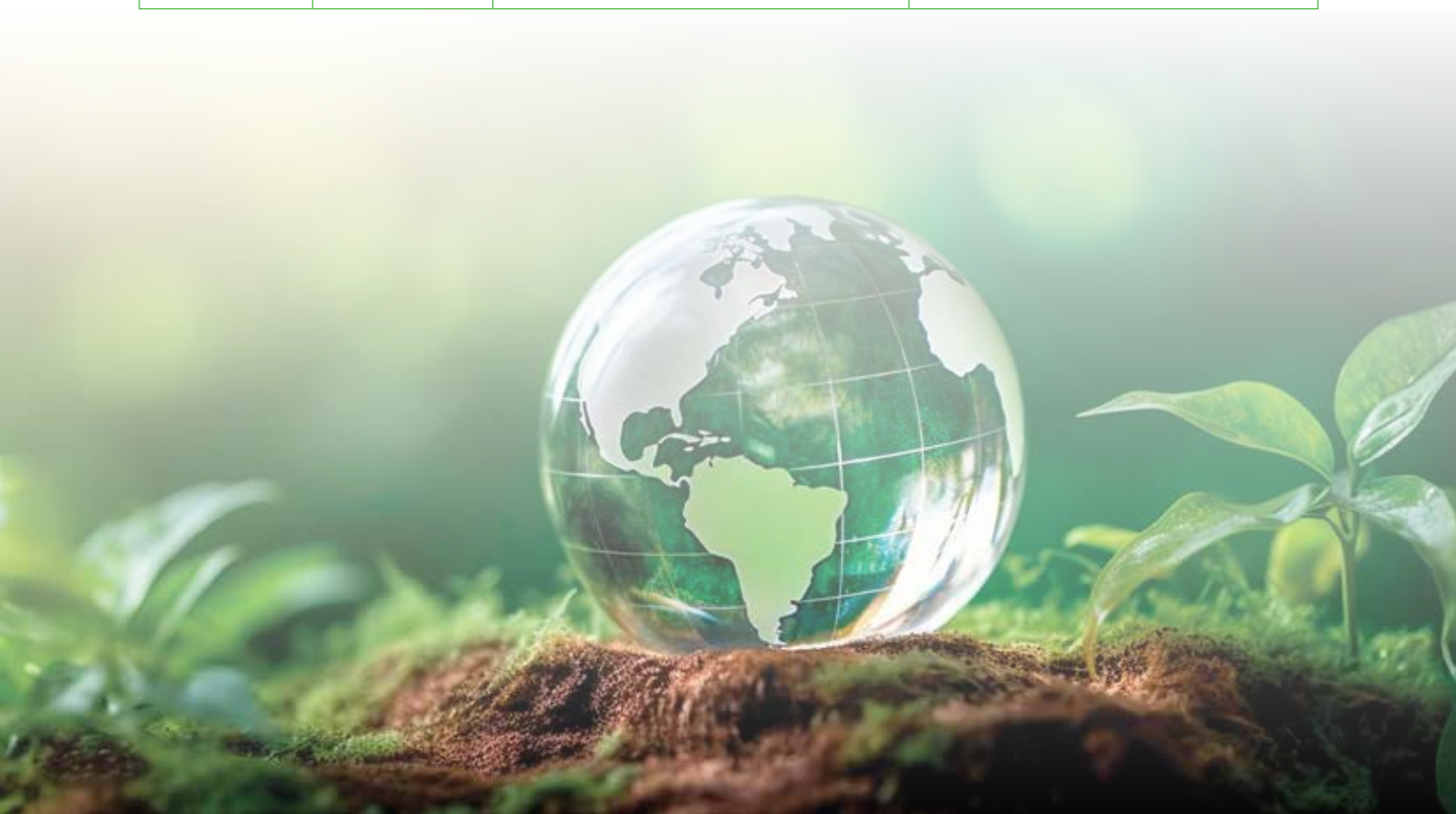
CLIMATE CHANGE (CONT'D)

Climate-Related Risks (Cont'd)

Physical Risks (Cont'd)

Physical Risk 1: Extreme Weather (Acute Risk) (Cont'd)

Segment Affected	Time Horizon	Description and Risk Ratings	Impact
Trading	Short-term	Description Monsoon flooding along East Coast routes, flash floods in Johor Bahru and Kuala Lumpur. Risk Ratings Orderly transition: Low Disorderly transition: Low Hot house world: Low	Operational: Disruption to transportation of building materials from suppliers to customers' premises. Construction activities may also slow down during flood season. Financial: Delays in customer orders due to weather-related disruptions.
	Medium-term	Description Higher frequency of flooding in East Coast and Johor areas, with more frequent heavy rainfall in other regions. Risk Ratings Orderly transition: Low-Moderate Disorderly transition: Low-Moderate Hot house world: Moderate	Operational: Increased weather-related disruptions may affect operational continuity for both customers and suppliers, impacting our supply chain reliability and service delivery. Financial: Slowdown in order cycles and adverse impact on our Group's profit margins.



SUSTAINABILITY STATEMENT

(CONTINUED)

ECONOMIC

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CLIMATE CHANGE (CONT'D)

Climate-Related Risks (Cont'd)

Physical Risks (Cont'd)

Physical Risk 2: Rising Sea Levels and Chronic Climate Shifts (Chronic Risk)

Segment Affected	Time Horizon	Description and Risk Ratings	Impact
Logistics	Long-term	Description Chronic high temperatures and humidity; frequent disruptive flooding and landslides on East Coast routes; infrastructure deterioration. Risk Ratings Orderly transition: Moderate-High Disorderly transition: High Hot house world: High	Operational: Increased heat stress and associated health risks to drivers, elevated safety hazards during flooding and landslide events, leading to potential shortages of drivers. Meanwhile, accelerated structural wear, more frequent major repairs, and reduced fleet lifespan for trucks. Financial: Substantially higher operating and insurance costs, major route disruptions leading to contract losses, reduced fleet utilisation, and decline in revenue and profitability.
Warehousing	Long-term	Description Significant rise in inundation risk; potential repeated flooding and saltwater intrusion in view of the warehouse's proximity to the coastline. Risk Ratings Orderly transition: Moderate-High Disorderly transition: High Hot house world: High	Operational: Frequent disruptions to tenant operations. Financial: Substantially higher maintenance and insurance costs, accelerated structural corrosion, as well as reduced tenant demand and increased leasing challenges.
Trading	Long-term	Description Frequent disruptive flooding and landslides across the East Coast and Johor, driven by rising sea levels, with additional flooding risks in other regions. Risk Ratings Orderly transition: Low-Moderate Disorderly transition: Moderate Hot house world: Moderate	Operational: Increased frequency of disruptions across customers' and suppliers' operations, potentially delaying deliveries and affecting overall business continuity. Financial: Loss of orders and compression of margins.

SUSTAINABILITY STATEMENT

(CONTINUED)

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CLIMATE CHANGE (CONT'D)

Climate-Related Risks (Cont'd)

Transition Risks

Transition risks arise from the economic, regulatory, technological and market changes associated with the transition towards a lower-carbon economy. These developments may expose our Group to regulatory and compliance obligations, technological adjustments, shifts in market demand, and reputational considerations, which could in turn affect our Group's operational efficiency, cost structure, competitiveness and long-term business resilience.

The following table outlines the key transition risks identified, together with the segment affected, their expected time horizon, assessed risk level under different climate scenarios as well as the associated operational and financial implications:

Transition Risk 1: Policy and Legal Risk

Segment Affected	Time Horizon	Description and Risk Ratings	Impact
Logistics	Short-term	Description Introduction of stricter vehicle emission standards, carbon taxation on fuel or transport services, and mandatory ESG reporting and assurance requirements. Risk Ratings Orderly transition: Moderate Disorderly transition: Moderate Hot house world: Moderate	Operational: Additional compliance procedures, including enhanced fleet emissions tracking and reporting requirements. Financial: Increased compliance and fuel-related tax costs, ESG audit and assurance expenses, and potential penalties arising from any non-compliance.
Trading	Medium-term	Description Carbon pricing on high-carbon materials such as cement and steel. Risk Ratings Orderly transition: Low Disorderly transition: Low-Moderate Hot house world: Moderate	Operational: Changes in supplier selection and shifts in customer demand. Financial: Increased input costs passed through by suppliers may reduce demand from our customers and compress our profit margins.
Logistics and Trading	Long-term	Description Introduction of low-emission zones or usage restrictions for diesel trucks across key routes and cities, resulting in reduced access to certain urban areas. Risk Ratings Orderly transition: Moderate Disorderly transition: Moderate Hot house world: Moderate	Operational: Route restrictions may require detours and cause service delays, leading to disruptions in deliveries to urban projects. Financial: Higher operating costs arising from longer travel distances, fuel consumption, and reduced route efficiency.

SUSTAINABILITY STATEMENT

(CONTINUED)

ECONOMIC

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CLIMATE CHANGE (CONT'D)

Climate-Related Risks (Cont'd)

Transition Risks (Cont'd)

Transition Risk 2: Market Risk

Segment Affected	Time Horizon	Description and Risk Ratings	Impact
Logistics and Trading	Medium-term	Description Shift in customer preferences towards green building materials, increasing demand (particularly from multinational companies) for low-carbon logistics services, coupled with increased risk of customers switching to greener competitors. Risk Ratings Orderly transition: Moderate Disorderly transition: Moderate-High Hot house world: High	Operational: Requirement to source greener materials and undertake gradual fleet upgrades to meet evolving customer expectations. Financial: Loss of revenue from high-carbon products and logistics services due to evolving customer preferences.

Transition Risk 3: Reputation Risk

Segment Affected	Time Horizon	Description and Risk Ratings	Impact
All segments	Medium-term	Description Failure to demonstrate progress on emissions reduction and climate management, for example continued reliance on an ageing diesel fleet or limited climate disclosure, may result in loss of ESG-focused clients, reduced access to investor funding and tighter lending conditions. Risk Ratings Orderly transition: Moderate Disorderly transition: Moderate-High Hot house world: High	Operational: Adverse impact on brand credibility and brand image. Financial: Loss of revenue from ESG-focused clients, as well as restricted or more costly access to capital.

SUSTAINABILITY STATEMENT

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CLIMATE CHANGE (CONT'D)

Climate-Related Risks (Cont'd)

Transition Risks (Cont'd)

Transition Risk 4: Technology Risk

Segment Affected	Time Horizon	Description and Risk Ratings	Impact
Logistics and Trading	Long-term	Description Adoption of low-carbon technologies, such as electric and hybrid trucks. Risk Ratings Orderly transition: Moderate-High Disorderly transition: High Hot house world: High	Operational: Asset stranding of existing diesel fleets. Financial: Significant capital expenditure required for fleet electrification or upgrading, as well as increase in logistics and freight forwarding costs during the transition period.

Climate-Related Opportunities

Where there are risks, there are also opportunities. Alongside these risks, the transition towards a lower-carbon economy creates meaningful opportunities for us to strengthen operational efficiency, enhance long-term resilience and capture growing demand for sustainable solutions, driven by evolving customer preferences for low-carbon services, continued advancements in clean technologies and the growing importance of climate-resilient supply chains.

Against this backdrop, we have identified the following 4 key climate-related opportunities, reflecting both shifting market preferences and the enabling role of technology in supporting more efficient and resilient operations across our Logistics and Trading segments. Their respective business segments, expected time horizons, descriptions and potential scale of impact are summarised below:

Opportunity	Segment	Time Horizon	Description	Potential Scale
Low-carbon logistics services	Logistics	Medium-term	Deployment of electric and hybrid vehicles, supported by optimised green routing to reduce emissions and improve transport efficiency.	Medium-High
Climate-resilient operations	Logistics	Medium-term	Enhancement of route planning and backup capacity to improve operational resilience against any climate-related disruptions.	Medium
Sustainable building materials	Trading	Medium-term	Diversification into low-carbon and environmentally sustainable building materials, targeting growing demand from ESG-focused customers and emerging green construction segments.	Medium-High
Climate-adaptive supply chain solutions	Trading	Medium-term	Provision of climate-adaptive logistics and supply chain solutions designed to support customers' operational continuity under changing climate conditions.	Medium

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CLIMATE CHANGE (CONT'D)

Strategy and Decision-Making

Our assessment of climate-related risks and opportunities guides how we plan, invest and allocate resources across our Group. In the near term, our focus is on implementing "no-regret" actions, which are initiatives that deliver value regardless of how future climate scenarios unfold. These actions improve our Group's operational efficiency, reduce potential climate-related disruptions and lay a strong foundation for our longer-term transition strategy.

In line with UNSDG Target 13.1, we are strategically planning for:

- conducting detailed route and asset vulnerability mapping;
- piloting electric and hybrid trucks, together with driver heat-stress management protocols;
- enhancing drainage and flood defences at our warehouse in Pulau Indah, Selangor; and
- strengthening our sustainability reporting and climate-related disclosures.

These initiatives are reflected in our climate action plan, which assigns clear ownership and implementation timelines, and maps each initiative to the relevant climate-related risks or opportunities it is intended to address, as follows:



Action	Owner	Implementation Timeline	Climate-related risks or opportunities addressed
Route planning, vulnerability mapping and diversification	Truck Operations	Short-term	Physical risks
Fleet renewal and pilot deployment of electric and hybrid trucks	Truck Operations	Medium-term	Transition risks and opportunities
Flood resilience enhancements at our warehouse in Pulau Indah, Selangor	Property	Medium-term	Chronic physical risks
Sustainability compliance and reporting	Finance	Short- to medium-term	Transition risks
Sustainable product development	Marketing	Short- to medium-term	Transition opportunities
Climate scenario review and insurance assessment	Finance	Ongoing	All climate-related risks and opportunities

Looking ahead, we will continue to deepen our strategic focus on the Technology segment, which is inherently more asset-light and therefore less exposed to physical climate risks compared with traditional logistics and trading operations. At the same time, it supports our Group's broader digitalisation agenda and strengthens the resilience of our business portfolio.

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CLIMATE CHANGE (CONT'D)

Financial Effects of Climate-Related Risks and Opportunities

Climate-related risks and opportunities may affect our operating costs, capital investment requirements, business continuity and customer demand, thereby influencing our financial position, performance and cash flows over time.

In accordance with IFRS S2, we consider both the current and anticipated financial effects arising from our Group's climate-related risks and opportunities.

Current Financial Effects

During FYE 2026, climate-related considerations were primarily reflected in our Group's capital investment decisions. In this regard, we invested RM2.10 million in 6 new diesel trucks to replace ageing vehicles within our fleet. These newer vehicles are more fuel-efficient, contributing to improved operational efficiency, reduced emissions intensity and enhanced safety performance.

Beyond this investment, our current assessment of climate-related financial effects remains qualitative. While we have identified the financial statement line items that may be affected, we have not separately quantified the broader financial effects of climate-related risks and opportunities for FYE 2026 as they were not separately identifiable and remained subject to significant measurement uncertainty. Nevertheless, we will continue to enhance our quantitative assessment as our data, methodologies and analytical capabilities mature.

Anticipated Effects on Our Financial Position

Looking ahead, climate-related considerations are expected to progressively influence our Group's financial position, primarily through capital expenditure on fleet renewal, infrastructure enhancements and other climate-related initiatives. Based on our current assessment, the anticipated financial effects over the short-, medium- and long-term are summarised below:

Time Horizon	Expected Effect on Financial Position
Short-term	Modest increase in capital expenditure and property, plant and equipment ("PPE"), primarily arising from the replacement of ageing trucks.
Medium-term	Moderate increase in PPE and related capital expenditure arising from the initial deployment of electric or hybrid vehicles, enhancement of drainage and flood defences at our warehouse in Pulau Indah, Selangor, as well as any other supporting initiatives to strengthen climate resilience and lower-carbon operations.
Long-term	Significant increase in PPE and related capital expenditure arising from the full adoption of electric or hybrid vehicles, supporting charging infrastructure, comprehensive flood resilience upgrades at our warehouse in Pulau Indah, Selangor, and broader initiatives to enhance our Group's long-term climate resilience and operational sustainability.

These investments are expected to be funded through a combination of internally generated funds and financing from financial institutions.

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CLIMATE CHANGE (CONT'D)

Financial Effects of Climate-Related Risks and Opportunities (Cont'd)

Anticipated Effects on Our Financial Performance and Cash Flows

Time Horizon	Expected effect on performance and cash flows
Short-term	A modest increase in operating costs arising from sustainability compliance, employee training, potential carbon tax, fleet upkeep and building maintenance. These expenses are also expected to result in a slight increase in cash outflows.
Medium-term	Alongside continued expenses on sustainability compliance, employee training, potential carbon tax, fleet upkeep and building maintenance, our operating costs are expected to increase further as we expand our investment in electric or hybrid vehicles, which will also result in higher depreciation given their higher purchase cost. Revenue from lower-carbon products and services is expected to begin partially offsetting these additional costs. However, cash outflows are still expected to remain elevated during this period as capital investments continue.
Long-term	As earlier investments begin to deliver operational benefits, operating costs are expected to be increasingly offset by efficiency gains, such as lower maintenance requirements for electric or hybrid vehicles. At the same time, continued growth in lower-carbon products and services is expected to further strengthen our Group's revenue and profit. Accordingly, our cash flows are expected to be negative in the earlier investment phase for fleet conversion and other green initiatives, before turning positive when the benefits of these investments are realised.

At present, these expectations are based on our current qualitative assessment and should not be interpreted as financial forecasts. As these anticipated financial effects remain subject to significant estimation uncertainty, we are currently unable to quantify them with sufficient reliability.

Based on our current assessment, we are not aware of any climate-related risks or opportunities that are expected to result in a material adjustment to the carrying amounts of our Group's assets and liabilities within the next annual reporting period.

Climate Resilience

Climate resilience refers to the ability of our strategies and business model to anticipate, withstand, respond to and adapt to climate-related changes, developments and uncertainties over time. To evaluate this resilience, we performed climate scenario analysis using the same 3 climate scenarios described in the "Climate-Related Risks" section.

Our approach to climate scenario analysis

Our climate scenario analysis was conducted in March 2026 as part of our inaugural climate-related assessment. Given the early stage of our climate reporting journey, as well as our current skills, capabilities and available resources, we adopted a qualitative scenario-based approach that is proportionate to the nature and scale of our climate-related risks and opportunities. This approach enables us to evaluate how different climate futures could affect our business and supports informed strategic planning and decision-making.

The assessment covered our physical, asset-intensive operations in Malaysia, namely our Logistics, Warehousing and Trading segments, excluding our freight forwarding operations in view of their comparatively lower climate exposure. These operations are located across Peninsular Malaysia, including Kuala Lumpur, Selangor, Negeri Sembilan, Johor and the East Coast, and were assessed over the short-, medium- and long-term time horizons.

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CLIMATE CHANGE (CONT'D)

Climate Resilience (Cont'd)

Scenarios and key assumptions

The 3 climate scenarios applied in our assessment are based on internationally recognised climate scenarios developed by the International Energy Agency ("IEA") and the Intergovernmental Panel on Climate Change ("IPCC"), as follows:

- IEA Net Zero Emissions by 2050 Scenario (approximately 1.5°C): a policy-driven pathway broadly aligned with the temperature goals of the Paris Agreement, achieving net zero greenhouse gas ("GHG") emissions by 2050 through early and coordinated mitigation actions;
- IPCC RCP 4.5 (approximately 2°C to 3°C): an intermediate emissions pathway; and
- RCP 8.5 (approximately 4°C): a high-emissions pathway with more severe physical climate impacts.

For our physical climate risk assessment, we also considered the global sea-level rise projections published in the IPCC Sixth Assessment Report, given our warehouse's proximity to the coastline at Pulau Indah, Selangor. Collectively, these scenarios span a broad range of plausible climate futures, enabling us to evaluate both transition and physical climate-related risks relevant to our logistics, warehouse and trading operations, which comprise our Group's key physical and asset-intensive activities.

Our resilience assessment

Our scenario analysis indicates that our Logistics, Warehousing and Trading segments face physical risks, with the Logistics and Warehousing segments being the most vulnerable, due to their asset-based operations, while transition risks fall mainly on our Logistics and Trading segments. As at 31 March 2026, our Warehousing segment assets had a carrying value of RM11.07 million, representing 9.7% of our Group's total assets, while our truck fleet in the Logistics segment had a carrying value of RM3.62 million, representing 3.2% of the total assets. Collectively, these physically exposed segments contributed 26.7% of our Group's total revenue for FYE 2026.

Overall, our assessment indicates that climate-related risks remain relatively low in the short-term across all 3 scenarios, reflecting the limited immediate impact on our operations. However, the divergence between the scenarios becomes increasingly evident over the medium- to long-term as climate pathways, policy responses and physical impacts evolve differently. While we believe our current strategies and business model remain resilient under all scenarios in the short-term, additional investment and operational enhancements are expected to become progressively more important over time, particularly under the more severe climate pathways.

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CLIMATE CHANGE (CONT'D)

Climate Resilience (Cont'd)

Our resilience assessment (cont'd)

The key strategic implications under each climate scenario are summarised below:

Orderly Transition	Disorderly Transition	Hot House World
An orderly transition presents the earliest and strongest transition-related pressures, driven by progressively tighter climate policies, potential carbon pricing mechanisms, more stringent vehicle emissions requirements and increasing customer demand for lower-carbon products and services. Although these developments may require earlier capital investment, they also create opportunities to strengthen our market position. Under this scenario, we would accelerate the deployment of electric and hybrid vehicles, expand our lower-carbon logistics services and progressively broaden our portfolio of lower-carbon building materials to better meet evolving customer expectations.	Under a disorderly transition, climate policies are introduced more gradually before tightening significantly over time, while physical climate impacts become increasingly pronounced. More frequent flooding along the East Coast and Johor transport routes, together with heightened flood exposure at our warehouse in Pulau Indah, Selangor, would increase our operational and financial risks. Our existing plans, including phased fleet renewal, warehouse flood resilience improvements and the gradual expansion of lower-carbon products and services, position us to respond progressively over time.	This is our most severe scenario, where both physical and transition risks reach their highest levels. Frequent flooding, chronic heat and accelerating asset deterioration, together with stronger transition pressures from changing customer preferences, financing expectations and fleet conversion, would require us to accelerate adaptation measures beyond our current plans. Furthermore, the diversification benefits of our predominantly digital and asset-light technology segment would also become increasingly important in strengthening our Group's overall resilience.

The significant areas of uncertainty considered in our Group's assessment of climate resilience are:

1. There is uncertainty over the timing, frequency and severity of future physical climate events, including flooding and sea-level rise, particularly affecting our warehouse in Pulau Indah, Selangor and East Coast transport routes. While scenario assumptions provide a directional guidance, actual impacts may differ materially at a location-specific level.
2. There is uncertainty relating to the pace, stringency and timing of future climate-related policies and carbon pricing in Malaysia, which may evolve rapidly and unpredictably. This makes it challenging for us to determine which measures to be implemented over our planning horizon and their potential impact on our strategies and business model.
3. There is uncertainty over the speed of customer adoption of lower-carbon logistics solutions, as well as the cost, availability and maturity of electric and hybrid vehicle technology and related charging infrastructure. This may influence the timing and scale of our fleet conversion as well as the associated capital investment requirements.
4. As this is our first climate scenario analysis, the assessment is based on high-level climate projections and qualitative inputs, rather than granular, asset-level data. In addition, the quantification of climate-related impacts on our revenue, expenses, assets and liabilities, particularly over the long-term horizon, remains highly uncertain. As such, these impacts are currently assessed on a qualitative basis. We intend to enhance our quantitative assessment by improving the quality and granularity of our underlying data as well as methodologies over future reporting cycles.

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CLIMATE CHANGE (CONT'D)

Climate Resilience (Cont'd)

Our resilience assessment (cont'd)

Notwithstanding these uncertainties, we have a number of levers to adjust and adapt our strategies and business model over the short-, medium- and long-term:

Financial resources and flexibility	Asset management flexibility	Investment and strategic adaptability
We have access to financial resources, including both internally generated funds and financing from financial institutions, which can be deployed progressively to support our climate responses. The availability and allocation of these resources is reviewed periodically as part of our Group's budgeting process.	We have flexibility in managing our assets through the ongoing replacement and optimisation of ageing assets. This enables us to progressively upgrade, redeploy, repurpose or decommission higher-emission assets over time, aligned with our Group's operational needs without requiring large-scale asset replacement at a single point in time.	Our capacity to adjust our strategy and business model over time is supported by the allocation of capital towards climate-related priorities. In this regard, fleet renewal, flood-resilience enhancements as well as the introduction of lower-carbon products and services can be scaled and prioritised in response to evolving climate-related risks, thereby supporting our Group's ability to adapt over the short-, medium- and long-term.



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CLIMATE CHANGE (CONT'D)

Tracking Our Carbon Footprint

GHG emissions are our primary climate-related metric for measuring and monitoring the environmental impact of our operations. We measure our GHG emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) for our Scope 1 and Scope 2 emissions, and the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) for our Scope 3 emissions. We adopt the operational control approach in defining our organisational boundary, whereby 100.0% of emissions from operations under our operational control are included in the inventory.

All emissions are reported in metric tonnes of carbon dioxide equivalent (“tCO₂e”) using the 100-year global warming potential values from the latest available IPCC assessment. Our GHG emissions across Scope 1, Scope 2 and Scope 3, on a gross basis without offsets, are set out in the tables below:

Scope of GHG Emissions	Emission Factor	FYE 2025	FYE 2026
Scope 1	(1)	3,706.00	3,496.70
Scope 2	(2)	107.02	55.17
Scope 3		110.27	118.87
Category 5: Waste generated in operations	(3)	⁽⁶⁾ -	0.01
Category 6: Business travel	(4)	⁽⁶⁾ -	0.46
Category 7: Employee commuting	(5)	110.27	118.40
Total GHG Emissions		3,923.29	3,670.74

Notes:

- (1) Based on emission factor of 2.57082 kg CO₂e/litre in accordance with the UK Government Greenhouse Gas Conversion Factors for Company Reporting (2025), published by the Department for Energy Security and Net Zero.
- (2) Based on emission factor of 0.585 kg CO₂e/kWh in accordance with the Clean Development Mechanism Electricity Baseline for Malaysia (2017), published by the Malaysian Green Technology and Climate Change Corporation.
- (3) Based on emission factor of 4.68568 kg CO₂e/tonne in accordance with the UK Government Greenhouse Gas Conversion Factors for Company Reporting (2025), published by the Department for Energy Security and Net Zero.
- (4) Based on emission factor derived from flight-level emissions estimates generated by Google Flights, which applies the European Environment Agency methodology, reflecting the route and travel class of each journey.
- (5) Based on emission factors ranging from 0.11367 to 0.17304 kg CO₂e/km, depending on vehicle type and fuel used, in accordance with the UK Government Greenhouse Gas Conversion Factors for Company Reporting (2025), published by the Department for Energy Security and Net Zero.
- (6) Historical information is not available as data tracking began in FYE 2026.

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CLIMATE CHANGE (CONT'D)

Tracking Our Carbon Footprint (Cont'd)

Our Scope 1 emissions are direct emissions from the diesel consumed by our truck fleet, while Scope 2 emissions represent indirect emissions from purchased electricity consumed at our operating premises. Scope 3 emissions comprise indirect emissions generated across our value chain that are not directly owned or controlled by us.

For Scope 3 emissions, we have assessed all 15 categories under the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) to identify those relevant to our business. For FYE 2026, we have quantified 3 categories, as tabled above, using a combination of primary data from our own value chain and recognised secondary emission factors. The remaining categories are either not applicable to our business or, where relevant, could not yet be quantified due to the current unavailability of reliable activity data. We intend to progressively expand our Scope 3 emissions reporting as our data collection processes continue to mature.

We do not have any associates, joint ventures or unconsolidated subsidiaries. Accordingly, all GHG emissions relate solely to the consolidated accounting group, with no separately attributable emissions arising from other investees.

In FYE 2026, our total GHG emissions amounted to 3,670.74 tCO₂e, comprising Scope 1, Scope 2 and Scope 3 emissions of approximately 95.3%, 1.5% and 3.2% respectively. Our Scope 1 emissions decreased by 5.6%, primarily driven by improved fuel efficiency following the replacement of 6 ageing trucks with newer units. Meanwhile, our Scope 2 emissions decreased by 48.4%, mainly attributable to the consolidation of our offices and workshops into smaller operating premises, which resulted in lower electricity consumption. Nevertheless, our Scope 3 emissions increased by 7.8%, mainly driven by higher employee commuting emissions, coupled with the inclusion of waste generated in operations and business travel, both of which were quantified for the first time in FYE 2026.

During FYE 2026, we have not entered into any contractual instruments relating to electricity supply that affect our emissions accounting, such as renewable power purchase agreements or green electricity tariffs. Looking ahead, we remain committed to improving the carbon efficiency of our operations through practical operational measures. To further reduce Scope 1 emissions, we plan to replace certain existing aging trucks with newer and more fuel-efficient units in the coming financial year. To manage Scope 2 emissions, we continue to monitor electricity consumption at each operating premise on a monthly basis, maintain air-conditioning at a standard minimum temperature of 24°C, switch off air-conditioning in unoccupied areas, and minimise unnecessary electricity consumption by turning off lighting, computer monitors and other equipment outside normal operating hours.

As at 31 March 2026, we have not established any specific quantitative climate-related targets, including GHG emissions targets, nor are we currently subject to any regulatory requirements to meet such targets. As this is our Group's first year of climate-related reporting, our priority remains to establish reliable emissions data, supported by structured methodologies and reporting processes, to strengthen future climate-related performance monitoring and target-setting.

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ENERGY MANAGEMENT

Energy consumption is a key driver of our operational carbon footprint. Managing our energy use therefore supports both our operational efficiency and the emissions-reduction objectives as set out in our earlier “Climate Change” section. In line with UNSDG Target 13.2, we monitor and record the energy consumed across our operations and pursue efficiency measures to reduce the associated GHG emissions over time.

Our Group’s energy consumption in FYE 2025 and FYE 2026 is tabled below:



Energy Sources	FYE 2025 (MWh)	FYE 2026 (MWh)
Diesel	15,243.53	13,472.27
Electricity	182.94	94.31
Total Energy Consumption	15,426.47	13,566.58

In FYE 2026, our total energy consumption was 13,566.58 MWh, indicating a decrease of 12.1% from 15,426.47 MWh in FYE 2025. Electricity consumption decreased by 48.4%, mainly driven by the consolidation of our offices and workshops into smaller premises while the diesel consumption decreased by 11.6% following the replacement of 6 ageing trucks with newer, more fuel-efficient units.

In addition to fleet renewal, we also reduce our carbon footprint through daily energy-saving practices, such as switching off lights and air-conditioning when not in use, encouraging carpooling among employees, using virtual meeting and online training tools to reduce physical travel, and adopting cloud-based systems and digital platforms to streamline operations and reduce reliance on paper-based processes.

Looking ahead, we plan to further improve energy efficiency through the replacement of certain aging trucks in the coming financial year. These newer units are expected to improve fuel efficiency, enhance operational reliability and support lower emissions intensity over time.

Operational oversight of energy management rests with the heads of respective subsidiaries, who in turn report to the Executive Directors. We remain committed to improving energy efficiency across our fleet and facilities as our operations grow.

WASTE MANAGEMENT AND ENVIRONMENTAL COMPLIANCE

Effective waste management supports our regulatory compliance whilst minimising the environmental footprint of our operations. At HexTech, waste is primarily generated from 2 sources, namely the used engine oil generated by our logistics fleet, which is managed as scheduled waste, and the general office waste generated, which is managed through source segregation and recycling initiatives.

Our Logistics segment shapes this footprint most directly, through the used engine oil generated by our fleet. In FYE 2026, we generated 1.20 metric tonnes of used engine oil, all of which was directed for disposal through a licensed scheduled waste transporter. This represents a decrease of 72.7% from 4.40 metric tonnes in FYE 2025 mainly due to a reduction in our operating fleet from over 40 to 29 vehicles, together with a portion of servicing for our newer trucks (11 units, including the 6 newly acquired trucks) being carried out by third-party providers under warranty, where the resulting used oil does not enter our scheduled waste stream.

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WASTE MANAGEMENT AND ENVIRONMENTAL COMPLIANCE (CONT'D)

The used engine oil is classified as scheduled waste (SW 305 – Spent Lubricating Oil) under the First Schedule of the Environmental Quality (Scheduled Wastes) Regulations 2005. In compliance with the regulations and in line with UNSDG Target 12.4, we store the used engine oil in a clearly labelled 1,000-litre Intermediate Bulk Container kept at a designated storage area to prevent leaks and spills. It is subsequently collected on a monthly or bimonthly basis by a licensed scheduled waste contractor for proper handling and disposal. Day-to-day oversight of scheduled waste management is undertaken by the head of the respective subsidiary, who is responsible for monitoring compliance with waste handling requirements, overseeing storage and disposal practices, and reporting operational and environmental matters to the Executive Directors.



Beyond scheduled waste, we embed the 4R principles, namely reduce, reuse, recycle and recover, into our daily operations in support of UNSDG Target 12.5. In practice, we segregate office waste at source through colour-coded bins for general, food and recyclable materials, facilitating proper waste management and recycling. We also minimise paper consumption by encouraging electronic transactions and maximise paper utilisation by reusing wastepaper for drafting purposes before directing it for recycling.



Supported by these practices, we recorded zero cases of non-compliance with environmental laws and regulations in FYE 2026 and incurred no environmental fines, penalties or settlements. Moving forward, we remain committed to managing waste responsibly and strengthening resource efficiency across our operations towards a cleaner and greener future.

WATER MANAGEMENT

Water is a shared and increasingly scarce natural resource. We are mindful of our responsibility to use it efficiently, even though our operations rely on it only modestly. Across HexTech Group, water is drawn from municipal supply, mainly used for vehicle washing within our Logistics segment and for general use at our offices.

In FYE 2026, our total water consumption was recorded at 1.54 megalitres, a decrease of 6.7% from 1.65 megalitres in FYE 2025. This decrease was primarily attributable to a lower frequency of lorry washing as part of our water conservation efforts in line with UNSDG Target 6.4.



Similar to our energy and waste management, the heads of our respective subsidiaries are responsible for overseeing and monitoring our water management, and report directly to our Executive Directors.

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OSH

Recognising that a safe working environment is fundamental to our operations, we are committed to protecting the health and safety of our employees. In line with UNSDG Targets 3.6 and 8.8, we enforce our OSH Policy as the foundation of our OSH management, setting out the measures and practices that guide employees at all levels in our daily operations. We also review our OSH Policy periodically to ensure its ongoing alignment with the evolving legal requirements and industry best practices.

TARGET	3-6	TARGET	8-8
			
REDUCE ROAD INJURIES AND DEATHS		PROTECT LABOUR RIGHTS AND PROMOTE SAFE WORKING ENVIRONMENTS	

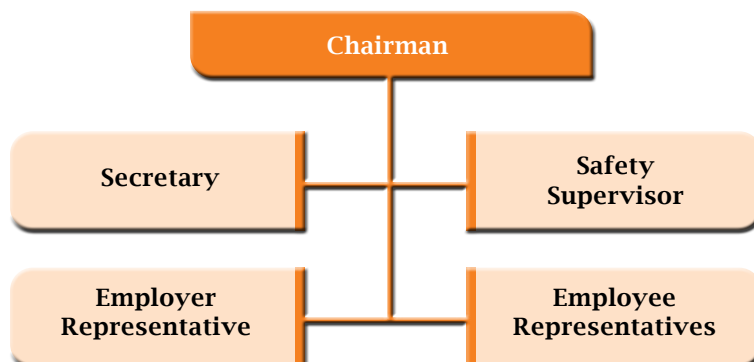
Our OSH Policy sets out the following key objectives to support the implementation of effective OSH management across our Group:

- To comply with all applicable OSH legislation and regulations
- To provide a safe working environment for all individuals and ensure sufficient resources are available to establish, implement and maintain safe work practices
- To continuously enhance OSH competency by integrating policy requirements and best practices into all aspects of our operations
- To drive continuous improvement in OSH performance through ongoing education, the adoption of innovative technologies and effective management systems
- To identify, assess and eliminate potential hazards, unsafe practices and behaviours that could lead to accidents, injuries, illnesses or property damage
- To provide appropriate information, training and support on OSH matters to all employees, empowering them to engage in safe work practices
- To develop and maintain a comprehensive emergency response plan to minimise the impact of untoward events on people, property and operations
- To set and achieve measurable OSH objectives and targets, and to regularly monitor and review progress to ensure the highest safety standards
- To foster a work environment that encourages active participation from all staff in safety and health initiatives, promoting a proactive safety culture

The OSH Policy is published on our Company's website at <https://ir2.chartnexus.com/hextech/corporate-governance.php> for public's reference.

Complementing our OSH Policy, our Group maintains a Safety, Health and Environment ("SHE") Committee to oversee our Group's compliance with OSH regulations and to address OSH-related matters across our operations.

Chaired by our Group Deputy Chief Executive Officer and Executive Director, our SHE Committee comprises a Secretary, a Safety Supervisor, an Employer Representative and Employee Representatives, and is collectively responsible for ensuring compliance with applicable industry codes of practice, organising OSH-related training, reviewing and updating the OSH Policy where necessary, and addressing any incidents in a timely manner.



A safe workplace depends on shared responsibility across all levels of our workforce. Through the SHE Committee, both the Management and employees have a direct voice in raising safety concerns and shaping our response, ensuring that accountability for workplace safety is shared across the organisation rather than resting with any single individual.

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OSH (CONT'D)

During FYE 2026, our investment in OSH-related training amounted to RM2,960, with our employees collectively accumulating 163 training hours through the following training programmes:

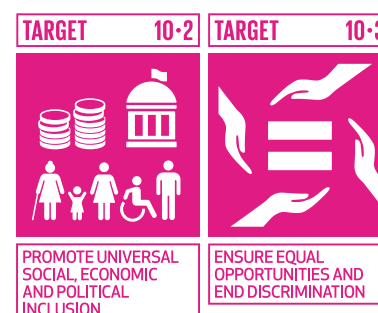
Date	OSH Training
August 2025	Workplace Harassment Awareness & Prevention Training
September 2025	Workplace Harassment Awareness & Prevention Training
October 2025	- Workplace Harassment Awareness & Prevention Training - Mind vs Health: How Your Mind Affects Your Health
December 2025	- Workplace Harassment Awareness & Prevention Training - Fire Drill Training
January 2026	Standard Mental Health First Aid
February 2026	- First Aid and Cardiopulmonary Resuscitation ("CPR") - Pengenalan Pertolongan Cemas, Pengendalian AED & CPR

Alongside our OSH Policy, we maintain a Prevention and Eradication of Drug, Alcohol and Substance Abuse Policy, which is available on our Company's website, to further safeguard our workplace safety. Guided by this policy, we prohibit the use, possession or distribution of illegal substances, and regulate the consumption of alcohol and controlled substances during working hours. This policy applies across our organisation and sets clear expectations for all employees.

Supported by these measures, our Group recorded zero work-related fatalities, injuries and incidents of any severity during FYE 2026. This outcome reflects our structured approach to managing OSH risks and the shared commitment of our employees to upholding a safe working environment. Looking ahead, we remain focused on strengthening our safety practices and sustaining a workplace where the health and wellbeing of every employee is actively protected.

WORKFORCE DIVERSITY AND EQUAL OPPORTUNITY

Our people are central to how we operate and grow. A workforce that reflects diverse backgrounds, experiences and perspectives strengthens our decision-making, sharpens our responsiveness to various stakeholder needs and sustains our long-term competitiveness. Guided by UNSDG Targets 10.2 and 10.3, we are committed to cultivating an inclusive workplace where every employee is treated fairly and given equal opportunity to contribute, grow and advance in step with our Group's long-term aspirations.



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WORKFORCE DIVERSITY AND EQUAL OPPORTUNITY (CONT'D)

As at 31 March 2026, our Board comprised 7 Directors and our workforce consisted of 129 employees (including 3 Executive Directors), as summarised below:

	Board	Employee Category			
		Senior Management	Management	Executive	Non-Executive
Total	7	11	37	42	39
<u>Gender</u>					
Male	5 (71%)	9 (82%)	22 (59%)	21 (50%)	32 (82%)
Female	2 (29%)	2 (18%)	15 (41%)	21 (50%)	7 (18%)
<u>Age Group</u>					
< 30	-	-	3 (8%)	21 (50%)	5 (13%)
30 - 50	2 (29%)	6 (55%)	33 (89%)	20 (48%)	23 (59%)
> 50	5 (71%)	5 (45%)	1 (3%)	1 (2%)	11 (28%)
<u>Nationality</u>					
Local	7 (100%)	11 (100%)	37 (100%)	42 (100%)	37 (95%)
Foreign	-	-	-	-	2 (5%)
<u>Ethnicity</u>					
Malay	1 (14%)	-	3 (8%)	13 (31%)	30 (77%)
Chinese	5 (72%)	10 (91%)	32 (86%)	25 (59%)	4 (10%)
Indian	1 (14%)	1 (9%)	-	4 (10%)	3 (8%)
Others	-	-	2 (6%)	-	2 (5%)
<u>Division</u>					
Trading	-	3 (27%)	5 (14%)	15 (36%)	-
Logistics	-	2 (18%)	2 (5%)	3 (7%)	38 (97%)
Technology	-	2 (18%)	26 (70%)	19 (45%)	-
Corporate Office & Others	7 (100%)	4 (37%)	4 (11%)	5 (12%)	1 (3%)

SUSTAINABILITY STATEMENT

(CONTINUED)

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WORKFORCE DIVERSITY AND EQUAL OPPORTUNITY (CONT'D)

While the nature of our Logistics segment has traditionally resulted in a higher proportion of male employees, we remain steadfast in advancing gender diversity across our Group. As at 31 March 2026, women represented 34.9% of our total workforce, reflecting our continued efforts to promote gender diversity across our operations.

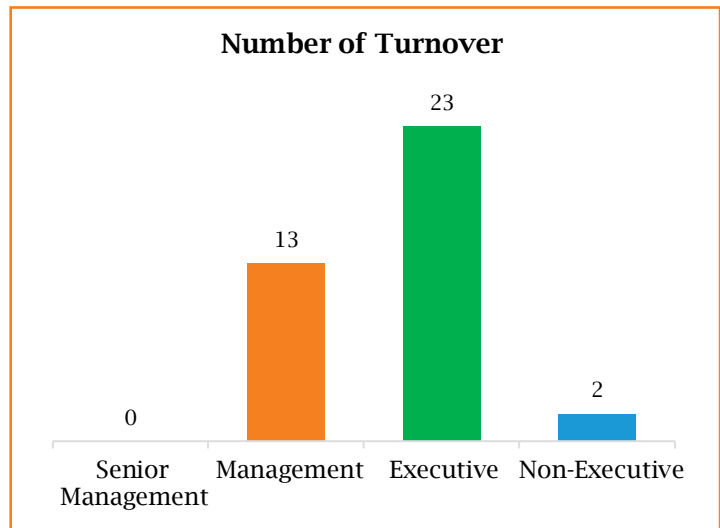
Our commitment to diversity also extends to our leadership, where we seek to strengthen female representation at both the Board and Senior Management levels. According to our Diversity Policy for Board and Senior Management, we have established minimum targets of 30.0% women representation on the Board and 20.0% in Senior Management. As at 31 March 2026, women represented 18.2% of our Senior Management, improving from 16.7% as at 31 March 2025. At the Board level, women representation improved from 14.3% as at 31 March 2025 to 28.6% as at 31 March 2026, reflecting meaningful progress towards our 30.0% target. We remain committed to closing this remaining gap and will continue to prioritise gender diversity in future Board appointment considerations, reinforcing inclusive leadership as a foundation of our sustainable growth.

Beyond gender diversity, we also support our local labour market, with 98.5% of our workforce comprising local employees.

Overall, our workforce remained broadly stable at 129 employees as at 31 March 2026, compared with 126 employees as at 31 March 2025. We incurred a total staff cost of RM15.6 million in FYE 2026, an increase of 10.6% from RM14.1 million in FYE 2025, mainly reflecting a shift towards more senior and higher-skilled talent within our Technology segment to support its continued growth and development.

In addition, we place equal emphasis on retaining our employees. Our turnover rate remained broadly stable at 22.8% in FYE 2026 compared to 23.4% in FYE 2025. We remain committed to fostering a supportive working environment that encourages growth and recognises talent.

All our employees are employed on a permanent basis, reflecting the stability of our employment structure. Moving forward, we remain committed to strengthening diversity, inclusion and capability across every level of our organisation so as to support our people as a key driver of our Group's long-term growth.





SUSTAINABILITY STATEMENT
(CONTINUED)

ECONOMIC	ENVIRONMENT	SOCIAL	GOVERNANCE
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EMPLOYEE WELFARE AND MANAGEMENT

Protecting Our Employees’ Rights and Wellbeing

A motivated and supported workforce is fundamental to our Group's long-term success. In this aspect, we are committed to safeguarding our employees’ rights, interests and wellbeing through fair employment practices and meaningful benefits, thereby fostering a workforce that is engaged, resilient and committed to our Group's shared success.

Our commitment to safeguarding employees' rights and wellbeing is anchored in strict compliance with the Employment Act 1955 (as amended in 2022) and the Minimum Wages Order 2024, and is further guided by the following 4 key principles:

Fair Recruitment

We conduct recruitment in a fair and transparent manner. Candidates are selected based on merit and guided by our values of respect, diversity, integrity and accountability. Through objective criteria and impartial assessments, we ensure that every candidate is given a fair and equal opportunity to demonstrate their abilities and potential.

Humane Treatment and Non-Discrimination

We treat all employees equally and without discrimination on any grounds, including but not limited to race, gender, age, nationality, religion or political opinion. We foster a culture of inclusivity, diversity and mutual respect, valuing every individual for their contributions and perspectives. We do not tolerate harassment or any form of harsh or unfair treatment. Our employees are also free to join workers’ organisations without any interference or restriction.

Employment Freedom

We respect our employees’ freedom to shape their own career path, and support them in decisions that align with their professional goals and aspirations. With reasonable notice, employees are at liberty to explore new roles within our Group or opportunities beyond it, reflecting our commitment to nurturing personal and professional growth.

Regulated Working Hours, Wages and Benefits

In compliance with all applicable employment laws in Malaysia, our employees are entitled to reasonable working hours, rest breaks and days off that support a healthy work-life balance. Our employees are also clearly informed of their wages and benefits, and are remunerated in a timely manner.

SUSTAINABILITY STATEMENT (CONTINUED)

ECONOMIC

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EMPLOYEE WELFARE AND MANAGEMENT (CONT'D)

Protecting Our Employees' Rights and Wellbeing (Cont'd)

Further to these principles, we continue to uphold our Labour Rights Policy, Non-Discrimination Policy and Workplace Harassment Policy to safeguard the rights and interests of our employees in alignment with UNSDG Targets 8.8 and 10.3. These policies are publicly accessible on our Company's website at <https://ir2.chartnexus.com/hextech/corporate-governance.php>.

To ensure that our employees' concerns are heard and addressed in a timely manner, a formal grievance procedure is set out in our Employee Handbook, providing a structured 4-level escalation and resolution process, as summarised below:

TARGET	8-8	TARGET	10-3
			
PROTECT LABOUR RIGHTS AND PROMOTE SAFE WORKING ENVIRONMENTS		ENSURE EQUAL OPPORTUNITIES AND END DISCRIMINATION	

Step 1

The employee may raise the complaint or dispute with the Departmental Head or Manager within 14 days from the date of the complaint or dispute arises. The Departmental Head or Manager shall seek to settle the grievance promptly in the interest of justice.

Step 2

If the grievance is not settled within 7 days at Step 1, the employee may appeal to the Divisional Manager within 7 days thereafter.

Step 3

If the grievance is not settled within 7 days at Step 2, the employee may appeal to the General Manager within 7 days thereafter.

Step 4

Should the grievance remain unsettled for 7 days at Step 3, the employee may bring the matter to the attention of the Managing Director.

While the aforementioned grievance procedure in our Employee Handbook addresses concerns arising from daily operations, our Dispute Resolution Policy provides a further avenue for raising concerns, including any matter involving discrimination or harassment, and sets out the following processes:

Step 1

Employees should promptly raise any work-related problems or concerns with their immediate supervisor. If the supervisor is the cause of the concern, or the employee is uncomfortable raising it with them, the matter may be raised directly with the Head of the Human Resource Department.

Whenever issues are raised, both the Management and the employee shall undertake a good faith effort to resolve the matter through open discussion.

Step 2

If the matter is not resolved, it may be referred to the Head of Human Resource Department who will conduct an investigation as deemed appropriate and meet with the employee in a sincere effort to discuss, analyse and resolve the matter.

The Head of Human Resource Department has the final decision.

The Dispute Resolution Policy is made available on our Company's website at <https://ir2.chartnexus.com/hextech/corporate-governance.php>.

SUSTAINABILITY STATEMENT

(CONTINUED)

ECONOMIC

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EMPLOYEE WELFARE AND MANAGEMENT (CONT'D)

Protecting Our Employees' Rights and Wellbeing (Cont'd)

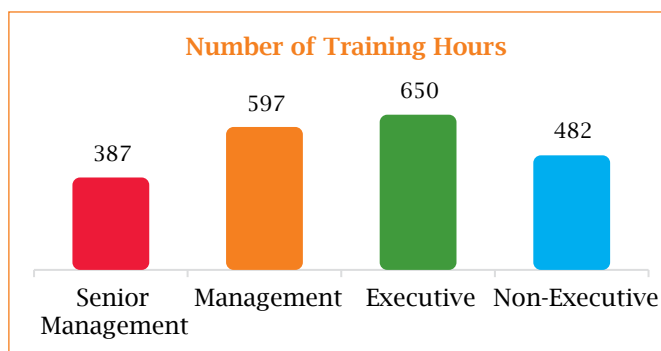
In FYE 2026, we recorded zero incident of discrimination, human rights violations, child or forced labour, or any infringement on freedom of association across our Group. Hence, no fines or penalties were imposed on our Group in relation to human rights violations or non-compliance with the applicable labour laws and regulations. These outcomes affirm the effectiveness of our policies and practices in maintaining a respectful and inclusive workplace built on integrity and equal treatment.

In addition to safeguarding employees' rights, we offer a range of benefits designed to promote the overall wellbeing of our workforce. Our employees are entitled to staff purchase discounts on Hextar Group's products, petrol and travelling allowances, long service awards presented at 5-year intervals, and free health screening covering general health, dental and eye examinations. In alignment with UNSDG Target 3.8, we also provide personal accident and medical insurance coverage to all confirmed employees who have completed at least 1 year of service.



Developing Our People

Beyond welfare and benefits, we invest in developing our people to help them grow with our Group. Demonstrating our commitment to their continuous development, we substantially expanded our investment in employee training and development from RM52,157 in FYE 2025 to RM124,117 in FYE 2026, with total training hours also rising correspondingly from 1,543 to 2,116.



Through structured training programmes provided across all employee levels, we strive to strengthen the technical competencies and professional capabilities that enable our people to contribute effectively to our Group's strategic objectives. During FYE 2026, our employees participated in a wide range of training and development programmes, as summarised below:

Date	Training and Development Programmes
April 2025	• Cybersecurity Awareness Training • Amazon Web Services ("AWS") Gen AI Roadmap • Snowflakes: Data for Breakfast Kuala Lumpur • Environmental, Social and Governance (ESG) Awareness Training Course
May 2025	• Updates to Centralised Sustainability Intelligence ("CSI") Platform & Launch of New Value-Added Services • Anti Bribery & Corruption Policy Training • E-invoice Self Billing Training • Malaysian Leadership Summit • Essence of Leadership • AI Empowerment for Market Leadership AI
June 2025	• Train the Trainer • Sales and Service Tax Training • Supercharge Your Sales with Trade Credit Insurance • Malaysian Customs Import Export Document System

SUSTAINABILITY STATEMENT

(CONTINUED)

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EMPLOYEE WELFARE AND MANAGEMENT (CONT'D)

Developing Our People (Cont'd)

Through structured training programmes provided across all employee levels, we strive to strengthen the technical competencies and professional capabilities that enable our people to contribute effectively to our Group's strategic objectives. During FYE 2026, our employees participated in a wide range of training and development programmes, as summarised below: (Cont'd)

Date	Training and Development Programmes
July 2025	- Malaysian Business Reporting System ("MBRS") 2.0 for Preparers Financial Statements - Effective Use of Generative AI for Office Productivity - Mandatory Directors Training - Board Accountability and Action, Navigating MFRS and Financial Reporting Duties
August 2025	- Effective Use of Generative AI for Office Productivity - Team Building Training - Keys to Successful Investing Financial Talk - Workplace Harassment Awareness & Prevention Training - Leadership in Uncertain Times - Integrity, Innovation, Impact - Mandatory Accreditation Programme Part II: Leading for Impact (LIP) - Artificial Intelligence Trainer (Beginner Level) - Power Talk: Reverse Governance: What if the Algorithm Assesses the Board?
September 2025	- AWS Data & AI Day - Workplace Harassment Awareness & Prevention Training - MBRS 2.0 for Preparers Financial Statements - Strategy Mapping Using the Balance Score Card - Effective Use of Generative AI for Office Productivity - World Social Security Forum 4 Driving Growth Through Strategic Thinking - Boost Video Content Creation Productivity with AI Tools Training
October 2025	- Workplace Harassment Awareness & Prevention Training - System and Application Access Briefing - Mind vs Health: How Your Mind Affects Your Health - Snowflake World Tour - Effective Use of Generative AI for Office Productivity - Strategy Mapping Using the Balance Score Card - Tax Talks and Fiscal Shocks: Budget 2026 for Business Leaders - Integrating Finance, Expertise and Commerce for High-quality Belt & Road Cooperation - Leading with Purpose, Beyond Rules, Beyond Silos Accountant General Office
November 2025	- Strategy Mapping Using the Balance Score Card - Familiarisation Programme by Securities Industry Development Corporation ("SIDC") (Capital Market Essentials Program)
December 2025	- Workplace Harassment Awareness & Prevention Training - Effective Use of Generative AI for Office Productivity - Common Pitfalls in Transactions & Related Parties Transaction Rules - Fire Drill Training - Content Marketing Masterclass - Introduction to New Disclosure Requirements for Shariah Screening - CSI Platform Onboard Sessions - Future-Ready Boards: Mastering Strategic Leadership in a Disruptive World

SUSTAINABILITY STATEMENT

(CONTINUED)

ECONOMIC

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EMPLOYEE WELFARE AND MANAGEMENT (CONT'D)

Developing Our People (Cont'd)

Through structured training programmes provided across all employee levels, we strive to strengthen the technical competencies and professional capabilities that enable our people to contribute effectively to our Group's strategic objectives. During FYE 2026, our employees participated in a wide range of training and development programmes, as summarised below: (Cont'd)

Date	Training and Development Programmes
January 2026	- Strategic Management - Planning & Execution in Freight Forwarding Companies - Effective Use of Generative AI for Office Productivity - Corporate Grooming, Business Etiquette & Personal Colour Analysis Workshop - AWS: recap - Self-Assessment System for Stamp Duty - Standard Mental Health First Aid - Bursa Malaysia Mandatory Accreditation Programme (MAP) Part I - Enterprise Growth Mastery: Winning on "TikTok" Intensive Program - Inside Asia Pacific's Fraud Crisis and the Battle to Stop It
February 2026	- First Aid and CPR - Pengenalan Pertolongan Cemas, Pengendalian AED & CPR - Corporate Grooming, Business Etiquette & Personal Colour Analysis Workshop - MFRS 18 - How it impacts your company's presentation and disclosure in financial statements - Connecting the dots and completing the picture: GRI & ISSB
March 2026	- Strategy Mapping Using the Balance Score Card - Strengthening IFRS S1 & S2 Compliance: AI Powered Analysis for Group 1 Public Listed Companies - Insights from Malaysian Accountancy Research and Education Foundation Research Projects: Digital Assets and Integrated Reporting - Search Engine Optimisation Workshop - Perlaksanaan Sistem Taksir Sendiri Duti Setem (STSDS) 2026

In addition to our employees, we offered internship placements to 4 students during FYE 2026, providing them with practical industry exposure while supporting our talent pipeline.

CSR

We believe that a successful business carries a responsibility that extends beyond its own boundaries. Through our CSR initiatives, we contribute to the wellbeing of the communities in which we operate, with a focus on supporting the underprivileged and giving back to society.

In FYE 2026, we supported our local communities through the following 3 initiatives, contributing a total of RM27,106, as set out below:

Share The Light This Deepavali

In conjunction with the Deepavali celebrations, we participated in the "Share the Light This Deepavali" programme, organised by Brickfields Asia College in collaboration with UPLIFT (Pertubuhan Bangkit). We sponsored Deepavali Provision Packs valued at RM100 per family, contributing a total of RM1,000 to support 10 families. These thoughtful packages included festive and household essentials such as rice, margarine, cooking oil, flour, tea, sugar and biscuits. These provision packs were distributed at Ara Permata, Lembah Subang on 12 October 2025, spreading festive cheer and easing the daily burdens of the families we supported.



SUSTAINABILITY STATEMENT

(CONTINUED)

ECONOMIC

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CSR (Cont'd)

Mangrove Conservation Programme

On 15 November 2025, our employees participated in a Mangrove Conservation Programme at Mangrove Point, Jeti Ranger, Pelabuhan Klang, held as part of a wider Hextar Group initiative that brought together over 40 participants from across the Hextar group of companies. The programme combined a mangrove clean-up and site clearing activities with the replanting of 100 mangrove seedlings. Our Group contributed RM6,106 in this initiative. Beyond restoring a vital coastal ecosystem, this initiative fostered a shared sense of purpose among our employees, reflecting our commitment to responsible corporate citizenship.



Sponsorship of Rumah Bina Baru under Syarikat Perumahan Negara Berhad ("SPNB")

We sponsored RM20,000 towards the construction of a house under the "Rumah Bina Baru" programme by SPNB in Kuala Kangsar, Perak, for a family of 4, including persons with disabilities. Recognising that secure shelter is a foundation for dignity, wellbeing and opportunity, our sponsorship was directed towards helping the family move into a home better suited to their needs. This contribution reflects our commitment to supporting vulnerable members of the community and to giving back in ways that create a meaningful and lasting difference.



SUSTAINABILITY STATEMENT

(CONTINUED)

ECONOMIC

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REGULATORY COMPLIANCE

Regulatory compliance underpins the trust that our stakeholders place in our Group and forms the foundation upon which responsible business is built. Against the backdrop of an evolving regulatory landscape and rising societal expectations, we uphold strict adherence to all applicable laws and regulations through clear internal policies, regular monitoring and defined lines of accountability across our operations.

To translate our compliance obligations into everyday practice, we have in place SOPs that guide employees in discharging their day-to-day duties diligently and in accordance with applicable legal and ethical standards. Our Group operates within a framework of key laws, rules and regulations, which include, but are not limited to, the following:

Section	Laws, Rules and Regulations
Labour	• Employment Act 1955 (as amended in 2022) • Minimum Wages Order 2024 • Workmen's Compensation Act 1952 • Employees' Social Security Act 1969 • Employees Provident Fund Act 1991
Safety, Health and Environment	• Occupational Safety & Health Act 1994 • Environmental Quality Act 1974 • Fire Service Act 1988
Transportation	• Road Transport Act 1987 ("RTA 1987") • Weights and Measures Act 1972 • Weight Restrictions (Federal Road) Order 1989
Corporate and Securities	• Companies Act 2016 • Capital Markets and Services Act 2007 • MMLR • Malaysian Anti-Corruption Commission Act 2009 • Whistleblower Protection Act 2010 • Personal Data Protection Act 2010 • Income Tax Act 1967 • Moneylenders Act 1951

Ensuring the safety of our drivers and the roadworthiness of our fleet remains a critical priority within our Logistics segment. In compliance with the RTA 1987, our commercial vehicles undergo routine PUSPAKOM inspections every 6 months or annually, depending on the vehicle's age. We are pleased to report that all vehicles passed these inspections in FYE 2026, including the emissions tests confirming compliance with the 50.0% smoke and gas limits.

While these results reflect our commitment to regulatory compliance, we regret to report that several traffic summonses were issued during FYE 2026 due to non-compliance of traffic rules. Aside from these, no other fines, penalties or settlements were recorded during the year. Moving forward, we will continue to strengthen our compliance practices and foster greater awareness among our employees, sustaining the standards of integrity and accountability that underpin our operations.

SUSTAINABILITY STATEMENT

(CONTINUED)

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CORPORATE GOVERNANCE

Corporate governance forms the backbone of our sustainability journey, connecting our commitments to the way we conduct business each day. Through a framework built on integrity, transparency, accountability and ethical conduct, we ensure that sound governance is practised at every level of our Group. During FYE 2026, we continued to uphold the following policies:

Code of Ethics and Conduct ("the Code")

Serving as the ethical compass for our workforce, the Code guides employees at all levels in exercising professionalism, integrity and sound judgement in the course of their duties. Its scope spans 3 key areas, namely corporate governance, relationship management with various stakeholders, as well as responsibility towards society and the environment. By setting clear expectations of conduct, the Code fosters trust among our stakeholders and keeps our business practices aligned with our vision and mission.

Anti-Bribery and Corruption Policy & Procedures ("ABCPP") and Whistleblowing Policy ("WBP")

With UNSDG Target 16.5 in mind, our ABCPP reflects our zero-tolerance stance against all forms of bribery and corruption. The ABCPP sets out the guiding principles and appropriate measures for managing potential bribery and corruption situations, alongside the consequences of any non-compliance.

Complementing the ABCPP, the WBP provides a confidential channel for employees and stakeholders to raise concerns or report any suspected or known misconduct, abuse or corruption. In compliance with the Whistleblower Protection Act 2010, whistleblowers who report in good faith will be protected from reprisals or retaliation. Every whistleblowing report received will be independently investigated, with appropriate actions taken thereafter.



In FYE 2026, we expanded our corruption risk assessment to cover 100.0% of our operations, a significant increase from 50.0% in FYE 2025. This Group-wide assessment evaluated the adequacy of our processes, systems and controls in mitigating the corruption risks faced by our Group.

Our anti-bribery and corruption training recorded strong participation across our Group in FYE 2026, with a marked improvement among non-executive employees. The percentage of employees who attended anti-bribery and corruption training is presented below:

Employee Category	Percentage of Employees (%)
Executive Directors	100.0
Senior Management	100.0
Management	81.1
Executive	83.3
Non-executive	92.3

We are pleased to report that no confirmed incident of bribery or corruption was recorded, and no whistleblowing report was received, during FYE 2026. Hence, there were no disciplinary actions or dismissals related to bribery, corruption, fraud, or non-compliance, nor any public legal actions initiated against our Group or our employees.



SUSTAINABILITY STATEMENT

(CONTINUED)

ECONOMIC	ENVIRONMENT	SOCIAL	GOVERNANCE
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CORPORATE GOVERNANCE (CONT'D)

Directors' Fit and Proper Policy

Given the significant responsibilities our Directors carry in steering our Group, their suitability is assessed with rigour by the NRC, guided by the Directors' Fit and Proper Policy. All Directors' appointments and re-appointments are evaluated against criteria set out in the said policy, including ethical integrity, experience and competence, as well as the commitment required to effectively fulfil their responsibilities.

Collectively, these policies embed integrity and accountability into how our Group is directed and managed. As governance expectations continue to evolve, we will keep our frameworks under regular review, upholding the standards of conduct that our stakeholders rightly expect of us. All the aforementioned policies, including the Code, ABCPP, WBP and the Directors' Fit and Proper Policy, are publicly accessible on our Company's website at <https://ir2.chartnexus.com/hextech/corporate-governance.php>.

SUSTAINABILITY STATEMENT

(CONTINUED)

PERFORMANCE DATA

Date & Time: 2026-07-21 08:50:57
FYE 31/03/2026

Hextar Technologies Solutions Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Supply Chain Management	Proportion of spending on local suppliers	Percentage	9707	9753	-	No assurance
Data Privacy and Security	Numbers of substantiated complains concerning breaches of customer privacy and losses of customers' data	Number	0	0	0	No assurance
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category - Management	Percentage	81.40	84.78	100.00	No assurance
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage	92.50	83.33	100.00	No assurance
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category - Non-executive/Technical staff	Percentage	2.33	92.30	100.00	No assurance
Anti-Corruption	Percentage of operations assessed for corruption-related risks	Percentage	50.00	100.00	100.00	No assurance
Anti-Corruption	Confirmed incidents of corruption and action taken	Number	0	0	0	No assurance
Health and Safety	Number of work-related fatalities	Number	0	0	0	No assurance
Health and Safety	Lost time incident rate	Rate	0.00	0.00	0.00	No assurance
Health and Safety	Number of employees trained on health and safety standards	Number	102	111	-	No assurance

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This report was generated on the Bursa Malaysia CSI Platform on 2026-07-21 08:50:57

SUSTAINABILITY STATEMENT (CONTINUED)

PERFORMANCE DATA (CONT'D)

Date & Time: 2026-07-21_08:50:57 FYE 31/03/2026 Hextar Technologies Solutions Berhad BMLR Transition Period						
Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Labour Practices and Standards	Total hours of training by employee category - Management	Hours	598	984	-	No assurance
Labour Practices and Standards	Total hours of training by employee category - Executive	Hours	271	650	-	No assurance
Labour Practices and Standards	Total hours of training by employee category - Non-executive/Technical staff	Hours	674	482	-	No assurance
Labour Practices and Standards	Percentage of employees that are contractors or temporary staff	Percentage	0.00	0.00	-	No assurance
Labour Practices and Standards	Total number of employee turnover by employee category - Management	Number	7	13	-	No assurance
Labour Practices and Standards	Total number of employee turnover by employee category - Executive	Number	10	23	-	No assurance
Labour Practices and Standards	Total number of employee turnover by employee category - Non-executive/Technical staff	Number	11	2	-	No assurance
Labour Practices and Standards	Number of substantiated complaints concerning human rights violations	Number	0	0	0	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Management under 30	Percentage	5.56	2.33	-	Internal

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-21_08:50:57

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SUSTAINABILITY STATEMENT

(CONTINUED)

PERFORMANCE DATA (CONT'D)

Hextar Technologies Solutions Berhad

BMLR Transition Period

Date & Time: 2026-07-21_08:50:57
FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Management between 30-50	Percentage	23.81	30.23	-	Internal
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Management above 50	Percentage	4.76	4.65	-	Internal
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Executive under 30	Percentage	22.22	16.28	-	Internal
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Executive between 30-50	Percentage	7.94	15.50	-	Internal
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Executive above 50	Percentage	1.59	0.77	-	Internal
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Non-executive/Technical staff under 30	Percentage	3.17	3.88	-	Internal



SUSTAINABILITY STATEMENT
(CONTINUED)

PERFORMANCE DATA (CONT'D)

Hextar Technologies Solutions Berhad BMLR Transition Period Date & Time: 2026-07-21 08:50:57 FYE 31/03/2026							
Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Non-executive/Technical staff between 30-50	Percentage	19.84	17.83	-	Internal	
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Non-executive/Technical staff above 50	Percentage	11.11	8.53	-	Internal	
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Management Male	Percentage	22.22	24.03	-	Internal	
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Management Female	Percentage	11.91	13.18	-	Internal	
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Executive Male	Percentage	18.25	16.28	-	Internal	
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Executive Female	Percentage	13.49	16.28	-	Internal	

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-21 08:50:57

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SUSTAINABILITY STATEMENT

(CONTINUED)

PERFORMANCE DATA (CONT'D)

Date & Time: 2026-07-21 08:50:57
FYE 31/03/2026

Hextar Technologies Solutions Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Non-executive/Technical Staff Male	Percentage	29.37	24.81	-	Internal
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Non-executive/Technical Staff Female	Percentage	4.76	5.42	-	Internal
Diversity	Percentage of directors by gender and age group - Male	Percentage	85.71	71.43	-	Internal
Diversity	Percentage of directors by gender and age group - Female	Percentage	14.29	28.57	30.00	Internal
Diversity	Percentage of directors by gender and age group - Under 30	Percentage	0.00	0.00	-	Internal
Diversity	Percentage of directors by gender and age group - Between 30-50	Percentage	28.57	28.57	-	Internal
Diversity	Percentage of directors by gender and age group - Above 50	Percentage	71.43	71.43	-	Internal
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,000	2,706	-	No assurance
Community/Society	Total number of beneficiaries of the investment in communities	Number	130	44	-	No assurance
Energy Management	Total energy consumption	Megawatt	15,426.47	13,566.58	-	Internal

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SUSTAINABILITY STATEMENT

(CONTINUED)

PERFORMANCE DATA (CONT'D)

Hextar Technologies Solutions Berhad

BMLR Transition Period

Date & Time: 2026-07-21_08:50:57

FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Emissions Management	Scope 1 emissions in tonnes of CO2e	Metric tonnes	3,706.00	3,496.70	-	No assurance
Emissions Management	Scope 2 emissions in tonnes of CO2e (Location-based)	Metric tonnes	10702	5517	-	No assurance
Emissions Management	Scope 3 emissions in tonnes of CO2e (Category 5, 6 and 7)	Metric tonnes	110.27	118.87	-	No assurance
Waste Management	Total waste generated	Metric tonnes	4.40	1.20	-	No assurance
Waste Management	Total waste diverted from disposal	Metric tonnes	0.00	0.00	-	No assurance
Waste Management	Total waste directed to disposal	Metric tonnes	4.40	1.20	-	No assurance
Water	Total volume of water used	Megalitres	1.65	1.54	-	Internal

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-21_08:50:57

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SUSTAINABILITY STATEMENT

(CONTINUED)

PERFORMANCE DATA (CONT'D)

Hextar Technologies Solutions Berhad
IFRS S2

Date & Time: 2026-07-21_08:50:57
FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
GHG emissions	Scope 1	Metric tonnes of carbon dioxide equivalents (tCO ₂ e)	3,706.00	3,496.70	-	No assurance
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO ₂ e)	10702	55.17	-	No assurance
GHG emissions	Scope 3 Cat.5: Waste generated in operations	Metric tonnes of carbon dioxide equivalents (tCO ₂ e)	n/a	0.01	-	No assurance
GHG emissions	Scope 3 Cat.6: Business travel	Metric tonnes of carbon dioxide equivalents (tCO ₂ e)	n/a	0.46	-	No assurance
GHG emissions	Scope 3 Cat.7: Employee commuting	Metric tonnes of carbon dioxide equivalents (tCO ₂ e)	110.27	118.40	-	No assurance

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board recognises the significance of adopting sound corporate governance practices across the Group as a fundamental responsibility in safeguarding and enhancing shareholder value and stakeholder interests. Corporate governance serves as the foundation of the Group's operations and guides its decision-making processes by aligning with the recommendations outlined in the Malaysian Code on Corporate Governance ("MCCG").

The Board is delighted to present this Corporate Governance Overview Statement ("CG Statement"), which provides an overview of the Board's key initiatives and commitments to promote good corporate governance throughout the Group during FYE 2026.

This CG Statement is prepared pursuant to Paragraph 15.25(1) and Practice Note 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"). Shareholders are encouraged to read this CG Statement alongside the Company's Corporate Governance Report 2026 ("CG Report"), which provides detailed disclosures on the implementation of each corporate governance practice. The CG Report can be accessed on the Company's website at <https://ir2.chartnexus.com/hextech/general-meeting.php>.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

PART 1: BOARD RESPONSIBILITIES

Board Duties and Responsibilities

The Board undertakes a critical role in providing strategic leadership and oversight of the Group's business operations and performance, identifies and manages principal risks, and ensures that adequate resources are in place to achieve the Group's strategic objectives, support its long-term sustainability and safeguarding the best interests of its stakeholders. Guided by the Board Charter, the Board holds several key responsibilities including:

- reviewing and approving the Group's strategic plans;
- overseeing the conduct and performance of the Group's businesses and operations;
- overseeing the adequacy and effectiveness of the Group's risk management and internal control framework;
- reviewing succession planning for the Board and Senior Management;
- establish policies and procedures and monitoring the Group's governance practices; and
- ensuring effective communication and engagement with shareholders and other stakeholders.

To facilitate the effective discharge of its responsibilities, the Board has delegated specific responsibilities and authorities to the Audit Committee ("AC"), Nomination and Remuneration Committee ("NRC") and Risk Management and Sustainability Committee ("RMSC"), each operating within clearly defined Terms of Reference ("TOR") approved by the Board. While the Board Committees are entrusted with specific responsibilities and report regularly to the Board on matters within their respective mandate, the Board retains overall responsibility and accountability for all decisions and recommendations.

On 26 May 2026, the Board reviewed and approved the redesignation of the Risk Management Committee as the RMSC and approved the RMSC's TOR to strengthen the Group's sustainability governance. The RMSC assists the Board in overseeing the Group's sustainability strategies, priorities, material sustainability matters and performance, while continuing to oversee the effectiveness of the Group's risk management framework.

The Board Charter and TOR of each Board Committee are available on the Company's website at <https://ir2.chartnexus.com/hextech/corporate-governance.php>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONTINUED)

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

PART 1: BOARD RESPONSIBILITIES (CONT'D)

Board Chairman & Separation of Roles between the Board Chairman and the Group Chief Executive Officer

The Independent Non-Executive Chairman, Tan Sri Muhammad Bin Ibrahim, provides overall leadership to the Board by fostering a culture of good governance, facilitating effective Board deliberations and ensuring the Board discharges its responsibilities effectively. He is not involved in the Group's day-to-day operations and has no other relationships that could impair his objectivity, judgement or independence.

The Board Chairman is not a member of the AC, NRC or RMSC to ensure the Board Committees' independence and proper discharge of their duties and responsibilities. However, the Board Chairman attended the Board Committee meetings by invitation to enable him to gain a better understanding of the matters deliberated and the rationale underpinning the recommendations of the respective Board Committees. His attendance does not impair his objectivity, integrity or independence as he did not participate in the Board Committees' deliberations or decision-making.

In line with Practice 1.3 of the MCCG, the Company maintains a clear separation between the roles of the Board Chairman and the Group Chief Executive Officer ("Group CEO") to ensure an appropriate balance of authority, accountability and independent oversight. The Board Chairman, Tan Sri Muhammad Bin Ibrahim, provides leadership to the Board, promotes strong corporate governance and oversees the Board's overall effectiveness. Meanwhile, Dato' Ong Choo Meng, the Group CEO, supported by Mr Choo Joon Keong, the Group Deputy CEO and Mr Ronald Khoo Boo Soon, the Executive Director, oversees the Group's day-to-day operations and is responsible for implementing the Group's strategies and executing the policies and decisions approved by the Board.

Company Secretary

The Board is supported by three (3) qualified and competent Company Secretaries who fulfil the requirements prescribed under Section 235(2)(a) of the Companies Act 2016. The Company Secretaries support the Board by ensuring compliance with applicable laws, regulatory requirements, the Company's Constitution and the Group's adopted policies. They also advise the Board on corporate governance and compliance matters, keep the Board informed of the latest regulatory and corporate governance developments, and facilitate the effective functioning of the Board, Board Committees and Management to ensure that proper governance procedures are observed.

The Board is satisfied with the performance of the Company Secretaries throughout FYE 2026, which has contributed to the effective functioning of the Board and Board Committees and the maintenance of high standards of corporate governance.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONTINUED)

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

PART 1: BOARD RESPONSIBILITIES (CONT'D)

Board Meetings & Meetings Materials

To facilitate effective discharge of the Board's responsibilities, the Board and Board Committee meetings are scheduled in advance, allowing Directors ample time to reserve their dates.

During FYE 2026, the Board convened a total of five (5) Board meetings, in compliance with the Board Charter, which requires a minimum of four (4) meetings annually. The Board deliberated on key matters including the quarterly financial results, audited financial statements, the annual report, reports from the Board Committees and other significant matters. All Directors who held office during the financial year achieved full attendance at the Board meetings, as set out below:

Director	Designation	Meetings Attendance
<u>Chairman</u>		
Tan Sri Muhammad Bin Ibrahim	Independent Non-Executive Chairman	5/5
<u>Members</u>		
Dato' Ong Choo Meng	Group CEO and Executive Director	5/5
Choo Joon Keong	Group Deputy CEO and Executive Director	5/5
Ronald Khoo Boo Soon	Executive Director	5/5
Yeoh Chin Hoe	Independent Non-Executive Director	5/5
Sujatha Sekhar A/P Tan Sri B.C. Sekhar	Independent Non-Executive Director	5/5
Tan Pei Shiun (appointed on 25 November 2025)	Independent Non-Executive Director	1/1
Dato' Ong Chong Yi (resigned on 25 November 2025)	Independent Non-Executive Director	4/4

The Company Secretaries circulated the notices of meetings, agenda, minutes of previous meetings and relevant Board papers at least five (5) business days before each meeting, to provide the Directors with sufficient time to review the meeting materials and seek further information or clarification where necessary. The Directors have unrestricted access to information relating to the Group's business and affairs, as well as the advice and services of the Company Secretaries, Senior Management, Internal Auditors and External Auditors whenever required.

The Company Secretaries recorded the deliberations, discussions and decisions made during the Board and Board Committees meetings. Following each meeting, the draft minutes were circulated to the Directors for their review and comment. The minutes are subsequently tabled for confirmation at the next meeting and once approved, are signed and securely maintained in the Company's minutes books by the Company Secretaries.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONTINUED)

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

PART 1: BOARD RESPONSIBILITIES (CONT'D)

Directors' Training

In accordance with Paragraph 15.08(3) of MMLR, the Directors continuously participate in relevant training and professional development programmes to enhance their knowledge and skills and remain abreast of the latest regulatory, corporate governance and industry developments. The training programmes attended by each Director during FYE 2026 are set out below:

Director	Training Programs/Seminars/Conferences Attended
Tan Sri Muhammad Bin Ibrahim	• Essence of Leadership – MARA Leadership Talk, SY Lau, Tencent • Mandatory Directors Training – Board Accountability and Action, Navigating MFRS and Financial Reporting Duties • Leadership in Uncertain Times – Integrity, Innovation, Impact – University Malaysia Kelantan • 4 Driving Growth Through Strategic Thinking International Islamic University Talk • Leading with Purpose, Beyond Rules, Beyond Silos Accountant General Office
Dato' Ong Choo Meng	• Common Pitfalls in Transactions & RPT Rules
Choo Joon Keong	• AWS Gen AI Roadmap • Snowflakes: Data for Breakfast Kuala Lumpur • AWS Data & AI Day • World Social Security Forum • Snowflake World Tour • Integrating Finance, Expertise and Commerce for High-quality Belt & Road Cooperation • Common Pitfalls in Transactions & RPT Rules • AWS: reCap
Ronald Khoo Boo Soon	• Common Pitfalls in Transactions & RPT Rules
Yeoh Chin Hoe	• Environmental, Social and Governance (ESG) Awareness Training Course
Sujatha Sekhar A/P Tan Sri B.C. Sekhar	• Future-Ready Boards: Mastering Strategic Leadership in a Disruptive World • ICDM Post-Budget 2026 Dialogue: Key Highlights & Conversation with Datuk Johan Mahmood Merican • SIDC-CASI SRI Conference 2025 • ICDM Advocacy Dialogue and Networking Session: E-Invoicing and its Impact on Directors • Special Opening Talk in Conjunction with the 16th SC-OCIS Roundtable • SC's Climate Adaptation and Resilience (A&R) Conference 2025
Tan Pei Shiun	• Bursa Malaysia Mandatory Accreditation Programme (MAP) Part I • AI Empowerment for Market Leadership by Bosum • Mandatory Accreditation Programme Part II: Leading for Impact (LIP) • PowerTalk: Reverse Governance: What if the Algorithm Assesses the Board? • Artificial Intelligence Trainer (Beginner Level), Alibaba Hangzhou • Boost Video Content Creation Productivity with AI Tools Training • Enterprise Growth Mastery: Winning on TikTok™ Intensive Program • Inside Asia Pacific's Fraud Crisis and the Battle to Stop It • MFRS 18 – How it impacts your company's presentation and disclosure in financial statements • Connecting the dots and completing the picture: GRI & ISSB

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONTINUED)

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

PART 1: BOARD RESPONSIBILITIES (CONT'D)

Board Charter & Policies

The Board has adopted a Board Charter, which serves as the principal governance document of the Company. The Board Charter clearly sets out the roles, responsibilities and authority of the Board, Board Committees, individual Directors, Senior Management and the Company Secretaries, including matters reserved for the Board's deliberation and approval. The Board periodically reviews the Board Charter to ensure that it remains relevant and align with the Group's strategic objectives, as well as its compliance with applicable corporate governance practices, legislation and regulatory requirements. The latest review of the Board Charter was conducted on 22 May 2025.

In addition to the Board Charter and the respective TOR of Board Committees, the Board has also adopted the following policies to support the effective implementation of good corporate governance practices across the Group:

- Anti-Bribery and Corruption Policy
- Code of Ethics and Conduct
- Conflict of Interest Policy
- Directors' Fit and Proper Policy
- Dispute Resolution Policy
- Diversity Policy for Board and Senior Management
- Environmental, Social and Governance (ESG) Policy
- Labour Rights Policy
- Non-Discrimination Policy
- Occupational Safety & Health Policy
- Prevention and Eradication of Drug Alcohol and Substance Abuse (PEDAS) Policy
- Remuneration Policy
- Supply Chain Policy
- Whistleblowing Policy
- Workplace Harassment Policy

All policies are available on the Company's website at <https://ir2.chartnexus.com/hextech/corporate-governance.php>.

Code of Ethics and Conduct

The Board is committed to fostering a corporate culture that upholds the highest standards of ethics and integrity. In compliance with Practice 3.1 of the MCGG, the Board has adopted a formal Code of Ethics and Conduct ("the Codes"), which sets out the principles and standards of conduct expected of all Directors and employees in carrying out their duties. The Code promotes responsible business practices, ethical decision-making and compliance with applicable laws and regulations, while reinforcing the Group's commitment to good corporate governance.

Anti-Bribery and Corruption Policy and Procedures

Recognising the importance of maintaining a business environment free from bribery and corruption, the Board has adopted an Anti-Bribery and Corruption Policy and Procedures ("ABC Policy") in line with Section 17A of the Malaysian Anti-Corruption Commission Act 2009. The ABC Policy establishes the framework for preventing, detecting and addressing bribery and corruption, reinforces the Group's zero-tolerance approach towards all forms of bribery and corruption, and guides Directors and employees in conducting business with integrity, transparency and accountability.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONTINUED)

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

PART 1: BOARD RESPONSIBILITIES (CONT'D)

Whistleblowing Policy

To further strengthen the Group's ethical governance framework, the Board has established a Whistleblowing Policy that provides a structured and confidential channel for all Directors, employees and stakeholders to report any genuine concerns regarding suspected wrongdoing, business misconduct or malpractice without fear of retaliation or victimisation. Reports may be submitted directly to Mr Yeoh Chin Hoe, the Chairman of the Whistleblowing Committee, via the contact details provided in the Whistleblowing Policy. The Whistleblowing Policy ensures that all reports made in good faith will be treated with strict confidentiality and the whistleblower's identity will be protected. During FYE 2026, the Group did not receive any whistleblowing reports relating to breaches of the Group's policies or applicable laws.

Sustainability

The Board recognises the importance of sustainable business practices in creating long-term value and building resilience. The Board has overall responsibility for overseeing the Group's sustainability agenda, including setting the Group's sustainability strategies, priorities and targets, and ensuring that sustainability considerations are integrated into the Group's business strategies, risk management framework and key decision-making processes.

To strengthen the Board's oversight of sustainability matters, the Board approved the redesignation of the Risk Management Committee as the RMSC on 26 May 2026. The RMSC assists the Board in overseeing the Group's sustainability strategies, priorities, material sustainability matters and performance, while monitoring the integration of sustainability considerations into the Group's risk management framework and business operations. The Management and Heads of Departments are responsible for implementing the sustainability strategies and initiatives, monitoring sustainability performance, and reporting the progress of sustainability matters to the RMSC.

The Company has also adopted an Environmental, Social and Governance ("ESG") Policy to formalise its sustainability commitments and governance framework. Through regular engagement with stakeholders, the Group identifies and assesses its material sustainability matters to ensure that its sustainability strategies remain aligned with stakeholders' expectations. The Group's sustainability strategies, priorities and performance are communicated through the Sustainability Statement in the Annual Report and other Stakeholders' communication channels.

The Board remains committed to strengthening its sustainability competencies and keeping abreast of evolving sustainability trends, regulatory developments and emerging ESG matters through continuous training and professional development.

As part of the annual Board Effectiveness Evaluation ("BEE"), the Board, through the NRC, incorporated an ESG questionnaire to assess the effectiveness of the Board and Senior Management in overseeing the Group's material sustainability risks and opportunities. The assessment covered the Board's oversight of sustainability strategies, implementation of sustainability initiatives, monitoring of sustainability targets, and understanding of the Group's sustainability risks and opportunities. The findings provide valuable feedback to strengthen the Board's sustainability governance and support the Group's long-term sustainability objectives.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONTINUED)

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

PART 2: BOARD COMPOSITION

Board Size & Composition

The current composition of the Board consists of seven (7) Directors, including four (4) Independent Non-Executive Directors and three (3) Executive Directors, as follows:

Director	Designation
Tan Sri Muhammad Bin Ibrahim	Independent Non-Executive Chairman
Dato' Ong Choo Meng	Group CEO and Executive Director
Choo Joon Keong	Group Deputy CEO and Executive Director
Ronald Khoo Boo Soon	Executive Director
Yeoh Chin Hoe	Independent Non-Executive Director
Sujatha Sekhar A/P Tan Sri B.C. Sekhar	Independent Non-Executive Director
Tan Pei Shiun (appointed on 25 November 2025)	Independent Non-Executive Director
Dato' Ong Chong Yi (resigned on 25 November 2025)	Independent Non-Executive Director

The existing Board structure complies with Paragraph 15.02 of MMLR and Practice 5.2 of MCCG, which majority of the Board comprising Independent Directors. This ensures objective deliberations and independent decision-making, safeguarding the interests of shareholders and stakeholders.

Tenure of Independent Directors

As of the date of this report, none of the Independent Directors have served on the Board for more than nine (9) years. As recommended under Practice 5.3 of the MCCG, the Board Charter limits the tenure of Independent Directors to a maximum of nine (9) years. Should the Board wish to retain an Independent Director beyond this period, it must provide a clear justification for the Director's continued independence and seek annual shareholders' approval through a two-tier voting process at the Annual General Meeting ("AGM").

Diversity of Board

During FYE 2026, the Board strengthened its gender diversity with the appointment of Ms Tan Pei Shiun as an Independent Non-Executive Director on 25 November 2025. As at 31 March 2026, the Board comprised two (2) female Directors out of seven (7) Board members, representing 28.6% of the Board's composition, bringing the Company closer to achieving its target of at least 30% female representation on the Board.

The Board remains committed to promoting diversity at the Board level and continues to identify suitably qualified female candidates who can contribute the necessary skills, experience and diverse perspectives to the Board. The Company committed to achieving of at least 30% female representation on the Board, aligned with the recommendation of the MCCG and the Company's Diversity Policy.

The Diversity Policy for Board and Senior Management is available on the Company's website at <https://ir2.chartnexus.com/hextech/corporate-governance.php>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONTINUED)

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

PART 2: BOARD COMPOSITION (CONT'D)

NRC Composition

The Board, through the NRC, is responsible for reviewing the structure, size and composition of the Board, as well as for continuously assessing the effectiveness of the Board as a whole, its Board Committees and each individual Director in terms of their performance, contributions, skills, experience and competencies. To uphold a high level of objectivity and independence, the NRC comprises solely Independent Non-Executive Directors, in accordance with Practice 5.8 of the MCCG. The composition of the NRC is as follows:

Position	Name	Designation
Chairman	Dato' Ong Chong Yi (<i>resigned on 25 November 2025</i>)	Independent Non-Executive Director
Member/ Chairman	Sujatha Sekhar A/P Tan Sri B.C. Sekhar (<i>redesignated as Chairman on 25 November 2025</i>)	Independent Non-Executive Director
Member	Yeoh Chin Hoe	Independent Non-Executive Director
Member	Tan Pei Shiun (<i>appointed on 25 November 2025</i>)	Independent Non-Executive Director

Nomination Functions

(a) Board Effectiveness Evaluation

During FYE 2026, the NRC conducted the annual BEE, which was facilitated by the External and Independent Company Secretaries from Acclime Corporate Services Sdn Bhd.

The BEE comprised evaluations of the Board, Board Committees, Individual Directors, Independent Directors and the Board's oversight of ESG and sustainability matters. The evaluation was conducted through a combination of self-assessment questionnaires completed by all Directors, AC self-evaluation, independence assessments by the Independent Directors, and assessments by the NRC on the effectiveness of the Board, Board Committees and the Board's oversight of ESG and sustainability matters.

Based on the evaluation results, the Board, through the NRC, was satisfied that the Board and Board Committees continues to operate effectively and that their size, composition and mix of skills, experience and expertise remained appropriate to support the Group's business and governance objectives. The Board also concluded that all Directors continued to demonstrate the commitment, competencies and effectiveness required to discharge their duties and that all Independent Directors continued to fulfil the independence criteria prescribed under the MMLR.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONTINUED)

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

PART 2: BOARD COMPOSITION (CONT'D)

Nomination Functions (Cont'd)

(b) Re-election of Directors

The Company has adopted a Directors' Fit and Proper Policy in compliance with Paragraph 15.01A of the MMLR, which serves as the guiding framework for the appointment, re-appointment and annual assessment of Directors.

In assessing the eligibility of the retiring Directors standing for re-election at the forthcoming 21st AGM, the NRC considered their Directors' Fit and Proper declarations, independence assessment, BEE results and their overall contributions to the Board, and was satisfied that they had discharged their duties and responsibilities effectively.

During FYE 2026, the Board, based on the NRC's recommendation, recommended the re-election of Tan Sri Muhammad Bin Ibrahim, Mr Yeoh Chin Hoe and Madam Sujatha Sekhar A/P Tan Sri B.C. Sekhar, who are due retire by rotation pursuant to Article 131.1 of the Company's Constitution and, being eligible, have offered themselves for re-election at the forthcoming 21st AGM, for shareholders' approval based on the following justifications:

- Their relevant mix of experience, skills, industry knowledge, expertise and core competencies, which continue to contribute positively to the strategic direction of the Company.
- Their fulfilment of the criteria set out in the Directors' Fit and Proper Policy.
- Their ability to exercise independent judgment, provide objective perspectives, raise pertinent questions, and contribute constructively to the Board's deliberations and oversight of Management.
- Their commitment to devoting sufficient time and attention to effectively discharge their duties and responsibilities as Directors, being well-prepared for Board meetings, and contributing meaningfully to the Board's effectiveness.

The details and profiles of the retiring Directors, including their age, gender, tenure of service, other directorships, qualifications and working experience, are set out in the Profile of Directors section in this Annual Report.

(c) Appointment of Director

During FYE 2026, Management recommended the appointment of Ms Tan Pei Shiun ("Ms Daphne") as an Independent Non-Executive Director to the NRC for consideration. The NRC undertook a formal, rigorous and objective assessment of the proposed candidate, taking into consideration the Board's succession planning requirements, skills matrix, diversity objectives, and her qualifications, experience, expertise, professional background, integrity, independence, time commitment and Fit and Proper Declaration.

Based on the assessment, the NRC was satisfied that Ms Daphne met the criteria set out in the Directors' Fit and Proper Policy and recommended her appointment to the Board. The Board concurred with the NRC's recommendation and approved the appointment of Ms Daphne on 25 November 2025, taking the view that her appointment would strengthen the Board's overall composition by enhancing gender diversity and complementing the existing mix of skills, experience and expertise. Her appointment also brought the Company closer to achieving its target of at least 30% female representation on the Board.

On 26 May 2026, upon NRC's recommendation, the Board also recommended the election of Ms Daphne for shareholders' approval at the forthcoming 21st AGM pursuant to Article 116 of the Company's Constitution, having considered her qualifications, experience, skills, expertise, independence and ability to contribute effectively to the Board's deliberations and discharge her duties as an Independent Non-Executive Director.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONTINUED)

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

PART 3: REMUNERATION

Remuneration Functions

Guided by its TOR, the NRC is responsible for annually reviewing and recommending the remuneration packages for the Directors and Senior Management for the Board's approval. The Directors' fees and benefits payable to Non-Executive Directors are subject to shareholders' approval at the AGM.

The Board has adopted a Remuneration Policy, which sets out the principles for determining remuneration that is fair, competitive and commensurate with their responsibilities, experience, performance and contributions of the Directors and Senior Management, while supporting the Group's long-term objectives.

The details of the remuneration of the Directors for the FYE 2026 are disclosed as follows:

Directors	Group						
	Fees (RM'000)	Allowance (RM'000)	Salary (RM'000)	Bonus (RM'000)	Benefits- in-kind (RM'000)	Other Emoluments (RM'000)	Total (RM'000)
Tan Sri Muhammad Bin Ibrahim	240.00	6.25	-	-	-	-	246.25
Dato' Ong Choo Meng	-	-	36.00	-	-	5.73	41.73
Choo Joon Keong	-	-	616.50	102.00	-	93.78	812.28
Ronald Khoo Boo Soon	-	12.00	477.00	114.00	-	75.73	678.73
Yeoh Chin Hoe	36.00	7.25	-	-	-	-	43.25
Sujatha Sekhar A/P Tan Sri B.C. Sekhar	36.00	6.25	-	-	-	-	42.25
Tan Pei Shiun ^[1]	12.00	2.00	-	-	-	-	14.00
Dato' Ong Chong Yi ^[2]	24.00	4.50	-	-	-	-	28.50

^[1] Appointed on 25 November 2025

^[2] Resigned on 25 November 2025

The Board was of the view that disclosing the detailed remuneration of Senior Management on a named basis would not be in the best interests of the Group, taking into consideration the highly competitive market for talent and the sensitive personal information relating to employees' remuneration packages.

Nevertheless, the NRC annually reviews and recommends the remuneration packages and promotion of the Senior Management, taking into consideration their responsibilities, experience, performance and contributions to the Group, to ensure that the remuneration remains fair, competitive and aligned with the Group's long-term objectives.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONTINUED)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

PART 1: AUDIT COMMITTEE

AC Composition

The AC consists solely of Independent Non-Executive Directors, as follows:

Position	Name	Designation
Chairman	Yeoh Chin Hoe	Independent Non-Executive Director
Member	Sujatha Sekhar A/P Tan Sri B.C. Sekhar	Independent Non-Executive Director
Member	Tan Pei Shiun (appointed on 25 November 2025)	Independent Non-Executive Director
Member	Dato' Ong Chong Yi (resigned on 25 November 2025)	Independent Non-Executive Director

In compliance with Practice 9.1 of the MCCG, the positions of Board Chairman and AC Chairman of HexTech are held by different individuals, ensuring the independence of the AC and preserving the Board's objectivity in reviewing the AC's findings and recommendations. The AC is chaired by Mr Yeoh Chin Hoe, who is a member of Malaysian Institute of Accountants ("MIA") and Malaysian Institute of Certified Public Accountants ("MICPA"), and a Fellow Member of Association of Chartered Certified Accountants ("FCCA") and The Chartered Governance Institute UK & Ireland.

Collectively, the AC members possess an appropriate balance of accounting, finance, audit, legal and business expertise, and are financially literate with the necessary knowledge and experience to understand the Group's business, as well as to oversee financial reporting and audit matters.

To preserve the independence of the AC, its TOR prescribe a cooling-off period of at least three (3) years before any former key audit partner of the Group's external audit firm and/or its affiliate firm can be appointed as a member of the AC. To date, none of the AC members is a former audit partner who was involved in the audit of the Group.

External Auditors

The AC is responsible for overseeing the suitability, objectivity and independence of the Company's External Auditors. During FYE 2026, the AC conducted an annual performance evaluation of the External Auditors, Messrs. Crowe Malaysia PLT, taking into consideration, among others, their competence, capabilities, resources, quality of audit services, appropriateness of the audit and non-audit fees, as well as the nature and extent of the non-audit services provided.

The External Auditors also provided written confirmation of their independence throughout the audit engagement in accordance with the By-Laws of the MIA and the applicable professional and ethical requirements. They further confirmed that the provision of non-audit services did not impair their independence or objectivity.

Based on the assessment conducted, the AC was satisfied that Messrs. Crowe Malaysia PLT remained suitable, objective and independent to continue as the Company's External Auditors, and recommended their re-appointment to the Board. On 26 May 2026, the Board approved the re-appointment of Messrs. Crowe Malaysia PLT, subject to shareholders' approval at the forthcoming AGM.

Details of the key activities carried out by the AC during FYE 2026 are set out in the AC Report in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

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

PART 2: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Effective Risk Management and Internal Control Framework

The Board recognises the importance of establishing and maintaining an effective risk management and internal control framework to safeguard the Group's assets and support the achievement of its strategic and business objectives. With the support of the AC and RMSC, the Board retains overall responsibility for overseeing the adequacy and effectiveness of the Group's risk management framework and internal control system.

On 26 May 2026, the Board approved the redesignation of the Risk Management Committee as the RMSC to strengthen sustainability governance by integrating sustainability oversight with the Group's risk management framework.

The RMSC is chaired by an Executive Director, who is well-positioned to oversee the implementation of the Group's risk management and sustainability framework across the Group's operations. In line with Practice 10.3 of the MCCG, the Committee comprises a majority of Independent Non-Executive Directors during FYE 2026 as follows:

Position	Name	Designation
Chairman	Ronald Khoo Boo Soon	Executive Director
Member	Sujatha Sekhar A/P Tan Sri B.C. Sekhar	Independent Non-Executive Director
Member	Tan Pei Shiun (appointed on 25 November 2025)	Independent Non-Executive Director
Member	Dato' Ong Chong Yi (resigned on 25 November 2025)	Independent Non-Executive Director

The AC reviews the adequacy and effectiveness of the Group's internal control system, while the RMSC oversees the Group's risk management framework and sustainability matters, including the identification, assessment, monitoring and reporting of key risks and material sustainability-related risks and opportunities. Senior Management and Heads of Department are responsible for the ongoing identification, assessment, management and reporting of principal risks within their respective areas of responsibility, while ensuring that appropriate controls and mitigation measures are effectively implemented.

To support effective governance and business operations, the Group has established a clearly defined organisational structure, delegated authority limits, documented policies and Standard Operating Procedures ("SOPs"), periodic reviews of financial results, and regular internal and external audit reviews.

Further details of the Group's risk management and internal control practices are provided in the Statement on Risk Management and Internal Control, which forms part of this Annual Report.

Internal Audit Function

The Board is committed to maintaining an independent and effective internal audit function to assess the adequacy and effectiveness of the Group's risk management and internal control processes. During FYE 2026, the Group's internal audit function is outsourced to Eco Asia Governance Advisory Sdn Bhd ("Eco Asia" or "Internal Auditors" or "IA"), an independent professional firm, which report directly to the AC. The Internal Auditors remain independent, free from any conflicts of interest and relationships that could impair their objectivity.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONTINUED)

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

PART 2: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

Internal Audit Function (Cont'd)

The internal audit engagement team is led by Ms Janeeta Salim, the Head of Department for Internal Audit at Eco Asia Governance Advisory Sdn Bhd and an Associate Member of the Institute of Internal Auditors Malaysia ("IIA"). She was supported by one (1) Manager, one (1) Assistant Manager, and three (3) Consultants in conducting two (2) cycles of internal audit reviews. The internal audit reviews were conducted in accordance with the approved risk-based internal audit plan and the International Professional Practices Framework ("IPPF"). The audit scope was determined based on the Group's risk profile, business activities and key risk areas that could impact the achievement of the Group's strategic objectives.

The Internal Auditors are granted full and unrestricted access to all relevant information and resources, allowing them to conduct their work effectively. Upon completion of each review, the IA presented its audit findings, root-causes, recommendations and Management's responses to the AC for review and deliberation. Follow-up reviews were subsequently conducted to monitor the implementation of the agreed corrective action plans and ensure that identified issues were addressed by Management within the agreed timelines.

On 26 May 2026, the AC conducted its annual assessment of the competency, independence, resources and overall effectiveness of the Internal Auditors, and was satisfied that they had discharged their responsibilities effectively and independently during FYE 2026, while providing objective assurance on the adequacy and effectiveness of the Group's governance, risk management and internal control systems.

Further details on the internal audit function are provided in the AC Report and Statement of Risk Management and Internal Control contained in this Annual Report.

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

PART 1: ENGAGEMENT WITH STAKEHOLDERS

Communication between the Company and Stakeholders

The Board is committed to ensuring transparent, timely and effective communication with all stakeholders. Beyond delivering accurate and up-to-date information, the Board actively welcomes and values stakeholders' feedback, views and concerns as part of its ongoing commitment to fostering meaningful engagement, promoting informed decision-making and supporting the Group's continuous improvement.

To facilitate effective communication and ensure stakeholders have timely access to relevant corporate information, the Company utilises the following primary channels to disseminate information promptly and reliably:

(a) Company's website

The Company's website serves as the primary platform for disseminating corporate information, including the Group's corporate profile and history, core business activities, stock information, Annual Reports, corporate governance documents, corporate policies, investor information and other relevant updates. The website also provides stakeholders with the appropriate communication channels to contact the Company and make enquiries.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONTINUED)

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

PART 1: ENGAGEMENT WITH STAKEHOLDERS (CONT'D)

Communication between the Company and Stakeholders (Cont'd)

(b) Bursa Malaysia Securities Berhad

Bursa Securities serves as the principal channel for the timely dissemination of material information, including quarterly financial results, corporate announcements, Annual Reports, Circulars to Shareholders and other disclosures, in compliance with MMLR. All announcements released by the Company are publicly accessible through the Bursa Securities website.

(c) General Meetings

General Meetings serve as an important platform for direct engagement between the Board, Management and shareholders, enabling shareholders to raise questions, seek clarification on the Group's performance, strategy and governance matters, and participate in the Company's key decision-making process.

By leveraging these communication channels, the Company ensures stakeholders have convenient and timely access to relevant information, while fostering transparency, engagement and constructive dialogue between the Company and its stakeholders.

PART 2: CONDUCT OF GENERAL MEETINGS

Effective General Meetings

The Company's general meetings serve as the primary forum for direct communication and engagement between the Board and shareholders. Shareholders are provided with opportunity to engage directly with the Board and Senior Management, seek clarification on the Group's performance, financial results, operations, strategic direction and other matters, as well as participate in the decision-making process through voting on the resolutions tabled.

The Company's 20th AGM was held physically at on 26 August 2025 at Hextar Tower, Empire City. In line with Practice 13.1 of MCCG, the Notice of AGM, together with the Annual Report, Corporate Governance Report, Administrative Guide, Proxy Form and other relevant meeting documents, was issued to shareholders at least twenty-eight (28) days prior to the AGM. This provided shareholders with sufficient time to review the proposed resolutions and make the necessary arrangements to participate in the AGM.

All Directors, Senior Management, the Company Secretaries and the External Auditors attended the AGM to present the Group's performance, respond to shareholders' queries and provide clarification on the audited financial statements and resolutions tabled during the AGM. The Board Chairman also ensured that shareholders were given adequate opportunity to raise questions throughout the meeting.

In accordance with Paragraph 8.29A of MMLR, all resolutions tabled at the AGM were voted on by poll. Tricor Investor & Issuing House Services Sdn Bhd was appointed as the Poll Administrator to conduct the electronic voting process, while Scrutineer Solutions Sdn Bhd acted as the Independent Scrutineer to validate the poll results before announced by the Board Chairman.

Following the AGM, the minutes of meeting together with the summary of Questions & Answers session, were published on the Company's website at <https://ir2.chartnexus.com/hextech/general-meeting.php> within 30 business days, providing a clear record of the proceedings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONTINUED)

COMPLIANCE STATEMENT

This CG Statement is prepared in compliance with Paragraph 15.25 of MMLR and it is advised to be read together with the Company's Corporate Governance Report 2026, which is available on the Company's website.

The Board affirms its commitment to achieve the highest standards by adhering to the principles and best practices outlined in the MCCG, along with relevant laws and regulations. The Board will endeavour to improve and enhance the procedures from time to time.

The CG Statement was approved by the Board on 20 July 2026.

AUDIT COMMITTEE REPORT

The Board is pleased to present the Audit Committee (“AC”) Report for the FYE 2026. This report is prepared in accordance with Paragraph 15.15 of the MMLR of Bursa Malaysia Securities Berhad.

The report provides an overview of the key activities undertaken by the AC in fulfilling its duties and responsibilities guided by its Terms of Reference (“TOR”), which is available on the Company’s website.

1. COMPOSITION

During the FYE 2026, the composition of the AC is as follows:

Name	Designation
<u>Chairman</u> Yeoh Chin Hoe	Independent Non-Executive Director
<u>Members</u> Sujatha Sekhar A/P Tan Sri B.C. Sekhar Tan Pei Shiun (<i>appointed w.e.f. 25 November 2025</i>) Dato’ Ong Chong Yi (<i>resigned w.e.f. 25 November 2025</i>)	Independent Non-Executive Director Independent Non-Executive Director Independent Non-Executive Director

The AC comprises three (3) members, all of whom are Independent Non-Executive Directors (“INEDs”). The Company complies with the Paragraph 15.09(1)(a), (b) and (c), 15.09(2) and 15.10 of the MMLR and adopts Practice 9.4 of the Malaysian Code of Corporate Governance (“MCCG”) by ensuring that the AC comprises solely of Independent Directors.

The AC is chaired by Mr Yeoh Chin Hoe, a Chartered Accountant of MIA, a FCCA, a Fellow Member of The Chartered Governance Institute UK & Ireland and a member of the Malaysian Institute of Certified Public Accountants (“MICPA”). The positions of Chairman of the AC and Chairman of the Board are held by different individuals. None of the AC members are alternate Directors of the Company or former audit partners of the Group’s external auditors, Crowe Malaysia PLT (“Crowe”).

The Board, through the Nomination and Remuneration Committee (“NRC”), conducted an annual assessment of the AC and its members during the financial year. Based on the assessment undertaken, the Board is satisfied that the AC has effectively discharged its responsibilities in accordance with its TOR and that its member collectively possesses the necessary expertise, the requisite knowledge, experience, commitment and professional competence to carry out their duties effectively.

The AC comprises members who are financially literate and possess the necessary knowledge and experience to understand, review, and assess the integrity of the Group’s financial reporting process. Through their respective professional qualifications, business experience and continuous professional development, the AC members are able to provide effective oversight of the Group’s financial reporting, internal control, risk management and audit processes in carrying out the AC’s primary function of assisting the Board in fulfilling its oversight responsibilities by reviewing the integrity of the Group’s financial reporting, the adequacy and effectiveness of the risk management and internal control systems, and the performance, independence and objectivity of the internal and external audit functions. The AC operates in accordance with its TOR, which sets out its authority, duties, responsibilities and meeting procedure, which is available on the Company’s website at <https://ir2.chartnexus.com/hextech/corporate-governance.php>.

AUDIT COMMITTEE REPORT

(CONTINUED)

2. MEETING AND ATTENDANCE

The AC is scheduled to meet four (4) times annually, with additional meetings convened as and when required to discharge its responsibilities effectively. During the FYE 2026, the AC held five (5) meetings, with full attendance from all committee members as follows:

Name	Meeting Attendance
<u>Chairman</u>	
Yeoh Chin Hoe	5/5
<u>Members</u>	
Sujatha Sekhar A/P Tan Sri B.C. Sekhar	5/5
Tan Pei Shiun (<i>appointed w.e.f. 25 November 2025</i>)	1/1
Dato' Ong Chong Yi (<i>resigned w.e.f. 25 November 2025</i>)	4/4

The Group CEO, Group Deputy CEO, Executive Director and CFO were invited to attend the meetings, where appropriate, to facilitate discussions and provide insights on the Group's business operations, financial performance and matters under consideration by the AC.

The Group's internal audit function is outsourced to an independent professional firm, Eco Asia Governance Advisory Sdn Bhd ("Eco Asia" or "Internal Auditor" or "IA"), which reports directly to the AC. Representatives of Eco Asia attended the meetings to present the internal audit reports, key audit findings, along with its recommendations and status of management's implementation of corrective actions. Representatives of the External Auditors ("EA"), Crowe, attended the meetings to present and discuss, amongst others, the audit planning memorandum, audit review memorandum, statutory audit findings and significant audit and accounting matters relating to the Group.

The AC meetings were convened in accordance with a structured agenda and supported by comprehensive meeting papers circulated five (5) business days prior to each meeting to facilitate informed deliberations by the AC members. The Company Secretary attended all meetings and recorded the minutes of the proceedings, which were subsequently tabled for confirmation at the following meeting.

Following each meeting, the Chairman of the AC reported to the Board on the key matters deliberated, including recommendations requiring the Board's consideration and approval. Significant observations and issues raised by the IA and EA were also communicated to the Board to facilitate appropriate actions and decision-making.

3. SUMMARY OF ACTIVITIES OF THE AC

The activities undertaken by the AC in discharging its functions and duties during the FYE 2026 are summarised as follows:

A. Financial Reporting

The AC reviewed the unaudited quarterly financial results and audited financial statements of the Group presented by the CFO and recommended to the Board for consideration and approval. In reviewing the financial reports, the AC ensured that the preparation was in accordance with the Malaysian Financial Reporting ("MFRS"), Integrated Financial Reporting Standards ("IFRS"), MMLR, the Companies Act 2016 and other regulatory requirements.

The AC also discussed significant financial reporting matters with Management and the EA to ensure that the financial statements presented a true and fair view of the Group's financial position and performance.

AUDIT COMMITTEE REPORT

(CONTINUED)

3. SUMMARY OF ACTIVITIES OF THE AC (CONT'D)

B. Oversight of External Audit

The AC reviewed the Audit Planning Memorandum for FYE 2026 presented by the EA, which outlined, amongst others, the scope of the statutory audit, areas of emphasis, key audit matters, accounting standards applicable, audit timeline and proposed audit fees for the statutory audit of the Company's and the Group's financial statements.

The AC deliberated with the EA on the results of the statutory audit, including significant audit findings, audit adjustments, accounting and financial reporting matters, internal control observations and Management's responses thereto. The AC also reviewed the Audit Review Memorandum presented by the EA and monitored the implementation of corrective actions by Management where appropriate.

To promote open communication and obtain independent feedback, the AC held a private session with the EA on 26 May 2026 without the presence of the Executive Directors and Management. During the session, the AC and the EA discussed matters arising from the audit, including audit procedures performed, significant issues encountered and recommendations for improvement. Matters requiring Management's attention were subsequently communicated by the AC Chairman to Management for appropriate actions.

The AC assessed the performance, suitability, effectiveness, independence and objectivity of the EA with the assistance of the Company Secretary, taking into consideration, amongst others, the quality of audit services rendered, competence and resources of the engagement team, communication and interaction with the AC, and the EA's independence throughout the audit engagement.

The AC was satisfied that Crowe had discharged its responsibilities in an independent, objective and professional manner during FYE 2026 and had obtained assurance from Crowe confirming its independence in accordance with the relevant professional and ethical requirements. Accordingly, the AC recommended to the Board the re-appointment of Crowe as the Company's EA at the forthcoming Annual General Meeting for shareholders' approval.

C. Internal Audit

The AC reviewed and approved the risk-based internal audit plan presented by the outsourced Internal Auditors, Eco Asia, which outlined the proposed audit scope, coverage and areas of focus for the financial year. The AC also reviewed and recommended the proposed internal audit fees to the Board for approval. The audit areas were determined based on the Group's risk profile, business activities and key risk areas that may affect the achievement of the Group's strategic objectives.

During the financial year, the AC reviewed and deliberated on the internal audit reports presented by Eco Asia, which highlighted the audit findings, recommendations for improvement, Management's responses and the status of implementation of corrective actions. The AC monitored the progress of Management's action plans to ensure that identified issues and control weaknesses were appropriately addressed within the agreed timelines.

On 26 May 2026, the AC assessed the performance, effectiveness and adequacy of resources and competency and independence of the internal audit function. Based on the assessment conducted, the AC was satisfied that Eco Asia had discharged its responsibilities effectively and independently during FYE 2026 and had provided the AC with objective assurance on the adequacy and effectiveness of the Group's governance, risk management and internal control systems.

AUDIT COMMITTEE REPORT

(CONTINUED)

3. SUMMARY OF ACTIVITIES OF THE AC (CONT'D)

D. Internal Control

The AC reviewed the internal control observations and recommendations reported by the EA and IA to assess the adequacy and effectiveness of the Group's system of internal control. The AC monitored Management's progress in implementing corrective actions arising from audit findings and recommendations to strengthen the control environment and promoting continuous improvement across the Group.

E. Related Party Transactions

The AC reviewed the related party transactions ("RPTs") and recurrent related party transactions of a revenue or trading nature ("RRPTs") entered into by the Group on a quarterly basis to ensure that such transactions were conducted in accordance with the Group's RRPTs Policies and Procedures, on normal commercial terms, not more favourable to the related parties than those generally available to the public, and were not detrimental to the interests of the minority shareholders. The AC also reviewed the aggregate value of the RRPTs on a quarterly basis to ensure that the RRPTs transacted within the mandate approved by the shareholders.

The AC reviewed the draft Circular to Shareholders in relation to the proposed renewal of the existing shareholders' mandate for RRPTs as well as the draft Statement to Shareholders in relation to the proposed renewal of share buy-back authority. Thereafter, the AC recommended the same to the Board for consideration and approval.

F. Conflict of Interests

The Company adopted a Conflict of Interest ("COI") Policy on 27 February 2024, which sets out the framework and procedures for identifying, managing and monitoring actual, potential or perceived conflicts of interest situations within the Group. On 26 May 2026, the AC reviewed and approved revisions to its TOR to formalise the AC's oversight responsibilities in relation to conflict of interest matters and to further strengthen the Group's governance framework.

The AC reviewed any actual and potential COI situations involving the Directors and Key Senior Management and noted that no COI or potential COI were reported during FYE 2026.

G. Other Matters

In addition to the above, the AC had also reviewed the following matters during FYE 2026:

- The AC Report and Statement on Risk Management & Internal Control for inclusion in the Annual Report and recommended the same to the Board for approval.
- The revised TOR of the AC.

4. SUMMARY OF INTERNAL AUDIT FUNCTIONS AND ACTIVITIES

The Board recognises the internal audit function as an integral component of the Group's governance framework. To provide independent assurance on the adequacy and effectiveness of the Group's governance, risk management and internal control systems, the Group has outsourced its internal audit function to an independent professional firm, Eco Asia.

Eco Asia reports directly to the AC and operates independently of the Management. The internal audit function is free from any relationships or circumstances that could impair its objectivity and independence in carrying out its responsibilities. Internal audit reviews were conducted in accordance with the International Professional Practices Framework ("IPPF") issued by the Institute of Internal Auditors ("IIA").

AUDIT COMMITTEE REPORT

(CONTINUED)

4. SUMMARY OF INTERNAL AUDIT FUNCTIONS AND ACTIVITIES (CONT'D)

During FYE 2026, Eco Asia carried out two (2) internal audit reviews in accordance with the approved internal audit review plan, as summarised below:

Internal Audit Review	Period of Review
Online Marketing and Advertisement Management	Quarter 3, FYE 2026
Data Protection and Privacy Compliance Review	Quarter 4, FYE 2026

Upon completion of each review, Eco Asia presented its findings, root causes, recommendations and Management's responses to the AC for review and deliberation. Follow-up reviews were also conducted to assess the status of implementation of corrective actions and to ensure that identified issues were addressed by Management within the agreed timelines.

Based on the internal audit reviews conducted during FYE 2026, the AC is pleased to report that no significant weaknesses were identified that would result in any material losses, contingencies or uncertainties requiring separate disclosure in this Annual Report.

The total professional fee incurred for the Group's internal audit function during FYE 2026 amounted to RM29,000 (FYE 2025: RM29,000).

Further information on the Group's internal audit function is set out in the Statement on Risk Management and Internal Control in this Annual Report.

This report was reviewed by the AC and approved by the Board on 20 July 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board is pleased to present the Statement on Risk Management and Internal Control (“the Statement”), which outlines the nature and scope of the Group’s risk management and internal control system for the FYE 2026. Pursuant to Paragraph 15.26(b) of the MMLR, the Board is required to include in its Annual Report a statement on the state of risk management and internal control of the Group, and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“SORMIC Guide 2025”).

BOARD’S RESPONSIBILITY

The Board recognises that a sound system of risk management and internal control is essential in driving the Group’s strategic objectives and long-term sustainability. In this regard, the Board acknowledges its responsibility for overseeing the adequacy and effectiveness of the Group’s risk management and internal control system to safeguard shareholders’ investments, stakeholders’ interests and the Group’s assets.

The Group’s risk management and internal control system encompasses financial, operational, compliance, organisational and fraud prevention controls, and is designed to manage risk that may affect the achievement of the Group’s business objectives.

On 26 May 2026, the Board strengthened the Group’s governance framework by expanding the role of the Risk Management Committee to include sustainability oversight. Accordingly, the committee was renamed to Risk Management and Sustainability Committee (“RMSC”), and the Board adopted the Terms of Reference of the RMSC to formalise its roles and responsibilities in overseeing the Group’s risk management and sustainability matters.

In discharging its oversight responsibilities, the Board is assisted by the AC and RMSC, in reviewing and overseeing the Group’s risk management and internal control framework. The AC reviews the adequacy and effectiveness of the Group’s internal control system, while the RMSC oversees the Group’s risk management framework and sustainability matters, including identification, assessment, monitoring and reporting of key risks, material sustainability-related and climate-related risks and opportunities to the Board where appropriate.

Due to the inherent limitations of any system of risk management and internal control, such systems are designed to manage rather than eliminate risks that may impede the achievement of the Group’s business objectives. Accordingly, the system can only provide reasonable, and not absolute, assurance against material misstatement, fraud, losses or unforeseen circumstances.

Based on the reviews conducted during FYE 2026 and up to the date of approval of this Annual Report, the Board is of the view that the Group’s risk management and internal control system has been adequate and effective in all material respects and that there were no material internal control weaknesses that would result in any material losses, contingencies or uncertainties requiring separate disclosure in this Annual Report.

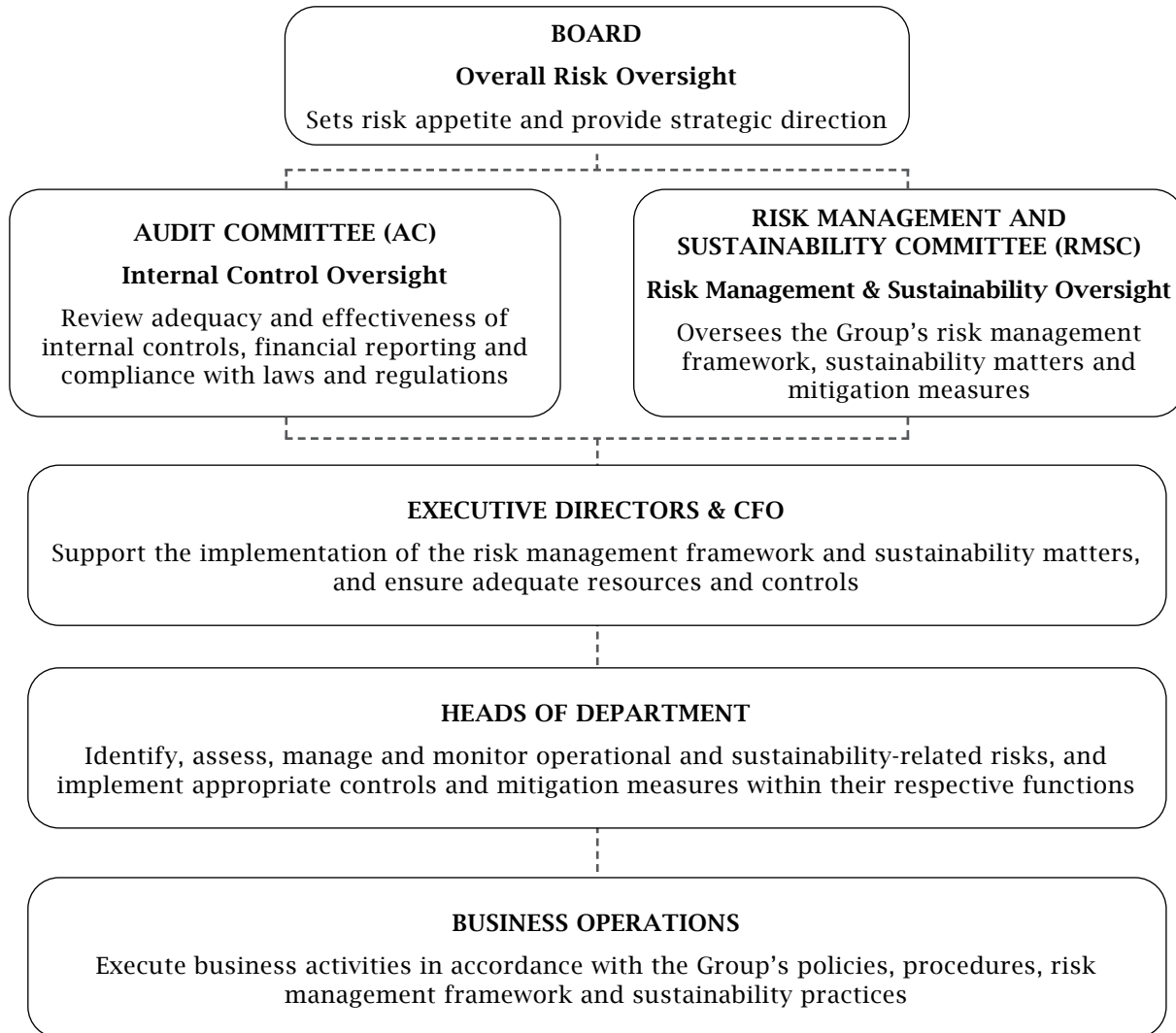
STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONTINUED)

KEY FEATURES OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

RISK MANAGEMENT SYSTEM

The Group maintains a structured risk management framework to identify, assess, monitor and manage risks that may affect the Group's strategic and operational objectives. The framework is embedded within the Group's business processes and supports informed decision-making across all levels of the organisation.



In line with the Group's commitment to sustainable business practices, sustainability considerations are integrated into the Group's enterprise risk management framework. The Group identifies, assesses and manages material environmental, social and governance ("ESG") risks and opportunities alongside other strategic and operational risks to support informed decision-making and long-term value creation.

The RMSC, supported by the Executive Directors, CFO and Heads of Department ("HODs"), oversees the implementation of the Group's risk management framework and sustainability matters. Significant and emerging risks, material sustainability-related and climate-related risks and opportunities, together with the corresponding mitigation measures, are reviewed by the RMSC and escalated to the Board where appropriate.

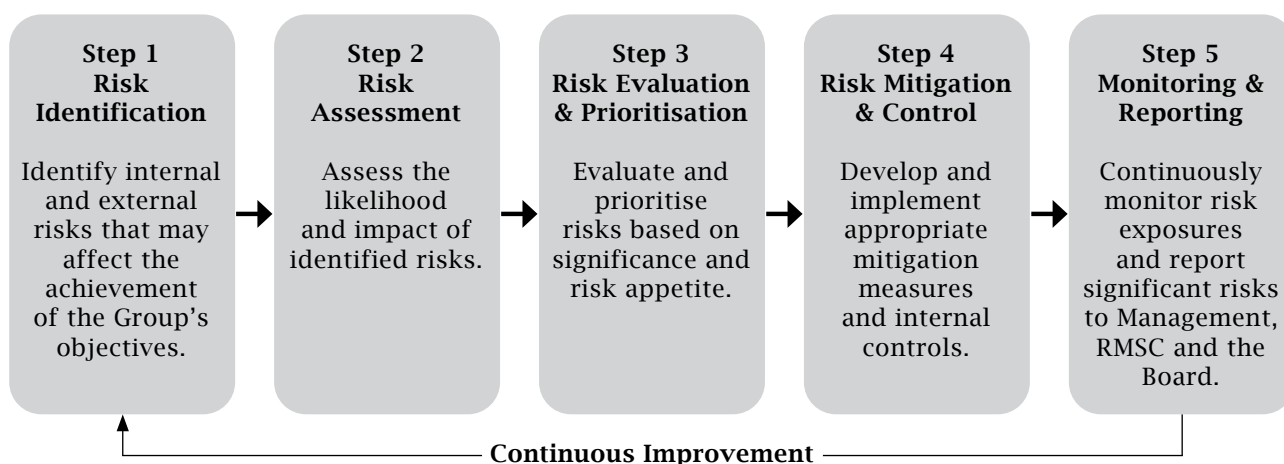
The Group adopts a decentralised approach to risk management, whereby HODs are responsible for identifying, assessing, monitoring and managing risks within their respective functions. Risk, sustainability-related and climate-related information are consolidated and maintained in the Group's Risk Register. This includes material ESG-related risks and opportunities, which are reviewed to ensure that mitigation measures remain relevant and effective.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

KEY FEATURES OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

RISK MANAGEMENT SYSTEM (CONT'D)

The Group adopts a continuous and systematic process to manage risks across the organisation illustrated as follows:



The Group's Risk Management Policy establishes the framework for identifying, assessing, monitoring and managing risks across the organisation. The policy provides guidance on risk governance, risk ownership and the management of risks to support the achievement of the Group's strategic and operational objectives.

As part of the risk management process, risks are identified and assessed based on their likelihood and potential impact. Significant risks, together with the corresponding mitigation measures and action plans, are documented in the Group's Risk Register and reviewed periodically by Management and the RMSC.

To ensure that risks remain within acceptable levels, the Group adopts appropriate risk treatment strategies, including avoiding, reducing, sharing or accepting risks, where applicable. The Risk Management Policy and Risk Register are reviewed regularly to ensure that they remain relevant, effective and responsive to changes in the Group's business and regulatory environment.

INTERNAL CONTROL SYSTEM

The Group has established an internal control framework to support the effective and efficient conduct of its business operations, safeguard its assets, ensure compliance with applicable laws and regulations, and promote sound corporate governance practices across the organisation.

Management is responsible for implementing and maintaining the Group's internal control framework and monitoring its effectiveness on an ongoing basis. Significant control deficiencies, if any, would be reported to the AC for review and appropriate action, where applicable.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

INTERNAL CONTROL SYSTEM (CONT'D)

The key elements of the Group's internal control framework include:

- (i) a clearly defined organisational structure with established reporting lines, responsibilities and delegated authority levels, including matters reserved for the Board;
- (ii) documented policies, procedures and standard operating procedures to guide the Group's business operations and internal control processes;
- (iii) a reporting framework that facilitates timely financial and operational reporting to support effective decision-making;
- (iv) quarterly review of the Group's financial results by the AC prior to recommendation to the Board for approval;
- (v) independent reviews conducted by the outsourced internal audit function, with findings and recommendations reported directly to the AC;
- (vi) review and monitoring of audit findings and corrective actions by the AC and Management;
- (vii) active involvement of the Executive Directors in overseeing the Group's business operations and reporting significant operational matters to the Board; and
- (viii) formalised and documented internal SOP to guide and support the Group's daily business operations.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to Eco Asia, an independent professional firm, to provide objective and independent assurance on the adequacy and effectiveness of the Group's governance, risk management and internal control systems.

The internal audit function is led by Ms Janeeta Salim, an Associate Member of the Institute of Internal Auditors ("IIA"), who is supported by a team of five (5) suitably qualified and experienced professionals. The engagement team is free from any relationships or conflicts of interest that could impair its objectivity and independence.

The internal audit activities were carried out in accordance with the approved risk-based internal audit plan and guided by the International Professional Practices Framework ("IPPF") issued by the IIA. The audit areas were determined based on a risk-based assessment, taking into consideration the Group's risk profile, business activities and key risks that could impact the achievement of the Group's objectives.

During FYE 2026, Eco Asia conducted internal audit reviews in the following areas:

Internal Audit Review	Period of Review
Online Marketing and Advertisement Management	Quarter 3, FYE 2026
Data Protection and Privacy Compliance Review	Quarter 4, FYE 2026

The internal audit reviews included an assessment of the adequacy and effectiveness of the Group's internal controls, together with recommendations for improvement where appropriate. Audit findings, Management's responses and the status of corrective actions were reported to the AC for review and monitoring. Follow-up reviews were also conducted to assess the implementation of agreed corrective actions.

Based on the internal audit reviews conducted during FYE 2026, the Board, through the AC, is satisfied that there were no material internal control weaknesses that would result in material losses, contingencies or uncertainties requiring separate disclosure in this Annual Report.

The total professional fees incurred for the outsourced internal audit function during FYE 2026 amounted to RM29,000 (FYE 2025: RM29,000).

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

SUSTAINABILITY MANAGEMENT

The Group recognises that sustainability-related and climate-related risks and opportunities, including ESG matters, may affect its operational resilience, financial performance and long-term value creation. Accordingly, sustainability considerations are integrated into the Group's risk management framework to facilitate the identification, assessment and management of material sustainability-related and climate-related matters alongside other business risks and opportunities.

The Board, through the RMSC, maintains ultimate oversight of the Group's sustainability governance, ensuring that material ESG developments and emerging risks are periodically reviewed to align with the Group's strategic objectives. This structure ensures that the identification and management of sustainability-related and climate-related matters are closely aligned with the Group's broader operational goals.

The Board acknowledges that sustainability management is an evolving area and remains committed to strengthening the Group's sustainability practices over time. Based on the processes in place during FYE 2026, the Board is satisfied that sustainability-related and climate-related risks and opportunities were managed appropriately and integrated into the Group's overall risk management processes.

ASSURANCE FROM MANAGEMENT

The Executive Directors and CFO, on behalf of Management, have provided the Board with assurance that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, during FYE 2026 and up to the date of approval of this Annual Report. This assurance is based on the risk management and internal control framework established by the Group and representations provided by the respective HODs.

REVIEW OF THE STATEMENT BY THE EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the MMLR of Bursa Securities, the External Auditors have reviewed this Statement for inclusion in the 2026 Annual Report. The review was conducted in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, and AAPG 3, *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Annual Report*. Based on the review performed, 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 disclosures required by Section 7 of the SORMIC Guide 2025, nor is it factually inaccurate.

CONCLUSION

The Board remains committed to maintaining and continuously enhancing the Group's risk management and internal control framework in line with the Group's business needs and evolving operating environment. Based on the reviews conducted during FYE 2026 and up to the date of approval of this Annual Report, the Board is satisfied that the Group's risk management and internal control system is adequate and effective in all material respects and that no material weaknesses were identified that would require separate disclosure in this Annual Report.

This Statement was reviewed by the AC and approved by the Board on 20 July 2026.

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors are required by the Companies Act 2016 ("CA 2016") to prepare the financial statements for each financial year and to ensure that the financial statements are prepared in accordance with the applicable Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS"), and the requirements of the CA 2016 in Malaysia.

The Directors are responsible to ensure that the financial statements 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, as well as the financial performance and cash flows for the financial year then ended.

During the preparation of the financial statements for the FYE 2026, the Directors ensured that the Management has taken the following measures:

- (i) considered and applied appropriate accounting policies in accordance with approved accounting standards consistently;
- (ii) made reasonable and prudent judgment and accounting estimates; and
- (iii) prepared the financial statements on a going concern basis.

The Directors are also responsible to ensure that the Group and the Company keep proper accounting records and other records that disclose the financial position of the Group and of the Company with reasonable accuracy at all times in compliance with the requirements of the CA 2016.

In addition, the Directors have overall responsibility for taking reasonable steps to safeguard the assets of the Group and of the Company to minimise fraud and other irregularities.

This statement was approved by the Board on 20 July 2026.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS

Disposal of leasehold property

Pengangkutan Sekata Sdn Bhd, a wholly owned subsidiary of the Company, had on 16 April 2025 entered into a Sale and Purchase Agreement with Airique Property Sdn Bhd for the disposal of a piece of leasehold industrial land measuring approximately 1.214 hectares (equivalent to approximately 3.00 acres or 130,674 square feet) together with a single-storey warehouse, a two-storey office, a guard house, and a garbage house situated at Pasir Gudang, Johor for a cash consideration of RM16,000,000. The disposal was completed on 5 January 2026 and the gross proceeds of RM16,000,000 had been fully utilised in the following manner as at 31 March 2026:

Purpose	Intended Utilisation RM'000	Actual Utilisation RM'000	Deviation RM'000	Balance RM'000	Estimated Timeframe for Utilisation
Investment in Technology segment:					
Software development fees	7,630	9,428	1,798	-	Within 24 months
Promotion of MoneyX	6,000	3,728	(2,272)	-	Within 24 months
Salary and personnel expenses	2,000	2,442	442	-	Within 24 months
Expenses incidental to the disposal	370	402	32	-	Upon completion
Total	16,000	16,000	-	-	

2. AUDIT AND NON-AUDIT FEES

The audit and non-audit fees paid or payable by the Company and the Group to the External Auditors, Crowe Malaysia PLT during the financial year under review were as follows:

	The Company RM	The Group RM
Audit Fee	80,000	295,000
Non-Audit Fee	5,000	5,000
Total	85,000	300,000

The fees paid and payable to a firm or a corporation affiliated to Crowe Malaysia PLT by the Company and the Group during the financial year under review were as follows:

	The Company RM	The Group RM
Tax Agent Fees	163,203	265,878

ADDITIONAL COMPLIANCE INFORMATION

(CONTINUED)

3. DEVIATION IN RESULTS

The variance in the results between the audited financial statements for the FYE 2026 and the previously announced unaudited results for the same period was less than 10%.

4. MATERIAL CONTRACTS

Save as disclosed below, there were no material contracts entered into by the Company and its subsidiaries, involving Directors' and major shareholders' interests, either still subsisting at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year:

On 29 August 2024, Channel Legion Sdn Bhd ("CLSB"), a wholly owned subsidiary of the Company, entered into a Sale and Purchase Agreement ("SPA") with Pacific Trustees Berhad, acting solely in its capacity as the trustee for and on behalf of KIP Real Estate Investment Trust ("KIP REIT"), for the disposal of CLSB's remaining unexpired period of the lease on a part of the leasehold land, together with a single-storey detached factory with a single-storey office annexed and a single-storey detached factory with an integral single-storey office, a refuse chamber and a guard house for a total cash consideration of RM23.7 million. This proposed disposal was approved by the shareholders of the Company at an Extraordinary General Meeting held on 24 January 2025. The SPA was mutually terminated on 28 May 2026.

Dato' Ong Choo Meng, being the Group Chief Executive Officer, Executive Director and major shareholder of HexTech, is also a major unitholder of KIP REIT by virtue of his interest and directorship in Hextar Rubber Sdn Bhd.

During FYE 2026, there was no material contract relating to loans entered into by the Company and/or its subsidiaries involving Directors' and major shareholders' interests.

5. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF REVENUE OR TRADING NATURE

The following are the details of RRPT entered into between the Company and its subsidiaries with their related parties during FYE 2026 pursuant to the Shareholders' Mandate obtained by the Company at the last AGM held on 26 August 2025:

No.	Transacting Parties	Interested Parties	Nature of Relationship	Nature of transaction with HexTech Group	Aggregate value (RM'000)
1	Hextar Capital Berhad ("HCB") and its subsidiaries		OCM is a major shareholder of HCB	Provision of logistic services	75
				Sales of building materials	103
2	Hextar Healthcare Berhad ("HHB") and its subsidiaries	Dato' Ong Choo Meng ("OCM")	OCM is a major shareholder of Hextar Holdings Sdn Bhd ("HHSB") via his substantial shareholding and directorship in Hextar Rubber Sdn Bhd	Provision of logistic services	8

ADDITIONAL COMPLIANCE INFORMATION

(CONTINUED)

5. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF REVENUE OR TRADING NATURE (CONT'D)

The following are the details of RRPT entered into between the Company and its subsidiaries with their related parties during FYE 2026 pursuant to the Shareholders' Mandate obtained by the Company at the last AGM held on 26 August 2025: (Cont'd)

No.	Transacting Parties	Interested Parties	Nature of Relationship	Nature of transaction with HexTech Group	Aggregate value (RM'000)
3	Hextar Industries Berhad ("HIB") and its subsidiaries	OCM	OCM is a major shareholder of HIB via his substantial shareholding and directorship HHSB	Provision of logistic services	1,628
				Provision of professional services including IT related, sales consultation, management, etc	68
				Sales of building materials	1,100
4	Binasat Communications Berhad ("BCB") and its subsidiaries	OCM	OCM is a major shareholder of BCB via his substantial shareholding in HCB, which in turn is the holding company of Opcom VC Sdn Bhd, the major shareholder of BCB	Sales of building materials	701
5	Hextar Global Berhad ("HGB") and its subsidiaries		OCM is a major shareholder of HGB via his substantial shareholding and directorship in HHSB	Provision of logistic services	654

FINANCIAL STATEMENTS

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DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the subsidiaries are set out in Note 7 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM	The Company RM
Loss after taxation for the financial year	(38,303,426)	(10,703,100)
Attributable to:-		
Owners of the Company	(37,388,400)	(10,703,100)
Non-controlling interests	(915,026)	-
	(38,303,426)	(10,703,100)

DIVIDEND

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

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS' REPORT

(CONTINUED)

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

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

CURRENT ASSETS

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

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

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate. The financial statements of the Group and of the Company are prepared on the basis of accounting principles applicable to going concerns as disclosed in Note 5 to the financial statements.

CONTINGENT AND OTHER LIABILITIES

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

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

DIRECTORS' REPORT

(CONTINUED)

ITEMS OF AN UNUSUAL NATURE (CONT'D)

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

DIRECTORS

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

Dato' Ong Choo Meng
 Ronald Khoo Boo Soon
 Choo Joon Keong
 Sujatha Sekhar A/P Tan Sri B.C. Sekhar
 Tan Sri Muhammad Bin Ibrahim
 Yeoh Chin Hoe
 Tan Pei Shiun (Appointed on 25 November 2025)
 Dato' Ong Chong Yi (Resigned on 25 November 2025)

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

Tan Eng Kiong
 Ong Soon Lim
 Leow Fook Wee (Resigned on 15 April 2025)

DIRECTORS' INTERESTS

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

	< ----- Number of Ordinary Shares ----- >			
	At 1.4.2025	Bought	Sold	At 31.3.2026
The Company				
<i>Direct interests</i>				
Dato' Ong Choo Meng	104,576,900	8,933,300	(4,445,000)	109,065,200
Tan Pei Shiun	-	6,201,600	-	6,201,600
<i>Indirect interests</i>				
Dato' Ong Choo Meng*	1,117,360,000	-	-	1,117,360,000

* Deemed interested by virtue of his direct substantial shareholdings in Hextar Tech Sdn. Bhd. and Hextar Holdings Sdn. Bhd..

By virtue of their shareholdings in the Company, Dato' Ong Choo Meng is deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

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

DIRECTORS' REPORT

(CONTINUED)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 27 to the financial statements.

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

DIRECTORS' REMUNERATION

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

	From the Company RM	From the Subsidiaries RM	Total RM
Fees	348,000	-	348,000
Salaries, bonuses and other benefits	164,598	1,232,573	1,397,171
Defined contribution benefits	16,200	145,620	161,820
	528,798	1,378,193	1,906,991

INDEMNITY AND INSURANCE COST

During the financial year, the amount of insurance effected for the directors and officers of the Company and its subsidiaries was RM10,000,000. No indemnity was given to or insurance effected for the auditors of the Company.

SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 7 to the financial statements.

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

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 32 to the financial statements.

SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

The significant events occurring after the reporting period are disclosed in Note 33 to the financial statements.

DIRECTORS' REPORT

(CONTINUED)

HOLDING COMPANY

The holding company is Hextar Tech Sdn. Bhd., a company incorporated and domiciled in Malaysia.

AUDITORS

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

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

	The Group RM	The Company RM
Audit fees	295,000	80,000
Non-audit fee	5,000	5,000
	<u>300,000</u>	<u>85,000</u>

Signed in accordance with a resolution of the directors dated 20 July 2026.

Dato' Ong Choo Meng

Ronald Khoo Boo Soon

STATEMENT BY DIRECTORS

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

We, Dato' Ong Choo Meng and Ronald Khoo Boo Soon, being two of the directors of Hextar Technologies Solutions Berhad, state that, in the opinion of the directors, the financial statements set out on pages 119 to 177 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2026 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 20 July 2026.

Dato' Ong Choo Meng

Ronald Khoo Boo Soon

STATUTORY DECLARATION

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

I, Tan Eng Kiong, MIA Membership Number: 24224, being the officer primarily responsible for the financial management of Hextar Technologies Solutions Berhad, do solemnly and sincerely declare that the financial statements set out on pages 119 to 177 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Tan Eng Kiong, NRIC Number: 741225-06-5189
at Kuala Lumpur
in the Federal Territory
on this 20 July 2026

Before me

Tan Eng Kiong

INDEPENDENT AUDITORS' REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Hextar Technologies Solutions Berhad, which comprise the statements of financial position as at 31 March 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 119 to 177.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

INDEPENDENT AUDITORS' REPORT

(CONTINUED)

Key Audit Matters (Cont'd)

Going Concern Refer to Note 5 to the financial statements	
Key Audit Matter	How Our Audit Addressed the Key Audit Matter
During the current financial year, the Group incurred a loss after taxation of RM38,303,426 and recorded net operating cash outflows of RM13,559,120. These events and conditions give rise to concern whether the Group has sufficient cash flows to meet its obligations for the next 12 months from the end of the reporting period. In view of the above, barring any unforeseen circumstances, management has a reasonable expectation that the Group has adequate resources to continue as a going concern for at least 12 months from the end of the reporting period. Accordingly, the financial statements of the Group have been prepared on the basis of accounting principles applicable to going concern. This is considered to be a key audit matter because the evaluation of events and conditions, including the actions taken by the directors in addressing them involve judgement. The judgement is in respect of the key assumptions used in their assessment and management's plan for future action and on the feasibility of those plans. Refer to Note 5 to the financial statements which discloses the directors' assessment on the ability of the Group to continue as a going concern.	Our audit procedures included, amongst others: 1. Evaluated management's plans for sustaining the Group's operating cash flows in the next 12 months, including reviewing the cash flow forecasts for the next 12 months from the end of the reporting period; 2. Challenged management on the key assumptions underpinning the cash flows forecasts to evaluate whether they are reasonably made in the circumstance, taking into accounts actual performances, external data and prevailing market conditions; 3. Assessed the reasonableness of management's assessment that the Group has the ability to meet its debt repayment obligations, considering the sources of funding currently available to the Group to meet its obligations as and when they fall due; 4. Obtained and discussed with management the terms and availability of banking facilities that are available for the 12 month period from the end of the reporting period; 5. Assessed the Group's compliance with its debt covenants of bank borrowings; 6. Enquired of management and reviewed events subsequent to the financial year end to evaluate any events that may affect the Group's ability to continue as a going concern; and 7. Assessed the adequacy and appropriateness of disclosures made in the Group's financial statements in respect of events and conditions identified that may cast significant doubt on the Group's ability to continue as a going concern.

INDEPENDENT AUDITORS' REPORT

(CONTINUED)

Key Audit Matters (Cont'd)

Impairment of Intangible Assets Refer to Note 10 and Note 28 to the financial statements	
Key Audit Matter	How Our Audit Addressed the Key Audit Matter
As of the reporting date, the Group recognised development expenditure amounting to RM0.57 million (disclosed in Note 10 to the financial statements), relating to the Technology Segment as set out in Note 28 to the financial statements. The Technology Segment generated minimal revenue of RM0.15 million during the financial year and recorded a loss after taxation of RM40.09 million. The loss was primarily attributable to development costs of RM14.91 million, marketing expenses of RM6.72 million incurred to support user acquisition and application growth, and additional amortisation expense of RM4.88 million arising from the revision of the useful lives of certain intangible assets. The continued losses and limited revenue generation increase the significance of management's assessment of the recoverable amount of the development expenditure and the related assumptions used in forecasting future cash flows. We determined this to be a key audit matter due to the significance of the carrying amount of the Group's intangible assets and the inherent subjectivity in impairment testing. For purposes of the annual impairment assessment of development expenditure, significant judgements are involved in the estimation of the present value of future cash flows generated by development expenditure. These assessments involves uncertainties and are significantly affected by assumptions used and judgement made in estimating the future cash flows, which include, amongst others, the achievability of long-term business plans.	Our audit procedures included, amongst others: 1. Reviewed management's estimate of the recoverable amounts and tested the cash flow forecasts for their accuracy; 2. Reviewed the key drivers underpinning the cash flow forecasts prepared to support the recoverable amount; 3. Assessed the reasonableness of cash flow forecasts and projections by comparison to historical performance, future outlook and the achievability of the business plans through discussion with management; 4. Evaluated the qualifications and competencies of the valuer engaged by the management to understand and determine whether there were any matters that might have affected their objectivity or limited the scope of their work; 5. Assessed the accuracy and relevance of key input data used by the valuer to verify the assumptions and valuation techniques used in deriving the fair value of the development expenditures; and 6. Reviewed the adequacy of disclosures in the financial statements.

INDEPENDENT AUDITORS' REPORT

(CONTINUED)

Key Audit Matters (Cont'd)

Impairment Assessment of Trade Receivables Refer to Note 13 to the financial statements	
Key Audit Matter	How Our Audit Addressed the Key Audit Matter
As of the reporting date, the Group's total trade receivables amounted to RM53.36 million is stated net of allowance for impairment losses of RM7.51 million. Trade receivables are major component of the financial position of the Group. We focused on this area due to the magnitude of the amount involved and significant judgements are required to assess the allowance for impairment losses of trade receivables. The assessment on impairment of trade receivables involves significant management judgement, taking into consideration the age of the trade debts, historical payment patterns, existence of disputes and bad debts written off in the past.	Our audit procedures included, amongst others: 1. Enquired management's inputs and assumptions used when determining the expected credit loss allowance; 2. Evaluated the appropriateness and reasonableness of the key assumptions used in the expected credit loss model and tested its mathematical accuracy; 3. Tested the accuracy of the ageing profiles against supporting documents on a sample basis; 4. Traced subsequent collections for major receivables and overdue amounts to assess recoverability; and 5. Evaluated the adequacy of impairment losses provided.

Revenue Recognition Refer to Note 21 to the financial statements	
Key Audit Matter	How Our Audit Addressed the Key Audit Matter
<u>Sale of Goods</u> Revenue from sale of goods amounting to RM103.44 million representing 73% of the Group's revenue for the financial year ended 31 March 2026. The Group's revenue recognition policy is to recognise the revenue upon the transfer of control of the goods to the customer, which generally coincides with delivery and acceptance of the goods sold. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods. The timing of the transfer of the risks and rewards of the goods to the buyers is defined by the specific delivery terms agreed upon with the customers, and there is a risk that revenue could be misstated resulting from cut-off issue and thus we have identified this matter as a key audit matter.	Our audit procedures included, amongst others: 1. Assessed internal controls of revenue cycle and performed test of controls; 2. Performed fraud inquiry to management personnel and audit committee; 3. Reviewed management's revenue recognition policy to ascertain if revenue have been recognised in accordance with MFRS 15 Revenue from Contracts with Customers; 4. Verified the supporting documents on sampling basis so as to ascertain the proof of the service rendering and sale of goods; 5. Reviewed contracts with customer on sampling basis and the satisfaction of performance obligation as specified in the contracts; and 6. Tested on sampling basis for sales transactions taking place near to or after the reporting date by evaluating the agreed delivery terms provided by the customers.

INDEPENDENT AUDITORS' REPORT

(CONTINUED)

Key Audit Matters (Cont'd)

Revenue Recognition (Cont'd)	
Refer to Note 21 to the financial statements	
Key Audit Matter	How Our Audit Addressed the Key Audit Matter
<u>Rendering of Services</u> Revenue from rendering of services amounting to RM34.77 million representing 25% of the Group's revenue for the financial year ended 31 March 2026. Revenue from rendering of services is recognised during the period in which control over the promised services have been transferred to customers. These services consist of large volumes of individually low value transactions and the rates applied to each transaction are based on contract terms agreed among different customers. The recognition of revenue transactions from these services is recorded manually by the management. Through such manual recording, management has the ability to influence the recognition of revenue, hence there is a risk of misstatement in the revenue recognised from rendering of services.	

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

INDEPENDENT AUDITORS' REPORT

(CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for the audit opinion.

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

INDEPENDENT AUDITORS' REPORT

(CONTINUED)

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

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

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

OTHER MATTERS

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

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

Kuala Lumpur

20 July 2026

Lou Hoe Yin
03120/04/2028 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Note	The Group		The Company	
		2026 RM	2025 RM	2026 RM	2025 RM
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	7	-	-	100,315,241	68,000,657
Property, plant and equipment	8	21,450,689	16,712,174	-	-
Right-of-use assets	9	15,424,791	3,761,523	-	-
Intangible assets	10	9,470,933	17,767,304	-	-
Deferred tax assets	11	464,529	399,130	-	-
		46,810,942	38,640,131	100,315,241	68,000,657
CURRENT ASSETS					
Inventories	12	233,220	-	-	-
Trade and other receivables	13	61,531,057	78,614,609	33,026,009	66,445,272
Current tax assets		-	1,092,151	-	94,599
Short-term investments	14	73,604	45,822	73,604	45,822
Fixed deposits with a licensed bank	14	30,000	30,000	-	-
Cash and bank balances	14	5,262,060	5,611,268	39,200	327,348
		67,129,941	85,393,850	33,138,813	66,913,041
Assets classified as held for sale	15	-	25,813,152	-	-
		67,129,941	111,207,002	33,138,813	66,913,041
TOTAL ASSETS		113,940,883	149,847,133	133,454,054	134,913,698
EQUITY AND LIABILITIES					
EQUITY					
Share capital	16	72,397,926	72,397,926	72,397,926	72,397,926
(Accumulated losses)/ Retained earnings		(23,011,396)	14,377,004	37,405,559	48,108,659
Equity attributable to owners of the Company		49,386,530	86,774,930	109,803,485	120,506,585
Non-controlling interests	7(b)	(3,921,799)	(3,006,773)	-	-
TOTAL EQUITY		45,464,731	83,768,157	109,803,485	120,506,585
NON-CURRENT LIABILITIES					
Lease liabilities	17	16,664,304	-	-	-
Hire purchase payables	18	2,039,980	958,127	-	-
		18,704,284	958,127	-	-

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

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2026

		The Group		The Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
CURRENT LIABILITIES					
Trade and other payables	19	26,423,439	28,224,029	14,062,218	4,289,838
Lease liabilities	17	469,088	19,377	-	-
Hire purchase payables	18	764,555	360,250	-	-
Borrowings	20	21,678,267	21,508,227	9,426,112	10,117,275
Current tax liabilities		436,519	-	162,239	-
		49,771,868	50,111,883	23,650,569	14,407,113
Liability associated to assets held for sale	15	-	15,008,966	-	-
		49,771,868	65,120,849	23,650,569	14,407,113
TOTAL LIABILITIES		68,476,152	66,078,976	23,650,569	14,407,113
TOTAL EQUITY AND LIABILITIES		113,940,883	149,847,133	133,454,054	134,913,698

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	The Group		The Company	
		2026 RM	2025 RM	2026 RM	2025 RM
REVENUE	21	141,459,238	181,093,849	-	4,833,200
COST OF SALES	22	(154,730,439)	(171,278,551)	-	-
GROSS (LOSS)/PROFIT		(13,271,201)	9,815,298	-	4,833,200
OTHER INCOME		7,437,288	2,750,289	12,057,450	2,503,322
SELLING AND MARKETING EXPENSES		(9,504,534)	(15,257,852)	-	-
ADMINISTRATIVE EXPENSES		(17,413,976)	(15,695,934)	(1,504,348)	(1,105,885)
OTHER EXPENSES		(1,149,726)	(1,492,969)	(19,685,416)	(24,494,113)
FINANCE COSTS		(2,251,225)	(1,907,116)	(594,935)	(430,314)
LOSS BEFORE TAXATION	23	(36,153,374)	(21,788,284)	(9,727,249)	(18,693,790)
INCOME TAX EXPENSE	24	(2,150,052)	(780,044)	(975,851)	(521,773)
LOSS AFTER TAXATION		(38,303,426)	(22,568,328)	(10,703,100)	(19,215,563)
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE EXPENSES FOR THE FINANCIAL YEAR		(38,303,426)	(22,568,328)	(10,703,100)	(19,215,563)
LOSS AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		(37,388,400)	(22,027,890)	(10,703,100)	(19,215,563)
Non-controlling interests		(915,026)	(540,438)	-	-
		(38,303,426)	(22,568,328)	(10,703,100)	(19,215,563)
TOTAL COMPREHENSIVE EXPENSES ATTRIBUTABLE TO:-					
Owners of the Company		(37,388,400)	(22,027,890)	(10,703,100)	(19,215,563)
Non-controlling interests		(915,026)	(540,438)	-	-
		(38,303,426)	(22,568,328)	(10,703,100)	(19,215,563)
LOSS PER SHARE (SEN)					
Basic	25	(1.8)	(1.1)		
Diluted	25	(1.8)	(1.1)		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Share Capital RM	Retained Earnings/ (Accumulated losses) RM	Attributable to Owners of the Company RM	Non- Controlling Interests RM	Total Equity RM
The Group					
Balance at 1.4.2024	72,397,926	36,404,894	108,802,820	(2,466,335)	106,336,485
Loss after taxation/ Total comprehensive expenses for the financial year	-	(22,027,890)	(22,027,890)	(540,438)	(22,568,328)
Balance at 31.3.2025/ 1.4.2025	72,397,926	14,377,004	86,774,930	(3,006,773)	83,768,157
Loss after taxation/ Total comprehensive expenses for the financial year	-	(37,388,400)	(37,388,400)	(915,026)	(38,303,426)
Balance at 31.3.2026	72,397,926	(23,011,396)	49,386,530	(3,921,799)	45,464,731
The Company					
			Share Capital RM	Retained Earnings RM	Total Equity RM
Balance at 1.4.2024			72,397,926	67,324,222	139,722,148
Loss after taxation/Total comprehensive expenses for the financial year			-	(19,215,563)	(19,215,563)
Balance at 31.3.2025/1.4.2025			72,397,926	48,108,659	120,506,585
Loss after taxation/Total comprehensive expenses for the financial year			-	(10,703,100)	(10,703,100)
Balance at 31.3.2026			72,397,926	37,405,559	109,803,485

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

		The Group		The Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES					
Loss before taxation		(36,153,374)	(21,788,284)	(9,727,249)	(18,693,790)
Adjustments for:-					
Amortisation of intangible assets	10	8,863,641	2,481,250	-	-
Bad debts		-	7,200	-	-
Depreciation of property, plant and equipment	8	1,891,849	1,692,290	-	-
Depreciation of right-of-use assets	9	1,084,477	913,218	-	-
Dividend income from unquoted shares	21	-	(73,200)	-	(73,200)
Dividend income from a subsidiary	21	-	-	-	(4,760,000)
Gain on disposal of assets held for sale	23	(5,221,840)	(560,816)	-	-
Gain on disposal of property, plant and equipment	23	(459,571)	(231,078)	-	-
Gain on lease termination	23	-	(79,132)	-	-
Impairment losses on:-					
- trade receivables	13(d)	1,142,768	1,349,903	-	-
- amount owing by related parties	13(e)	6,959	18,524	-	-
- amount owing by subsidiaries	13(f)	-	-	-	24,435,744
- investment in subsidiaries		-	-	19,685,416	-
Interest expense		2,251,225	1,907,116	594,935	430,314
Interest income		(197,029)	(76,950)	(1,945,520)	(2,503,311)
Net loss on disposal of unquoted investment		-	51,416	-	51,416
Net loss on disposal of subsidiaries		-	-	-	98
Net unrealised loss on foreign exchange		23,064	23,184	-	-
Property, plant and equipment written off	8	8,250	72,078	-	-
Reversal of impairment losses on:-					
- trade receivables	13(d)	(410,940)	(748,770)	-	-
- amount owing by related parties	13(e)	-	(13,104)	-	-
- amount owing by subsidiaries	13(f)	-	-	(10,111,930)	-
Operating loss before working capital changes		(27,170,521)	(15,055,155)	(1,504,348)	(1,112,729)
Increase in inventories		(233,220)	-	-	-
Decrease/(Increase) in trade and other receivables		16,336,871	(10,973,017)	1,157	11,303
(Decrease)/Increase in trade and other payables		(1,805,469)	12,506,350	9,772,380	4,120,826
Decrease in contract liabilities		-	(23,232)	-	-
CASH (FOR)/FROM OPERATIONS		(12,872,339)	(13,545,054)	8,269,189	3,019,400
Tax paid		(1,228,201)	(1,683,579)	(719,013)	(461,774)
Tax refund		541,420	24,867	-	10,760
NET CASH (FOR)/FROM OPERATING ACTIVITIES		(13,559,120)	(15,203,766)	7,550,176	2,568,386

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

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

		The Group		The Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
CASH FLOWS FROM/(FOR)					
INVESTING ACTIVITIES					
Acquisition of intangible assets	10	(567,270)	(13,116,209)	-	-
Advances to subsidiaries		-	-	(8,469,964)	(22,892,387)
Dividend received		-	73,200	-	4,833,200
Interest received		197,029	76,950	1,945,520	2,503,311
Investment in newly incorporated subsidiaries		-	-	-	(200)
Proceeds from disposal of assets held for sale		15,597,309	8,510,971	-	-
Proceeds from disposal of property, plant and equipment		1,378,581	234,850	-	-
Proceeds from disposal of subsidiaries		-	-	-	2
Proceeds from disposal of unquoted shares		-	2,519,384	-	2,519,384
Purchase of property, plant and equipment	14(c)	(227,304)	(337,572)	-	-
NET CASH FROM/(FOR)		16,378,345	(2,038,426)	(6,524,444)	(13,036,690)
INVESTING ACTIVITIES					
CASH FLOWS (FOR)/FROM					
FINANCING ACTIVITIES					
Drawdown of bills payable	14(d)	78,045,800	65,162,958	29,069,000	23,300,000
Interest paid	14(d)	(2,274,171)	(1,900,762)	(615,098)	(346,228)
Repayment of bills payable	14(d)	(77,852,814)	(59,648,187)	(29,740,000)	(17,800,000)
Repayment of lease liabilities	17	(443,133)	(944,472)	-	-
Repayment of hire purchase payables	18	(606,042)	(335,209)	-	-
NET CASH (FOR)/FROM FINANCING ACTIVITIES		(3,130,360)	2,334,328	(1,286,098)	5,153,772
NET DECREASE IN CASH AND CASH EQUIVALENTS		(311,135)	(14,907,864)	(260,366)	(5,314,532)
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		(10,291)	(24,035)	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		5,657,090	20,588,989	373,170	5,687,702
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR		14	5,335,664	5,657,090	112,804
					373,170

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business are as follows:-

Registered office	:	Level 7, Mercu 3, No 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, Wilayah Persekutuan Malaysia.
Principal place of business	:	No. 64, Jalan Bayu Laut 4/KS09, Kota Bayuemas, 41200 Klang, Selangor Darul Ehsan, Malaysia.

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

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 20 July 2026.

2. HOLDING COMPANY

The holding company is Hextar Tech Sdn. Bhd., a company incorporated and domiciled in Malaysia.

3. PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the subsidiaries are set out in Note 7 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

4. BASIS OF PREPARATION

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

4.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

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

Amendments to MFRS 121: Lack of Exchangeability

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

4. BASIS OF PREPARATION (CONT'D)

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

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

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

MFRS 18 Presentation and Disclosure of Financial Statements

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

5. GOING CONCERN

During the current financial year, the Group incurred a loss after taxation of RM38,303,426 and recorded net operating cash outflows of RM13,559,120. Nevertheless, the financial statements of the Group have been prepared on the basis of accounting principles applicable to going concern.

In assessing the appropriateness of the going concern assumption, the directors have considered, amongst others, the following:

- Management has prepared cash flow forecasts covering at least 12 months from end of the reporting period, which indicate that the Group will have sufficient liquidity to meet its obligations as and when they fall due.
- The Group has implemented various cost optimisation initiatives, particularly within its Technology segment, including reducing development expenditure and other discretionary operating costs to improve cash flows.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

5. GOING CONCERN (CONT'D)

In assessing the appropriateness of the going concern assumption, the directors have considered, amongst others, the following: (Cont'd)

- (c) The Group's non-technology business segments continue to generate positive operating cash flows, providing ongoing financial support to the Group while the Technology segment continues its optimisation initiatives.
- (d) The Group has access to unutilised banking facilities of approximately RM2.0 million as at 31 March 2026, which provide additional liquidity and funding flexibility should additional funding be required.
- (e) The Group is actively pursuing strategic initiatives to unlock value from certain non-core assets with the objective of strengthening its liquidity position and supporting its future funding requirements. These initiatives remain subject to the completion of relevant approvals and other customary formalities.
- (f) The Group continues to evaluate various equity and financing initiatives to strengthen its capital base and enhance its liquidity position. The directors are of the view that the Group has the ability to access appropriate funding options, where required, to support its operational and working capital requirements.
- (g) In the event the timing of the above initiatives differs from current expectations, management has identified contingency measures, including the deferral of non-essential capital expenditure, suspension of non-critical projects and reduction of discretionary expenditure.

Based on the above assessment and the cash flow forecasts prepared, the directors are satisfied that the Group will have adequate resources to continue as a going concern for a period of 12 months from the end of reporting period. Accordingly, the financial statements have been prepared on a going concern basis.

As at the date these financial statements were authorised for issue, the directors believe that no material uncertainty exists regarding the ability of the Group to continue as a going concern. Accordingly, the financial statements do not include any adjustments relating to the recoverability or classification of recorded asset amounts, or to the amounts and classification of liabilities that might be required if the Group was unable to continue as a going concern.

6. MATERIAL ACCOUNTING POLICY INFORMATION

6.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

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

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

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment and right-of-use assets are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment and right-of-use assets will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact on the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amounts of property, plant and equipment and right-of-use assets as at the reporting date are disclosed in Notes 8 and 9 to the financial statements respectively.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(b) Amortisation of Intangible Assets

The estimates for the residual values, useful lives and related amortisation charges for the intangible assets are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its intangible assets will be insignificant. As a result, residual values are not being taken into consideration for the computation of the amortisation amount. Changes in the expected level of usage and technological development could impact on the economic useful lives and the residual values of these assets, therefore future amortisation charges could be revised. The carrying amount of intangible assets measured at revaluation as at the reporting date is disclosed in Note 10 to the financial statements.

(c) Impairment of Property, Plant and Equipment, Right-of-use Assets and Intangible Assets

The Group determines whether an item of its property, plant and equipment, right-of-use assets and intangible assets are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods are used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of property, plant and equipment, right-of-use assets and intangible assets as at the reporting date are disclosed in Notes 8, 9 and 10 to the financial statements respectively.

(d) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 13 to the financial statements.

(e) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group and the Company to assess whether there is a significant increase in credit risk of the non-trade financial assets at the reporting date. The Group and the Company use judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amounts owing by subsidiaries as at the reporting date are disclosed in Note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(f) Income Tax

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

Critical Judgements Made in Applying Accounting Policies

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

Lease Terms

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

6.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

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

Financial Assets at Amortised Cost

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

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.2 FINANCIAL INSTRUMENTS (CONT'D)

(c) Equity

Ordinary Shares

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

(d) Financial Guarantee Contracts

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

6.3 INVESTMENTS IN SUBSIDIARIES

Investment in subsidiaries (including the fair value adjustments on inter-company loans at inception date), which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

6.4 PROPERTY, PLANT AND EQUIPMENT

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

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

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Buildings	2% - 3.5%
Computer and peripherals	20% - 33%
Motor vehicles	20%
Office equipment	20%
Operating equipment	10%
Renovation	20%
Signboard	20%

6.5 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.5 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

(b) Right-of-use Assets

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

(c) Lease Liabilities

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

6.6 INTANGIBLE ASSETS

Research costs are recognised as an expense when they are incurred.

Intangible assets are initially measured at cost. Subsequent to the initial recognition, the intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Intangible Assets with Definite Useful Lives

The intangible assets are amortised using the straight-line method to allocate their depreciable amounts over the following periods:-

MoneyX Application	3 years
MoneyX Biz	5 years

Capital work-in-progress is not amortised until such time when the asset is available for use.

During the financial year, the Group has reviewed the useful lives and changed the amortisation period for the following asset:-

MoneyX Application	From 5 years to 3 years
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The change in the amortisation period has increase the loss before taxation of the Group by RM4,882,858 for the current financial year.

6.7 INVENTORIES

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

7. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2026 RM	2025 RM
Unquoted shares, at cost	84,424,762	32,424,762
Redeemable convertible preference shares	46,850,000	46,850,000
	131,274,762	79,274,762
Accumulated impairment losses	(30,959,521)	(11,274,105)
	100,315,241	68,000,657

The details of the subsidiaries are as follows:-

Name of Subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2026	2025	
Subsidiaries of the Company				
Channel Legion Sdn. Bhd.	Malaysia	100%	100%	Investment holding
Complete Logistic Specialists Sdn. Bhd.	Malaysia	100%	100%	Total logistic service provider
Guper Bonded Warehouse Sdn. Bhd.	Malaysia	100%	100%	Investment holding
Hextar Supplies Sdn. Bhd.	Malaysia	100%	100%	General trading and rental of equipment
Malsuria (M) Sdn. Bhd.	Malaysia	100%	100%	Providing financial services and to carry on money lending business
Pengangkutan Sekata Sdn. Bhd.	Malaysia	100%	100%	Lorry transport operator
CIBC Technology Sdn. Bhd.	Malaysia	65%	65%	Trading via operating E-commerce
Hexpro Alliances Sdn. Bhd. (formerly known as Sin Hiap Hoe Trading & Transport Sdn. Bhd.)	Malaysia	100%	100%	Direct sales and lorry transport operator
Hextech Management Sdn. Bhd.	Malaysia	100%	100%	Provision of management and marketing services, computer consultancy and insurance agents

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

Name of Subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2026	2025	
Subsidiaries of the Company (Cont'd)				
Hextar Marketing Sdn. Bhd.	Malaysia	100%	100%	Trading of building materials and other general items
Hextech AI Innovations Sdn. Bhd.	Malaysia	100%	100%	Investment holding
Subsidiary of Pengangkutan Sekata Sdn. Bhd.				
Dian Pahlawan Sdn. Bhd.	Malaysia	100%	100%	Lorry transport operator
Subsidiaries of Hextech AI Innovations Sdn. Bhd.				
Hextech Vision Sdn. Bhd.	Malaysia	100%	100%	Provision of technology related services
Hextech Business Sdn. Bhd.	Malaysia	100%	100%	Provision of technology related services

- (a) On 30 April 2025, the Company subscribed 52,000,000 new ordinary shares in the share capital of Hextech AI Innovations Sdn. Bhd. ("HASB"), for a total consideration of RM52,000,000, by way of capitalising of the capital advances injected by the Company to HASB.
- (b) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interest		The Group	
	2026 %	2025 %	2026 RM	2025 RM
CIBC Technology Sdn. Bhd. ("CTSB")	35	35	(3,921,799)	(3,006,773)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

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

	CTSB	
	2026 RM	2025 RM
<u>At 31 March</u>		
Non-current assets	120,407	76,830
Current assets	13,962,311	20,766,269
Non-current liabilities	(67,006)	-
Current liabilities	(25,211,928)	(29,424,954)
Net liabilities	(11,196,216)	(8,581,855)
<u>Financial year ended 31 March</u>		
Revenue	21,999,153	55,665,629
Loss for the financial year/Total comprehensive expenses	(2,614,361)	(1,544,108)
Total comprehensive expenses attributable to non-controlling interests	(915,026)	(540,438)
Net cash from operating activities	1,660,431	2,093,898
Net cash from/(for) investing activities	7,002	(7,421)
Net cash for financing activities	(1,369,624)	(4,825,625)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

8. PROPERTY, PLANT AND EQUIPMENT

The Group	At 1.4.2025 RM	Additions (Note 14(c)) RM	Transfer from Assets Held for Sale (Note 15) RM	Write Off (Note 23) RM	Disposal RM	Depreciation Charges (Note 23) RM	At 31.3.2026 RM
2026							
<i>Carrying Amount</i>							
Freehold land	6,014,462	-	-	-	-	-	6,014,462
Buildings	6,632,568	-	5,190,416	-	-	(780,763)	11,042,221
Computer and peripherals	347,572	127,011	-	-	(85,656)	(147,878)	241,049
Motor vehicles	118,747	-	-	-	-	(59,373)	59,374
Office equipment	305,599	28,498	-	-	(7,585)	(97,596)	228,916
Operating equipment	3,087,273	2,092,200	-	-	(825,769)	(729,177)	3,624,527
Renovation	101,363	17,301	47,704	(8,250)	-	(42,152)	115,966
Signboard	104,590	54,494	-	-	-	(34,910)	124,174
	16,712,174	2,319,504	5,238,120	(8,250)	(919,010)	(1,891,849)	21,450,689
2025							
<i>Carrying Amount</i>							
Freehold land	6,014,462	-	-	-	-	-	6,014,462
Buildings	18,797,935	-	(11,822,984)	-	-	(342,383)	6,632,568
Computer and peripherals	367,840	192,326	-	-	-	(212,594)	347,572
Motor vehicles	178,120	-	-	-	-	(59,373)	118,747
Office equipment	365,484	38,345	-	-	(3,772)	(94,458)	305,599
Operating equipment	4,013,308	-	-	-	-	(926,035)	3,087,273
Renovation	149,717	101,201	(47,704)	(72,078)	-	(29,773)	101,363
Signboard	126,564	5,700	-	-	-	(27,674)	104,590
	30,013,430	337,572	(11,870,688)	(72,078)	(3,772)	(1,692,290)	16,712,174

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

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

The Group	Cost RM	Accumulated Depreciation RM	Impairment Loss RM	Carrying Amount RM
2026				
Freehold land	6,014,462	-	-	6,014,462
Buildings	13,384,511	(2,342,290)	-	11,042,221
Computer and peripherals	2,085,342	(1,844,293)	-	241,049
Motor vehicles	574,732	(515,358)	-	59,374
Office equipment	748,552	(519,636)	-	228,916
Operating equipment	13,344,314	(9,278,836)	(440,951)	3,624,527
Renovation	178,170	(62,204)	-	115,966
Signboard	195,994	(71,820)	-	124,174
	36,526,077	(14,634,437)	(440,951)	21,450,689
2025				
Freehold land	6,014,462	-	-	6,014,462
Buildings	8,002,241	(729,673)	(640,000)	6,632,568
Computer and peripherals	2,081,321	(1,733,749)	-	347,572
Motor vehicles	670,487	(551,740)	-	118,747
Office equipment	763,759	(458,160)	-	305,599
Operating equipment	22,152,339	(18,222,586)	(842,480)	3,087,273
Renovation	119,829	(18,466)	-	101,363
Signboard	141,500	(36,910)	-	104,590
	39,945,938	(21,751,284)	(1,482,480)	16,712,174

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

9. RIGHT-OF-USE ASSETS

The Group	At 1.4.2025 RM	Additions (Note 14(c)) RM	Transfer (to)/ from Asset Held for Sale (Note 15) RM	Lease Modification (Note 17) RM	Depreciation Charges (Note 23) RM	At 31.3.2026 RM
2026						
Carrying Amount						
Leasehold land under Sale and Purchase Agreements	3,742,901	-	(3,742,901)	-	-	-
Leasehold land and building under Lease Agreements	18,622	284,982	13,942,464	2,263,200	(1,084,477)	15,424,791
	3,761,523	284,982	10,199,563	2,263,200	(1,084,477)	15,424,791
The Group						
2025						
Carrying Amount						
Leasehold land under Sale and Purchase Agreements		3,849,587	-	-	(106,686)	3,742,901
Leasehold land and building under Lease Agreements		15,696,538	(13,942,464)	(928,920)	(806,532)	18,622
		19,546,125	(13,942,464)	(928,920)	(913,218)	3,761,523

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

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

The Group	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
2026			
Leasehold land and building under Lease Agreements	19,218,582	(3,793,791)	15,424,791
2025			
Leasehold land under Sale and Purchase Agreements	4,605,280	(862,379)	3,742,901
Leasehold land and building under Lease Agreements	213,721	(195,099)	18,622
	4,819,001	(1,057,478)	3,761,523

The leasehold land and building under Lease Agreements of the Group at the reporting period are used in operations and their lease terms are Nil and 2 years (2025: 30 years and 2 years) respectively. The Lease Agreements include extension and termination options which are negotiated by management to provide flexibility in managing the portfolio of leased asset and align with the Group's business needs. Management exercises judgement in determining whether the extension and termination options are reasonably certain to be exercised.

10. INTANGIBLE ASSETS

The Group	Software RM	Developed Work- in-progress RM	Capital Total RM
Cost:-			
At 1 April 2024	6,661,538	947,365	7,608,903
Additions during the financial year	-	13,116,209	13,116,209
Reclassification	14,063,574	(14,063,574)	-
At 31 March 2025/1 April 2025	20,725,112	-	20,725,112
Additions during the financial year	-	567,270	567,270
Reclassification	409,621	(409,621)	-
At 31 March 2026	21,134,733	157,649	21,292,382
Accumulated amortisation:-			
At 1 April 2024	(476,558)	-	(476,558)
Amortisation during the financial year (Note 23)	(2,481,250)	-	(2,481,250)
At 31 March 2025/1 April 2025	(2,957,808)	-	(2,957,808)
Amortisation during the financial year (Note 23)	(8,863,641)	-	(8,863,641)
At 31 March 2026	(11,821,449)	-	(11,821,449)
Carrying Amount:-			
At 31 March 2025	17,767,304	-	17,767,304
At 31 March 2026	9,313,284	157,649	9,470,933

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

10. INTANGIBLE ASSETS (CONT'D)

- (a) The developed software is in respect of software development of the MoneyX Application and MoneyX Biz, belongs to the Technology segment. The amortisation charges are recognised in profit of loss under the "Cost of Sales" line item.
- (b) During the financial year, the Group has reviewed the useful lives and changed the amortisation period for the MoneyX Application from 5 years to 3 years. The change in the amortisation period has increased the loss before taxation of the Group by RM4,882,858 for the current financial year.
- (c) The recoverable amount of the Group's intangible assets are summarised as follows:

MoneyX application

The recoverable amount of MoneyX application was determined based on its fair value less costs of disposal ("FVLCD"), using a valuation performed by an independent professional valuer. The valuation was prepared using the Multi-Period Excess Earnings Method ("MEEM") under the income approach.

Under the MEEM, the value of the MoneyX application is determined based on the present value of future cash flows attributable to the platform after deducting returns attributable to contributory assets required to support the generation of those cash flows. The valuation was based on management-approved cash flow projections over a ten-year forecast period.

The key assumptions used in the valuation include:-

- (i) Download growth rate - The projected download growth rate applied was 3% per annum, taking into consideration management's assessment of future user acquisition and market conditions.
- (ii) Active user rate - The projected active user rate ranged from 4% to 20%, reflecting management's expectations of user engagement and platform adoption over the forecast period.
- (iii) User conversion rate - A conversion rate of 57% was applied, representing the estimated proportion of active users expected to generate revenue from the platform.
- (iv) Average revenue per active user ("ARPU") - The projected ARPU ranged from RM0.93 to RM5.00, based on management's expectations of future monetisation initiatives, strategic partnerships and product offerings.
- (v) Discount rate - A discount rate of 25% was applied to the projected cash flows. The rate was determined with reference to the expected returns for entities at a similar stage of development, taking into consideration the early-stage nature of the MoneyX application, uncertainties in achieving projected cash flows and margins, and the risks associated with operating in the fintech industry.

In applying the MEEM valuation methodology, the expected cash flows were discounted to their present value equivalent using a rate of return that reflects the relative risk of the cash flows, as well as the time value of money. This was calculated by weighing the required returns on debt and equity in proportion to their assumed percentages.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

10. INTANGIBLE ASSETS (CONT'D)

MoneyX Biz Platform

The recoverable amount of MoneyX Biz platform was determined by value-in-use approach which was derived from cash flow projection based on 10 years (2025 - 5 years) of financial budgets approved by management. The cash flow projection covers beyond 5-year period due to the nature of the business, which required significant upfront investment in development, with the resulting cash flows expected to be realised over a longer period. The cash flow projection reflect management's best estimate based on the current assessment of market growth as well as management's knowledge and past experience in the industries and historical information. The key assumptions used in the determination of the recoverable amounts are as follows:-

- (i) Projected revenue growth rates - The projected revenue growth rate used ranged from 10% to 150% (2025 - 36% to 12,272%), taking into consideration past business performance and management's expectations of current and future market conditions.
- (ii) Projected gross (loss)/profit margin - The projected gross (loss)/profit margins used ranged from (155.6%) to 96.5% (2025 - 36.3% to 92.5%), based on historical margins achieved or predetermined (loss)/profit margins for this platform.
- (iii) Pre-tax discount rate - The discount rate reflected specific risks relating to cash-generating unit. The rate used was 7.1% (2025 - 7.4%).
- (iv) Terminal value - Cash flows beyond the 10-year period (2025 - 5-year) were extrapolated using a terminal growth rate of 0% (2025 - 0%).

Based on the assessment, no impairment on MoneyX Biz platform was required as its recoverable amount exceeded the carrying amount.

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

11. DEFERRED TAX ASSETS/(LIABILITIES)

- (a) Deferred tax assets and liabilities are made up as follows:-

The Group	2026 RM	2025 RM
At 1 April	399,130	(761,918)
Recognised in profit or loss (Note 24)	65,399	1,161,048
At 31 March	464,529	399,130
Presented after appropriate offsetting:-		
Deferred tax assets	917,873	1,051,176
Deferred tax liabilities	(453,344)	(652,046)
	464,529	399,130

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

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

- (b) Components and movements of deferred tax assets and liabilities prior to offsetting are as follows:-

The Group	At 1.4.2025 RM	Recognised in Profit or Loss RM	At 31.3.2026 RM
<i>Deferred tax assets</i>			
Unused tax losses	149,267	(13,859)	135,408
Unabsorbed capital allowances	197,166	(197,166)	-
Provisions	704,743	77,722	782,465
	1,051,176	(133,303)	917,873
<i>Deferred tax liabilities</i>			
Property, plant and equipment	(652,046)	202,202	(449,844)
Unrealised loss on foreign exchange	-	(3,500)	(3,500)
	(652,046)	198,702	(453,344)
	399,130	65,399	464,529
The Group	At 1.4.2024 RM	Recognised in Profit or Loss RM	At 31.3.2025 RM
<i>Deferred tax assets</i>			
Unused tax losses	149,267	-	149,267
Unabsorbed capital allowances	171,717	25,449	197,166
Provisions	-	704,743	704,743
	320,984	730,192	1,051,176
<i>Deferred tax liabilities</i>			
Property, plant and equipment	(1,082,902)	430,856	(652,046)
	(761,918)	1,161,048	399,130

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

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

- (c) At the end of the reporting period, deferred tax assets of certain subsidiaries have not been recognised as it is not probable that taxable profits of the subsidiaries will be available against which the deductible temporary differences can be utilised:-

	The Group	
	2026 RM	2025 RM
Intangible assets	(6,431,185)	(11,327,324)
Property, plant and equipment	(436,183)	(1,653,032)
Provisions	6,692,737	5,613,893
Unutilised tax losses	69,432,235	36,714,785
Unabsorbed capital allowances	20,527,730	16,889,264
	<u>89,785,334</u>	<u>46,237,586</u>

- * Certain comparative figures have been restated to reflect the revised tax losses carry-forward and other temporary differences available to the Group.

Subject to the agreement of the Inland Revenue Board, certain subsidiaries have unabsorbed capital allowances and unutilised tax losses amounting to approximately RM20,527,000 (2025 - RM16,889,000) and RM69,432,000 (2025 - RM36,714,000) respectively which are available to offset against their future taxable profits.

Based on the current legislation, the unutilised tax losses up to the year of assessment ("YA") 2018 can be carried forward until the YA 2028 and the unutilised tax losses for YA 2019 onwards are allowed to be utilised for 10 consecutive YAs immediately following that YA; whereas, the unabsorbed capital allowances are allowed to be carried forward indefinitely.

The unutilised tax losses will expire in the following YAs:-

	The Group	
	2026 RM	2025 RM
Disregarded in YAs:-		
- 2030	327,663	333,219
- 2031	31,639	31,639
- 2032	71,989	71,989
- 2033	1,396,474	1,454,219
- 2034	1,701,840	1,701,840
- 2035	10,238,166	10,238,166
- 2036	22,883,713	22,883,713
- 2037	32,780,751	-
	<u>69,432,235</u>	<u>36,714,785</u>

12. INVENTORIES

	The Group	
	2026 RM	2025 RM
Finished goods	<u>233,220</u>	-
Recognised in profit or loss:-		
Inventories recognised as cost of sales	<u>240,066</u>	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

13. TRADE AND OTHER RECEIVABLES

	Note	The Group		The Company	
		2026 RM	2025 RM	2026 RM	2025 RM
Trade receivables					
Third parties		60,284,434	79,010,686	-	-
Related parties		578,549	1,297,723	-	-
	13(a)	60,862,983	80,308,409	-	-
Allowance on impairment losses:-					
Third parties	13(d)	(7,498,935)	(5,949,902)	-	-
Related parties	13(e)	(8,576)	(850,094)	-	-
		53,355,472	73,508,413	-	-
Other receivables					
Subsidiaries	13(c)	-	-	59,682,676	103,212,712
Allowance on impairment losses	13(f)	-	-	(26,704,981)	(36,816,911)
		-	-	32,977,695	66,395,801
Other receivables		507,478	117,765	-	-
Related party	13(b)	-	10,800	-	-
Deposits		886,861	907,808	2,000	2,000
Prepayments		6,781,246	4,069,823	46,314	47,471
		8,175,585	5,106,196	33,026,009	66,445,272
		61,531,057	78,614,609	33,026,009	66,445,272

- (a) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group range from 30 to 90 (2025 - 30 to 90) days.
- (b) Amount owing by a related party represented payments made on behalf, which were unsecured, interest-free and repayable on demand.
- (c) Amounts owing by subsidiaries represent advances and payments made on their behalf. These balances are unsecured, interest-free, and repayable on demand, except for certain balances totalling RM28,586,370 (2025 - RM42,918,340) which bear interest at rates ranging from 5.20% to 5.94% (2025 - 5.34% to 5.84%) per annum.
- (d) Movement of the impairment losses on third party receivables is as follows:-

The Group	2026 RM	2025 RM
At 1 April	(5,949,902)	(3,547,086)
Written off	31,272	-
Addition (Note 23)	(1,142,768)	(1,349,903)
Reversal (Note 23)	410,940	748,770
Reclassification from a related party (Note 13 (g))	(848,477)	(1,801,683)
At 31 March	(7,498,935)	(5,949,902)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

13. TRADE AND OTHER RECEIVABLES (CONT'D)

(e) Movement of the impairment losses on related party receivables is as follows:-

The Group	2026 RM	2025 RM
At 1 April	(850,094)	(2,646,357)
Addition (Note 23)	(6,959)	(18,524)
Reversal (Note 23)	-	13,104
Reclassification to a third party (Note 13 (g))	848,477	1,801,683
At 31 March	(8,576)	(850,094)

(f) Movement of the impairment losses on subsidiaries is as follows:-

The Company	2026 RM	2025 RM
At 1 April	(36,816,911)	(12,381,167)
Addition (Note 23)	-	(24,435,744)
Reversal (Note 23)	10,111,930	-
At 31 March	(26,704,981)	(36,816,911)

(g) During the financial year, the amount due from a company in which the former director had an interest was reclassified from related party receivables to third party receivables, including the associated impairment losses.

14. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Fixed deposit with a licensed bank	30,000	30,000	-	-
Short-term investments	73,604	45,822	73,604	45,822
Cash and bank balances	5,262,060	5,611,268	39,200	327,348
	5,365,664	5,687,090	112,804	373,170
Less: Fixed deposit pledged to a licensed bank	(30,000)	(30,000)	-	-
As per Statements of Cash Flows	5,335,664	5,657,090	112,804	373,170

(a) The fixed deposit with a licensed bank of the Group at the end of the reporting period has maturity periods of 12 (2025 - 12) months.

(b) Short-term investments are investments in cash funds which are designated as fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

14. CASH AND CASH EQUIVALENTS (CONT'D)

- (c) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets is as follows:-

	The Group 2026 RM	2025 RM
Property, Plant and Equipment		
Cost of property, plant and equipment purchased (Note 8)	2,319,504	337,572
Less: Acquired through hire purchase arrangement (Note 18)	(2,092,200)	-
	227,304	337,572
Right-of-use Assets		
Cost of right-of-use assets acquired (Note 9)	284,982	-
Less: Additions of new lease liabilities (Note 17)	(284,982)	-
	-	-

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

The Group	Hire Purchase Payables RM	Bill Payables RM	Lease Liabilities RM	Total RM
At 1 April 2025	1,318,377	21,508,227	19,377	22,845,981
<u>Changes in Financing Cash Flows</u>				
Proceeds from drawdown	-	78,045,800	-	78,045,800
Repayment of principal	(606,042)	(77,852,814)	(443,133)	(78,901,989)
Repayment of interests	(172,979)	(1,200,270)	(900,922)	(2,274,171)
	(779,021)	(1,007,284)	(1,344,055)	(3,130,360)
<u>Other Changes</u>				
Acquisition of property, plant and equipment (Note 14(c))	2,092,200	-	-	2,092,200
Acquisition of new lease (Note 14(c))	-	-	284,982	284,982
Interest expenses recognised in profit or loss (Note 23)	172,979	1,177,324	900,922	2,251,225
Changes due to lease modification (Note 17)	-	-	2,263,200	2,263,200
Transfer from liability associated to assets held for sale (Note 15)	-	-	15,008,966	15,008,966
	2,265,179	1,177,324	18,458,070	21,900,573
At 31 March 2026	2,804,535	21,678,267	17,133,392	41,616,194

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

14. CASH AND CASH EQUIVALENTS (CONT'D)

(d) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

The Group	Hire Purchase Payables RM	Bill Payables RM	Lease Liabilities RM	Total RM
At 1 April 2024	1,653,586	15,987,102	16,980,867	34,621,555
<u>Changes in Financing Cash Flows</u>				
Proceeds from drawdown	-	65,162,958	-	65,162,958
Repayment of principal	(335,209)	(59,648,187)	(944,472)	(60,927,868)
Repayment of interests	(100,164)	(984,144)	(816,454)	(1,900,762)
	(435,373)	4,530,627	(1,760,926)	2,334,328
<u>Other Changes</u>				
Interest expenses recognised in profit or loss (Note 23)	100,164	990,498	816,454	1,907,116
Termination of lease (Note 17)	-	-	(1,008,052)	(1,008,052)
Transfer to liability associated to assets held for sale (Note 15)	-	-	(15,008,966)	(15,008,966)
	100,164	990,498	(15,200,564)	(14,109,902)
At 31 March 2025	1,318,377	21,508,227	19,377	22,845,981

The Company	Bills Payables 2026 RM	2025 RM
At 1 April	10,117,275	4,559,857
<u>Changes in Financing Cash Flows</u>		
Proceeds from drawdown	29,069,000	23,300,000
Repayment of principal	(29,740,000)	(17,800,000)
Repayment of interests	(532,427)	(346,228)
	(1,203,427)	5,153,772
<u>Other Changes</u>		
Interest expenses recognised in profit or loss (Note 23)	512,264	403,646
At 31 March	9,426,112	10,117,275

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

15. ASSETS CLASSIFIED AS HELD FOR SALE/LIABILITY ASSOCIATED TO ASSETS HELD FOR SALE

On 29 August 2024, the Group announced the disposal of the remaining unexpired period of a leasehold land, which includes a single-storey detached factory with an annexed single-storey office, another single-storey detached factory with an integral single-storey office, a refuse chamber and a guard house for a cash consideration of RM23,700,000. The disposal was terminated on 28 May 2026 due to non-fulfilment of certain conditions precedent within the agreed timeframe. Consequently, the related assets and liability were reclassified from assets held for sale and liability associated with assets held for sale to property, plant and equipment, right-of-use assets and lease liabilities, respectively.

Management reassessed the held-for-sale classification of the leasehold land and related assets as at 31 March 2026 in light of the prolonged delay in obtaining the required regulatory approval and the repeated extensions of the conditional period. As the prospect of completion was no longer reasonably assured at the reporting date, the assets no longer met the held-for-sale criteria under MFRS 5. Accordingly, the related assets and liabilities were reclassified from assets held for sale and liabilities associated to assets held for sale to property, plant and equipment, right-of-use assets and lease liabilities, respectively. The subsequent termination of the Sale and Purchase Agreement on 28 May 2026 as disclosed in Note 33(a) to the financial statements further corroborates the uncertainty surrounding the completion of the disposal that existed as at the reporting date.

On 16 April 2025, the Group announced the disposal of a piece of leasehold industrial land together with a single-storey warehouse, a two-storey office, a guard house and a garbage house for a cash consideration of RM16,000,000. The assets were classified as held for sale during the financial year, and the disposal was completed on 5 January 2026.

The carrying amount of the asset held for sale after netting off with the liability associated to assets held for sale is measured at lower of its carrying amount and fair value less costs to sell.

The breakdown of assets classified as held for sale and liability associated to assets held for sale are as follows:-

The Group	2026 RM	2025 RM
<u>Assets classified as held for sale</u>		
At 1 April	25,813,152	-
Net transfer (to)/from property, plant and equipment (Note 8)	(5,238,120)	11,870,688
Net transfer (to)/from right-of-use assets (Note 9)	(10,199,563)	13,942,464
Disposal	(10,375,469)	-
At 31 March	-	25,813,152
<u>Liability associated to assets held for sale</u>		
At 1 April	15,008,966	-
Transfer (to)/from lease liabilities (Note 14(d) and 17)	(15,008,966)	15,008,966
At 31 March	-	15,008,966

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

16. SHARE CAPITAL

	2026 Number of Shares	The Group/The Company 2025 RM	2026 RM	2025 RM
Issued and Fully Paid-Up				
Ordinary Shares				
At 1 April/31 March	2,058,384,000	2,058,384,000	72,397,926	72,397,926

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

17. LEASE LIABILITIES

	The Group 2026 RM	2025 RM
At 1 April	19,377	16,980,867
Additions (Notes 9 and 14(c))	284,982	-
Changes due to lease modification (Notes 9 and 14(d))	2,263,200	-
Termination (Note 14(d))	-	(1,008,052)
Interest expense recognised in profit or loss (Note 23)	900,922	816,454
Repayment of principal	(443,133)	(944,472)
Repayment of interest expense	(900,922)	(816,454)
	2,124,426	15,028,343
Transfer from/(to) liability associated to assets held for sale (Note 15)	15,008,966	(15,008,966)
At 31 March	17,133,392	19,377
Analysed by:-		
Current liabilities	469,088	19,377
Non-current liabilities	16,664,304	-
	17,133,392	19,377

18. HIRE PURCHASE PAYABLES

	The Group 2026 RM	2025 RM
At 1 April	1,318,377	1,653,586
Additions (Note 14(c))	2,092,200	-
Interest expense recognised in profit or loss (Note 23)	172,979	100,164
Repayment of principal	(606,042)	(335,209)
Repayment of interest expense	(172,979)	(100,164)
At 31 March	2,804,535	1,318,377
Analysed by:-		
Current liabilities	764,555	360,250
Non-current liabilities	2,039,980	958,127
	2,804,535	1,318,377

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

19. TRADE AND OTHER PAYABLES

		The Group		The Company	
		2026 RM	2025 RM	2026 RM	2025 RM
Trade payables					
Third parties		16,796,710	21,172,407	-	-
Related parties		5,670	-	-	-
	19(a)	16,802,380	21,172,407	-	-
Other payables					
Other payables		2,337,578	2,968,299	129,920	-
Subsidiaries	19(b)	-	-	13,810,401	4,213,846
Accruals		7,283,481	4,083,323	121,897	75,992
		9,621,059	7,051,622	14,062,218	4,289,838
		26,423,439	28,224,029	14,062,218	4,289,838

- (a) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 14 to 90 (2025 - 14 to 90) days.
- (b) Amounts owing to subsidiaries are unsecured, interest-free, and repayable on demand, except for certain balances totaling RM1,107,334 (2025 - RM1,006,667) which bear interest of 8% (2025 - 8%) per annum.

20. BORROWINGS

		The Group		The Company	
		2026 RM	2025 RM	2026 RM	2025 RM
Current					
Bills payables		21,678,267	21,508,227	9,426,112	10,117,275

- (a) The effective interest rates of bills payables ranging from 4.32% to 5.88% (2025 - 4.58% to 7.07%) per annum. The bills payables are secured by corporate guarantee issued by the Company and one of its subsidiaries, Complete Logistic Specialists Sdn. Bhd..
- (b) Certain bill payables totalling RM4,623,100 (2025 - RM2,847,000) are secured by a negative pledge that imposes certain covenants on the subsidiary that have bill payables. The significant covenant of the bills payable is the subsidiary's gearing ratio shall not exceed 3.0 times. The covenants are tested on a monthly basis during the financial year. The Group has complied with the covenants throughout the reporting periods.
- (c) There are no indicators that the Group would have difficulties complying with the upcoming covenant assessments.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

21. REVENUE

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Revenue from Contracts with Customers				
<u>Recognised over time</u>				
Rendering of services	34,615,232	40,111,103	-	-
<u>Recognised at a point in time</u>				
Rendering of services	155,857	30,288	-	-
Sale of goods	103,439,617	137,630,726	-	-
	103,595,474	137,661,014	-	-
	138,210,706	177,772,117	-	-
Revenue from Other Sources				
Dividend income from unquoted shares	-	73,200	-	73,200
Dividend income from a subsidiary	-	-	-	4,760,000
Rental income	3,248,532	3,248,532	-	-
	3,248,532	3,321,732	-	4,833,200
	141,459,238	181,093,849	-	4,833,200

(a) Sale of goods

Revenue from the sale of goods is recognised at a point in time when the goods have been delivered to the customer and accepted by the customers. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

(b) Rendering of services

Revenue from rendering of logistic services is recognised over time in the period when the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

Revenue from providing technology related services is measured based on the consideration specified in a contract with a customer for services. The Group recognises revenue at a point in time when services are rendered.

(c) The information of the revenue from other sources is summarised below:-

Dividend Income

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

Rental income

Rental income is recognised on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

22. COST OF SALES

	The Group	
	2026 RM	2025 RM
Purchase of goods	97,793,206	131,153,179
Services rendered	56,937,233	40,125,372
	154,730,439	171,278,551

23. LOSS BEFORE TAXATION

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Loss before taxation is arrived at after (charging)/crediting:-				
Auditors' remuneration:-				
Statutory audit:-				
- current year	(295,000)	(248,200)	(80,000)	(60,000)
- under provision in prior years	(10,800)	(800)	-	-
Other audit services	(5,000)	(5,000)	(5,000)	(5,000)
Directors' remuneration:-				
Directors of the Company:-				
- fees	(348,000)	(348,000)	(348,000)	(348,000)
- other emoluments	(1,397,171)	(1,319,287)	(164,598)	(36,500)
- defined contribution benefits	(161,820)	(151,200)	(16,200)	-
Directors of the subsidiaries:-				
- salaries and other benefits	-	(103,074)	-	-
- defined contribution benefits	-	(12,156)	-	-
Material (Expenses)/Income				
Amortisation of intangible assets (Note 10)	(8,863,641)	(2,481,250)	-	-
Bad debts	-	(7,200)	-	-
Depreciation of:-				
- property, plant and equipment (Note 8)	(1,891,849)	(1,692,290)	-	-
- right-of-use assets (Note 9)	(1,084,477)	(913,218)	-	-
Gain on disposal of:-				
- assets held for sale	5,221,840	560,816	-	-
- property, plant and equipment	459,571	231,078	-	-
Gain on lease termination	-	79,132	-	-
Impairment losses on:-				
- trade receivables (Note 13)	(1,142,768)	(1,349,903)	-	-
- amount owing by subsidiaries (Note 13)	-	-	-	(24,435,744)
- amount owing by related parties (Note 13)	(6,959)	(18,524)	-	-
- investment in subsidiaries (Note 7)	-	-	(19,685,416)	-
Interest expense on financial liabilities that are not at fair value through profit or loss:-				
- loan from a subsidiary	-	-	(82,671)	(26,668)
- bills payable (Note 14(d))	(1,177,324)	(990,498)	(512,264)	(403,646)
- hire purchase (Note 14(d) and 18)	(172,979)	(100,164)	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

23. LOSS BEFORE TAXATION (CONT'D)

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Loss before taxation is arrived at after (charging)/crediting:- (Cont'd)				
Material (Expenses)/Income (Cont'd)				
Interest expense on lease liabilities (Note 14(d) and 17)	(900,922)	(816,454)	-	-
Interest income from:-				
- short-term investments	30,251	20,205	30,251	20,205
- subsidiaries	-	-	1,915,269	2,465,603
- others	166,778	56,745	-	17,503
Net gain/(loss) on foreign exchange:-				
- realised	142,471	85,253	-	-
- unrealised	(23,064)	(23,184)	-	-
Net loss on disposals of:-				
- unquoted shares	-	(51,416)	-	(51,416)
- subsidiaries	-	-	-	(98)
Property, plant and equipment written off (Note 8)	(8,250)	(72,078)	-	-
Rental income from:-				
- offices	-	91,548	-	-
- factory building	988,709	1,365,681	-	-
Reversal of impairment losses on:-				
- trade receivables (Note 13)	410,940	748,770	-	-
- amount owing by related parties (Note 13)	-	13,104	-	-
- amount owing by subsidiaries (Note 13)	-	-	10,111,930	-
Short-term lease	(418,700)	(172,500)	-	-
Staff costs:-				
- wages, salaries and bonuses	(9,820,259)	(8,624,750)	-	-
- defined contribution plans	(1,499,033)	(1,276,254)	-	-
- other benefits	(2,736,335)	(2,641,583)	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

24. INCOME TAX EXPENSE

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Current tax expense:-				
- current financial year	1,394,827	1,940,782	120,372	509,196
- underprovision in the previous financial year	820,624	310	855,479 [^]	12,577
	2,215,451	1,941,092	975,851	521,773
Deferred tax (Note 11):-				
- current financial year	(66,170)	(76,289)	-	-
- under/(over)provision in the previous financial year	771	(1,084,759)	-	-
	(65,399)	(1,161,048)	-	-
	2,150,052	780,044	975,851	521,773

[^] The underprovision of income tax expense includes additional taxes arising from deemed interest income recognised under Section 140A of the Income Tax Act 1967.

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

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Loss before taxation	(36,153,374)	(21,788,284)	(9,727,249)	(18,693,790)
Tax at the statutory rate of 24% (2025 - 24%)	(8,676,810)	(5,229,188)	(2,334,540)	(4,486,510)
Tax effects of:-				
Non-taxable income	(1,444,029)	(1,366,538)	(2,426,863)	(1,159,968)
Non-deductible expenses	998,037	2,434,521	4,881,775	6,155,674
Deferred tax assets not recognised during the financial year	10,460,298	6,306,262	-	-
Utilisation of deferred tax assets previously not recognised	(8,839)	(280,564)	-	-
Under/(Over)provision in previous financial year:-				
- income tax	820,624	310	855,479	12,577
- deferred tax	771	(1,084,759)	-	-
	2,150,052	780,044	975,851	521,773

Income Tax Expense Recognised in Profit or Loss

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2025 - 24%) of the estimated assessable profit for the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

25. LOSS PER SHARE

(a) Basic Loss Per Share

The basic loss per share is calculated by dividing the consolidated loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	The Group	
	2026 RM	2025 RM
Loss after taxation attributable to owners of the Company	(37,388,400)	(22,027,890)
Weighted average number of ordinary shares in issue	2,058,384,000	2,058,384,000
Basic loss per ordinary share (sen)	(1.8)	(1.1)

(b) Diluted Loss Per Share

The diluted loss per share is equal to the basic loss per share because there were no dilutive potential ordinary shares during the financial year.

26. DIRECTORS' REMUNERATION

The directors' remuneration of the Group and of the Company include executive directors and non-executive directors of the Group and of the Company.

The directors' remuneration during the financial year are as follows:-

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
<u>Executive Directors</u>				
Non-fee emoluments	1,370,921	1,282,787	138,348	-
Defined contribution benefits	161,820	151,200	16,200	-
<u>Executive Directors of the Subsidiaries</u>				
Non-fee emoluments	-	103,074	-	-
Defined contribution benefits	-	12,156	-	-
<u>Non-executive Directors</u>				
Fees	348,000	348,000	348,000	348,000
Other emoluments	26,250	36,500	26,250	36,500
	1,906,991	1,933,717	528,798	384,500

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

27. RELATED PARTY DISCLOSURES

(a) Holding Company and Subsidiaries

The holding company is disclosed in Note 2 to the financial statements.

The subsidiaries are disclosed in Note 7 to the financial statements.

(b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

The Group	2026 RM	2025 RM
<u>Companies in which former Directors of a subsidiary have indirect interests</u>		
Revenue from sales of goods	-	272,356
Purchase of goods payable	-	(14,892)
Rental expenses payable	-	(36,000)
<u>Companies in which a major shareholder has interests</u>		
Revenue from sales of goods	1,904,110	2,658,266
Revenue from services rendered	2,366,430	1,757,129
Information technology software consultancy	45,376	990,662
Purchase of goods payable	(35,380)	(41,440)
The Company		
Dividend income from a subsidiary	-	4,760,000
Interest expense charged by a subsidiary	(82,671)	(26,668)
Interest income charged to subsidiaries	1,915,269	2,465,603
Management fee payable to a subsidiary	(165,000)	(166,000)

(c) Key Management Personnel Compensation

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

	The Group 2026 RM	2025 RM
Short-term employee benefits	330,508	287,605
Defined contribution plans	38,880	34,080
	369,388	321,685

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

28. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Executive Directors as its chief operating decision makers in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided. In addition, the businesses are also considered from a geographical perspective.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Intersegment pricing is determined based on negotiated terms.

The Group is organised into 5 main reportable segments as follows:-

- Logistics - Total logistic services provider including lorry transportation services (tanker, bulk cargo, side curtain), project logistics and door to door delivery services
 - Warehousing - Provision of warehouse for renting
 - Trading - Trading of building materials
 - Technology - Fintech application and related technology services
 - All other segments - Investment holding, insurance agency and others
- (a) The Group Executive Directors assess the performance of the reportable segments based on earnings before interest, tax and amortisation ("EBITA"), excluding net impairment losses and selling and distribution expenses. The accounting policies of the reportable segments are consistent with those adopted by the Group.
- (b) Segment assets and liabilities information are not provided to the Group Executive Directors. Hence, no disclosure is made on segment assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

28. OPERATING SEGMENTS (CONT'D)

28.1 BUSINESS SEGMENTS

2026	Logistics Segment RM	Warehousing Segment RM	Trading Segment RM	Technology Segment RM	All Others Segments RM	Elimination RM	Total RM
Revenue							
External revenue	34,484,837	3,248,532	103,570,747	155,122	-	-	141,459,238
Intersegment revenue	2,438	-	-	-	2,211,500	(2,213,938)	-
	34,487,275	3,248,532	103,570,747	155,122	2,211,500	(2,213,938)	141,459,238
Results							
Segment results	10,120,795	2,499,373	1,983,756	(24,213,538)	8,408,572	(10,814,848)	(12,015,890)
Amortisation	-	-	-	(8,863,641)	-	-	(8,863,641)
Depreciation	(862,728)	(1,825,530)	(89,032)	(194,064)	(4,972)	-	(2,976,326)
Selling and marketing expenses	(2,278,370)	-	(471,038)	(6,722,852)	(32,274)	-	(9,504,534)
Net impairment losses	(79,612)	-	(659,175)	-	(19,685,416)	19,685,416	(738,787)
Interest income	10,823	-	155,672	-	1,945,803	(1,915,269)	197,029
Finance costs	(298,119)	(1,265,719)	(2,464,806)	-	(1,624,400)	3,401,819	(2,251,225)
Profit/(Loss) before taxation	6,612,789	(591,876)	(1,544,623)	(39,994,095)	(10,992,687)	10,357,118	(36,153,374)
Tax expenses	(562,591)	(364,983)	(130,598)	(100,647)	(991,233)	-	(2,150,052)
Profit/(Loss) after taxation	6,050,198	(956,859)	(1,675,221)	(40,094,742)	(11,983,920)	10,357,118	(38,303,426)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

28. OPERATING SEGMENTS (CONT'D)

28.1 BUSINESS SEGMENTS (CONT'D)

2025	Logistics Segment RM	Warehousing Segment RM	Trading Segment RM	Technology/ Segment RM	All Others Segments RM	Elimination RM	Total RM
Revenue							
External revenue	39,112,134	3,248,532	138,628,960	30,288	73,935	-	181,093,849
Intersegment revenue	-	-	-	-	6,546,000	(6,546,000)	-
	39,112,134	3,248,532	138,628,960	30,288	6,619,935	(6,546,000)	181,093,849
Results							
Segment results	5,158,778	2,764,747	3,297,805	(8,712,225)	3,243,841	(4,759,901)	993,045
Amortisation	-	-	-	(2,481,250)	-	-	(2,481,250)
Depreciation	(1,385,293)	(342,474)	(136,408)	(725,622)	(15,711)	-	(2,605,508)
Selling and marketing expenses	(1,774,357)	-	(417,168)	(12,978,427)	(87,900)	-	(15,257,852)
Net impairment losses	(35,638)	-	(570,915)	-	(24,435,744)	24,435,744	(606,553)
Interest income	24,267	-	9,909	-	2,474,581	(2,431,807)	76,950
Finance costs	(179,931)	(1,127,373)	(2,942,916)	(46,740)	(1,477,966)	3,867,810	(1,907,116)
Profit/(Loss) before taxation	1,807,826	1,294,900	(759,693)	(24,944,264)	(20,298,899)	21,111,846	(21,788,284)
Tax credit/(expenses)	436,832	(541,654)	(2,873)	(198,519)	(473,830)	-	(780,044)
Profit/(Loss) after taxation	2,244,658	753,246	(762,566)	(25,142,783)	(20,772,729)	21,111,846	(22,568,328)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

28. OPERATING SEGMENTS (CONT'D)

28.2 GEOGRAPHICAL SEGMENTS

Revenue is based on the country in which the customers are located.

Geographical segment has not been presented as the Group's current activities are predominantly carried out in Malaysia.

28.3 MAJOR CUSTOMERS

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:

	Revenue 2026 RM	2025 RM	Segment
Customer #1	31,152,035	-	Trading

29. FINANCIAL GUARANTEE CONTRACTS

	The Company 2026 RM	2025 RM
Secured		
Corporate guarantee given to licensed banks for banking and credit facilities granted to certain subsidiaries (representing outstanding credit facilities of the subsidiaries at the end of the reporting period)	4,623,100	2,847,000
Corporate guarantee given to suppliers for purchase of goods by a subsidiary	6,379,326	6,279,276
	11,002,426	9,126,276

30. CAPITAL COMMITMENTS

	The Group 2026 RM	2025 RM
Purchase of property, plant and equipment	5,230,500	2,092,200

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS

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

31.1 FINANCIAL RISK MANAGEMENT POLICIES

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

(a) Market risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currency giving rise to this risk are United States Dollar ("USD") and Indonesian Rupiah (IDR). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

The Group	United States Dollar RM	Indonesian Rupiah RM	Total RM
2026			
<u>Financial assets</u>			
Trade and other receivables	140,441	-	140,441
Cash and cash equivalents	216,667	-	216,667
	357,108	-	357,108
<u>Financial liability</u>			
Trade and other payables	(400,539)	(806)	(401,345)
Net financial liabilities/ Currency exposure	(43,431)	(806)	(44,237)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

The policies in respect of the major areas of treasury activity are as follows (cont'd):-

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

The Group	United States Dollar RM
2025	
<u>Financial assets</u>	
Trade and other receivables	87,394
Cash and cash equivalents	302,304
	389,698
 <u>Financial liability</u>	
Trade and other payables	(19,869)
	369,829
Net financial assets/Currency exposure	

The Company does not have any transactions or balances denominated in foreign currencies and hence, is not exposed to foreign currency risk.

Foreign Currency Risk Sensitivity Analysis

Any reasonably possible change in the foreign currency exchange rates at the end of the reporting period against the respective functional currencies of the entities within the Group and the Company do not have a material impact on the profit after taxation and other comprehensive income of the Group and of the Company and hence, no sensitivity analysis is presented.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

The policies in respect of the major areas of treasury activity are as follows (cont'd):-

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities. The Group and the Company adopt a policy of obtaining the most favourable interest rates available.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 20 to the financial statements.

Interest Rate Risk Sensitivity Analysis

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

	The Group	
	2026	2025
	RM	RM
Effects on loss after taxation		
Increase of 100 basis points	164,755	163,463
Decrease of 100 basis points	(164,755)	(163,463)
	The Company	
	2026	2025
	RM	RM
Effects on loss after taxation		
Increase of 100 basis points	71,638	76,891
Decrease of 100 basis points	(71,638)	(76,891)

(iii) Equity Price Risk

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

The policies in respect of the major areas of treasury activity are as follows (cont'd):-

(b) Credit Risk

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

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

(i) Credit Risk Concentration Profile

At the end of the reporting period, the Group's major concentration of credit risk relates to the amounts owing by 3 (2025 - 4) customers which constituted approximately 48% (2025 - 48%) of its trade receivables, net of loss allowance.

(ii) Maximum Exposure to Credit Risk

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

(iii) Assessment of Impairment Losses

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

The policies in respect of the major areas of treasury activity are as follows (cont'd):-

(b) Credit Risk (Cont'd)

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

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

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

The Group uses a more lagging past due criterion for certain trade receivables when it is more appropriate to reflect their loss patterns.

Trade Receivables

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

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables including related parties have been grouped based on shared credit risk characteristics and the days past due.

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

The expected loss rates are based on the payment profiles of sales over a period of 36 (2025 - 36) months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

The policies in respect of the major areas of treasury activity are as follows (cont'd):-

(b) Credit Risk (Cont'd)

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

Trade Receivables (Cont'd)

Allowance for Impairment Losses

The information about the credit exposure and loss allowances recognised for trade receivables are as follows:-

The Group	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Amount RM
2026				
Current (not past due)	19,567,590	-	(117,205)	19,450,385
1 to 30 days past due	8,898,807	-	(139,801)	8,759,006
31 to 60 days past due	9,527,069	-	(124,937)	9,402,132
61 to 90 days past due	4,131,334	-	(177,294)	3,954,040
91 to 120 days past due	5,147,441	-	(303,273)	4,844,168
Over 120 days past due	13,590,742	(103,350)	(6,541,651)	6,945,741
	60,862,983	(103,350)	(7,404,161)	53,355,472
2025				
Current (not past due)	27,778,662	(38,568)	(96,715)	27,643,379
1 to 30 days past due	13,854,426	-	(93,946)	13,760,480
31 to 60 days past due	7,508,258	-	(106,602)	7,401,656
61 to 90 days past due	5,007,996	-	(171,582)	4,836,414
91 to 120 days past due	2,087,720	-	(95,805)	1,991,915
Over 120 days past due	24,071,347	(431,635)	(5,765,143)	17,874,569
	80,308,409	(470,203)	(6,329,793)	73,508,413

The movements in the loss allowances in respect of trade receivables are disclosed in Note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

The policies in respect of the major areas of treasury activity are as follows (cont'd):-

(b) Credit Risk (Cont'd)

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

Trade Receivables (Cont'd)

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

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

There has not been any significant change in the gross amounts of trade receivables that impacted on the allowance for impairment losses.

Other Receivables and Amount Owing By Related Parties

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables and amount owing by related parties.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group assesses whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group considers there has been a significant increase in credit risk when there are changes in contractual terms or delays in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

The Group uses 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

Category	Definition of Category	Loss Allowance
Performing:-	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12 months expected credit losses
Underperforming:-	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Not performing:-	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

The policies in respect of the major areas of treasury activity are as follows (cont'd):-

(b) Credit Risk (Cont'd)

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

Other Receivables and Amount Owing By Related Parties (Cont'd)

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

The Group measures the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on an individual basis. The remaining receivables are grouped based on shared credit risk characteristics and assessed on a collective basis.

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

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

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

Allowance for Impairment Losses

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

Fixed Deposit with A Licensed Bank, Cash and Bank Balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

Amounts Owing by Subsidiaries (Non-trade Balances)

The Company also applies the 3-stage general approach (see information in other receivables above) to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

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

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

The policies in respect of the major areas of treasury activity are as follows (cont'd):-

(b) Credit Risk (Cont'd)

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

Amounts Owed by Subsidiaries (Non-trade Balances) (Cont'd)

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

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

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

Allowance for Impairment Losses

The Company	Gross Amount RM	Lifetime loss Allowance RM	Carrying Amount RM
2026			
Low credit risk	12,695,814	-	12,695,814
Significant increase in credit risk	46,986,862	(26,704,981)	20,281,881
	59,682,676	(26,704,981)	32,977,695
2025			
Low credit risk	35,054,821	-	35,054,821
Significant increase in credit risk	68,157,891	(36,816,911)	31,340,980
	103,212,712	(36,816,911)	66,395,801

The movements in the loss allowances are disclosed in Note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

The policies in respect of the major areas of treasury activity are as follows (cont'd):-

(b) Credit Risk (Cont'd)

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

Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contracts.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:-

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually by using internal information available.

Allowance for Impairment Losses

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

The policies in respect of the major areas of treasury activity are as follows (cont'd):-

(c) Liquidity Risk

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

Maturity Analysis

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

The Group	Contractual Coupon/ Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
2026						
Lease liabilities	5.00 - 6.40	17,133,392	28,577,527	1,326,679	27,250,848	-
Hire purchase payables	2.04 - 6.81	2,804,535	3,168,888	930,228	2,238,660	-
Borrowings	4.32 - 5.88	21,678,267	21,678,267	21,678,267	-	-
Trade and other payables	-	26,423,439	26,423,439	26,423,439	-	-
		68,039,633	79,848,121	50,358,613	29,489,508	-
2025						
Lease liabilities	6.95	19,377	20,000	20,000	-	-
Hire purchase payables	2.04 - 3.65	1,318,377	1,473,883	435,372	1,038,511	-
Borrowings	4.58 - 7.07	21,508,227	21,508,227	21,508,227	-	-
Trade and other payables	-	28,224,029	28,224,029	28,224,029	-	-
		51,070,010	51,226,139	50,187,628	1,038,511	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

The policies in respect of the major areas of treasury activity are as follows (cont'd):-

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

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

The Company	Contractual Coupon/ Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
2026				
Trade and other payables	-	14,062,218	14,062,218	14,062,218
Borrowings	5.85 - 5.88	9,426,112	9,426,112	9,426,112
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries *	-	-	11,002,426	11,002,426
		23,488,330	34,490,756	34,490,756
2025				
Trade and other payables	-	4,289,838	4,289,838	4,289,838
Borrowings	5.80 - 7.07	10,117,275	10,117,275	10,117,275
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries *	-	-	9,126,276	9,126,276
		14,407,113	23,533,389	23,533,389

* The potential exposure of the financial guarantee contracts is equivalent to the outstanding amount of the credit facilities and trade payables of the said subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements because their fair values on initial recognition were not material.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 CAPITAL RISK MANAGEMENT

The Group and the Company manage its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders' value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group and the Company include within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interest. The debt-to-equity ratio of the Group and of the Company at the end of the reporting period are as follows:-

	The Group		The Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Lease liabilities	17,133,392	19,377	-	-
Hire purchase payables	2,804,535	1,318,377	-	-
Borrowings	21,678,267	21,508,227	9,426,112	10,117,275
Trade and other payables	26,423,439	28,224,029	14,062,218	4,289,838
	68,039,633	51,070,010	23,488,330	14,407,113
Less: Cash and cash equivalents	(5,365,664)	(5,687,090)	(112,804)	(373,170)
Net debts	62,673,969	45,382,920	23,375,526	14,033,943
Total equity	45,464,731	83,768,157	109,803,485	120,506,585
Debt-to-equity ratio	1.38	0.54	0.21	0.12

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

The Group is also required to maintain a maximum debt-to-equity ratio of 3.0 to comply with a loan covenant, failing which the banks may call an event of default. The Group has complied with this covenant, and there are no instances of non-compliance during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Cash and cash equivalents (short-term investments)	73,604	45,822	73,604	45,822
<u>Amortised Cost</u>				
Trade and other receivables (excluding prepayments)	54,749,811	74,544,786	32,979,695	66,397,801
Cash and cash equivalents	5,292,060	5,641,268	39,200	327,348
	60,041,871	80,186,054	33,018,895	66,725,149
Financial Liabilities				
<u>Amortised Cost</u>				
Trade and other payables	26,423,439	28,224,029	14,062,218	4,289,838
Borrowings	21,678,267	21,508,227	9,426,112	10,117,275
Hire purchase payables	2,804,535	1,318,377	-	-
Lease liabilities	17,133,392	19,377	-	-
	68,039,633	51,070,010	23,488,330	14,407,113
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Interest income on:-				
- Short term investments	30,251	20,205	30,251	20,205
<u>Amortised Cost</u>				
Interest income	166,778	56,745	1,915,269	2,483,106
Impairment losses on trade receivables	(1,142,768)	(1,349,903)	-	-
Impairment losses on amount owing by related parties	(6,959)	(18,524)	-	-
Impairment losses on amount owing by subsidiaries	-	-	-	(24,435,744)
Reversal of impairment losses on trade receivables	410,940	748,770	-	-
Reversal of impairment losses on related parties	-	13,104	-	-
Reversal of impairment losses on subsidiaries	-	-	10,111,930	-
	(572,009)	(549,808)	12,027,199	(21,952,638)
Financial Liabilities				
<u>Amortised Cost</u>				
Interest expenses	(2,251,225)	(1,907,116)	(594,935)	(430,314)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.5 FAIR VALUE INFORMATION

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

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

The Group	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM	RM	RM	RM	RM	RM	RM	RM
2026								
<u>Financial Asset</u>								
Cash and cash equivalents [#]	73,604	-	-	-	-	-	73,604	73,604
<u>Financial Liability</u>								
Borrowings	-	-	-	-	21,678,267	-	21,678,267	21,678,267
2025								
<u>Financial Asset</u>								
Cash and cash equivalents [#]	45,822	-	-	-	-	-	45,822	45,822
<u>Financial Liability</u>								
Borrowings	-	-	-	-	21,508,227	-	21,508,227	21,508,227

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

31. FINANCIAL INSTRUMENTS (CONT'D)

31.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period (Cont'd):-

The Company	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
2026								
<u>Financial Asset</u>								
Cash and cash equivalents [#]	73,604	-	-	-	-	-	73,604	73,604
<u>Financial Liability</u>								
Borrowings	-	-	-	-	9,426,112	-	9,426,112	9,426,112
2025								
<u>Financial Assets</u>								
Cash and cash equivalents [#]	45,822	-	-	-	-	-	45,822	45,822
<u>Financial Liability</u>								
Borrowings	-	-	-	-	10,117,275	-	10,117,275	10,117,275

[#] The fair value of cash and cash equivalents represent money market fund which is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

32. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are as follows:-

- (a) On 29 August 2024, Channel Legion Sdn. Bhd. ("CLSB"), a wholly owned subsidiary of the Company, entered into a Sale and Purchase Agreement ("SPA") with Pacific Trustees Berhad, acting solely in its capacity as the trustee for and on behalf of KIP Real Estate Investment Trust ("KIP REIT") in respect of the disposal of the remaining unexpired period of the lease on a part of the leasehold land held under document of title PN 7324, Lot 67894, Mukim Klang, Daerah Klang, Negeri Selangor measuring approximately 25,899.88 square metres (equivalent to 6.4 acres or 278,784 square feet) together with a single-storey detached factory with a single-storey office annexed and a single-storey detached factory with an integral single-storey office, a refuse chamber and a guard house bearing postal address of Part of Plot P823 and Plot P825, Jalan FZ1-P8, Port Klang Free Zone/KS12, 42920 Pulau Indah, Selangor Darul Ehsan with lettable area of 193,365 square feet expiring on 11 November 2049 for a cash consideration of RM23,700,000, subject to the terms and conditions stipulated in the SPA.

Subsequently, the conditional period of the SPA was extended on several occasions by mutual agreement of the parties. On 25 February 2025, the conditional period was extended from 28 February 2025 to 28 May 2025 to allow fulfilment of the remaining conditions precedent of the SPA, and was further extended to 28 August 2025 on 27 May 2025. On 12 September 2025, CLSB received a Letter of Requisition dated 2 September 2025 from KIP REIT requesting a further six-month extension. CLSB agreed to extend the conditional period to 28 February 2026. The conditional period was thereafter further extended by three months, from 28 February 2026 to 28 May 2026, on 27 February 2026.

- (b) On 11 September 2024, Guper Bonded Warehouse Sdn. Bhd. ("GWBSB"), a wholly owned subsidiary of the Company, has entered into a Heads of Agreement ("HOA") with Widad Group Berhad ("WIDAD") (collectively referred to as the "Parties" and individually as a "Party"). The Parties have agreed to exclusively negotiate the disposal of five (5) adjoining parcels of vacant industrial land, measuring approximately 56,231 square metres in aggregate and the purchase price ("Purchase Price") shall be determined by the Parties at a later date. The Purchase Price shall be satisfied by the Purchaser through the issuance of new ordinary shares ("Shares") of WIDAD to the Vendor or its nominee(s), in accordance with the terms and conditions outlined in the HOA.

On 10 March 2025, the Parties mutually agreed to extend the negotiation period for the proposed disposal until 10 May 2025. The payment mechanism was revised to allow WIDAD to issue new ordinary shares in WIDAD at a mutually agreed price. Additionally, new clauses were introduced to preserve the Parties' negotiation rights and clarify the scope of the negotiations. All other terms remain unchanged.

On 17 April 2025, GWBSB has entered into a conditional Sales and Purchase Agreement ("SPA") with Widad Development (Nilai) Sdn. Bhd. (formerly known as Widad Rail Sdn. Bhd.) (the "Purchaser" or "WDSB"), a wholly owned subsidiary of WIDAD, whereby GWBSB agreed to sell and the Purchaser agreed to purchase the four (4) adjoining parcels of vacant freehold industrial land for RM31,300,000 ("Disposal Consideration") and the Disposal Consideration shall be settled by the Purchaser through procuring the issuance and allotment by WIDAD to GWBSB or its nominees of 993,650,794 new ordinary shares in WIDAD at an issue price of RM0.0315 per share.

On 21 August 2025, the Parties executed a Deed of Termination to terminate the SPA. The termination was prompted by changes in economic conditions, which led the Parties to reassess the proposed sale and purchase and, as part of that reassessment, to re-identify the parcels of Land intended to be sold and acquired. The Parties further acknowledged and agreed that a new sale and purchase agreement would be entered into on revised terms to be negotiated.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

32. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

- (c) On 16 April 2025, Pengangkutan Sekata Sdn. Bhd. ("PSSB"), a wholly owned subsidiary of the Company, entered into a Sale and Purchase Agreement ("SPA") with Airique Property Sdn. Bhd. ("APSB") for the proposed disposal of a piece of leasehold industrial land measuring approximately 1.214 hectares (equivalent to approximately 3.00 acres or 130,674 square feet) together with a single-storey warehouse, a two-storey office, a guard house, and a garbage house situated at Pasir Gudang, Johor for a cash consideration of RM16,000,000, subject to the terms and conditions set out in the SPA.

Subsequently, on 7 October 2025, PSSB received a letter of acceptance from APSB agreeing to grant an extension of time, until 31 October 2025, for PSSB to obtain the relevant consent to transfer the property from the state authority. On 5 January 2026, the disposal was completed.

33. SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

The significant event occurring after the reporting period are as follows:-

- (a) On 28 May 2026, CLSB and KIP REIT mutually agreed to terminate the SPA as disclosed in Note 32 (a) to the financial statements, due to the non-fulfilment of certain conditions precedent within the agreed timeframe.
- (b) On 16 June 2026, GBWSB and WDSB mutually agreed to terminate the proposed disposal and cease all further negotiations and discussions in respect of the disposal as disclosed in Note 32 (b) to the financial statements. Accordingly, neither party shall have any further obligation to, or claim against, the other in respect thereof.

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

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

(A) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2026 (RM)	2025 (RM)
Revenue		141,459,238	181,093,849
Other income		7,437,288	2,750,289
Total		148,896,526	183,844,138
Total Assets		113,940,883	149,847,133

(B) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2026 (RM)	2025 (RM)
Interest income		23,559	239
Total		23,559	239

(C) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group	
		2026 (RM)	2025 (RM)
Cash at bank (exclude cash in hand)		3,643,374	2,309,032
Cash in hand		10,050	10,050
Short-term funds		50,210	45,822
Deposits with licensed bank		30,000	30,000
Total		3,733,634	2,394,904
Conventional Account/Instruments			
Cash at bank (exclude cash in hand)		1,608,636	3,292,186
Short-term funds		23,394	-
Total		1,632,030	3,292,186

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONTINUED)

(ii) Debt Component

Islamic Financing	Remarks	Group	
		2026 (RM)	2025 (RM)
Current			
Bill payables		17,055,167	18,661,227
Non-Current			
Total		17,055,167	18,661,227

Conventional Borrowing	Remarks	Group	
		2026 (RM)	2025 (RM)
Current			
Bill payables		4,623,100	2,847,000
Hire purchase payables		764,555	360,250
Non-Current			
Hire purchase payables		2,039,980	958,127
Total		7,427,635	4,165,377

LIST OF PROPERTIES

AS AT 31 MARCH 2026

No.	Registered Owner	Location	Tenure	Description/ Existing Use	Land Area (m ²)/ Built Up Area (ft ²)	Date of Acquisition	Approximate Age of Building (Years)	Group Carrying Amount @ 31.03.2026 (RM)
1.	Guper Bonded Warehouse Sdn Bhd ("GBWSB")	(i) Lot 60584* Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan Darul Khusus.	Freehold	Vacant Land	11,479	16.11.2007	-	1,227,793
		(ii) Lot 60585* Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan Darul Khusus.	Freehold	Vacant Land	10,196	16.11.2007	-	1,090,563
		(iii) Lot 60586* Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan Darul Khusus.	Freehold	Vacant Land	10,196	16.11.2007	-	1,090,563
		(iv) Lot 60587* Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan Darul Khusus.	Freehold	Vacant Land	10,196	16.11.2007	-	1,090,563
		(v) Lot 60588 Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan Darul Khusus.	Freehold	Vacant Land	14,164	16.11.2007	-	1,514,980
2.	Channel Legion Sdn Bhd ("CLSB")	(i) Part of P823 & Part of P825 ^{\$} Port Klang Free Zone/KS12, 42920 Pulau Indah, Selangor Darul Ehsan.	Land Lease Agreement (Expiring on 11.11.2049)	Factory	25,900/ 193,400	31.03.2021	5	11,042,221

* GBWSB had on 17 April 2025 entered into a Sale and Purchase Agreement with Widad Development (Nilai) Sdn Bhd (formerly known as Widad Rail Sdn Bhd), a wholly owned subsidiary of Widad Group Berhad, for the disposal of four (4) adjoining parcels of vacant freehold industrial land for a disposal consideration of RM31.30 million. The disposal consideration shall be settled through the issuance of 993,650,794 new ordinary shares of Widad Group Berhad at an issue price of RM0.0315 per share. The Sale and Purchase Agreement had been terminated on 21 August 2025.

\$ CLSB had on 29 August 2024 entered into a Sale and Purchase Agreement with Pacific Trustees Berhad, acting solely in its capacity as the trustee for and on behalf of KIP Real Estate Investment Trust for the disposal of the remaining unexpired period of the lease together with the buildings erected thereon for a cash consideration of RM23.70 million. The Sale and Purchase Agreement had been terminated on 28 May 2026.

ANALYSIS OF SHAREHOLDINGS

AS AT 7 JULY 2026

ORDINARY SHARE

Issued Share Capital	:	RM72,397,926 comprising 2,058,384,000 ordinary shares
Voting Rights	:	One (1) vote per ordinary share
Number of Shareholders	:	930

ANALYSIS BY SIZE OF SHAREHOLDINGS

	No. of Shareholders	%	No. of Shares Held	%
1 - 99	34	3.66	984	0.00
100 - 1,000	93	10.00	42,616	0.00
1,001 - 10,000	257	27.63	1,165,100	0.06
10,001 - 100,000	283	30.43	9,616,700	0.47
100,001 - 102,919,199 (*)	260	27.96	1,294,068,600	62.87
102,919,200 and above (**)	2	0.32	753,490,000	36.61
	930	100.00	2,058,384,000	100.00

Notes:

* Less than 5% of issued shares

** 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS

(This is an aggregation of securities from different securities accounts belonging to the same Registered Holder)

No.	Substantial Shareholders	Direct Interest No. of Shares Held	%	Indirect Interest No. of Shares Held	%
1	Dato' Ong Choo Meng	113,915,200	5.53	⁽¹⁾ 1,117,360,000	54.28
2	Hextar Tech Sdn Bhd	1,031,360,000	50.11	-	-

Note:

⁽¹⁾ Deemed interested by virtue of his shareholdings in Hextar Tech Sdn Bhd and Hextar Holdings Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016.

ANALYSIS OF SHAREHOLDINGS (CONTINUED)

AS AT 7 JULY 2026

DIRECTORS' SHAREHOLDINGS

(This is an aggregation of securities from different securities accounts belonging to the same Registered Holder)

No.	Directors	Direct Interest		Indirect Interest	
		No. of Shares Held	%	No. of Shares Held	%
1	Tan Sri Muhammad Bin Ibrahim	-	-	-	-
2	Dato' Ong Choo Meng	113,915,200	5.53	⁽¹⁾ 1,117,360,000	54.28
3	Choo Joon Keong	-	-	-	-
4	Ronald Khoo Boo Soon	-	-	-	-
5	Yeoh Chin Hoe	-	-	-	-
6	Sujatha Sekhar A/P Tan Sri B.C Sekhar	-	-	-	-
7	Tan Pei Shiun	6,451,100	0.31	-	-

Note:

⁽¹⁾ Deemed interested by virtue of his shareholdings in Hextar Tech Sdn Bhd and Hextar Holdings Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016.

LIST OF TOP 30 LARGEST SECURITIES ACCOUNTS HOLDERS

(According to the Register of Depositors as at 7 July 2026)

(Without aggregating securities from different securities accounts belonging to the same Registered Holder)

No.	Shareholders	No. of Shares Held	%
1	Hextar Tech Sdn Bhd	512,700,000	24.91
2	AMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account - AmBank (M) Berhad for Hextar Tech Sdn Bhd (BX1213)	130,000,000	6.32
3	Al Rajhi Banking & Investment Corporation (Malaysia) Bhd Pledged Securities Account for Hextar Tech Sdn Bhd (Acct 2)	110,790,000	5.38
4	Al Rajhi Banking & Investment Corporation (Malaysia) Bhd Pledged Securities Account for Agilevest Sdn Bhd (Acc 2)	101,392,000	4.93
5	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Hextar Tech Sdn Bhd (M3918C)	95,550,000	4.64
6	Al Rajhi Banking & Investment Corporation (Malaysia) Bhd Pledged Securities Account for Exsim Holdings Sdn Bhd	88,540,800	4.30
7	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Hextar Holdings Sdn Bhd (PB)	86,000,000	4.18
8	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Ong Choo Meng (6000478)	73,400,000	3.57
9	MBSB Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Hextar Tech Sdn Bhd (MGN - OCM0001M)	67,320,000	3.27
10	Al Rajhi Banking & Investment Corporation (Malaysia) Bhd Pledged Securities Account for Tone Development Sdn Bhd	54,657,000	2.66
11	Al Rajhi Banking & Investment Corporation (Malaysia) Bhd Pledged Securities Account for JT Momentum Sdn Bhd	54,400,000	2.64
12	Al Rajhi Banking & Investment Corporation (Malaysia) Bhd Pledged Securities Account for Legion Management Sdn Bhd (Acc 1)	47,357,000	2.30

ANALYSIS OF SHAREHOLDINGS (CONTINUED)

AS AT 7 JULY 2026

LIST OF TOP 30 LARGEST SECURITIES ACCOUNTS HOLDERS (CONT'D)

(According to the Register of Depositors as at 7 July 2026)

(Without aggregating securities from different securities accounts belonging to the same Registered Holder)

No.	Shareholders	No. of Shares Held	%
13	Apex Nominees (Tempatan) Sdn Bhd Opcom Trading Sdn Bhd for Hextar Tech Sdn Bhd	30,000,000	1.46
14	MBSB Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Hextar Tech Sdn Bhd (MGN-OTC0005M)	30,000,000	1.46
15	MBSB Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Hextar Tech Sdn Bhd (MGN-LWY0001M)	30,000,000	1.46
16	Al Rajhi Banking & Investment Corporation (Malaysia) Bhd Pledged Securities Account for Villagio Holding Sdn Bhd	29,423,400	1.43
17	Al Rajhi Banking & Investment Corporation (Malaysia) Bhd Pledged Securities Account for Hextar Tech Sdn Bhd	25,000,000	1.21
18	Anglo Asia Investments Limited	21,502,500	1.04
19	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Bank Berhad (EDP 2)	19,700,800	0.96
20	Lim Jee Gin	15,403,000	0.75
21	Mok Yau Choy	12,616,400	0.61
22	Tan Seio Beng	12,176,000	0.59
23	HSBC Nominees (Asing) Sdn Bhd Exempt an for The Hongkong and Shanghai Banking Corporation Limited (HBAP-SGDIV-ACCL)	11,804,400	0.57
24	CGS International Nominees Malaysia (Asing) Sdn Bhd CGS International Securities Singapore Pte Ltd (Prop A/C)	11,761,900	0.57
25	M & A Nominee (Asing) Sdn Bhd For Winfields Development Pte Ltd	11,390,000	0.55
26	M & A Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Ong Choo Meng (M&A)	10,807,000	0.53
27	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Tzu Chuen (7003145)	10,159,300	0.49
28	AMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account - Ambank (M) Berhad for Dato' Ong Choo Meng (Smart)	10,000,000	0.49
29	MBSB Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Kook Liong (MGN-OKL0003M)	10,000,000	0.49
30	Fiamma Holdings Berhad	9,916,200	0.48
Total		1,733,767,700	84.24

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-First (21st) Annual General Meeting (“AGM”) of Hextar Technologies Solutions Berhad (“Company”) will be held on **Thursday, 20 August 2026 at 10.30 a.m.** or at any adjournment thereof, at the Hextar Hall, Level 17, Hextar Tower, Hextar World Empire City, No. 8, Jalan PJU 8, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan for the purpose of considering and, if thought fit, passing with or without modifications, for the following purposes:

AS ORDINARY BUSINESS

1. To receive the audited financial statements for the financial year ended 31 March 2026 and the Reports of the Directors and Auditors thereon. *Please refer to Explanatory Note (1)*
2. To approve the following payments to Directors:
 - (i) Directors’ fees for the Non-Executive Directors not exceeding RM400,000 for the financial year ending (“FYE”) 31 March 2027 (FYE 2026: RM400,000). *Ordinary Resolution 1 Please refer to Explanatory Note (2)*
 - (ii) Meeting allowance for the Non-Executive Directors for the period from 21 August 2026 until the next AGM of the Company: *Ordinary Resolution 2 Please refer to Explanatory Note (2)*

Position	Per Meeting Day
Board Committee Chairman	RM1,250
Non-Executive Director	RM1,000
3. To re-elect the following Directors who retire pursuant to Article 131.1 of the Constitution of the Company:
 - (i) Tan Sri Muhammad Bin Ibrahim *Ordinary Resolution 3*
 - (ii) Mr Yeoh Chin Hoe *Ordinary Resolution 4*
 - (iii) Madam Sujatha Sekhar A/P Tan Sri B.C. Sekhar *Ordinary Resolution 5 Please refer to Explanatory Note (3)*
4. To elect Ms Tan Pei Shiun who retire pursuant to Article 116 of the Constitution of the Company. *Ordinary Resolution 6 Please refer to Explanatory Note (4)*
5. To re-appoint Crowe Malaysia PLT as Auditors of the Company and to authorise the Board of Directors (“Board”) to fix their remuneration. *Ordinary Resolution 7*

AS SPECIAL BUSINESS

6. To consider and, if thought fit, to pass the following resolutions:
 - (A) Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016 (“Act”) – General Allotment *Ordinary Resolution 8 Please refer to Explanatory Note (6)(i)*

“THAT pursuant to Sections 75 and 76 of the Act, full authority be and is hereby given to the Directors to issue shares of the Company from time to time upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company as at the date of this AGM and that such authority shall continue in force until the conclusion of the next AGM of the Company, and that the Directors be and are hereby empowered to obtain the approval of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the listing of and quotation for the new shares so issued.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

AND FURTHER THAT pursuant to Section 85 of the Act read together with Article 76 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company and to offer new shares arising from the issuance and allotment of the new shares pursuant to Sections 75 and 76 of the Act; AND THAT the Directors of the Company is exempted from the obligation to offer such new shares first to the existing shareholders of the Company.”

- | | |
|--|--|
| <p>(B) Proposed Renewal of Shareholders’ Mandate to enable the Company to purchase up to Ten Percent (10%) of its Total Number of Issued Shares (“Proposed Renewal of Share Buy-Back Authority”)</p> | <p>Ordinary Resolution 9
<i>Please refer to Explanatory Note (6)(ii)</i></p> |
|--|--|

“THAT subject to the Companies Act 2016 (“Act”), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Constitution and the Main Market Listing Requirements (“MMLR”) of Bursa Securities and any other relevant authority, the Company be and is hereby authorised to purchase and/or hold such amount of ordinary shares in the Company’s issued share capital through Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that:

- (i) the aggregate number of shares so purchased and/or held pursuant to this ordinary resolution (“Purchased Shares”) does not exceed ten percent (10%) of the total number of issued shares of the Company at any one time; and
- (ii) the maximum amount of funds to be allocated for the Purchased Shares shall not exceed the retained profits of the Company;
- (iii) the authority conferred by this ordinary resolution shall commence immediately upon the passing of this ordinary resolution and continue to be in force until:
 - (a) the conclusion of the next AGM of the Company at which time the authority shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions; or
 - (b) the expiration of the period within which the next AGM of the Company is required by law to be held; or
 - (c) revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever occurs first.

THAT upon completion of the purchase(s) by the Company of its own shares, the Directors of the Company be and are hereby authorised to deal with the shares purchased in their absolute discretion in the following manner:

- (a) cancel all the shares so purchased; and/or
- (b) retain the shares so purchased as treasury shares for distribution as dividend to shareholders and/or resell on the market of Bursa Securities; and/or
- (c) retain part thereof as treasury shares and cancel the remainder.”

NOTICE OF ANNUAL GENERAL MEETING

(CONTINUED)

- (C) Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue and/or Trading Nature ("Proposed Renewal of Shareholders' Mandate for RRPT") Ordinary Resolution 10
Please refer to
Explanatory Note (6)
(iii)

"THAT, subject to Paragraph 10.09 of the MMLR of Bursa Securities, the Company and its subsidiaries ("Group") be and are hereby authorised to enter into recurrent related party transactions of a revenue and/or trading nature with the Related Parties as set out in the Section 2.4 of the Circular to Shareholders dated 22 July 2026, PROVIDED THAT such transactions are necessary for the Group's day-to-day operations and are in the ordinary course of business of the Group and at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company;

THAT such approval shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the general meeting at which this Ordinary Resolution shall be passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority conferred by this resolution is renewed;
- (ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier;

AND THAT the Directors of the Company and its subsidiaries be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate as authorised by this Ordinary Resolution."

7. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

By Order of the Board
Hextar Technologies Solutions Berhad

Wong Mee Kiat (MAICSA 7058813) (SSM PC No. 202008001958)
Lim Li Heong (MAICSA 7054716) (SSM PC No. 202008001981)
Wong Kah Yeong (MAICSA 7081604) (SSM PC No. 202508000417)

Secretaries

Kuala Lumpur

Dated: 22 July 2026

NOTICE OF ANNUAL GENERAL MEETING

(CONTINUED)

EXPLANATORY NOTES

1. Receiving of the Audited Financial Statements

Item 1 of the Agenda is intended for discussion only as the provision of Section 340(1) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements. As such this item is not put forward for voting.

2. Payment of Directors' Fees and Benefits

Section 230(1) of the Act provides that the fees and any other benefits (including any compensation for loss of employment) payable to the directors of a company shall be approved by the members at a general meeting. The Board wishes to seek shareholders' approval for the following payment to the Non-Executive Directors:

Ordinary Resolution 1 – Proposed payment of Directors' fees for the Non-Executive Directors not exceeding RM400,000 for the FYE 31 March 2027 (FYE 2026: RM400,000). This proposed resolution is to facilitate the payment of Directors' fees on current year basis. In the event the Directors' fees proposed is insufficient due to enlarged of Board size, approval will be sought at the next AGM to authorise payment of the shortfall.

Ordinary Resolution 2 – Proposed payment of meeting allowance of RM1,250 per meeting day for the Board Committees Chairman and RM1,000 per meeting day for the other Non-Executive Directors from 21 August 2026 until the next AGM of the Company. The meeting allowance will only be paid on the actual attendance of meetings by the Directors.

3. Re-election of Directors

Ordinary Resolutions 3, 4 and 5 – Re-election of Directors

Tan Sri Muhammad Bin Ibrahim ("Tan Sri"), Mr Yeoh Chin Hoe ("Mr Yeoh") and Madam Sujatha Sekhar A/P Tan Sri B.C. Sekhar ("Madam Sujatha") are retiring in accordance with Article 131.1 of the Company's Constitution and, being eligible, have offered themselves for re-election. Their profiles are available in the Directors' Profile section of the Annual Report 2026.

In assessing the eligibility of the Directors to stand for re-election at the 21st AGM, the Board, through the Nomination and Remuneration Committee ("NRC"), assessed the retiring Directors, taking into consideration the following factors:

- (i) their satisfactory performance and compliance with the Company's Fit and Proper Policy, including criteria such as character, experience, integrity, competence, and commitment in discharging their duties and responsibilities; and
- (ii) their independence and their ability to act in the best interests of the Company, supported by their annual declaration of independence.

The Board, having considered the recommendation of the NRC, has endorsed the re-election of Tan Sri, Mr Yeoh and Madam Sujatha as Directors of the Company. The retiring Directors abstained from all deliberations and voting on matters concerning their respective re-election. The Board recommended to the shareholders for their approval on the re-election of Directors, backed by the following justification:

- (i) Their relevant mix of experience, skills, industry knowledge, expertise and core competencies, which continue to contribute positively to the strategic direction of the Company.
- (ii) Their fulfilment of the criteria set out in the Directors' Fit and Proper Policy.
- (iii) Their ability to exercise independent judgment, provide objective perspectives, raise pertinent questions, and contribute constructively to the Board's deliberations and oversight of Management.
- (iv) Their commitment to devoting sufficient time and attention to effectively discharge their duties and responsibilities as Directors, being well-prepared for Board meetings, and contributing meaningfully to the Board's effectiveness.

NOTICE OF ANNUAL GENERAL MEETING

(CONTINUED)

4. Ordinary Resolutions 6 – Election of Director

Ms Tan Pei Shiun (“Ms Daphne”) is retiring in accordance with Article 116 of the Company’s Constitution and, being eligible, have offered herself for election. Her profile is available in the Directors’ Profile section of the Annual Report 2026.

In assessing the eligibility to stand for election at the 21st AGM, the Board, through the NRC, assessed Ms Daphne, considered her qualifications, experience, independence, commitment and compliance with the Company’s Fit and Proper Policy. Having considered the recommendation of the NRC, the Board endorsed Ms Daphne’s election as a Director of the Company. Ms Daphne abstained from all deliberations and voting on matters concerning her own election.

The Board recommended to the shareholders for their approval on the election of Ms Daphne, taking into consideration her qualifications, experience, skills and expertise, her ability to exercise independent judgment and contribute constructively to the Board’s deliberations, as well as her commitment to effectively discharge her duties and responsibilities as a Director.

5. Proxy Form

- (i) In respect of deposited securities, only members whose names appear in the Record of Depositors on 13 August 2026 shall be eligible to attend the AGM.
- (ii) A member of the Company entitled to attend and vote at the AGM is entitled to appoint one (1) or more proxies to attend, participate, speak and vote in his stead. A member may appoint more than one (1) proxy in relation to the AGM, provided that the member specifies the proportion of the member’s shareholdings to be represented by each proxy.
- (iii) A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the AGM shall have the same rights as the member to attend, participate, speak and vote at the AGM.
- (iv) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
- (v) Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (“SICDA”) which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (vi) The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the office of the Company’s Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Drop-in Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur. Alternatively, the Form of Proxy may also be lodged electronically via Vistra Share Registry and IPO (MY) portal at <https://srmy.vistra.com> not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof, resolutions set out above are to be voted by poll. Kindly refer to the Administrative Guide for the AGM for further information on the electronic lodgement of the Proxy Form.
- (vii) Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all resolutions set out in this Notice will be put to a vote by way of a poll.

NOTICE OF ANNUAL GENERAL MEETING

(CONTINUED)

6. Explanatory Notes on Special Business:

(i) Ordinary Resolution 8 – Proposed renewal of authority for Directors to issue shares – General Allotment

Ordinary Resolution 8 is proposed for the purpose of granting a renewal of the general mandate for the issuance of shares by the Company under Sections 75 and 76 of the Act. Ordinary Resolution 8, if passed, will give the Directors of the Company authority to issue not more than ten percent (10%) of the total number of issued shares in the Company at any time in their absolute discretion without convening a general meeting. The authorisation, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

The Company did not issue any new shares pursuant to that mandate obtained as at the date of this notice. Ordinary Resolution 8 is a renewal of the general mandate. At this juncture, there is no decision to issue new shares. Should there be a decision to issue new shares after the general mandate is obtained, an announcement will be made to Bursa Securities by the Company in respect of the purpose and utilisation of proceeds arising from such issue.

The general mandate, if granted, will provide flexibility to the Company for any possible funds-raising activities, including but not limited to placement of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

The approval of the issuance and allotment of the new shares under Sections 75 and 76 of the Act shall have the effect of the shareholders having agreed to waive their statutory pre-emptive rights pursuant to Section 85 of the Act and Article 76 of the Constitution of the Company, the shareholders of the Company hereby agree to waive and are deemed to have waived their statutory pre-emptive rights pursuant to Section 85 of the Act and Article 76 of the Constitution of the Company pertaining to the issuance and allotment of the new shares under Sections 75 and 76 of the Act, which will result in a dilution to their shareholding percentage in the Company.

(ii) Ordinary Resolution 9 – Proposed renewal of share buy-back authority

Ordinary Resolution 9, if passed, will enable the Company to utilise any of its surplus financial resources to purchase its own shares through Bursa Securities up to ten percent (10%) of the total number of issued shares of the Company. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next AGM of the Company.

Further information on the proposed renewal of the share buy-back authority is set out in the Statement to Shareholders of the Company dated 22 July 2026 which is dispatched together with the Company's 2026 Annual Report.

(iii) Ordinary Resolution 10 – Proposed Renewal of Shareholders' Mandate for RRPT

Ordinary Resolution 10, if passed, will empower the Group to enter into recurrent related party transactions ("RRPT") of a revenue and/or trading nature with the related parties as set out in Section 2.4 of the Circular to Shareholders dated 22 July 2026 which are necessary for the Group's day-to-day operations and/or in the ordinary course of business of the Group on normal commercial terms and to facilitate the conduct of the Group's business in a timely manner.

The proposal includes the proposed renewal of the existing shareholders' mandate for RRPT of a revenue and/or trading nature that was approved by the shareholders at the 20th AGM.

Further information on the Proposed Renewal of Shareholders' Mandate for RRPT is set out in the Circular to Shareholders of the Company dated 22 July 2026, which is dispatched together with the Company's 2026 Annual Report.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the MMLR of Bursa Securities

1. Details of person who is standing for election as Director (excluding Director standing for re-election)

The Directors standing for election pursuant to Article 116 of the Constitution of the Company at the 21st AGM is Ms Daphne. Her profile is stated on page 23 of the 2026 Annual Report.

The details of her interest in the securities of the Company is set out in the Analysis of Shareholdings which appear on pages 181-183 of the 2026 Annual Report.

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of MMLR of Bursa Securities

Details of the general mandate to issue securities in the Company pursuant to Sections 75 and 76 of the Act are set out in Explanatory Note (6)(i) of the Notice of 21st AGM.



PROXY FORM

HEXTAR TECHNOLOGIES SOLUTIONS BERHAD
[Registration No.: 200501034100 (716241-X)]

I/We, _____
of _____
(FULL NAME IN CAPITALS)
(FULL ADDRESS)

being a member/members of Hextar Technologies Solutions Berhad, hereby appoint

Proxy A

Full Name	NRIC No./Passport No./Company No.	Proportion of shareholdings represented	
		No. of Shares	%
Address			

Proxy B

Full Name	NRIC No./Passport No./Company No.	Proportion of shareholdings represented	
		No. of Shares	%
Address			

100%

or failing him/her, the Chairman of the Meeting, as my/our proxy to attend and vote for me/us and on my/our behalf at the Twenty First (21st) Annual General Meeting (“AGM”) of Hextar Technologies Solutions Berhad (“the Company”) will be held on Thursday, 20 August 2026 at 10.30 a.m. or at any adjournment thereof, at the Hextar Hall, Level 17, Hextar Tower, Hextar World Empire City, No. 8, Jalan PJU 8, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan or at any adjournment thereof. My/our proxy is to vote on the resolutions as indicated by an “X” in the appropriate spaces below. If this form is returned without any indication as to how the proxy shall vote, the proxy shall vote or abstain as he/she thinks fit.

RESOLUTIONS		FOR	AGAINST
Ordinary Resolution 1	To approve Directors’ fees for the Non-Executive Directors not exceeding RM400,000 for the financial year ending 31 March 2027		
Ordinary Resolution 2	To approve meeting allowance for Non-Executive Directors from 21 August 2026 until the next AGM of the Company		
Ordinary Resolution 3	Re-election of Tan Sri Muhammad Bin Ibrahim as Director pursuant to Article 131.1 of the Constitution of the Company		
Ordinary Resolution 4	Re-election of Mr Yeoh Chin Hoe as Director pursuant to Article 131.1 of the Constitution of the Company		
Ordinary Resolution 5	Re-election of Madam Sujatha Sekhar A/P Tan Sri B.C. Sekhar as Director pursuant to Article 131.1 of the Constitution of the Company		
Ordinary Resolution 6	Election of Ms Tan Pei Shiun as Director pursuant to Article 116 of the Constitution of the Company		
Ordinary Resolution 7	Re-appointment of Messrs. Crowe Malaysia PLT as Auditors of the Company		
Ordinary Resolution 8	To approve authority for Directors to allot and issue shares - General Allotment		
Ordinary Resolution 9	To renew mandate for Share Buy Back		
Ordinary Resolution 10	To approve the Proposed Renewal of Shareholders’ Mandate for Existing Recurrent Related Party Transactions of a Revenue and/or Trading Nature		

Dated this _____ day of _____ 2026

Signature: _____

Fold this flap for sealing

Notes:-

1. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 13 August 2026 shall be eligible to attend the AGM.*
2. *A member of the Company entitled to attend and vote at the AGM is entitled to appoint one (1) or more proxies to attend, participate, speak and vote in his stead. A member may appoint more than one (1) proxy in relation to the AGM, provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy.*
3. *A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the AGM shall have the same rights as the member to attend, participate, speak and vote at the AGM.*
4. *The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.*
5. *Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
6. *The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Drop-in Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur. Alternatively, the Form of Proxy may also be lodged electronically via Vistra Share Registry and IPO (MY) portal at <https://srmy.vistra.com> not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof, resolutions set out above are to be voted by poll. Kindly refer to the Administrative Guide for the AGM for further information on the electronic lodgement of the Proxy Form.*
7. *Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all resolutions set out in this Notice will be put to a vote by way of a poll.*

Then fold here

STAMP

The Share Registrar
HEXTAR TECHNOLOGIES SOLUTIONS BERHAD
C/O Tricor Investor & Issuing House Services Sdn Bhd

Unit 32-01
Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No.8, Jalan Kerinchi
59200 Kuala Lumpur

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HEXTAR TECHNOLOGIES SOLUTIONS BERHAD

(Registration No: 200501034100 (716241-X))

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