

RCE

RCE CAPITAL BERHAD

195301000151 (2444-M)

RCE

ANNUAL REPORT

2026

member of



AMCORP



Membantu anda dengan
MUDAH dan **CEPAT**

Proses Sepantas
24 JAM

Tiada
BAYARAN
Pendahuluan

Dokumentasi
MUDAH

Kadar
Keuntungan
TETAP

Patuh
SYARIAH



Kejayaan Kami



THE EDGE

FOCUS
MALAYSIA



IFN
Awards

Ketahui lebih lanjut



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RCE



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member of



AMCORP



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WHAT'S

INSIDE



COVER RATIONALE

The cover design for RCE Capital Berhad ("RCE")'s Annual Report 2026 is inspired by the strength of connection where individual threads come together to form a resilient and purposeful whole.

At the centre of the composition, countless interwoven lines form the letters RCE, symbolising the many relationships, capabilities and commitments that define the Group. Each thread represents a vital part of RCE's ecosystem consisting customers, employees, shareholders, business partners, funding providers and communities where all connected through a shared journey of progress.

The radiating threads reflect the Group's expanding reach and integrated operating platform, from responsible financing and customer servicing to payroll collection, portfolio management and funding resilience. Together, they illustrate how RCE continues to create value through disciplined execution, prudent risk management and a deep understanding of stakeholder needs.

The warm red and gold tones convey confidence, energy and long-term value creation, while the clean composition reflects clarity, trust and focus.

Guided by its "**Customers for Life**" philosophy, RCE remains committed to building enduring relationships through relevant financial solutions, responsible practices and sustainable growth weaving every connection into a stronger future.

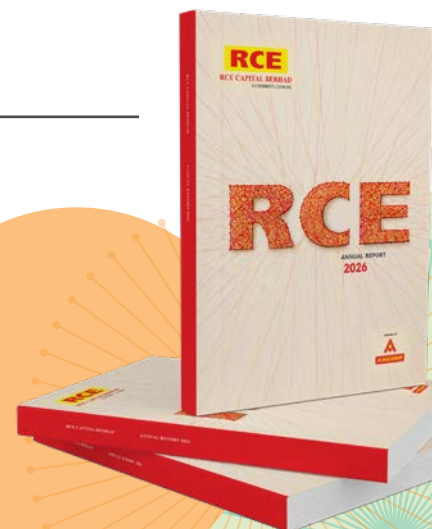
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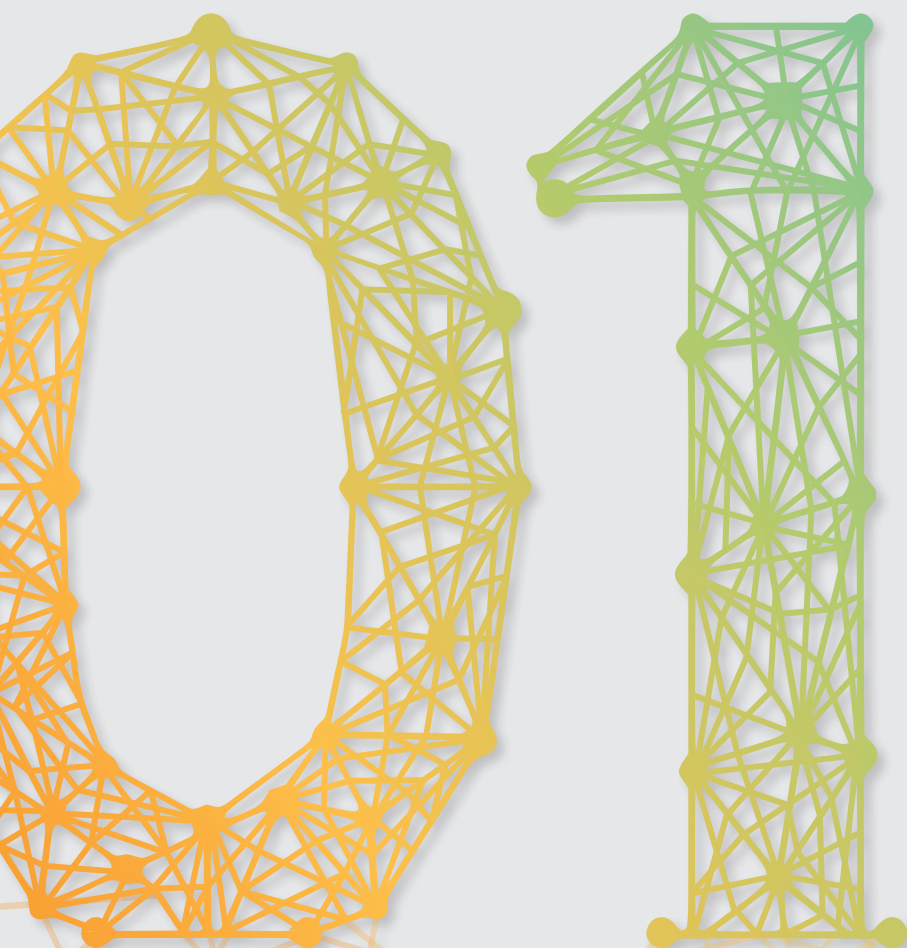
72nd ANNUAL GENERAL MEETING

-  Thursday, 3 September 2026
-  10.30 a.m.
-  Ballroom 1, Tropicana Golf & Country Resort
Jalan Kelab Tropicana, 47410 Petaling Jaya
Selangor, Malaysia
- This Annual Report 2026 is available at www.rce.com.my



UNDERSTANDING

RCE





This section offers an introduction to RCE Capital Berhad, outlining the Group's corporate profile, organisational structure and governance. It also presents key financial highlights alongside the profiles of the Board of Directors, Chief Executive Officer and key senior management, providing an overview of the leadership and business foundation that support the Group's operations.

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CORPORATE OVERVIEW

RCE At A Glance

Established Since

1953

RCE Capital Berhad ("RCE") was incorporated in Malaysia on 18 December 1953. The Company assumed its present name on 9 October 2003.

RCE is a
subsidiary of
**Amcorp
Group
Berhad**

Principal Business: **Financial Services**

Through its subsidiaries, the Group is principally involved in:

- Consumer financing;
- Processing and administration of payroll collection;
- Financial administrative services; and
- Commercial financing, factoring and confirming.

Core Customer Segment **Malaysian Civil Servants**

The Group's principal consumer financing activities serve Malaysian civil servants through financing solutions supported by established monthly salary-deduction arrangements.

Financing Proposition **Shariah-Compliant Financing Solutions**

The Group principally provides shariah-compliant financing solutions to the civil servant market. Selected Group entities also provide conventional financing and related financial services where applicable.

Integrated Operating Capabilities

The Group's operating platform brings together:

- Financing origination;
- Credit assessment and underwriting;
- Financial administration;
- Customer servicing;
- Payroll related collection administration;
- Portfolio monitoring; and
- Funding and asset-liability management.

Funding Platforms

The Group's funding capabilities are supported by, among other sources:

- A RM2.0 billion Sukuk Murabahah Asset-Backed Securitisation Programme ("Sukuk Programme") undertaken through Zamarad Assets Berhad;
- A RM900.0 million Sukuk Programme undertaken through Al Dzahab Assets Berhad; and
- Financing facilities from more than ten financiers.

Our Philosophy **CUSTOMERS FOR LIFE**

The Group's approach is guided by its "*Customers for Life*" philosophy, reflecting its emphasis on maintaining long-term customer relationships through responsible financing solutions, reliable practices and responsive service delivery.

1 RCE is a Main Market listed investment holding company and a subsidiary of Amcorp Group Berhad. Through its subsidiaries, the Group provides financial services principally encompassing consumer financing, processing and administration of payroll collection, financial administrative services and commercial financing, factoring and confirming.

The Group's consumer financing activities are principally focused on serving Malaysian civil servants. Its financing solutions are supported by established salary deduction arrangements through authorised collection channels, which facilitate systematic monthly repayments and support the management of credit risk.

2 RCE's operating entities collectively provide an integrated platform covering the origination, credit assessment and underwriting, financial administration, customer servicing, payroll related collection administration, portfolio monitoring and funding optimisation.

RCE Marketing Sdn Bhd and its related entities undertake financing activities serving the Group's principal customer segment, including providing financial administrative services and the processing and administration of payroll collection.

The acquisition of Corewealth Alliance Dynamic Sdn Bhd in November 2024 complements the Group's personal financing activities, representing a strategic opportunity to expand its reach and customer base.

RCE Factoring Sdn Bhd extends the Group's activities into commercial financing, factoring, confirming for selected customer segments.

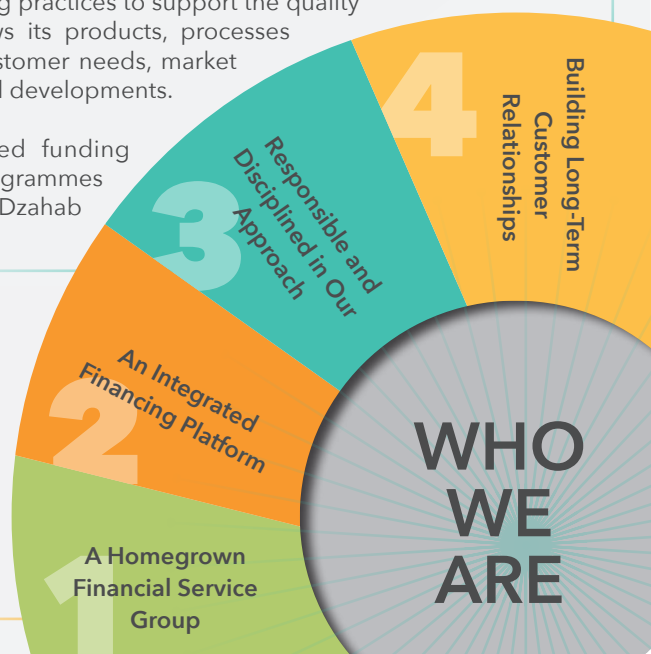
3 As a financial service provider, RCE recognises the importance of balancing business growth with responsible financing and prudent risk management.

The Group applies credit assessment and underwriting practices to support the quality of its financing portfolio. It also periodically reviews its products, processes and operating practices in response to changing customer needs, market conditions, regulatory requirements and technological developments.

Its business activities are supported by diversified funding arrangements, including but not limited to Sukuk Programmes undertaken through Zamarad Assets Berhad and Al Dzahab Assets Berhad.

4 Guided by its "Customers for Life" philosophy, RCE seeks to build long lasting customer relationships by providing relevant financing solutions and continuously improving its service delivery.

The Group remains focused on responsible financing, operational efficiency, digital enablement, portfolio quality and funding resilience as it works towards delivering sustainable performance and value to its stakeholders.



CORPORATE OVERVIEW

OUR BUSINESS ECOSYSTEM

Supporting Financing
from Origination to
Collection

RCE's business ecosystem brings together specialised operating entities and funding platforms that support the financing lifecycle—from the provision and administration of financing to repayment collection, portfolio management and long-term funding.



Customer And
Financing Needs



Financing
Origination And
Solutions



Assessment And
Administration



Customer Servicing And
Repayment Collection



Portfolio
And Funding
Management



Outcomes For
The Group And
Its Stakeholders

Principal Customer

**Malaysian
Civil
Servants**



**RCE Marketing
Sdn Bhd**

Provides shariah-compliant financing and money lending services.

The Group's
operating
capabilities
support:

The Group maintains channels to support customer enquiries, account servicing and repayment administration.

The Group manages its financing receivables, liquidity and asset-liability requirements through a combination of operating cash flows and diversified funding sources.

Through the interaction of its operating capabilities, collection arrangements and funding platforms, the Group seeks to support:

Customers

- Access to responsible financing solutions;
- Reliable customer assessment;
- Systematic repayment arrangements; and
- Responsive customer servicing.

Segment

The Group's core consumer financing business serves civil servants seeking personal financing solutions.

Selected Customer Segments

Through RCE Factoring Sdn Bhd, the Group also provides factoring, confirming and selected financing solutions to customers.

Corewealth Alliance Dynamic Sdn Bhd

Provides shariah-compliant financing and money lending services and financial administrative services.

RCE Sales Sdn Bhd

Provides shariah-compliant financing and money lending services.

- Customer application processing;
- Credit assessment and underwriting;
- Financing documentation;
- Portfolio administration; and
- Ongoing account management.

For its principal civil servant customer segment, monthly repayments are facilitated through established salary deduction arrangements administered through authorised collection channels.

These arrangements support:

- 1 Systematic monthly repayment;
- 2 Collection efficiency;
- 3 Portfolio monitoring; and
- 4 Credit risk management.

COMMERCIAL FINANCING

Running alongside the Group's principal consumer financing platform, RCE Factoring Sdn Bhd provides:

- Factoring;
- Confirming;
- Shariah-compliant financing and money lending services;
- Industrial hire-purchase specialising in trade-related activities and general trading.

This business provides the Group with a presence in selected commercial financing segments beyond its principal civil servant customer base.

Zamarad Assets Berhad

A special-purpose vehicle associated with the Group's RM2.0 billion Sukuk Programme.

Al Dzahab Assets Berhad

A special-purpose vehicle associated with the Group's RM900.0 million Sukuk Programme.

RCE Trading Sdn Bhd

Undertakes investment in securities and supports relevant investment activities within the Group.

These programmes facilitate the securitisation of eligible financing receivables and provide long-term funding support to the Group.

Business Partners

- Established financing and service relationships;
- Coordinated administration and collection; and
- Continued business collaboration.

Shareholders

- Sustainable business performance;
- Prudent financial management; and
- Long-term stakeholder value.

Funding Providers

- Management of eligible financing receivables;
- Disciplined asset-liability management; and
- Fulfilment of funding obligations.

Employees and Communities

- Employment and professional development;
- Ethical and responsible business practices; and
- Community and financial literacy initiatives.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shahman Azman

Non-Independent Non-Executive Chairman

Tan Sri Dato' Setia Mazlan Mansor

Independent Director

Thein Kim Mon

Independent Director

Azura binti Azman

Independent Director

Tracy Chen Wee Keng

Independent Director

Shalina Azman

Non-Independent Non-Executive Director

Lum Sing Fai

Non-Independent Non-Executive Director

CHIEF EXECUTIVE OFFICER

Loh Kam Chuin

COMPANY SECRETARIES

Johnson Yap Choon Seng
(MIA 20766)

(SSM PC No. 202008000685)

Seow Fei San

(MAICSA 7009732)

(SSM PC No. 201908002299)

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Fax : +603-7806 1387

+603-7806 1261

Email : eadvisory@epsilonas.com

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Fax : +603-4042 8877

Website : www.rce.com.my

AUDITORS

Deloitte Malaysia PLT

(Formerly known as Deloitte PLT)

Chartered Accountants

Level 16, Menara LGB

1 Jalan Wan Kadir

Taman Tun Dr. Ismail

60000 Kuala Lumpur, Malaysia

Tel : +603-7610 8888

Fax : +603-7726 8986

SHARE REGISTRAR

Tricor Investor & Issuing House
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59200 Kuala Lumpur, Malaysia

Tel : +603-2783 9299

Email : is.enquiry@vistra.com

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market

(Listed on 20 September 1994)

Stock name : RCECAP

Stock code : 9296

CORPORATE STRUCTURE

RCE

RCE CAPITAL BERHAD



Note:

This chart features the main operating companies and exclude inactive companies.

GROUP FINANCIAL HIGHLIGHTS

Financial Years Ended 31 March		2022	2023	2024	2025	2026
Profitability						
Revenue	(RM'000)	299,457	323,632	341,659	331,671	323,234
Profit before tax and allowances for impairment loss on receivables	(RM'000)	188,776	212,630	215,080	184,035	196,396
Profit before tax	(RM'000)	177,232	183,942	184,849	146,531	172,059
Net profit attributable to owners of the Company	(RM'000)	133,169	138,784	138,752	105,538	126,569
Key Consolidated Statements of Financial Position Data						
Total assets	(RM'000)	2,725,278	2,946,831	2,995,619	2,986,158	3,003,797
Financing receivables, net	(RM'000)	1,764,072	1,899,412	1,972,719	1,950,064	1,977,287
Financing liabilities (net of deposits, cash and bank balances)	(RM'000)	1,003,465	1,211,877	1,279,382	1,290,550	1,272,567
Net assets ("NA") attributable to ordinary shareholders	(RM'000)	872,068	805,659	829,773	839,514	870,654
Key Financial Indicators						
NA per ordinary share	(RM)	1.19 ^	1.10	1.13	0.57 #	0.59
Return on average equity	(%)	16.18 ^	16.54	16.97	12.64 #	14.80
Earnings per share:						
Basic	(sen)	18.25 ^	18.95	18.93	7.20 #	8.62
Diluted	(sen)	18.19 ^	18.85	18.85	7.16 #	8.60
Net gearing ratio	(times)	1.15 ^	1.50	1.54	1.54 #	1.46
Net dividend per share	(sen)	11.00 @	30.00 ~	15.00	6.50 ##	6.50
Dividend payout ratio	(%)	41	158	79	90	75
Return on average total assets	(%)	5.11	4.89	4.67	3.53	4.23
Number of ordinary shares outstanding (net of treasury shares)	(unit)	731,771 ^	732,851	732,851	1,468,035 #	1,468,035
Share price as at financial year end	(RM)	1.85	1.82	2.68	1.33	1.05

Notes:

^ Accounted for the effects of enlarged share capital upon issuance and distribution of bonus and treasury shares.

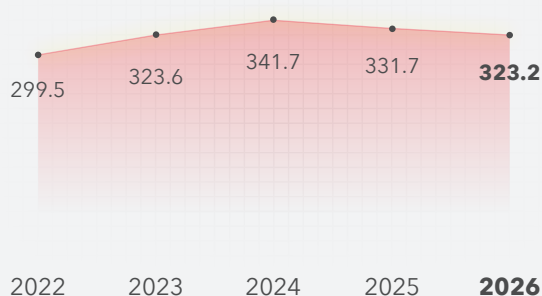
@ Derived from first interim dividend of 7.00 sen per ordinary share and second interim dividend of 4.00 sen per ordinary share prior to and after enlarged share capital upon issuance and distribution of bonus and treasury shares respectively.

~ Included special interim dividend of 18.00 sen per ordinary share.

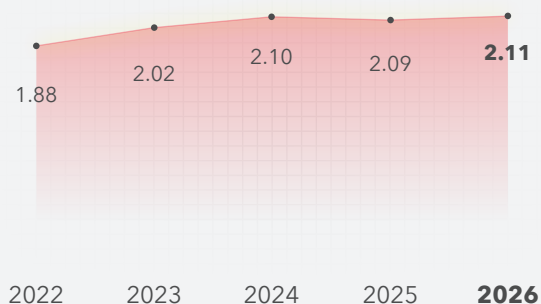
Accounted for the effects of enlarged share capital upon issuance of bonus shares.

Derived from first interim dividend of 3.00 sen per ordinary share and second interim dividend of 3.50 sen per ordinary share after enlarged share capital upon issuance of bonus shares.

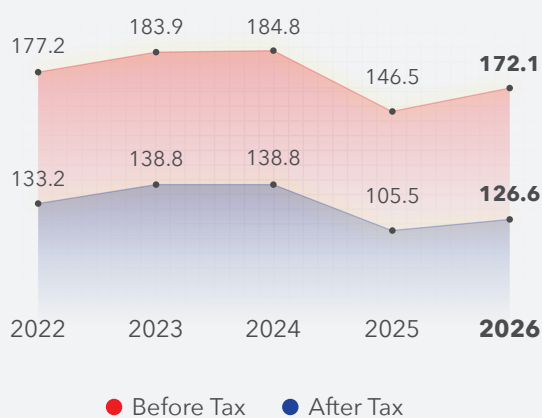
Revenue (RM'million)



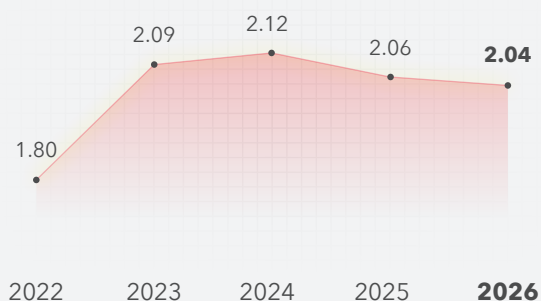
Financing Receivables (RM'billion)



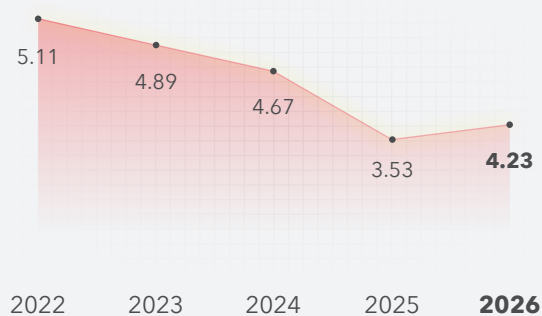
Profits (RM'million)



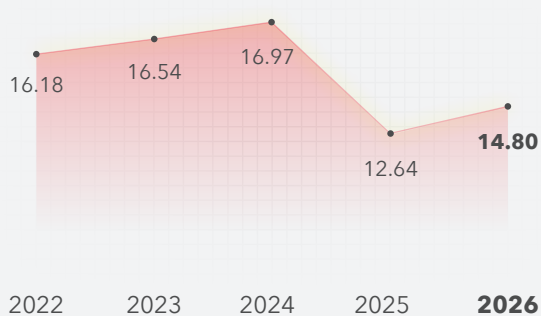
Financing Liabilities (RM'billion)



Return on Average Total Assets (%)



Return on Average Equity (%)



PROFILE OF DIRECTORS



SHAHMAN AZMAN

Non-Independent Non-Executive Chairman

SMART

Appointed on 2 June 2008



Encik Shahman Azman, a Malaysian, male, aged 51, was appointed to the Board on 2 June 2008 and was subsequently redesignated as Non-Independent Non-Executive Chairman on 1 April 2015.

He holds a Bachelor of Communications from Chapman University, U.S.A.

Encik Shahman began his career with Amcorp Group Berhad ("Amcorp") in 1996 and was subsequently promoted to General Manager, where he led the Corporate Planning and Strategy portfolio. In 2001, he joined MCM Technologies Berhad, a former subsidiary of Amcorp, as General Manager of Corporate Planning and Strategy. His last held position in MCM Technologies Berhad was Chief Investment Officer.

On 1 April 2004, Encik Shahman joined the Company as Director of Corporate Affairs and was promoted to Director of Strategic Business Unit on 1 January 2006.

He is also the Chairman of Amcorp Properties Berhad. In addition, he serves on the boards of Amcorp and Amcorp Global Limited, a company listed on the Mainboard of the Singapore Exchange.

TAN SRI DATO' SETIA MAZLAN MANSOR

Independent Director

AC

NRC

Appointed on 1 October 2020



Tan Sri Dato' Setia Mazlan Mansor, a Malaysian, male, aged 65, was appointed to the Board on 1 October 2020.

He holds a Bachelor of Laws (Hons) from University of Wales, Aberystwyth, United Kingdom and a Certificate in Legal Practice (CLP).

He had served in the Royal Malaysia Police for almost 41 years until his retirement as the Deputy Inspector-General of the Royal Malaysia Police in August 2020. He joined the Royal Malaysia Police as a Senior Police Officer in 1979. He possesses extensive expertise in law enforcement, commercial crime investigations, public security and organisational leadership. Throughout his tenure, Tan Sri Mazlan held numerous senior positions within the Royal Malaysia Police, including Director of Commercial Crime Investigation Department, Chief Police Officer of Selangor, Commissioner of Police for Sarawak and Chief Police Officer of Melaka. In recognition of his exemplary service and significant contributions to the nation, he has received numerous federal and state honours and awards.

Tan Sri Mazlan currently serves as Deputy Chairman of Majlis Agama Islam Selangor (MAIS) and as a member of the Police Force Commission. He is also the Chairman of the Board of Trustees of Yayasan Islam Darul Ehsan, Chairman and Independent Non-Executive Director of Pecca Group Berhad, and a Director of Ocean Assets Trustee Berhad.

In addition, he was appointed as Ahli Dewan Diraja Selangor for the term from 1 December 2025 to 30 November 2028. He also served as a Board Member of the Securities Commission Malaysia from 1 March 2022 to 29 February 2024.



THEIN KIM MON
Independent Director

AC

Appointed on 30 September 2019



Mr. Thein Kim Mon, a Malaysian, male, aged 71, was appointed to the Board on 30 September 2019.

Mr. Thein is a Fellow of the Institute of Chartered Accountants, England and Wales (FCA) and the Institute of Chartered Accountants of Australia (FCA). He is also a Chartered Banker of the Asian Institute of Chartered Bankers and the Chartered Banker Institute, United Kingdom.

Mr. Thein brings more than four decades of extensive experience in auditing, banking, risk management and corporate governance. Throughout his distinguished career, he has held senior leadership positions across international financial institutions and has developed deep expertise in internal audit, risk assurance, regulatory compliance and governance frameworks.

From July 2010 until his retirement in September 2017, Mr. Thein served as Group Chief Internal Auditor of AmBank Group, where he was responsible for providing independent audit, assurance and advisory services across the AmBank Group. Prior to joining AmBank Group, Mr. Thein spent 21 years with Australia and New Zealand Banking Group ("ANZ"), where he held several senior leadership positions, including Chief Auditor of ANZ New Zealand and Regional Head of Audit, UK/Europe & Americas, based in London. Earlier in his career, he trained and practised with Coopers & Lybrand (now PricewaterhouseCoopers) in London, laying a strong foundation for his professional expertise in audit and assurance.

He does not hold any directorships in public companies or public listed companies.

AZURA BINTI AZMAN
Independent Director

AC

NRC

Appointed on 1 December 2023



Puan Azura binti Azman, a Malaysian, female, aged 62, was appointed to the Board on 1 December 2023.

She holds a Bachelor of Arts (Honours) from Victoria University of Wellington, New Zealand.

Puan Azura has over 30 years of broad-based experience in the banking industry and her expertise includes stockbroking, corporate banking, credit, business development and private equity. Over the course of her career, Puan Azura held senior leadership positions in a number of prominent financial institutions and investment firms including, RHB Investment Bank Berhad ("RHB Investment"), Bank of Commerce Bhd, Southern Bank Bhd, Ke-Zan Securities Sdn Bhd, Crosby Securities Pte Ltd (London), Amsteel Securities Sdn Bhd, CAV Private Equity Management Sdn Bhd and HLG Securities Sdn Bhd.

Puan Azura joined RHB Investment in 2007 and subsequently served in various leadership capacities across the Retail and Institutional Equity Broking and Coverage divisions. Her last held position at RHB Investment was Head of Group Institutional Equities.

Puan Azura is an active member of the capital market industry. She served on the Board of Securities Industry Dispute Resolution Centre from October 2021 to April 2022 and was Chairman of the Association of Stockbroking Companies Malaysia (ASCM) in 2011 and 2013.

She currently serves as a member of Bursa Malaysia Berhad Market Participants Committee and has previously contributed to various capital market-related organisations and initiatives, including the Bumiputera Dealer Representatives Education Fund, the Board of Trustees of the Bumiputera Training Fund of the Securities Industry Development Centre, and the Securities Commission Malaysia's Secondary Market Advisory Group.

She was also recently appointed to the Internal Advisory Panel for Bachelor in Finance (Hons) at the Faculty of Economics and Business at Universiti Malaysia Sarawak (UNIMAS).

Puan Azura also serves on the Board of Titijaya Land Berhad, KJTS Group Berhad and AmanahRaya Investment Management Sdn Bhd.

PROFILE OF DIRECTORS



TRACY CHEN WEE KENG

Independent Director

AC

Appointed on 6 June 2025



Ms. Tracy Chen Wee Keng, a Malaysian, female, aged 61, was appointed to the Board on 6 June 2025.

She holds a Bachelor of Management (First Class Honours) from Universiti Sains Malaysia and is a Chartered Banker of the Asian Institute of Chartered Bankers.

Ms. Tracy Chen brings more than 35 years of extensive experience in the investment banking and financial services industry. She began her career with Ban Hin Lee Bank and subsequently Standard Chartered Bank, where she developed a strong foundation in corporate banking and cash management. This early exposure laid the groundwork for her subsequent transition into investment banking and capital markets.

She later joined Affin Merchant Bank, where she commenced her investment banking career. Ms. Tracy Chen then spent nearly two decades with CIMB Investment Bank, where she held various senior leadership positions. Her last held position was Senior Managing Director and Co-Head of the Senior Bankers Group, with a primary focus on investment banking coverage and origination.

In 2020, Ms. Tracy Chen joined AmInvestment Bank Berhad as Deputy Chief Executive Officer and Head of Capital Advisory. In October 2020, she was appointed Chief Executive Officer, a position she held until May 2025.

Over the course of her career, Ms. Tracy Chen played a pivotal advisory role in numerous high-profile and innovative debt and equity transactions, earning a reputation as a highly respected investment banking professional with deep expertise in capital raising, corporate advisory and financial markets.

Ms. Tracy Chen also sits on the boards of CIMB Investment Bank Berhad and IOIPG REIT Management Sdn Bhd.

SHALINA AZMAN

Non-Independent Non-Executive Director

NRC

ESSC

SMART

Appointed on 6 January 2000



Puan Shalina Azman, a Malaysian, female, aged 59, was appointed to the Board on 6 January 2000.

She holds a Bachelor of Science in Business Administration, majoring in Finance and Economics, from Chapman University in California. In 1993, she obtained a Master of Business Administration from University of Hull, United Kingdom.

Puan Shalina's involvement with the Company dates back to 1990 where she first gained invaluable experience in the media industry as a Business Development Officer. Prior to re-joining the Company, she served with Amcorp Group Berhad ("Amcorp") from 1995 to 1999 as Senior Manager, Corporate Planning.

On 1 September 2000, she was appointed Managing Director of the Company. Following her resignation from that position on 31 July 2002, she re-joined Amcorp and was appointed Deputy Managing Director on 1 August 2002. Over the years, she has played a significant role in shaping Amcorp's strategic direction and business development initiatives. On 1 July 2024, she was appointed Deputy Chairman of Amcorp.

In addition to her role at Amcorp, Puan Shalina serves as Chairman of Amcorp Global Limited, a company listed on the Mainboard of the Singapore Exchange, and as a Director of Amcorp Properties Berhad.



LUM SING FAI

AC

ESSC

Non-Independent Non-Executive Director

Appointed on 30 September 2019



Mr. Lum Sing Fai, a Malaysian, male, aged 61, was appointed to the Board on 30 September 2019.

He holds a Bachelor of Economics (Hons.) (Business Administration) from University of Malaya.

Mr. Lum brings over three decades of extensive experience in the banking and financial services industry. During his tenure with Amcorp Group Berhad ("Amcorp"), he served as Managing Director, Capital Markets, where he successfully led a wide range of corporate finance, restructuring and funding initiatives. Over his more than 30 years of service with Amcorp, he has played a pivotal role in driving strategic corporate transactions and business growth.

In recognition of his contributions and leadership, Mr. Lum was appointed Deputy Group Managing Director of Amcorp on 1 November 2024 and subsequently assumed the position of Group Managing Director on 1 April 2025.

Prior to joining Amcorp, Mr. Lum was with Southern Bank Berhad from 1987 to 1994, where he held various positions across operations and corporate banking, gaining broad-based experience in the banking sector.

Mr. Lum previously served as a Non-Independent Non-Executive Director of ECM Libra Group Berhad from 2008 to 2013 and as a Director of ECM Libra Investment Bank Berhad from 2008 until 2012. He was also a Director of MTrustee Berhad from 2016 to 2024.

In addition to his role within Amcorp, Mr. Lum serves on the boards of Amcorp Properties Berhad, AmInvestment Bank Berhad, AmInvestment Group Berhad and AmGeneral Holdings Berhad. He is also a Director of AmREIT Managers Sdn Bhd, the manager of AmFirst Real Estate Investment Trust, and Amcorp Global Limited, a company listed on the Mainboard of the Singapore Exchange.

Notes:

Puan Shalina Azman and Encik Shahman Azman are siblings and children of Tan Sri Azman Hashim, a major shareholder of the Company. Save as disclosed herein, none of the Directors have any family relationship with any Directors and/or major shareholders of the Company.

None of the Directors have any conflict of interest with the Company, save as may arise in relation to the following Directors, by virtue of the following circumstances:

- (i) Encik Shahman Azman:
 - (a) his position as Director of Amcorp Group Berhad ("Amcorp") (in which he does not hold any shares) whereby its subsidiary companies are engaged in the provision of mezzanine financing and moneylending services, which may be considered to be of a similar nature to certain businesses within RCE Group; and
 - (b) his father, Tan Sri Azman Hashim, is the Executive Chairman and major shareholder of Amcorp. Tan Sri Azman Hashim is also the Chairman Emeritus and Honorary Adviser as well as a major shareholder of AMMB Holdings Berhad ("AMMB"). AMMB operates within the financial services sector, which may be considered to be of a similar nature to certain businesses within RCE Group.
- (ii) Ms. Tracy Chen Wee Keng's position as Independent Director in both CIMB Investment Bank Berhad and RCE (she does not hold any shares in either entity). Given that CIMB Investment Bank Berhad is acting as one of the Joint Lead Arrangers and Joint Lead Managers for the Sukuk Murabahah Asset-Backed Securitisation Programme by RCE's special purpose vehicle and that the CIMB Group operates in financial services sector which may be considered to be of a similar nature to certain businesses within RCE Group, a potential or perceived conflict of interest may arise by virtue of the common directorship held by her in both entities.
- (iii) Puan Shalina Azman:
 - (a) her position as Deputy Chairman of Amcorp (in which she does not hold any shares) whereby its subsidiary companies are engaged in the provision of mezzanine financing and moneylending services, which may be considered to be of a similar nature to certain businesses within RCE Group; and
 - (b) her father, Tan Sri Azman Hashim, is the Executive Chairman and major shareholder of Amcorp. Tan Sri Azman Hashim is also the Chairman Emeritus and Honorary Adviser as well as a major shareholder of AMMB. AMMB operates within the financial services sector, which may be considered to be of a similar nature to certain businesses within RCE Group.
- (iv) Mr. Lum Sing Fai's position as Group Managing Director of Amcorp (in which he does not hold any shares) whereby its subsidiary companies are engaged in the provision of mezzanine financing and moneylending services, which may be considered to be of a similar nature to certain businesses within RCE Group.

None of the Directors have been convicted for offences within the past 5 years, other than traffic offences, if any.

None of the Directors have any public sanction or penalty imposed on them by the relevant regulatory bodies during the financial year.

PROFILE OF CHIEF EXECUTIVE OFFICER



LOH KAM CHUIN
Chief Executive Officer

ESSC

SMART

Appointed on 1 March 2010



Mr. Loh Kam Chuin, a Malaysian, male, aged 59, was appointed as Chief Executive Officer on 1 March 2010.

He holds a Bachelor of Business in Banking and Finance from the University of South Australia.

Mr. Loh has more than 35 years of experience in the banking, finance and consumer financing industries. He began his career in 1989 with Southern Bank Berhad, where he served in the Personal Banking Division and gained extensive experience in retail banking operations and customer financing.

In 1995, he joined Fulcrum Capital Sdn Bhd ("FCSB"), a wholly-owned subsidiary of Amcorp Group Berhad, as Manager. During his tenure with FCSB, he held progressively senior positions and was subsequently promoted to Senior Manager and later Associate Director, reflecting his growing responsibilities in business development, financing and corporate management.

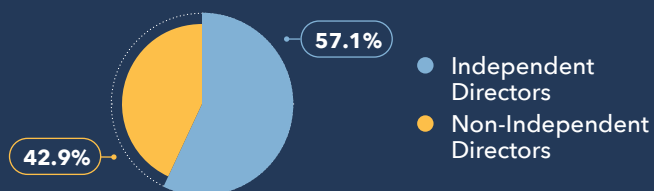
In 2001, Mr. Loh was appointed as a Director of RCE Marketing Sdn Bhd, which subsequently became a wholly-owned subsidiary of the Company. Since then, he has played an instrumental role in the growth and development of RCE Group's consumer financing business. In 2006, he was appointed Executive Director, Corporate Affairs, before assuming his current position as Chief Executive Officer in 2010.

With over two decades of service within RCE Group, Mr. Loh has been a key driver of the Group's strategic direction, operational excellence and sustained business growth.

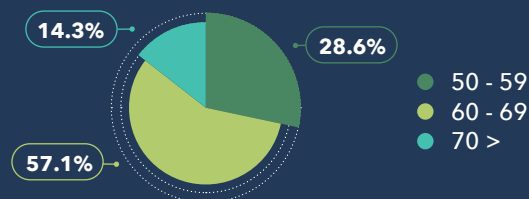
He does not hold any directorships in public companies or public listed companies.

BOARD BALANCE

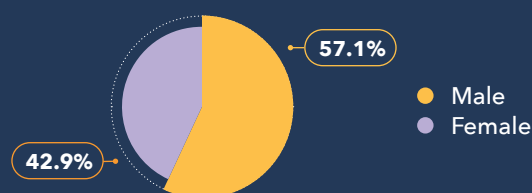
Composition



Age



Gender



Board Committees

Member

Chairman

Audit Committee

AC

Nomination & Remuneration Committee

NRC

Employees' Share Scheme Committee

ESSC

Sustainability Management Committee

SMART

PROFILE OF KEY SENIOR MANAGEMENT

OON HOOI KHEE

Deputy Chief Executive Officer



SMART

Ms. Oon Hooi Khee, a Malaysian, female, aged 54, was appointed as Deputy Chief Executive Officer on 22 May 2025.

Ms. Oon is a Fellow Certified Practising Accountant (FCPA), Australia, and a member of the Malaysian Institute of Accountants. She holds a Bachelor of Economics, majoring in Accounting, from Monash University, Australia.

Ms. Oon began her career with an international Big Four accounting firm, where she spent eight years in audit assurance and tax compliance, gaining extensive experience in financial reporting, regulatory compliance and corporate governance. She subsequently served as Head of Finance of a stockbroking company for four years, where she was responsible for overseeing the finance function and supporting the company's business operations and strategic initiatives.

Ms. Oon joined RCE Group on 11 September 2006 and has since assumed various leadership roles across a broad spectrum of functions, including Finance, Corporate Strategy & Affairs, Business Development, Information Technology, Compliance, Operations & Methods, Credit Risk & Analytics and Human Resource & Administration. Her extensive cross-functional experience has enabled her to contribute significantly to the Group's operational excellence, strategic execution and organisational development.

Prior to her appointment as Deputy Chief Executive Officer, Ms. Oon served as Chief Business Officer, where she played a key role in driving business performance, strategic partnership, operational efficiency and key initiatives across the Group.

With nearly two decades of service within RCE Group, Ms. Oon possesses deep institutional knowledge and extensive management experience, positioning her to support the Group's continued growth and long-term sustainability.

She does not hold any directorships in public companies or public listed companies.

JOHNSON YAP CHOON SENG

Company Secretary



SMART

Mr. Johnson Yap Choon Seng, a Malaysian, male, aged 56, has served as the Company Secretary of the Company since 3 February 2005. He was the Group Chief Financial Officer of the Company from 21 February 2003 until 1 May 2026, when he relinquished the position following his appointment as Deputy Group Managing Director of Amcorp Group Berhad ("Amcorp").

Mr. Johnson Yap is a Fellow of the Association of Chartered Certified Accountants (FCCA) and a member of the Malaysian Institute of Accountants. He holds an Executive Master in Business Administration from the National University of Singapore.

With more than 30 years of experience in financial reporting, corporate finance, company secretarial functions, audit, information technology and various management disciplines, Mr. Johnson Yap brings extensive expertise in corporate governance, financial management and strategic planning.

His broad experience across Amcorp Group and deep understanding of the Group's operations continue to contribute significantly to the strategic development, governance framework and long-term sustainability of RCE Capital Berhad.

Mr. Johnson Yap serves on the boards of Amcorp and Amcorp Properties Berhad.

CHERYL LOW PECK YOKE

Chief Financial Officer



SMART

Ms. Cheryl Low Peck Yoke, a Malaysian, female, aged 47, was appointed as Chief Financial Officer on 1 May 2026.

She is a Fellow of the Association of Chartered Certified Accountants (FCCA) and a member of the Malaysian Institute of Accountants. She holds a Bachelor of Science in Economics (Honours) from The Queen's University of Belfast, United Kingdom.

Ms. Low began her professional career with Ernst & Young. In 2006, she joined Corporateview Sdn Bhd, a wholly-owned subsidiary of Amcorp Group Berhad, before joining RCE Marketing Sdn Bhd, a wholly-owned subsidiary of the Company.

Since joining RCE Group, Ms. Low has held a number of key leadership positions and has accumulated extensive experience across finance, compliance, operations, technology and business analytics. Over the course of her career with the Group, she has overseen various functions, including Finance, Compliance, Operations & Methods, Human Resource & Administration, Information Technology and Portfolio Management & Analytics.

As Chief Financial Officer, Ms. Low is responsible for the Group's financial management, financial reporting, regulatory compliance, operational governance and corporate support functions. Her broad cross-functional expertise, coupled with her deep understanding of the Group's operations and business model, enables her to contribute significantly to the Group's strategic planning, operational effectiveness and long-term growth.

She does not hold any directorships in public companies or public listed companies.

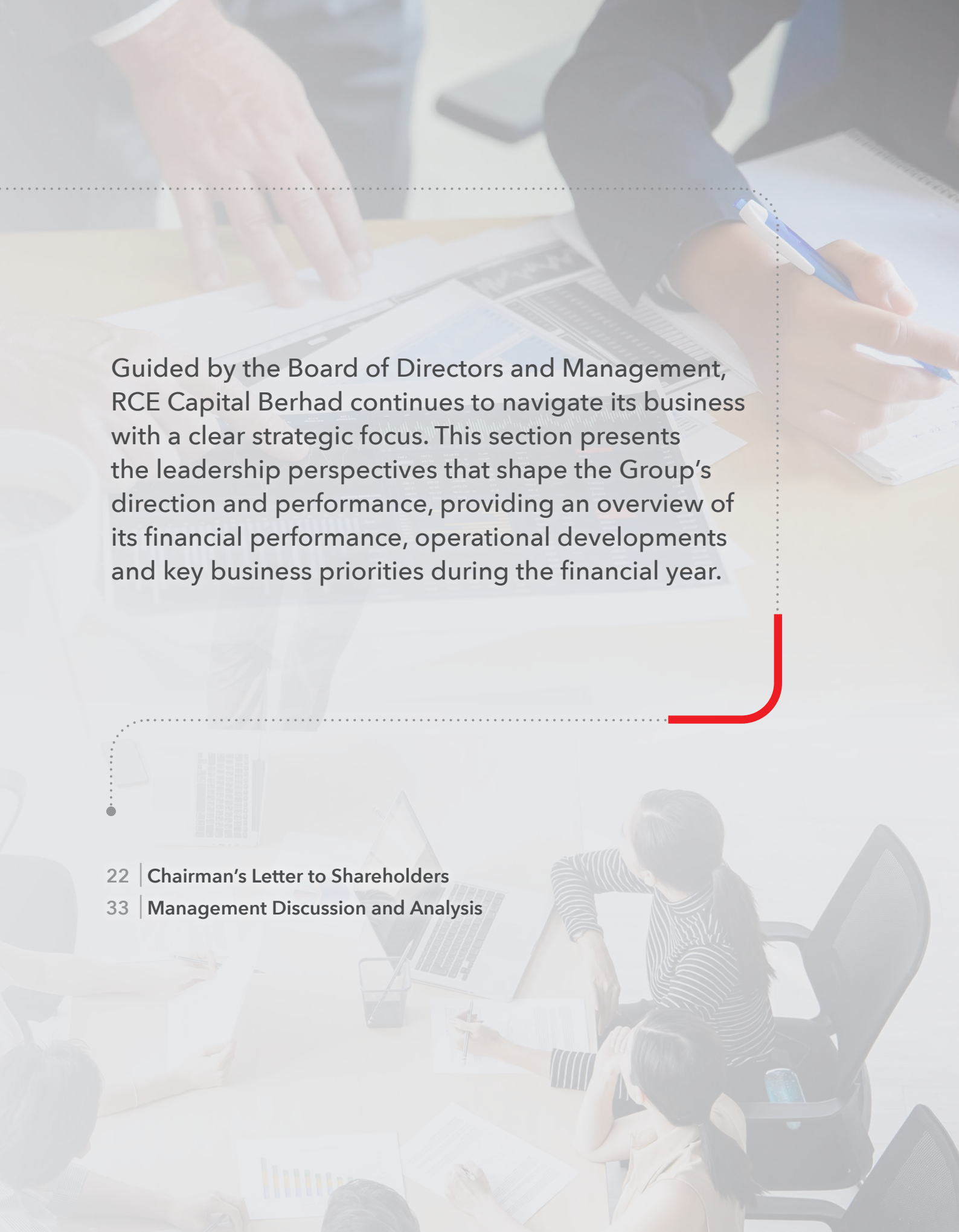
Notes:

None of the Chief Executive Officer and Key Senior Management members have:

- (i) any family relationship with any Directors and/or major shareholders of the Company;
- (ii) any conflict of interest with the Company, save for any potential conflict of interest that may arise in relation to Mr. Johnson Yap Choon Seng, by virtue of his position as Deputy Group Managing Director of Amcorp Group Berhad (in which he does not hold any shares), the subsidiary companies of which are engaged in the provision of mezzanine financing and moneylending services, which may be considered to be of a similar nature to certain businesses within RCE Group;
- (iii) any conviction for offences within the past 5 years, other than traffic offences, if any; and
- (iv) any public sanction or penalty imposed on them by the relevant regulatory bodies during the financial year.

LEADERSHIP **AND PERFORMANCE**





Guided by the Board of Directors and Management, RCE Capital Berhad continues to navigate its business with a clear strategic focus. This section presents the leadership perspectives that shape the Group's direction and performance, providing an overview of its financial performance, operational developments and key business priorities during the financial year.

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CHAIRMAN'S LETTER TO SHAREHOLDERS

SHAHMAN AZMAN

Chairman



DEAR SHAREHOLDERS,

On behalf of the Board of Directors (“the Board”), I am pleased to present the first Integrated Annual Report of RCE Capital Berhad (“RCE”) and its subsidiaries (“the Group”) for financial year ended 31 March 2026 (“FYE 2026”).

The publication of this inaugural integrated report marks an important milestone in reporting practices, providing stakeholders with a comprehensive view of our strategy, governance, performance and long-term value creation. The transition to an integrated report reflects a continued commitment to transparency, accountability and sustainable growth.

ECONOMIC REVIEW: GLOBAL

The global economy entered 2026 on a foundation of relative stability with International Monetary Fund ("IMF") projecting global economic growth at 3.1% and 3.2% in 2026 and 2027 respectively. However, this baseline has since been challenged by the escalation of geopolitical tensions in Middle East, giving rise to volatility in energy markets, disrupted supply chains and reassessment of global growth prospects.

Inflationary pressures, which had shown signs of moderating at the beginning of the year, have emerged as a key concern. According to IMF, prolonged increases in energy prices could lead to a measurable uptick in global inflation, complicating the path of monetary easing and potentially stretching tight financial conditions further. As such, the inflation outlook has become more uncertain with risks tilting to the upside.

Additionally, the disinflation path is not uniform, varying substantially across regions, dependent on domestic demand conditions, labour market and policy transmissions. This divergence highlights the uneven pace of policy normalisation and dynamics of domestic demand across jurisdictions.

The surge in investment in technology, particularly around artificial intelligence ("AI") and digital infrastructure has acted as a relevant growth tailwind, especially in North America and parts of Asia. Concurrently, the adaptability of the private sector, selective monetary conditions and fiscal approach reinforce global economic momentum despite an increasingly complex external environment.

Downside risks nonetheless remain challenging. A potential re-evaluation of AI productivity expectations may trigger abrupt market corrections. Renewed trade tensions or geopolitical flare-ups may disrupt supply chains and dampen investment flows. Elevated fiscal deficits and high public debt in several major economies may place upward pressure on interest rates and financial stability over time, particularly if investor confidence weakens.

Recent military developments with heightened tensions involving major global powers and a key regional energy producer have injected volatility into energy markets with oil prices under upward pressure amid concerns over potential supply disruptions and logistical constraints. It is too early to determine the full scale or duration of the impact as persistent escalation could reintroduce inflationary pressures, complicate trade flows and monetary policy calibration across both advanced and emerging economies.

In response to these risks, IMF calls for policymakers to restore fiscal buffers and rebuild resilience, preserve price and financial stability by employing credible monetary frameworks and reduce policy uncertainty when pursuing structural reforms. The quality of policy execution will be central to sustaining growth while managing vulnerabilities.

Growth dynamics continue to differ across regions. Emerging markets are generally expected to maintain stronger momentum than advanced economies, encouraged by domestic demand and structural reforms aimed at boosting productivity and competitiveness. These structural adjustments are increasingly important in a global environment characterised by fragmentation and shifting supply chains.

Overall, while global expansion remains moderate by historical standards, identifiable growth drivers and inflationary pressures would inevitably impact the global economy. The challenge lies not in the absence of growth, but in navigating elevated uncertainty with methodical policy responses.

CHAIRMAN'S LETTER TO SHAREHOLDERS

ECONOMIC REVIEW: DOMESTIC

Malaysia's economy demonstrated notable resilience in 2025, delivering stronger-than-expected growth despite global volatility and external headwinds.

Economic momentum strengthened as the year progressed. For 2025, Gross Domestic Product ("GDP") growth reached 5.2%, up from 5.1% in 2024, surpassing the Malaysian Government's forecast range of 4.0% to 4.8%. For first quarter of 2026, GDP expanded by 5.4%, exceeding initial estimates.

This performance was driven by resilient domestic demand, firm household consumption and constant investment momentum, underscoring the economy's capacity to expand even within a challenging external environment.

Importantly, this growth was achieved alongside fiscal consolidation. The fiscal deficit narrowed to 3.7% in 2025, outperforming the initial target of 3.8% and improving from 4.1% in 2024. This achievement represented the second consecutive year the Malaysian Government outperformed its fiscal consolidation target. The ability to sustain expansion while reducing the deficit reinforced policy credibility and macroeconomic stability.

Households benefitted from this stability. Inflation moderated to 1.6% in first quarter of 2026 from 1.4% in 2025, while unemployment rate declined to 2.9%, the lowest in over a decade. Savings generated from fiscal reforms were channelled into social programmes, including Sumbangan Tunai Rahmah and Sumbangan Asas Rahmah, ensuring growth translated into required support for the rakyat. Likewise, investment in public infrastructure enhanced the quality of life and productivity capacity.

These developments strengthened investor confidence. Consistent reforms under the Malaysian Government's economic framework were reflected in the ringgit emerging as Asia's best-performing currency, rising direct investment inflows and FTSE Bursa Malaysia KLCI recording its strongest performance in seven years. A stronger ringgit, while having a limited direct impact on the Group's ringgit-denominated operations, reflects improving macroeconomic stability and investor confidence. These conditions help moderate inflationary pressures, improve customers' repayment capacity and contribute to a stable operating environment for the Group.

Reform is central to the Malaysian Government's agenda. Priorities remain focused on promoting higher-value-added economic activities, eradicating corruption, improving quality of life and enhancing the ease of doing business. These structural measures not only sustain current growth but also bolster Malaysia's competitiveness over the longer term.

As a net gas exporter, Malaysia is experiencing and may continue to benefit from short-term fiscal gains and backing for the ringgit as liquefied natural gas prices rise. Stronger export revenues improved Malaysia's trade balance and increased foreign exchange inflows amid a challenging global financial environment. However, increases in crude oil prices translate into higher fuel subsidy obligations for the Malaysian Government, placing more strain on fiscal balances. In response, revised subsidy rationalisation measures have been introduced, including a reduction in targeted subsidy for RON95 from 300 to 200 litres per month per eligible individual. While this may help mitigate fiscal pressures, it could contribute to higher cost of living and broader inflationary effects.

Geopolitical developments are also influencing global energy pricing with knock-on effects on domestic cost structures and fiscal policy considerations. While Malaysia may benefit in the near term from stronger hydrocarbon-related revenues, sustained increases in crude oil prices will have a direct impact on fuel subsidy initiatives, potentially increasing the Government's fiscal burden. This has prompted further targeted subsidy rationalisation measures to be considered to manage fiscal exposure while balancing cost-of-living considerations. However, such measures may contribute to broader inflationary pressures and increased economic uncertainty.

Notwithstanding these developments, Malaysia's direct economic exposure continues to be manageable. However, as an open economy integrated into global trade networks, secondary effects from commodity prices, freight costs and investor sentiment remain relevant and cannot be disregarded. The Malaysian Government has emphasised the need to maintain domestic economic resilience to ensure stability should global conditions deteriorate.

Looking ahead, amid uncertainties, economic growth is expected to remain moderate. Expansion will continue to be backed by domestic demand, household consumption and investment momentum. Higher tourism activity under Visit Malaysia 2026, together with increases in minimum wages and civil servant salaries will further boost consumer spending. Budget 2026 will underpin the Thirteenth Malaysia Plan and other policy measures designed to promote inclusive and intended growth. Fiscal discipline will remain a priority to ensure sustainability while supporting economic momentum.

Monetary policy has complemented these efforts. Bank Negara Malaysia ("BNM") reduced the Overnight Policy Rate ("OPR") to 2.75% in July 2025 and has maintained it at that level since, reflecting a policy stance that is appropriate and supportive of economic growth notwithstanding price stability.

Malaysia's economy expanded by 5.2% in 2025 with momentum expected to continue into 2026. Stable domestic demand, employment conditions, wage growth and income-related policy measures continue to drive expansion.

Investment activity continues to be driven by multi-year public and private projects, the implementation of new public projects, progressive realisation of approved investments and national master plans. Exports of electrical and electronic products and higher tourism spending continue to benefit the external sector. Nevertheless, the outlook is still subject to geopolitical developments and potential volatility in global financial markets.

Against this backdrop, risks remain balanced. Downside risks include weaker global trade and lower-than-expected commodity production. Upside potential includes steady global growth, higher demand for electrical and electronic products and more robust tourism activity. BNM expects core inflation to remain stable and close to its long-term average, reflecting economic expansion without excessive demand pressures. Forecasts from local institutions suggest OPR is likely to remain unchanged in 2026 with limited expectation of further rate cuts unless external conditions soften significantly. A balanced OPR strengthens consumer financing and discretionary spending, maintaining financing appetite.

From the macroeconomic aspects, income dynamics are evolving. The enhancement of the Government's Sistem Saraan Perkhidmatan Awam announced in late 2024, marked the highest salary increase in 12 years and largest in the history of the country's public service. The salary adjustment in early 2026 completed a total pay hike of 15%, following an 8% increase in December 2024 and an additional 7% in January 2026. This revision is expected to benefit household income and consumption in 2026.

The upward shift in salary was anticipated to drive higher demand for personal financing among civil servants. Nevertheless, sales momentum was moderated due to cautious consumers' sentiments and elevated cost of living.

A total of 4,194 civil servants were declared bankrupt between 2020 and mid-2025, representing 0.3% of the total civil service workforce. Data shows civil servants accounted for 10% to 14% of new bankruptcy filings between 2021 and 2024, with unsecured personal financing cited as a key factor. While the proportion is low as compared with total employment, this trend emphasises the need for responsible financing practices and financial literacy in our risk management strategy.

CHAIRMAN'S LETTER TO SHAREHOLDERS

ECONOMIC REVIEW: DOMESTIC (CONT'D)

Recent observations by Insolvency Department of Malaysia further emphasised the importance of maintaining credit discipline as weaknesses in affordability assessments can increase the risk of default. These developments highlight the need for responsible financing practices and sound governance, ensuring any credit given is to meet genuine financial needs without undermining financial stability.

The Group is committed to prudent underwriting standards, risk management and regulatory compliance, aligning its practices with evolving supervisory expectations while supporting attainable and inclusive growth.

Competitive dynamics shape the operating environment where the Group exercises heightened vigilance in credit assessment and disbursement processes following ongoing risks of organised fraud targeting civil servants with repayment arrears. These fraud syndicates typically induce customers to refinance existing obligations, thereby substantially increasing their indebtedness under the false promise of high investment returns.

The Group remains alert following enforcement actions, including Ops Sky, which highlighted the importance of solid underwriting controls and customer due diligence. The Group does not condone any fraudulent financing or syndication schemes and continues to reinforce its internal controls as well as monitoring to safeguard portfolio quality.



Competition in personal financing for civil servants has intensified with new players offering multiple financing options. Although credit can be relatively easy to access, it carries both positive and negative implications. Aggressive marketing or informal financing offerings, if not managed properly, can lead to reckless debt accumulation and financial stress.

The Group therefore maintains a cautious approach in its credit underwriting, responsible marketing and proactive customer engagement to mitigate the risk of over-indebtedness.

The Consumer Credit Act 2025 (Act 873) ("CCA"), gazetted on 31 December 2025 and effective from 1 March 2026, formalises the consumer credit sector by establishing a clearer regulatory framework for individuals and micro and small enterprises accessing credit with Consumer Credit Commission ("CCC") responsible for licensing, oversight and enforcement.

Under CCA, credit providers such as Buy Now Pay Later, leasing and factoring companies must obtain licences from CCC. In contrast, credit service providers, including debt collection agencies and impaired loan buyers must register with CCC. Licensing requirements took effect on 1 June 2026, with affected providers given six months to comply.

The Group is not directly impacted at this stage given its focus on personal financing for civil servants. It continues to engage with regulators and industry stakeholders to stay up to date on developments and is prepared to adhere to any regulations introduced.

The formalisation of the sector is expected to enhance transparency, supervision and governance standards. With that, it is expected to weed out unregulated and irresponsible players in the market and promote a more sustainable consumer credit ecosystem.

Overall, Malaysia's economy demonstrated resilience in 2025, achieving stable growth despite global trade tensions and tariff headwinds. Strong domestic demand, robust semiconductor investments and strategic positioning under the Malaysian Government's economic framework sustained this momentum. With stable inflation, accommodative monetary policy and landmark regulatory reforms, including implementation of CCA, Malaysia remains well-positioned for sustainable and inclusive growth. However, global stability is an important foundation for economic progress. Malaysia has consistently emphasised the importance of diplomatic engagement and de-escalation, recognising that prolonged instability in key regions risks global economic recovery and financial stability.

PERFORMANCE REVIEW



As a responsible shariah-compliant financier, the Group focuses on quality financing growth and credit risk management, which form the foundation of long-term sustainability.



As a responsible shariah-compliant financier, the Group focuses on quality financing growth and credit risk management, which form the foundation of long-term sustainability. During the financial year, the Group maintained prudent disbursement practices, ensuring that growth remained anchored in sound underwriting standards rather than volume-driven expansion.

For FYE 2026, the Group's registered revenue was RM323.2 million as compared to RM331.7 million a year ago. This was mainly due to lower early settlement income attributable to lower refinancing activities by customers. Notwithstanding this, the overall financing portfolio was marginally higher at RM2.11 billion as compared to RM2.09 billion a year ago.

Profit expense reduced from RM100.3 million to RM93.7 million mainly due to the effects of early and full redemption of higher rate Sukuk Murabahah ("Sukuk") by Al Dzahab Assets Berhad ("ADA") in the previous financial year. The reduction was further complemented by the downward revision in OPR in July 2025.

Correspondingly, the Group's placement income for the current financial year was lower as deposits were progressively withdrawn to cater for Sukuk redemptions. This resulted in the drop in other income from RM36.2 million to RM33.2 million.

Operating expenses declined from RM83.3 million to RM66.1 million mainly due to the absence of RM19.0 million goodwill impairment charge recognised in the previous financial year for EXP Payment Sdn Bhd's collection management services. The impairment arose from an expected decline in economic benefits following changes in commercial viability and market environment. Excluding the effects of the goodwill impairment in the previous financial year, cost-to-income ratio remained manageable at 25.2% as compared to 24.0% a year ago.

Allowance for impairment loss on receivables dropped from RM37.5 million to RM24.3 million, following moderation in bankruptcies, resignations and early retirements among civil servants. Financing loss coverage ratio increased to 151.9% from 147.3%, reflecting the quality of assets which remains intact arising from disciplined disbursement and credit underwriting practices.

Despite the competitive operating landscape, the Group recorded a profit after tax of RM126.6 million. Earnings per share stood at 8.6 sen, while return on average equity reached 14.8%.

2026

**RM323.2
million**

REVENUE

**RM126.6
million**

PROFIT
AFTER TAX

8.6 sen

BASIC EARNINGS
PER SHARE

2025

RM331.7
million



RM105.5
million



7.2 sen



CHAIRMAN'S LETTER TO SHAREHOLDERS

CORPORATE DEVELOPMENT

In May 2026, Shariah Advisory Council of Securities Commission Malaysia reaffirmed the status of RCE as a shariah-compliant security counter. Out of the thirty eight counters in Financial Services sector, RCE was one of only seven that were included in the List of Shariah Compliant Securities.

On 29 April 2026, RCE Marketing Sdn Bhd ("RCEM") was honoured with "Excellence in Shariah-Compliant Personal Financing Solutions" award under the Signature Brand category at The BrandLaureate World Halal BestBrands Awards 2026.

The reaffirmation and award are a testament of the Group's adherence to ethical financial practices and its commitment to promoting a progressive and inclusive shariah-compliant financial system.

Two Sukuk Murabahah Asset-Backed Securitisation Programmes ("Sukuk Programmes") were issued by the Group's special purpose vehicles ("SPVs"), namely Zamarad Assets Berhad ("ZAB") and ADA. These two SPVs provide ongoing support to the Group's funding framework.

ZAB's RM2.0 billion Sukuk Programme was the first in Malaysia to incorporate a Revolving Option ("RO") feature in the securitisation of Islamic receivables. Activated from the sixth tranche onwards in July 2021, the RO allows excess sinking fund balances to be reinvested into additional receivables from RCEM, providing ongoing funding while minimising negative carry.

In March 2025, ADA extended the availability period of its RM900.0 million Sukuk Programme to perpetual and activated the RO feature to mirror ZAB's structure, further enhancing liquidity and capital efficiency.

On 27 August 2025 and 4 March 2026, ZAB's Tranche 10 issuance of RM149.0 million received awards for "Best Securitisation Sukuk of the Year 2025" and "Best Islamic Finance Deal" at Asset Triple A Islamic Finance Awards and FinanceAsia Achievement Awards 2025 respectively. These demonstrate the credibility of the Group's Sukuk platform.



Excellence in Shariah-Compliant Personal Financing Solutions award under the Signature Brand category at The BrandLaureate World Halal Best Brands Awards 2026

SUSTAINABILITY DEVELOPMENT



The Group integrates sustainability into its operations, recognising that sustainable value creation depends on the effective management of economic, environmental, social and governance considerations.



The Group integrates sustainability into its operations, recognising that sustainable value creation depends on the effective management of economic, environmental, social and governance considerations. Its approach focuses on continuous improvement, supported by clear targets, sustainable strategy and alignment with recognised global standards and frameworks.

Planned execution and participation in industry-wide initiatives support value creation and strengthen organisational resilience in the long run.

The National Sustainability Reporting Framework, introduced in September 2024, establishes a structured and phased approach to enhance sustainability disclosures across corporations in Malaysia. FYE 2026 marks the Group's first year of adoption under this framework.

While the phased implementation allows companies to align progressively with reporting requirements, the Group has prioritised core requirements and selected additional elements ahead of the prescribed timeline.

This approach allows the Group to improve the identification and management of sustainability-related risks and opportunities, thus reinforcing accountability at both the Board and management levels.

The Group emphasises its commitment with a robust governance framework grounded in transparency, accountability and stakeholder engagement. It increasingly embeds sustainability considerations within strategic planning, risk oversight and performance monitoring processes to ensure regulatory compliance translates into meaningful business integration.

As a shariah-compliant financial service provider, the Group places ethical principles at the centre of its value proposition. These principles guide its financing practices and governance standards, aligning operations with stakeholder expectations while supporting responsible growth.

The Group prioritises social sustainability by fostering a diverse and inclusive workplace, including promoting education, financial literacy as well as overall well-being of communities. These efforts contribute to broader economic participation and improved value delivery.

The Group's continued achievement of a 4-star ESG rating, the top tier within FTSE4Good Bursa Malaysia Index, reflects the progress and commitment of its sustainability agenda.



FTSE4Good

With enhanced governance, transparency, sustainability disclosures and oversight of risks and opportunities, the Group continues to deliver its value in a dynamic regulatory and operating environment.

CHAIRMAN'S LETTER TO SHAREHOLDERS

DIVIDEND

The Board is committed to delivering consistent and meaningful returns to shareholders, guided by careful capital management and resilient financial performance.

On 18 November 2025, the Board declared a first interim dividend of 3 sen per ordinary share, amounting to RM44.0 million. The dividend was distributed to shareholders on 30 December 2025.

On 26 May 2026, the Board declared a second interim dividend of 3.5 sen per ordinary share, amounting to RM51.4 million.

All in all, total dividends declared for FYE 2026 were RM95.4 million, representing a payout ratio of 75.4%. This balanced distribution approach rewards shareholders while preserving capital for future growth.

The Board extends its sincere appreciation to shareholders for their confidence and unwavering support. Their trust is fundamental to the Group's ability to deliver consistent value.

INVESTOR RELATIONS

Investor Relations is a critical interface for articulating the Group's strategy, financial stewardship and value proposition in the context of evolving market conditions. Clear and consistent communication enables stakeholders to better understand our operating performance, risk management approach and strategic priorities.

The Group uphold high standards of disclosure and corporate governance by ensuring timely and accurate communication with stakeholders. During the financial year, the Group engaged with investors, analysts and institutional stakeholders across multiple platforms to provide regular updates on business performance, strategic initiatives and developments within the operating environment.

Importantly, feedback and market insights gathered from ongoing dialogue were evaluated and incorporated into management's strategic and operational deliberations, supporting informed decision-making and continuous improvements. The Group receives coverage from reputable research houses, including Maybank Investment Bank Berhad, CIMB Securities Sdn Bhd, RHB Investment Bank Berhad and Public Investment Bank Berhad. Their independent perspectives contribute to greater market visibility and enhance investors' understanding of the Group's performance and outlook.



The Group uphold high standards of disclosure and corporate governance by ensuring timely and accurate communication with stakeholders.



GROUP OUTLOOK

The Group expects the global economy to remain moderately resilient in 2026. Sustained domestic demand, moderating inflation and investment in technology and digital infrastructure continue to benefit economic activity, while accommodative fiscal and monetary policies in several major economies provide a favourable backdrop for growth.

Nonetheless, the external environment remains uncertain. Tariff related headwinds, geopolitical tensions and volatility in global financial markets could weigh on trade and investment activity. Elevated asset valuations present an additional risk should market sentiment shift abruptly.

Domestically, the Group expects Malaysia's economy to maintain growth momentum in 2026, albeit with increased external uncertainties. Household spending, favourable labour market conditions, wage growth and income-related policy measures are expected to stimulate domestic demand. Investment activity is likely to remain, driven by the progress of multi-year public and private sector projects, rollout of new, smaller-scale public initiatives, realisation of approved investments and implementation of national development plans. Meanwhile, the external sector is expected to benefit from the strength in electrical and electronics exports, alongside higher tourist arrivals and spending.

The Group is optimistic, while maintaining a prudent outlook on the operating environment. Stable macroeconomic conditions, steady domestic demand and supportive financing conditions are expected to sustain demand for personal financing solutions. The Group will continue to focus on its credit underwriting, risk management and responsible financing practices as part of its growth strategy while safeguarding portfolio quality.

The Group remains vigilant to potential risks that may impact the domestic economy, including weaker global trade conditions, lower commodity production and heightened global market volatility. On the other hand, higher demand for electrical and electronic products and increased tourism activity could provide additional stimulus to the broader economy. Anchored by sound governance, operational discipline and commitment to responsible financing, the Group has positioned itself to navigate the evolving environment and deliver value to stakeholders.



The Group will continue to focus on its credit underwriting, risk management and responsible financing practices as part of its growth strategy while safeguarding portfolio quality.



CHAIRMAN'S LETTER TO SHAREHOLDERS

ACKNOWLEDGEMENT



Our “Customers for Life” philosophy is central to how we build lasting relationships and deliver meaningful value. Your partnership enables the Group to operate with clarity and confidence in this evolving and competitive environment.



On behalf of the Board, I extend my sincere appreciation to all our stakeholders for their trust and confidence in the Group. Your steadfast support continues to drive us towards resilience, stability and progress.

We recognise the important role of our regulators in safeguarding the integrity and stability of the financial system and remain committed to constructive engagement to ensure full compliance, sound governance and responsible industry conduct.

To our valued customers, business and banking partners, and suppliers, I thank you for your support, partnership and collaboration. Our “Customers for Life” philosophy is central to how we build lasting relationships and deliver meaningful value. Your partnership enables the Group to operate with clarity and confidence in this evolving and competitive environment.

I also wish to record my appreciation to my fellow Board members and dedicated colleagues across the Group. Your commitment, professionalism and collective effort continue to form the foundation of our achievements and position the Group for continued advancement.

Furthermore, I would like to express our sincere appreciation to Datuk Mohamed Azmi Bin Mahmood, who resigned in March 2026 for his valuable contributions to the Group throughout his tenure as an Independent Director. He played an important role in Board deliberations, offering valuable insights and independent perspective that supported the Group's strategic priorities.

As we move forward, I remain confident that, with discipline, integrity and shared purpose, the Group will continue to create sustainable value for all stakeholders.

Shahman Azman
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

OUR BUSINESS

RCE Capital Berhad (“RCE” or “the Group”) is an investment holding company incorporated on 18 December 1953 and a subsidiary of Amcorp Group Berhad.

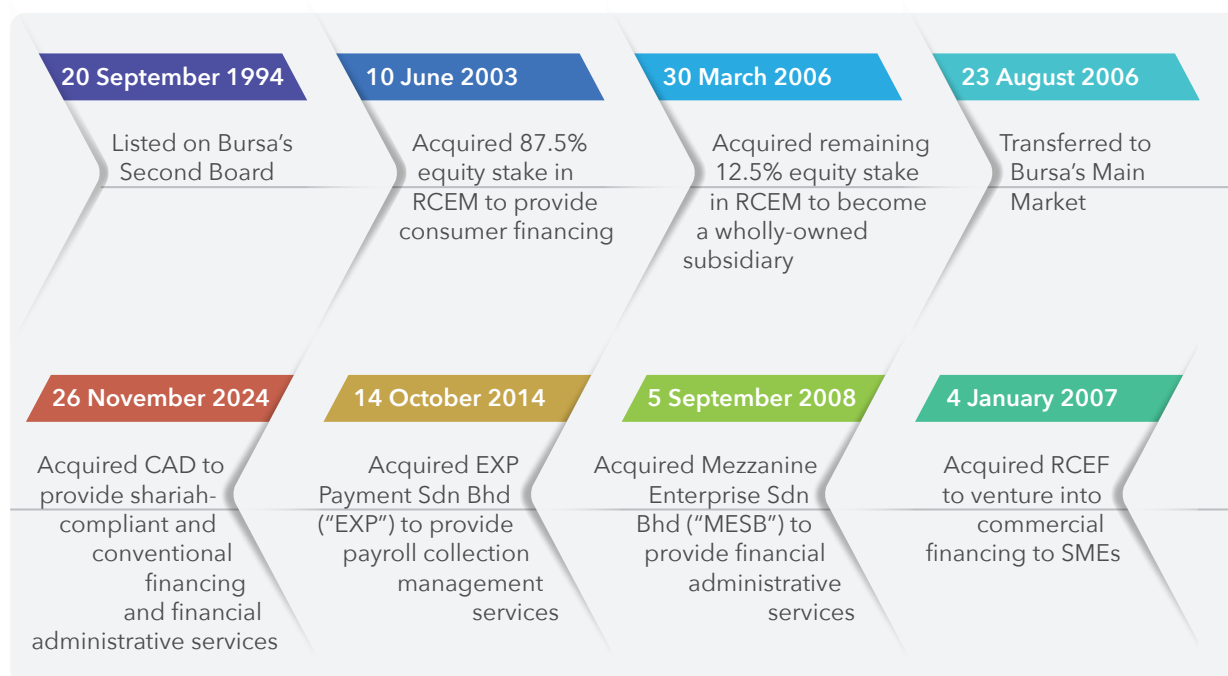
On 20 September 1994, RCE was listed on then, the Second Board of Bursa Malaysia Securities Berhad (“Bursa”). Subsequently, it was transferred to the Main Market of Bursa on 23 August 2006.

The Group's core business is the provision of shariah-compliant financing solutions to civil servants in Malaysia, delivering sustainable returns to stakeholders while upholding responsible financing practices and shariah principles.

RCE Marketing Sdn Bhd (“RCEM”) and its subsidiaries are the Group's main revenue contributors. These entities collectively offer a comprehensive suite of shariah-compliant financing to customers, primarily civil servants. Two collection agencies, namely Biro Perkhidmatan Angkasa (“BPA”) and Accountant General's Department of Malaysia (“AG”), administer the direct monthly salary deduction scheme through which customers make their repayments.

In the previous financial year, the Group acquired Corewealth Alliance Dynamic Sdn Bhd (“CAD”) to provide shariah-compliant and conventional financing and financial administrative services. The acquisition complements the Group's business and represents a strategic opportunity to expand its reach and consumer base.

In 2007, the Group acquired RCE Factoring Sdn Bhd (“RCEF”), expanding its presence into commercial factoring and confirming arrangements with small and medium-sized enterprises (“SMEs”). RCEF offers both shariah-compliant and conventional financing to selected customer segments, broadening the Group's reach and diversifying its revenue streams.



MANAGEMENT DISCUSSION AND ANALYSIS

OUR STRATEGY

RCE's strategy focuses on strengthening its position as a provider of financing solutions to civil servants in Malaysia while delivering meaningful returns to shareholders. The Group emphasises disciplined growth, responsible financing and efficient execution to support business performance.

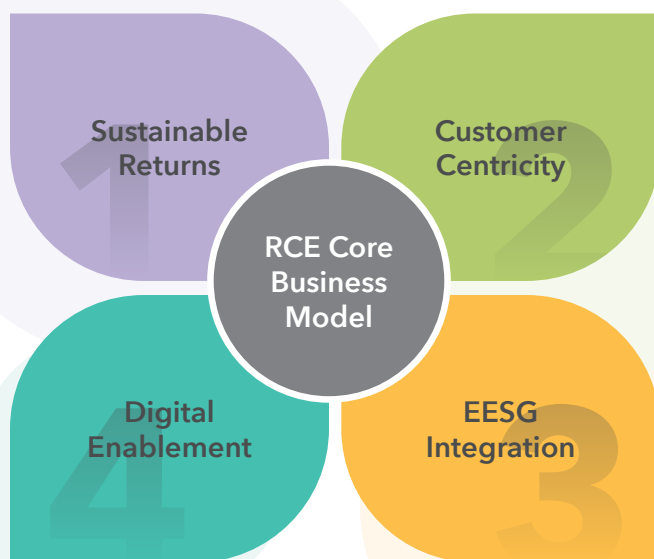
A customer-centric business model, prudent risk management, digital enablement and strong governance practices reinforce this approach.



Membantu anda dengan
MUDAH dan **CEPAT**



RCE's strategy focuses on strengthening its position as a provider of financing solutions to civil servants in Malaysia while delivering meaningful returns to shareholders.



Customer-centric Business Model

RCE adopts a customer-centric business model anchored by its "Customers for Life" philosophy, which supports business sustainability and customer loyalty. The Group prioritises consistent service quality and swift turnaround times to strengthen customer relationships.

Additionally, RCE provides accessible financing solutions to civil servants while promoting responsible financing practices and inclusive economic participation.

Delivering Sustainable Returns

RCE aims on delivering returns to shareholders through its role as a financial service provider serving the civil servant market. The Group emphasises speed-to-market execution and a customer-centric approach to complement its profitability and business growth.

Following a review of capital priorities, RCE revised its dividend payout guidance in 2023 to a range of 60% to 80%. The Group advocates a disciplined approach to sustainable financial growth while carefully managing risk.

A robust compliance framework underpins these practices. Guided by stringent regulatory standards, the framework safeguards stakeholder confidence and sound operational governance.

OUR STRATEGY (CONT'D)

Advancing Economic, Environmental, Social and Governance (“EESG”) Priorities

Guided by its EESG principles and the Group’s adoption of National Sustainability Reporting Framework in financial year ended 31 March 2026 (“FYE 2026”), sustainability-related and climate-related considerations are now more deeply embedded into operational decision-making. This deeper integration enhances governance oversight, value chain assessment, risk and opportunity identification, defined time horizons and qualitative scenario analysis, resulting in a more structured and resilient operating model.

Economically, the Group embraces responsible financing, stable returns and broader financial inclusion while improving operational resilience, leveraging digital transformation and enhancing business continuity readiness.

Environmentally, the Group enhanced resource efficiency, digitalisation and climate-related preparedness across its office-based operations and business continuity processes.

“**Sustainability-related and climate-related considerations are now more deeply embedded into operational decision-making.**”

Socially, the Group advanced workforce inclusion, employee well-being, labour standards and community investment initiatives, whereby it reported zero injury case for six consecutive years.

On governance, the Group strengthened Board oversight, sustainability governance structures and accountability mechanisms to reinforce ethical conduct, regulatory compliance and transparent disclosures.

Digital Enablement

The Group implements digital initiatives in line with regulatory requirements and its risk management framework. Increased automation and system integration across core processes reduce manual intervention and improve turnaround times.

The Group has in place data management and analytics capabilities for timely decision-making and improved portfolio oversight. System stability and reliability are assessed periodically to ensure no disruptions to daily operations and future business growth.

Moreover, the Group has a robust cybersecurity framework with enhanced access controls, continuous monitoring and testing, including data protection measures to ensure information assets and business continuity remain intact.

“**Increased automation and system integration across core processes reduce manual intervention and improve turnaround times.**”

“**The Group has a robust cybersecurity framework with enhanced access controls, continuous monitoring and testing, including data protection measures.**”

MANAGEMENT DISCUSSION AND ANALYSIS

SUMMARY OF GROUP FINANCIAL PERFORMANCE

In FYE 2026, the Group maintained a prudent approach to credit underwriting, balancing growth objectives with the need to preserve asset quality amid evolving credit conditions. This approach enabled the Group to build a quality portfolio. As at 31 March 2026, the Group's financing receivables stood at RM2.11 billion, up from RM2.09 billion a year ago.

In the current financial year, the Group registered revenue of RM323.2 million mainly due to lower early settlement income following lower refinancing activities from customers. Nevertheless, the Group continued to drive customer acquisition via targeted sales campaigns and marketing initiatives, complemented by enhanced digital outreach.

Financing Receivables
RM'billion

2.11

FYE 2025: 2.09

Revenue
RM'million

323.2

FYE 2025: 331.7

The Group manages its funding profile to optimise the cost of funds while ensuring sufficient liquidity for operations and growth. Financing liabilities decreased to RM2.04 billion from RM2.06 billion, reflecting disciplined management and optimisation of capital structure, even as the financing base expanded.

Profit expense declined to RM93.7 million from RM100.3 million mainly due to the benefits arising from the early and full redemptions of higher rate Sukuk Murabahah ("Sukuk") by Al Dzahab Assets Berhad ("ADA") in the previous financial year. The reduction of Overnight Policy Rate ("OPR") by 25 basis points in July 2025 further lowered the Group's overall funding cost.

Financing Liabilities
RM'billion

2.04

FYE 2025: 2.06

Profit Expense
RM'million

93.7

FYE 2025: 100.3

Other income declined to RM33.2 million from RM36.2 million as lower placement income earned following the gradual withdrawal of deposits to facilitate Sukuk redemptions.

Operating expenses decreased to RM66.1 million from RM83.3 million in the previous financial year, mainly due to the absence of a RM19.0 million one-off goodwill impairment charge relating to EXP's collection management services. This impairment had arisen previously due to the expected rundown of economic benefits following changes in commercial viability and market environment.

Although the reported cost-to-income ratio increased slightly to 25.2% from 24.0%, the Group's cost efficiency remained manageable after excluding the impact of the prior financial year's goodwill impairment.

Other Income
RM'million

33.2

FYE 2025: 36.2

Operating Expenses
RM'million

66.1

FYE 2025: 83.3

Asset quality improved during the financial year, backed by a moderation in bankruptcies, resignations and early retirements among civil servants. As a result, allowance for impairment losses on receivables decreased to RM24.3 million from RM37.5 million. Gross impaired financing improved to 6.5% from 6.7% previously.



The Group continued to drive customer acquisition via targeted sales campaigns and marketing initiatives, complemented by enhanced digital outreach.



SUMMARY OF GROUP FINANCIAL PERFORMANCE (CONT'D)

At the same time, financing loss coverage strengthened to 151.9%, reflecting the Group's conservative provisioning approach.

Allowance for Impairment Loss
RM'million

24.3

FYE 2025: 37.5

Gross Impaired
Financing
%

6.5

FYE 2025: 6.7

Financing Loss
Coverage
%

151.9

FYE 2025: 147.3

Notwithstanding a competitive operating landscape, the Group delivered improved profitability, with profit before and after tax increased to RM172.1 million and RM126.6 million respectively. Excluding the effects of RM19.0 million goodwill impairment recorded in the previous financial year, the Group achieved a modest underlying improvement in earnings beside lower funding cost and improved asset quality.

The Group's performance also reflects the ongoing investment and build-up phase of a newly acquired subsidiary. Since its acquisition in the previous financial year, the Group has incurred initial integration and development costs. The subsidiary is expected to contribute progressively as operations scale up and synergies are realised.

In line with the improved earnings, the Group's return on average equity ("ROAE") increased to 14.8% from 12.6% in the previous financial year.

Profit Before Tax
RM'million

172.1

FYE 2025: 146.5

Profit After Tax
RM'million

126.6

FYE 2025: 105.5

ROAE
%

14.8

FYE 2025: 12.6

BUSINESS OPERATIONS REVIEW

Customer-centric financing solution

RCE develops products and services tailored to customers at different life stages, balancing affordability with financial needs. Responsible financing is vital to the Group's approach, complemented by prudent credit policies and underwriting standards to sustain portfolio growth while managing potential credit risks.

The Group promotes financial literacy through customer education initiatives, enabling better financial decision-making. Expanding the customer base is a priority, reinforced by enhanced product offerings while keeping high service standards.



Expanding the customer base is a priority, reinforced by enhanced product offerings while keeping high service standards.



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OPERATIONS REVIEW (CONT'D)

Credit risk management



Stringent credit policies and underwriting criteria are in place to manage default risk with ongoing adjustments to reflect evolving market conditions and regulatory expectations.



The Group maintains a balanced approach to credit quality, sustainable earnings and growth with continuous refinement of risk monitoring and assessment frameworks. Stringent credit policies and underwriting criteria are in place to manage default risk with ongoing adjustments to reflect evolving market conditions and regulatory expectations.

The Group remains vigilant against unethical financing practices, unregulated financing and alternative credit schemes such as buy-now-pay-later (“BNPL”) offerings. Ongoing portfolio monitoring enables the Group to respond proactively to changes in credit quality.

Collection and recovery efforts are an important lever in managing repayments and non-performing financing with targeted strategies to mitigate the impact of bankruptcies, resignations and early retirements.

Funding stability

The Group optimises its funding mix, focusing on cost efficiency, diversification and liquidity management, thereby facilitating growth and reducing the risk of funding disruptions. The Group regularly reviews financing arrangements to secure favourable rates and terms, enabling it to remain competitive and respond swiftly to changing market conditions.

The Group adjusts product pricing in response to market developments, taking into account the competitive landscape and its risk appetite. The Group maintains adequate liquidity buffers to remain resilient amid market volatility and to fund strategic initiatives, including digital transformation and new product development.

Compliance management

RCE maintains its status as a shariah-compliant counter, recognised by Shariah Advisory Council of Securities Commission Malaysia. This recognition reinforces the Group’s position as a credible participant in the Islamic finance market. Furthermore, RCE is a constituent of FTSE4Good Bursa Malaysia and FTSE4Good Bursa Malaysia Shariah indices, reflecting its alignment with recognised EESG benchmarks and growing investor preference for shariah-compliant and ethical investments.

The Consumer Credit Act 2025 (“CCA”) was gazetted on 31 December 2025 and came into effect on 1 March 2026. CCA aims to protect consumers and promote

ethical financing practices, with implementation to take place in phases. In its initial phase, CCA regulates credit and credit service businesses that were previously not overseen by any authority, including BNPL providers, factoring and leasing companies, debt collection agencies and firms involved in impaired loan or financing acquisition.

Under CCA, credit providers such as BNPL companies, leasing firms and factoring companies are required to obtain a licence from Consumer Credit Commission (“CCC”), while debt collection agencies, impaired loan or financing acquisition firms and debt counselling and management agencies must register with CCC. The affected entities are given six months from 1 June 2026 to comply with licensing requirements.

While the Group is not directly impacted at this stage, it continues to engage regulatory bodies and industry stakeholders to stay informed of developments relating to CCA. It monitors potential implications for product structuring, customer segmentation and compliance framework. The Group has undertaken preparatory measures to ensure readiness for implementation and adherence to regulatory requirements.



While the Group is not directly impacted at this stage, it continues to engage regulatory bodies and industry stakeholders to stay informed of developments relating to CCA.



ENABLING GROWTH IN THE DIGITAL ERA

Digitalisation is an important enabler of the Group's operational efficiency, scalability and customer engagement. Investments in technologies such as artificial intelligence ("AI"), machine learning, advanced analytics and cloud-based systems enable faster processes, improved data visibility and more informed decision-making. These capabilities enable the Group to offer more responsive and personalised solutions that better meet evolving customer expectations.

As digital adoption increases, cybersecurity and data protection are essential in safeguarding the Group's operations and customer information. The Group focuses on its cybersecurity posture by carrying out regular system assessments, penetration testing and collaboration with independent cybersecurity specialists. Integrating cyber resilience into business continuity planning reduces operational disruption from

potential threats. Besides, employees undergo periodic training to increase awareness and improve the organisation's ability to identify and respond to cyber risks.



The Group focuses on its cybersecurity posture by carrying out regular system assessments, penetration testing and collaboration with independent cybersecurity specialists.



The Group enhances customer engagement by expanding digital channels, including mobile platforms, web services and social media. AI-driven insights enable the Group to clarify customer needs and deliver more tailored solutions. Automated tools such as chatbots, improve response times and streamline service delivery, providing foundation for a more consistent customer experience.

In FYE 2026, the Group invested a total of RM1.6 million in cybersecurity infrastructure and digital initiatives. These investments are required to strengthen the Group's technology foundation and improve operational efficiency, risk management and customer service.

Digital transformation is an ongoing priority. Refinement of digital platforms and integration of emerging technologies will enhance operational resilience, customer relationships and the Group's competitiveness.



Refinement of digital platforms and integration of emerging technologies will enhance operational resilience, customer relationships and the Group's competitiveness.



FUNDING STRATEGY

The Group has accessed the debt capital market since 2004, providing an additional funding channel beyond traditional bank financing. Over the years, the Group has established several debt securities programmes with a consistent track record of issuance and redemption.

In March 2019, the Group established a funding platform through Zamarad Assets Berhad ("ZAB") under a RM2.0 billion

Sukuk Murabahah Asset-Backed Securitisation Programme ("Sukuk Programme"). The programme provides long-term funding while improving asset-liability management by reducing potential mismatches in cash flow timing.

The programme incorporates a Revolving Option ("RO"), activated in July 2021 from the sixth tranche onwards. This feature allows ZAB to purchase additional receivables

from the originator, RCEM, using excess funds from the sinking fund accounts. RCEM uses the proceeds to generate new financing disbursements as an avenue for continuous funding while minimising negative carry.

On 10 December 2025, ZAB issued its eleventh tranche amounting to RM191.0 million.

MANAGEMENT DISCUSSION AND ANALYSIS

FUNDING STRATEGY (CONT'D)

In addition to ZAB's programme, the Group has a RM900.0 million Sukuk Programme established in March 2016 through another special purpose vehicle, ADA. In March 2025, the Group extended ADA's Sukuk Programme tenure to perpetual and included the RO feature.

On 30 June 2025, ADA issued its sixth tranche amounting to RM123.0 million.

Outstanding obligations under these programmes are closely monitored and serviced utilising collections from the underlying securitised receivables. During the financial year, ZAB redeemed RM160.0 million and RM45.0 million of its Classes A and B Sukuk respectively from various tranches upon their respective legal and expected maturities. These redemptions demonstrate

the Group's financial discipline and commitment to meeting its obligations.

RAM Ratings Berhad rates both ZAB and ADA Sukuk Programmes. The recent upgrades and reaffirmations reflect the strength of the Group's underlying securitised receivables as shown below:

ZAB's Sukuk Programme Rating Review

Class	Tranche	From (Since Issuance)	To (Latest Review)	Status
A	1	AAA (Stable)	• AAA (Stable)	• Fully redeemed in FYE 2026.
	2	AAA (Stable)	• AAA (Stable)	• Fully redeemed on 24.07.2026.
	3 to 10	AAA (Stable)	• AAA (Stable)	• Reaffirmed.
	11	AAA (Stable)	• No review yet	• Newly issued on 10.12.2025.
B	1	AA2 (Stable)	• AAA (Stable)	• Fully early redeemed in FYE 2026.
	2	AA2 (Stable)	• AAA (Stable)	• Fully early redeemed on 24.07.2026.
	3	AA2 (Stable)	• AA1 (Positive) • AAA (Stable)	• Upgraded on 24.09.2021. • Upgraded on 25.08.2022 and reaffirmed since 28.08.2023.
	4	AA2 (Stable)	• AAA (Stable)	• Upgraded on 26.04.2022 and reaffirmed since 25.04.2023.
	5	AA2 (Stable)	• AA2 (Positive) • AAA (Stable)	• Revised on 26.04.2022. • Upgraded on 25.08.2022 and reaffirmed since 28.08.2023.
	6	AA2 (Stable)	• AA2 (Positive) • AAA (Stable)	• Revised on 23.04.2025. • Upgraded on 22.04.2026.
	7	AA2 (Stable)	• AA2 (Positive)	• Revised on 22.04.2026.
	8	AA2 (Stable)	• AA2 (Stable)	• Reaffirmed since 28.08.2023.
	9	AA2 (Stable)	• AA2 (Stable)	• Reaffirmed since 29.08.2024.
	10	AA2 (Stable)	• AA2 (Stable)	• Reaffirmed on 30.09.2025.
	11	AA2 (Stable)	• AA2 (Stable)	• Newly issued on 10.12.2025.

FUNDING STRATEGY (CONT'D)

ADA's Sukuk Programme Rating Review

Class	Tranche	From (Since Issuance)	To (Latest Review)	Status
A	1 to 3	AAA (Stable)	• AAA (Stable)	• Fully redeemed in FYE 2024.
	4 to 5	AAA (Stable)	• AAA (Stable)	• Fully redeemed in FYE 2025.
	6	AAA (Stable)	• AAA (Stable)	• Reaffirmed on 22.04.2026.
B	1 to 3	AA3 (Stable)	• AAA (Stable)	• Fully early redeemed in FYE 2024.
	4 to 5	AA3 (Stable)	• AAA (Stable)	• Fully early redeemed in FYE 2025.
	6	AA2 (Stable)	• AA2 (Stable)	• Reaffirmed on 22.04.2026

As at 31 March 2026, the Group's financial liabilities stood at RM2.04 billion as compared to RM2.06 billion a year earlier. The decrease was mainly attributable to RM205.0 million Sukuk redemptions upon expected and legal maturities as well as RM78.5 million net repayment of banking facilities, partially offset by RM260.0 million Sukuk issuances.

The Group's net gearing ratio of below two times reflects a manageable leverage position.

The Group keeps minimal cash and bank balances for operational requirements and financial obligations, while ensuring sufficient sinking fund balance to service its financing obligations.



These redemptions demonstrate the Group's financial discipline and commitment to meeting its obligations.



OUR PEOPLE

The Group recognises its employees as a key driver of operational performance and long-term growth. Workforce planning emphasises right talent mix and succession readiness as the business expands and digital initiatives progress.

Efforts are focused on attracting, developing and retaining talent for stable operations and future leadership needs. Talent

management and leadership development programmes prepare employees for evolving responsibilities and core competencies. RCE equips employees with the skills, tools and mindset needed to adapt to changing business requirements.

The Group communicates updates on relevant policies and procedures to employees to ensure awareness and compliance.

Employee well-being is a priority for the Group. In FYE 2026, the Group conducted mental fitness courses to raise health awareness in promoting an inclusive workplace and improving employee engagement.

MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK AND PROSPECTS

The global economy enters 2026 with moderation in inflation and continued investment in technology as well as digital infrastructure. International Monetary Fund projected global growth to be broadly steady as easing price pressures and supportive financial conditions sustain economic momentum. Investment linked to AI and digital infrastructure has aided productivity and capital expenditure in several major economies.

Nevertheless, the current external environment is complex. Trade policy uncertainty, geopolitical tensions and elevated fiscal deficits in several advanced economies present downside risks to the global outlook. The military developments in Middle East have added uncertainty to global energy markets. These developments raise concerns over potential disruptions to oil production and regional shipping routes, which could increase commodity prices and logistics cost.

Meanwhile, Malaysia's economy demonstrated resilience in 2025, achieving growth that exceeded expectations despite external headwinds. Domestic economic activity was robust, complemented by firm household consumption and investment momentum beside stable labour market conditions. Likewise, fiscal consolidation progressed alongside economic expansion, supporting macroeconomic credibility and reinforcing investor confidence.

A stable monetary policy environment continues to back economic activity. The OPR maintained at 2.75% following July 2025 reduction, provides accommodative financial conditions while preserving price stability. Stable employment, wage growth and income-related policy measures also benefitted domestic demand.

Looking ahead, Visit Malaysia 2026, civil servants' salary adjustments under Sistem Saraan Perkhidmatan Awam and ongoing infrastructure investment under the government's economic framework are anticipated to drive domestic demand and improve Malaysia's production capacity.

However, the outlook is still subject to global uncertainties. As an open economy closely integrated into global trade networks, Malaysia is exposed to fluctuations in commodity prices, freight and insurance costs, supply chain disruptions and shifts in investor sentiment.

Within this operating environment, improved household income, particularly among civil servants following the recent salary adjustments are expected to support demand for personal financing solutions. Nonetheless, this was moderated by cautious consumers' sentiments and cost of living pressures.

The Group remains vigilant in managing credit quality and solid underwriting standards. Developments in the consumer credit landscape highlight the importance of ethical financing practices and risk assessment. Competitive pressures in the personal financing segment, together with informal financing schemes and organised fraud targeting civil servants, reinforce the need for strong governance and robust credit controls.

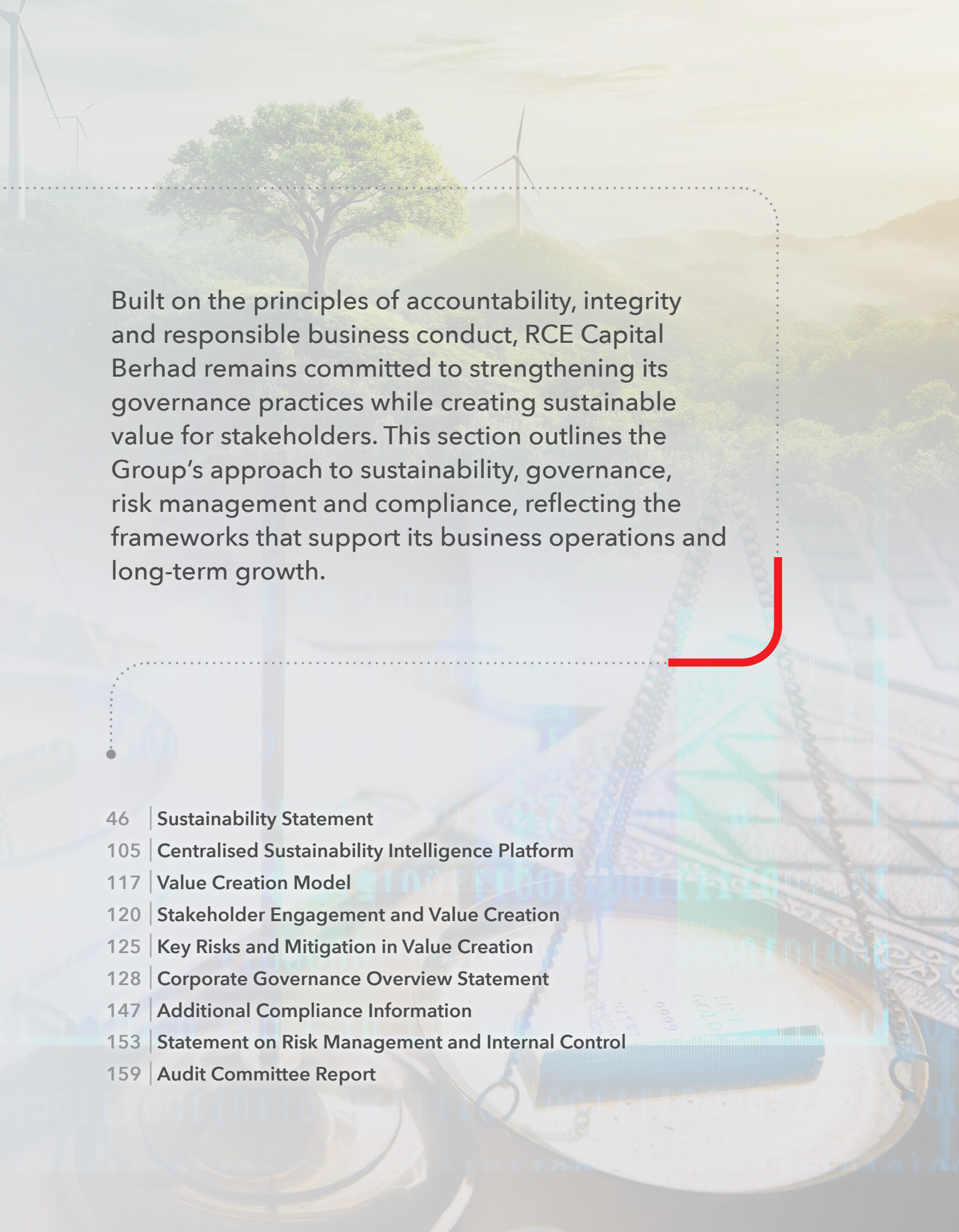
Furthermore, regulatory developments will shape the operating environment. CCA represents an important step in governance across the consumer credit ecosystem. The formalisation of regulatory oversight should enhance transparency, market discipline and open opportunities for established and responsible providers to serve underserved segments.

Against this backdrop, the Group is committed in ensuring its risk management, responsible financing practices and regulatory compliance are adequately in place. Maintaining disciplined portfolio management and financial resilience position the Group to navigate evolving economic conditions effectively.



SUSTAINABILITY **AND GOVERNANCE**





Built on the principles of accountability, integrity and responsible business conduct, RCE Capital Berhad remains committed to strengthening its governance practices while creating sustainable value for stakeholders. This section outlines the Group's approach to sustainability, governance, risk management and compliance, reflecting the frameworks that support its business operations and long-term growth.

46	Sustainability Statement
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SUSTAINABILITY STATEMENT

BASIS OF PREPARATION

RCE Capital Berhad (“RCE”) is pleased to present its Sustainability Statement (“Statement”) for financial year ended 31 March 2026 (“FYE 2026”). As a shariah-compliant financial service provider, the Group recognises that responsible business practices and sound governance underpin long-term value creation. This Statement outlines how sustainability considerations are embedded into the Group's operations, decision-making and stakeholder engagement.

The following section sets out the basis for preparing the Statement:

Reporting Entity, Scope and Boundary

This Statement summarises RCE and its subsidiaries (“the Group”) sustainability-related risks, opportunities and performance for FYE 2026.

The scope and coverage include subsidiaries in the Group's consolidated financial statements, encompassing primarily the following operating entities:

- RCE Marketing Sdn Bhd (“RCEM”);
- Corewealth Alliance Dynamic Sdn Bhd; and
- RCE Factoring Sdn Bhd.

In preparing these sustainability-related financial disclosures, the Group assessed both its operations and relevant aspects of its value chain to better understand the sustainability factors that may influence the activities and long-term performance.

The entities, assets and operations included in this Statement are consistent with those reported in the Group's financial statements for FYE 2026.

Defining Report Content

In preparing this Statement, the Group applied key principles and guidance drawn from recognised sustainability reporting frameworks.

These frameworks set out reporting characteristics such as accuracy, balance, clarity, comparability, reliability and timeliness, together with broader principles of stakeholder inclusiveness, sustainability context, materiality and completeness.

Applying these principles help ensure the Statement provide transparent and balanced disclosures, while reflecting the Group's commitment in engaging stakeholders, addressing relevant sustainability matters and communicating its sustainability efforts in a clear and meaningful manner.

Feedback

The Group values stakeholder feedback as part of its commitment to improve sustainability performance and disclosures.

Please direct any feedback or enquiries regarding this Statement or the Group's sustainability approach to: best.rce@rce.com.my.

Statement of compliance

This Statement has been prepared in accordance with International Financial Reporting Standards (“IFRS”) Sustainability Disclosure Standards (“SDS”) issued by International Sustainability Standards Board (“ISSB”), specifically the following:

- **IFRS S1** - General Requirements for Disclosure of Sustainability-related Financial Information (“IFRS S1”); and
- **IFRS S2** - Climate-related Disclosures (“IFRS S2”).

In developing this Statement, the Group also referred to recognised frameworks and guidelines to support its disclosures, including:

- Global Reporting Initiative Universal Standards;
- Bursa Malaysia's Main Market Listing Requirements (“MMLR”);
- FTSE4Good Bursa Malaysia ESG Index;
- ISO 26000 Social Responsibility; and
- United Nations Sustainable Development Goals.

The Group also considered Sustainability Accounting Standards Board (“SASB”) standards for Consumer Financing industry in preparing this Statement.

BASIS OF PREPARATION (CONT'D)

First-time adoption and transition reliefs



The Group is reporting under IFRS SDS for the first time in FYE 2026. Accordingly, the Group has applied IFRS S1 and IFRS S2 for the reporting period commencing 1 April 2025.

On 11 December 2025, ISSB issued targeted amendments to greenhouse gases (“GHG”) emissions disclosure requirements in IFRS S2. These amendments are effective for reporting periods beginning on or after 1 January 2027 with early application permitted. The Group did not early adopt the amendments and does not expect it to have any significant impact to its disclosures.

As at 31 March 2026, no other disclosure standards have been issued by ISSB.

IFRS SDS provides transition relief for the first annual reporting period. The Group has applied the following reliefs:

- ① Relief from disclosing sustainability-related risks and opportunities (“SROs”) other than climate-related risks and opportunities (“CROs”);
- ② Relief from disclosing Scope 3 GHG emissions, except for Scope 3 Category 6 (Business Travel) and Category 7 (Employee Commuting); and
- ③ Relief from presenting comparative information required under IFRS SDS.

Connectivity with financial statements



This Statement applies to the same reporting entity as the Group’s consolidated financial statements and should be read together with the Group’s financial statements prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act 2016 in Malaysia.

This Statement covers the 12-month period ended 31 March 2026, which aligns with the consolidated financial statements’ reporting period.

Reporting period



The Group follows an annual reporting cycle.

The Group’s previous Statement was issued on 29 July 2025 for financial year ended 31 March 2025 (“FYE 2025”).

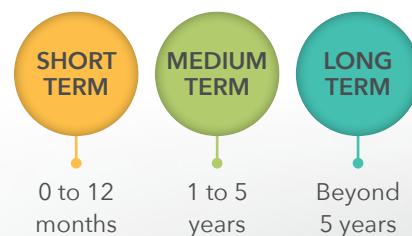
Unless otherwise stated, this Statement presents information for FYE 2026, covering the period from 1 April 2025 to 31 March 2026.

Time horizons



The Group defines time horizon based on when CROs and SROs are reasonably expected to arise and influence its operations, strategy or financial performance.

The Group applies the following time horizon, aligned with its strategic planning and decision-making process:

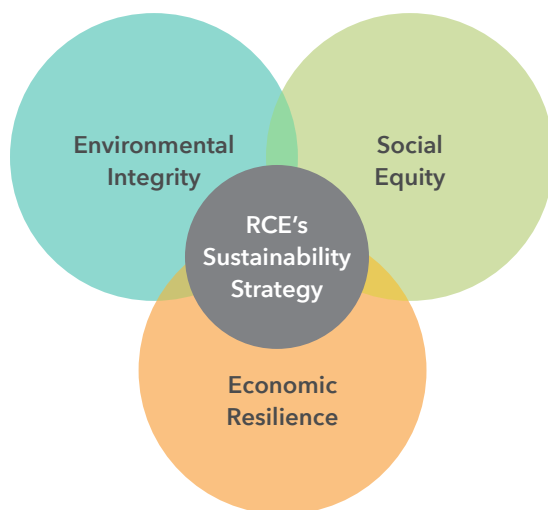


SUSTAINABILITY STATEMENT

ABOUT THE GROUP AND VALUE CHAIN

The Group is principally involved in shariah-compliant financial service and committed to delivering responsible financing solutions that support sustainable growth. The Group recognises that long-term value creation extends beyond financial performance and includes the effective management of economic, environmental, social and governance (“EESG”) priorities.

The Group’s sustainability strategy centres on three key pillars, environmental integrity, social equity and economic resilience, which guide its operations and business practices, including operational management and customer service.



The Group's sustainability initiatives strengthen its commitment to responsible financing and sustainable value creation for stakeholders. The Group maintains good relationships with strategic partners and stakeholders to advance responsible business practices and support a sustainable future.

These efforts align financial performance with environmental stewardship and social progress, reinforcing its commitment to responsible and sustainable growth.

Message from Chairperson, Sustainability Management Committee (“SMART”)

Sustainability underpins how we create and sustain value. Our value creation model anchors how we operate and grow, guiding our efforts to advance meaningful EESG priorities while ensuring long-term resilience.

We embed sustainability principles into our daily operations and decision-making processes. Integrating these considerations into our business activities generates positive outcomes that enhance organisational resilience while supporting the well-being of the local community and environment on which we depend.

The Board of Directors (“Board”), supported by SMART, oversees the integration of sustainability-related and climate-related considerations into our strategy, risk management and decision-making. Aligning these matters with governance, strategy, risk management and relevant metrics or targets delivers a structured, accountable approach to sustainability management.

The Group focuses on understanding how SROs may affect our prospects, which include financial position, performance, cash flows, access to finance and value creation. This focus aids decision-making and supports our ability to navigate an evolving sustainability landscape across short-, medium- as well as long-term time horizons, under a range of plausible conditions.

SROs may arise across our value chain. As our capabilities continue to evolve, we remain committed to strengthening our disclosures and enhancing transparency, providing decision-useful information to stakeholders and enabling a clearer understanding of how sustainability considerations influence our prospects.

ABOUT THE GROUP AND VALUE CHAIN (CONT'D)

Message from Chairperson, SMART (Cont'd)

We are progressively embedding sustainability considerations into our core business process, including risk identification, capital allocation and operational planning. Tighter integration supports a more disciplined, forward-looking approach to managing emerging risks while identifying opportunities that drive sustainable growth and long-term value creation.

As the sustainability landscape continues to evolve, we will continue to strengthen our internal capabilities, refine methodologies and enhance data quality. These efforts will support better measurement, clearer insights and deeper integration of sustainability considerations into our strategy and performance management.



We are progressively embedding sustainability considerations into our core business process, including risk identification, capital allocation and operational planning.

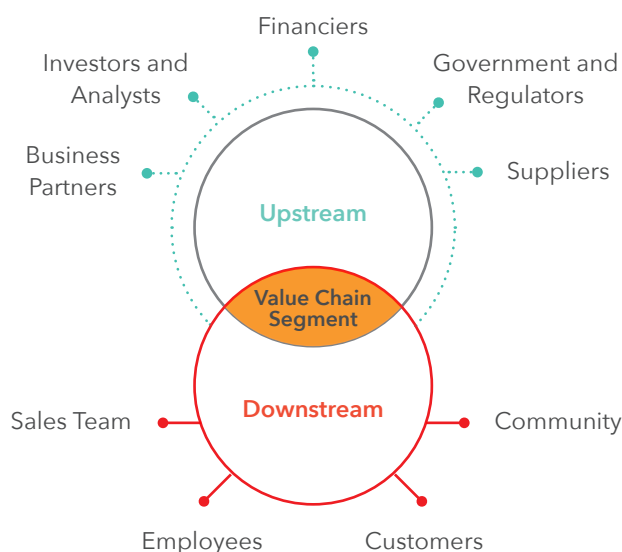


VALUE CHAIN RELATIONSHIPS

The Group recognises that CROs and SROs arise not only within its own operations but across its value chain. The Group considers both upstream and downstream relationships that may influence the delivery of its products, services and long-term value creation.

The Group relies on a range of stakeholders across the value chain to support its business activities and incorporates these relationships into the assessment of CROs and SROs taking into account relevant dependencies, risks, opportunities and information flows that may affect operations and resilience.

This process enables the Group to identify and map nine key stakeholder groups across its upstream and downstream value chain segments.



Application

The Group integrates value chain considerations in identifying, assessing and monitoring of CROs and SROs.

For climate-related matters, the Group evaluates relevant physical and transition risks across its value chain, where applicable. It considers these relationships where they may influence the Group's strategy and prospects.

Reporting Approach

The Group determines the scope of its value chain assessment based on reasonable and supportable information available without undue cost or effort.

For the current reporting period, the disclosed metrics primarily relate to the Group's own operations. The Group will progressively refine its value chain assessment and related disclosures as data availability, internal processes and reporting capabilities develop.

SUSTAINABILITY STATEMENT

JUDGEMENTS AND MEASUREMENT

Judgement

Preparing sustainability-related financial disclosures requires management to apply judgement, estimates and assumptions. In developing this Statement, the Group presented sustainability-related information in a manner that is relevant, balanced and useful to stakeholders, reflecting the nature of its operations as a shariah-compliant financial service provider.

The Group focuses on relationships and activities that it reasonably expects to influence its prospects based on requirements of IFRS S1 and IFRS S2 as well as information available at the reporting date.

Management determines the appropriate reporting boundaries and scope of information included in these disclosures, aligning the organisational boundary with the Group's consolidated financial statements while considering SROs arising across its value chain.

Management assesses the level of aggregation and detail presented in the disclosures, evaluating whether reliable and supportable information is available without undue cost or effort, particularly when assessing information from upstream relationships, core financing and operational activities and downstream relationships linked to the Group's services.

Management has applied judgement in considering the outcome of materiality assessment when determining the sustainability-related information to be disclosed in this Statement.

The Group will continue to refine its judgements as sustainability reporting practices and available information evolve.

Measurement Uncertainty

Certain sustainability metrics and performance indicators rely on estimates, assumptions and available data sources, particularly where direct measurement is not always possible, which may result in a degree of measurement uncertainty when compiling and reporting sustainability information.

For GHG emissions reporting, the Group applied judgement in determining the organisational boundary for emissions measurement, including the application of operational control approach.

To support the reliability and comparability of reporting, the Group periodically reviews and updates GHG emission factors in line with latest available research and datasets. Where emission factors are updated, the Group may restate previously reported figures to maintain consistency and improve the accuracy of disclosures.

In assessing the current and anticipated financial effects of identified CROs and SROs, the Group has referred to approved budget, actual and estimates, where available. For certain risks and opportunities, quantitative information may not yet be available or remains subject to a high degree of measurement uncertainty. This is particularly so where impacts are indirect, scenario-dependent or linked to longer-term developments.

Use of Qualitative Information

In deriving qualitative information and disclosure, the Group considers available information such as approved budget, actual, estimates and operational data. The Group also consider potential effects on relevant financial statement line items, including revenue, operating expenses, capital expenditure ("CAPEX"), depreciation, cash flows and cash and bank balances, where applicable.

As the Group continues to strengthen its sustainability reporting processes, it will progressively enhance data coverage, internal controls and measurement methodologies as systems, data availability and technical capabilities improve.



REPORTING BOUNDARY

Consolidation and Boundary Judgements

Organisational Boundary

The Group prepares its sustainability-related disclosures using a consolidation approach consistent with that applied in its consolidated financial statements. Accordingly, the Group includes subsidiaries over which it exercises control within the reporting boundary. For GHG emissions reporting, the Group applied the operational control approach, accounting for 100% of emissions from offices and operations in Malaysia that are under its operational management. This approach is applied as the Group has operational authority over these facilities, including the ability to monitor energy consumption, implement operational controls and influence emissions-related management practices.

Value Chain Boundary

Beyond its controlled entities, the Group assesses SROs arising from its value chain relationships, where it reasonably expects they will influence the Group's prospects.

General Sustainability Reporting Boundary (Excluding GHG Emissions)

For sustainability disclosures other than GHG emissions, the reporting entity aligns with boundaries used for the Group's financial reporting. As such, the entities, assets and operations covered in this Statement correspond to those included in the Group's financial statements for FYE 2026.

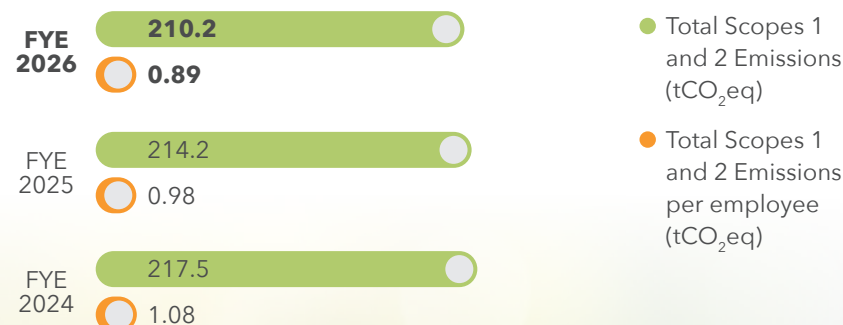
GHG Reporting Boundary

Scopes 1, 2 and 3 Emissions Coverage

The Group's GHG reporting boundary covers entities and operations over which it exercises operational control. Under this approach, the Group includes emissions from offices, facilities and operational activities under its management.

The Group report Scopes 1 and 2 emissions, besides selected Scope 3 categories, reflecting the sources of emissions relevant to its operations.

Total Scopes 1 and 2 Emissions



The Group's total Scopes 1 and 2 emissions decreased marginally in FYE 2026 as further explained below.

SUSTAINABILITY STATEMENT

REPORTING BOUNDARY (CONT'D)

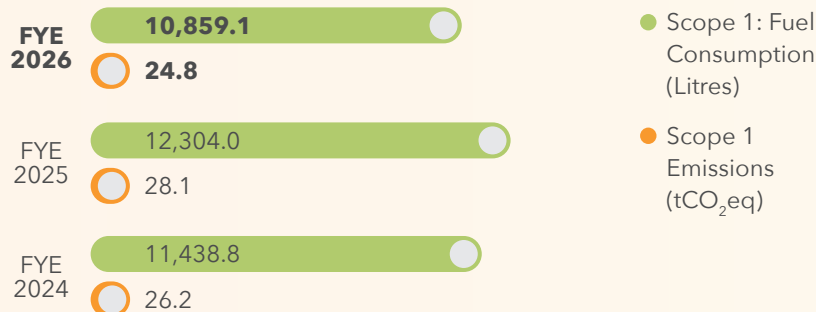
GHG Reporting Boundary (Cont'd)

Scopes 1, 2 and 3 Emissions Coverage (Cont'd)

Scope 1 – Direct Emissions

Scope 1 direct emissions arise from sources owned or controlled by the Group, including petrol and diesel consumption from vehicles under its ownership or control, which the Group monitors and records.

Scope 1



The Group's fuel consumption and emissions were lower mainly due to lesser usage, led by reduction in travelling activities and route optimisation.

Scope 2 – Indirect Energy Emissions

Scope 2 indirect energy emissions arise from purchased electricity consumed in the Group's operations.

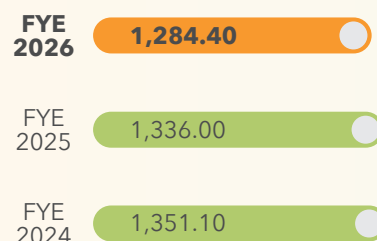
The Group monitors and records electricity consumption at its offices and operations in Malaysia. The Group's Scope 2 emission are location-based, no contractual instruments were applied to offset such consumption.

Scope 2



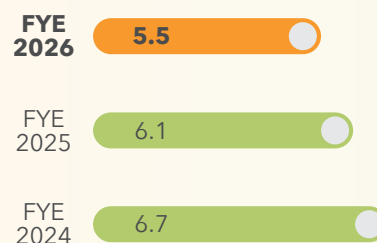
The Group's electricity consumption and emissions remained relatively stable.

Total Energy Consumption (GJ)



Total energy consumption decreased in FYE 2026 mainly due to changes in the Group's overall energy usage pattern during the financial year, including continued monitoring of electricity usage and promotion of responsible energy consumption across offices.

Average Energy Intensity Per Employee (GJ)



Average energy intensity per employee reduced in FYE 2026, reflecting more efficient consumption of energy. The Group remains committed to further enhancing energy efficiency in supporting its business operations.

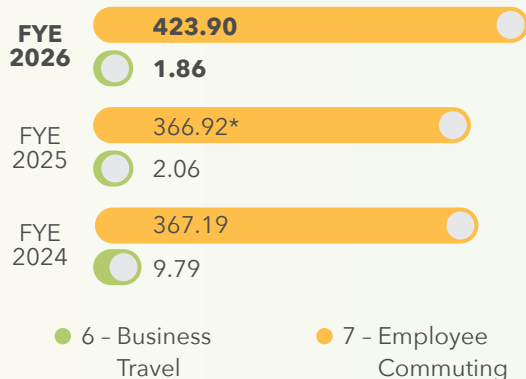
REPORTING BOUNDARY (CONT'D)

GHG Reporting Boundary (Cont'd)

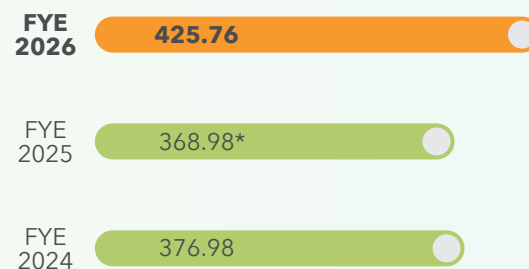
Scope 3 - Other Indirect Emissions

The Group currently reports selected Scope 3 categories, focusing on Category 6 (Business Travel) and Category 7 (Employee Commuting) and estimates emissions by tracking the total distance travelled, taking into account factors such as mode of transport, types of vehicle, engine size and fuel. These measurements capture the broader environmental impact of value chain activities, particularly those associated with business travel and employee commuting.

The Group will progressively enhance Scope 3 coverage as data availability, methodological capability and internal systems improve.

Scope 3 GHG Emission (tCO₂e)

Total Scope 3 Emission



* Restated based on latest information available

In FYE 2026, more employees commuted to workplace in line with the increase in headcount. This gave rise to higher total Scope 3 emission and reflected changes in commuting patterns besides travel distance.

MATERIALITY ASSESSMENT

Materiality assessment is conducted every two years to identify and prioritise EESG matters most relevant and significant to the Group and its stakeholders.

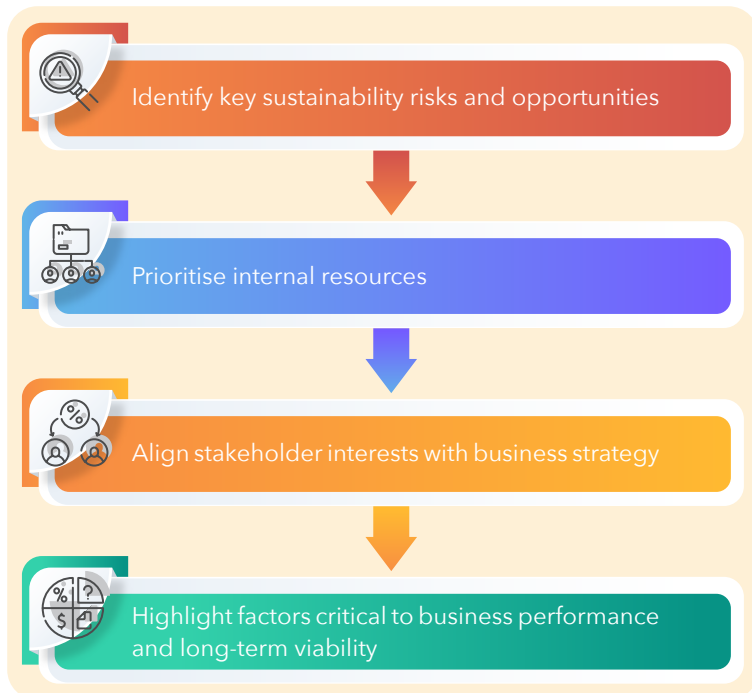
This process enables the Group to understand stakeholder expectations and identify sustainability-related factors that may influence its business performance and viability. It also highlights key CROs and SROs that may affect the Group's operations, strategy and value creation. There were no changes to the materiality assessment process as compared with prior financial year.

Through this exercise, the Group aligns its sustainability strategy with stakeholder priorities and business objectives. The insights gathered support the Group in directing internal resources towards the most significant sustainability matters, strengthening the integration of sustainability considerations into business planning and decision-making.

SUSTAINABILITY STATEMENT

MATERIALITY ASSESSMENT (CONT'D)

Materiality Assessment Methodology



1 STAKEHOLDER GROUP IDENTIFICATION

The materiality assessment identifies stakeholder groups most closely connected to the Group's operations and activities. For this assessment, the Group considers both internal and external stakeholders.

Internal stakeholders

- Employees

External stakeholders

- Business Partners
- Investors and Analysts
- Financiers
- Government and Regulators
- Suppliers
- Sales Team
- Customers
- Community

These stakeholders represent key parties across the Group's value chain and provide perspectives that help the Group understand how its operations create impacts and give rise to SROs.

2 MATERIALITY ANALYSIS WITH IDENTIFIED REPRESENTATIVES

The Group appoints representatives from the stakeholder groups, including Senior Management and Departmental Heads to reflect a diverse range of perspectives and experiences by inviting them to complete a materiality assessment form. This is to evaluate the relevance and potential impact of selected EESG topics on the Group and its stakeholders.

3 STAKEHOLDER ENGAGEMENT

Throughout the process, the Group engaged with the appointed representatives, providing guidance and clarification where required to ensure consistent response and accurately capture stakeholder views.

4 DATA COLLECTION AND ANALYSIS

The Group compiles and analyses response to determine the relative importance of each sustainability matter, calculating the average score for each EESG topic based on stakeholder responses. The Group treats individual response as confidential to encourage open and objective participation.

MATERIALITY ASSESSMENT (CONT'D)

Materiality Assessment Methodology (Cont'd)

5 RATING

The Group assigned a priority level to each sustainability matter based on scores obtained during the assessment:

High priority >> $\geq 75\%$

Medium priority >> $\geq 60\%$

Low priority >> $< 60\%$

These thresholds allow the Group to focus on sustainability matters perceived as having the greatest impact.

6 VALIDATION AND REVIEW

The Group reviews and validates the preliminary assessment results with key internal stakeholders, including Senior Management and Departmental Heads, ensuring outcome reflect both stakeholders feedback and the Group's operational realities.

7 MATERIALITY MATRIX CREATION

Post validation, identified sustainability matters are mapped onto a materiality matrix based on their level of significance and potential impact on the organisation, clearly highlighting EESG issues that require attention and strategic focus.

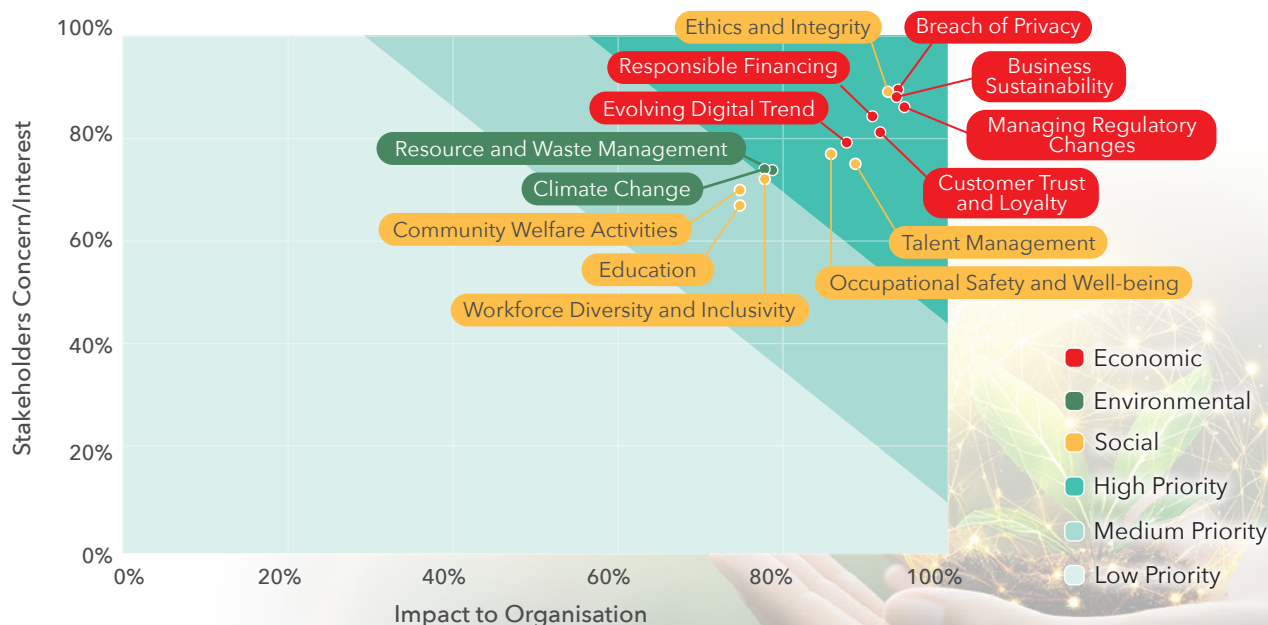
8 COMMUNICATION AND INTEGRATION

The materiality assessment outcomes are communicated to relevant stakeholders, with insights incorporated into strategic planning, risk management, compliance and ethics frameworks to help prioritise resources and support informed decision-making.

9 CONTINUOUS IMPROVEMENT

The Group refines the materiality assessment methodology to improve its sustainability governance and reporting. The Group regularly reviews its approach to ensure the process remains relevant, transparent and aligned with evolving stakeholder expectations, including sustainability reporting practices.

The matrix below shows the most recent materiality assessment results:



SUSTAINABILITY STATEMENT

MATERIALITY ASSESSMENT (CONT'D)

Identification of CROs and SROs

Identification of Potential Risks and Opportunities

The Group identifies CROs and SROs through review of operational activities, interdependencies and value chain. The assessment considers whether these factors could reasonably affect the Group's ability to generate cash flows or sustain long-term value creation.

To support this exercise, the Group draws on both internal and external sources of information, including its existing risk management and due diligence process such as control self-assessment and business continuity planning, where applicable.

The Group refers to:

1

Educational materials issued by IFRS Foundation regarding IFRS S1 and IFRS S2 to guide the identification process and clarify disclosure expectations; and

2

Relevant industry disclosure topics and reference practice as benchmarking inputs for completeness of consideration.

Stakeholder insights also refine the process with feedback from employees, financiers, investors or analysts helping the Group identify additional risks or opportunities beyond those identified internally.

Where appropriate, the Group consults external advisers, including independent sustainability advisers and other relevant third-party experts to facilitate the identification process.

Assessing Potential Impact on the Group's Prospects

Once the Group identifies potential risks and opportunities, it assesses whether they could reasonably be expected to affect its prospects in line with IFRS SDS. In evaluating these matters, the Group considers both the likelihood of occurrence and the magnitude of potential impact on its financial prospects.

Where risks or opportunities relate to uncertain future events, the Group evaluates a range of possible outcomes and assigns likelihoods based on available information. Where similar events have occurred historically, the Group considers them when assessing the likelihood of future events, where relevant.

The Group maps the outcomes of this assessment onto a qualitative matrix with high, medium or low rating to identify risks and opportunities. Where no definitive quantitative thresholds apply, the Group prioritises matters with a higher likelihood and/or greater potential impact for disclosure.

As part of this evaluation, the Group considers perspectives from selected external stakeholders, including financiers or analysts to assess whether additional risks or opportunities may exist. Based on this engagement, the Group did not identify any additional risks or opportunities.

Mitigation Actions and Plans to Remediate

The Group identifies and assesses CROs and SROs before considering the effects of any prevention, mitigation or remediation measures, ensuring that it evaluates risks and opportunities based on their inherent characteristics.

The Group considers mitigation actions and implementation plans separately and discloses them where relevant in the corresponding sections of this Statement.

Identification of Material Information

The Group assesses materiality of sustainability-related information within the context of overall sustainability reporting, considering both qualitative and quantitative characteristics, including the significance of information to stakeholders and the potential to influence its prospects.

The Group integrates identification of material information into its assessment of CROs and SROs. Reviewing the judgements applied in determining materiality periodically and reassessing them at each reporting date ensures disclosures remain relevant.

MATERIALITY ASSESSMENT (CONT'D)

Outcome

Based on the identification and assessment process, the Group identified several CROs and SROs that could reasonably be expected to influence the Group's operations and long-term value creation.

CROs

Category	Risk/Opportunity	Description
	Physical Risk (Acute)	Risk arises from extreme weather events, such as floods or fires, which may disrupt operations and affect business continuity.
	Transition Risk (Technology)	Risk arises from CAPEX requirements associated with adopting sustainable initiatives and technologies to transition to more sustainable practices.
	Climate Resilience and Business Continuity Enhancement	Opportunities arise from strengthening organisational resilience and enhancing business continuity planning to address climate-related challenges.

SROs

Category	Risk/Opportunity	Description
	- Data Security - Customer Privacy	Risk arises from potential breaches or inadequate safeguarding of sensitive information, which may affect customer trust and the integrity of the Group's financial services.
	Bridging Financing Accessibility	Opportunity arises from expanding access to financing, supporting greater financial inclusion and broader economic participation.

SUSTAINABILITY STATEMENT

SUSTAINABILITY GOVERNANCE

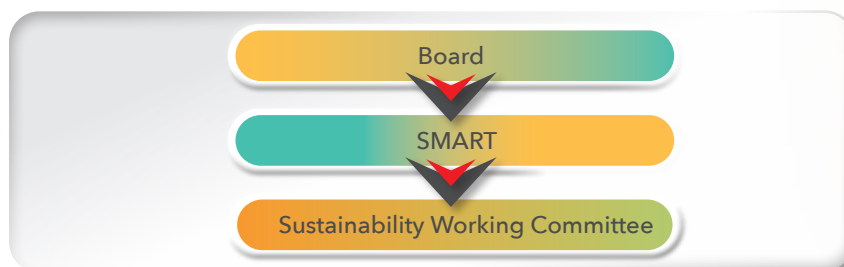
Principles of transparency, accountability and meaningful stakeholder engagement guide sustainability governance framework ensuring sustainability considerations, including climate-related matters are embedded within the Group's governance structure and decision-making processes.

The Board holds ultimate responsibility for overseeing the Group's sustainability agenda, including material CROs and SROs. In discharging this responsibility, the Board leverages on SMART and Sustainability Working Committee to guide, coordinate and implement the Group's sustainability initiatives.

The Group reports and escalates sustainability and climate-related matters through the governance structure where appropriate, including material developments, key decisions requiring Board consideration and significant emerging risks or opportunities.

SMART is chaired by the Chairman of the Board, Encik Shahman Azman, and comprises a Director, Chief Executive Officer, Deputy Chief Executive Officer, Group Chief Financial Officer and Senior General Manager. The Sustainability Working Committee consists of Senior Management and Departmental Heads who support the implementation and monitoring of sustainability initiatives across the Group.

Together, these governance bodies ensure sustainability considerations remain integrated within the Group's strategic direction, operational management and risk oversight.



Governance Structure

Roles and Responsibilities

Board

Provides overall leadership and oversight of the Group's sustainability agenda by:

- Overseeing and guiding the Group's sustainability agenda and strategic direction;
- Reviewing sustainability considerations within business strategies, major plans of action and risk management framework; and
- Ensuring that sustainability considerations support long-term value creation.

The Board's responsibilities and governance approach are set out in Board Charter, available on RCE's official website.

SMART

Supports the Board by overseeing sustainability initiatives and providing strategic direction on sustainability-related matters, including:

- Overseeing the implementation of sustainability initiatives across the Group;
- Advising and making recommendations to the Board on sustainability-related strategies and matters; and
- Monitoring the implementation of sustainability-related policies approved by the Board.

Sustainability Working Committee

Supports the operational implementation of the Group's sustainability strategy, comprising Senior Management and Departmental Heads. The Committee:

- Identifies, assesses and manages CROs and SROs with support from BEST Team;
- Implements sustainability initiatives and monitors progress with support from the Green Warriorz and Wellness Team; and
- Develops strategies and action plans to mitigate the potential impacts of identified risks.

397

113.044

919068

99.0753

SUSTAINABILITY GOVERNANCE (CONT'D)

The roles and responsibilities of the Board, SMART and Sustainability Working Committee are supported by their respective governance documents, mandates and reporting arrangements including SMART Terms of Reference. The Board and SMART are supported by management, BEST Team and where required, external advisers in considering sustainability-related and climate-related matters. During the financial year, sustainability-related briefings, discussions and advisory support were used to enhance understanding of IFRS SDS, climate-related requirements and relevant disclosure expectations.

Sustainability-related and climate-related matters are considered as part of the Group's governance and oversight processes, including when reviewing strategy, risk management, performance objectives, targets and progress against relevant initiatives.



Sustainability-related and climate-related Key Performance Indicators ("KPIs") form part of the annual performance appraisal of employees based on their respective roles and responsibilities. For FYE 2026, such KPIs accounted for up to 20% of the overall employees' performance. Performance against these KPIs is considered as part of the Group's overall performance assessment and form remuneration-related considerations, reinforcing accountability and supporting the integration of sustainability considerations into day-to-day decision-making.

The Group integrates CROs and SROs into its overall risk management processes. Relevant CROs and SROs are considered alongside other business and operational risks through the Group's risk management framework, which is guided by Committee of Sponsoring Organisations of Treadway Commission ("COSO") Enterprise Risk Management approach. Where applicable, identified matters are incorporated into control self-assessments, business continuity planning and management reporting for further monitoring and escalation.

Material matters are escalated through the relevant governance structure, including management, SMART, Risk Management Committee ("RMC"), Audit Committee ("AC") and Board, where appropriate. This supports a coordinated approach to identifying, assessing, prioritising and monitoring sustainability-related and climate-related matters.

The Group conducts regular internal risk assessments to evaluate the effectiveness of controls and governance mechanisms, ensuring that it manages sustainability-related matters in line with defined mandates and risk management framework.

SUSTAINABILITY STATEMENT

CROs

Risk and Opportunities

The following CROs have been prioritised for disclosure as they could reasonably be expected to influence the Group's financial performance, strategic positioning and long-term prospects across the respective time horizons.

Type	CRO and Description	Time Horizon
Physical Risk - Acute	Disruptions due to extreme weather (floods/fires) - Potential disruption to business operations in affected locations, including: - Temporary office closures; - Reduced staff availability; and - Disruptions to customer access to services. - Potential increase in operating and maintenance costs due to: - Repairs or restoration of office premises and facilities; and - Higher operational expenditure during recovery and reinstatement periods.	Short - Medium
Transition Risk - Technology	CAPEX required for sustainable initiatives and technologies - The Group may need to incur additional CAPEX to adopt, upgrade or enhance systems, processes and technologies in response to evolving climate-related regulations, reporting requirements and operational expectations. This includes investments in systems supporting climate-related data collection, monitoring, reporting and internal management processes. - Inadequate planning or delayed implementation of these technologies and system enhancements may result in higher costs, operational inefficiencies or implementation challenges.	Medium
Opportunities	Climate Resilience and Business Continuity Enhancement - The Group has the opportunity to strengthen operational resilience by enhancing preparedness for climate-related physical risks, including extreme rainfall and flooding. - Strengthening business continuity planning, disaster recovery arrangements and operational flexibility can help minimise disruption to operations and maintain continuity of customer service during climate-related events.	Medium

CROs (CONT'D)

Impact and Strategy

Type	Impact	Strategy
Physical Risk - Acute: Disruptions due to extreme weather (floods/fires)	Business model: Potential disruption to office-based operations and customer servicing activities. Value chain: Indirect downstream impacts may arise if customers experience disruptions affecting repayment behaviour or responsiveness.	The Group prioritises business continuity readiness and operational resilience to manage acute disruption risks. This risk forms the strengthening of continuity planning and response arrangements for critical functions.
Transition Risk - Technology: CAPEX required for sustainable initiatives and technologies	Business model: The Group may need to strengthen internal processes to support sustainability reporting, monitoring and governance expectations as they evolve. Value chain: Indirect impacts may arise from stakeholder expectations (e.g. financiers/investors) regarding disclosure readiness and management credibility.	The Group considers resilience enhancement as a practical opportunity to reduce operational disruption impacts and strengthen response preparedness. Investment decisions are considered on a proportionate basis with priority given to enhancements that support compliance readiness and credible disclosures, continuity planning and operational readiness.
Opportunities: Climate Resilience and Business Continuity Enhancement	Business model: Enhanced continuity capability supports stable service delivery and operational reliability. Value chain: Improved continuity can reduce service disruption for customers and support ongoing engagement during disruption periods.	The Group considers resilience enhancement as a practical opportunity to reduce operational disruption impacts and strengthen response preparedness. This opportunity forms the prioritisation of improvements to continuity planning and operational readiness.

All CROs are funded using internally generated funds.

SUSTAINABILITY STATEMENT

CROs (CONT'D)

Financial Effects

The financial impacts arising from climate-related risks, including physical and transition risks, and opportunities have been assessed to be not material to the Group based on current information available.

Additionally, the Group does not expect any material adjustments to the carrying amounts of assets and liabilities reported in the financial statements for FYE 2026 within the next 12 months.

The expected current, short, medium and long-term effects of identified CROs on the Group's financial performance and cash flows are presented in the table below:

CROs	Current RM'000	Short RM'000	Medium RM'000	Long RM'000
Physical risk (Acute)				
Decrease in revenue				
Increase in expenses	Nil	Note 1	Note 2	Note 2
Decrease in cash flows				
Transition risk (Technology)				
Increase in CAPEX but corresponding reduction in cash and bank balances	} Nil	900.0		
Increase in cash outflows from investing activities				
Increase in depreciation expenses pursuant to these investments	Nil	150.0	Note 2	Note 2
Increase in operating expenses	Nil	Note 1		
Climate resilience and business continuity enhancement				
Increase in revenue	Nil	Note 1	Note 2	Note 2
Increase in cash flows				

Note:

1. The Group has not provided quantitative information as the measurement level of uncertainty is currently high and resulting estimates may not be meaningful to users of the financial statements.
2. The Group is currently unable to estimate the anticipated financial effects over the medium and long-term due to uncertainty in key inputs and assumptions, including the availability of reliable data relating to climate outcomes and their financial implications. The Group will continue to monitor developments and enhance its data collection and assessment methodologies for refine disclosures in future reporting periods.

CROs (CONT'D)

Financial Effects (Cont'd)

The financial effects described below reflect how identified CROs may influence the Group's overall prospects.

Current Financial Effects

At present, the financial effects are expected to be largely indirect and operational, including temporary inefficiencies and disruption-related costs arising from acute climate events. The Group prioritises internal capabilities and organisational readiness, which may require incremental resourcing and targeted advisory support.

Anticipated Financial Effects

Acute physical risks such as extreme weather events could lead to higher costs associated with operational preparedness, business continuity arrangements and potential knock-on effects if customers experience disruptions that affect repayment behaviour.

Transition risks relating to technology may also require incremental capital and operating expenditure as the Group enhance systems, processes and internal capabilities for evolving sustainability-related reporting, monitoring and governance.

Operational resilience presents a potential opportunity. Improved continuity planning and preparedness may reduce disruption related costs over time while supporting stakeholder confidence through consistent service delivery.

At this stage, the Group's assessment of financial effects is presented using a combination of quantitative and qualitative information from available budget, actual and management estimates. The Group will progressively enhance the quantification of these effects where appropriate in future reporting periods.

Resilience/Scenario Analysis

Analysis

The Group conducted a climate-related scenario analysis to understand and evaluate the potential impact of acute physical disruptions and transition-related pressures. The analysis considered a range of plausible climate-related scenarios across short-, medium- and long-term horizons.

Given the Group's exposure to CROs are limited, several quantitative and qualitative scenario analysis were performed to assess the relevant effects towards the Group. Certain quantitative estimates were not further elaborated as they may not be meaningful to users of the financial statements due to high levels of measurement uncertainty.

The assessment focused on the Group's key operating locations and critical functions, including office-based operations, service continuity requirements and relevant value chain touchpoints that may affect customer servicing and cash flow generation.

The Group adopts climate scenarios developed by Network for Greening the Financial System ("NGFS") as the primary reference framework. It selects two NGFS pathways to represent a reasonable range of potential outcomes across both physical and transition risk conditions:

NGFS Hot House World

Current Policies, representing a higher physical risk environment; and

NGFS Net Zero 2050

Reduced Emissions Pathway, representing a higher transition risk environment.

The Group derives scenario assumptions from publicly available climate projections and transition-related data and contextualises them to its Malaysian operating environment.

SUSTAINABILITY STATEMENT

CROs (CONT'D)

Resilience/Scenario Analysis (Cont'd)

Analysis (Cont'd)

Scenario Overview

Scenario 1 High Physical Risk

NGFS Hot House World - Current Policies

This scenario assumes that global climate policy action remains limited or delayed, leading to greater warming and more pronounced physical climate impacts. The scenario assesses the Group's resilience to increased acute physical disruptions such as extreme rainfall and flooding as well as potential implications for operational continuity besides recovery.

Scenario 2 High Transition Risk

NGFS Net Zero 2050 - Reduced Emissions Pathway

This scenario assumes a rapid and orderly global transition consistent with achieving net zero emissions by 2050. The scenario assesses potential transition-related implications, including evolving regulatory and stakeholder expectations, capability enhancement requirements and potential cost implications associated with sustainability initiatives alongside technology upgrades.

The scenario analysis supports the identification and prioritisation of the Group's CROs and SROs by validating key transmission channels:

1

The Hot House World Current Policies scenario supports the Group's Physical Risk (Acute) disclosure relating to extreme weather disruptions and operational continuity impacts; and

2

The Net Zero 2050 scenario supports the Group's Transition Risk - Technology disclosure, which relates to potential CAPEX and system enhancement requirements arising from accelerated transition expectations.

The analysis identifies climate resilience and business continuity enhancement as an opportunity to improve the Group's readiness from disruptive operating conditions.

At this stage, the scenario analysis focuses primarily on assessing directional impacts and organisational resilience. The Group will progressively enhance quantification in future reporting periods as data availability and methodologies continue to develop.

CROs (CONT'D)

Resilience/Scenario Analysis (Cont'd)

Resilience Assessment and Review

Area	Description
Resilience Assessment	The Group qualitatively applies scenario outputs to: - Assess operational vulnerabilities and continuity requirements under higher levels of physical disruption; and - Evaluate the impact of accelerated transition expectations on resourcing, capability enhancement and implementation priorities.
Resilience Conclusion	Under moderate conditions, climate-related impacts remain manageable with planned capability and process enhancements. More severe physical disruption conditions may require additional continuity and preparedness measures where the Group can escalate its response as needed. The scenario analysis also forms the assessment of current and anticipated financial effects, which are presented using a combination of quantitative and qualitative information at this stage.
Review Frequency	The Group reviews the scenario analysis at least annually and updates it where material changes arise in NGFS scenario assumptions, business conditions, operating context or sustainability reporting requirements.

SUSTAINABILITY STATEMENT

CROs (CONT'D)

Metrics and Targets

Methodology/Emission Factors

Coverage	Measures	Methodology
SCOPE 1 Includes 100% of operational GHG emissions from the Group's vehicle fleet fuel usage.	Monitoring and recording fuel usage (petrol and diesel) across the Group's vehicle fleet.	Total energy consumption is determined from: - Fuel, using energy conversion factors specified in Malaysia Energy Statistics Handbook (2020). - Electricity, using the standard unit of energy in International System of Units, where 1 kWh equals 0.0036 GJ.
SCOPE 2 Includes 100% of indirect GHG emissions from purchased electricity consumed in wholly controlled offices within the Group.	Tracking electricity consumption across all operations in Malaysia. Monitoring usage and savings from the implementation of energy-efficient LED lighting in offices.	The Group calculates Scopes 1, 2 and 3 emissions in accordance with GHG Protocol Corporate Accounting and Reporting Standard. Emission factors for Scopes 1 and 3 GHGs are based on Global Warming Potentials outlined in Intergovernmental Panel on Climate Change Sixth Assessment Report based on a 100-year timeframe.
SCOPE 3 Encompasses 100% of GHG emissions from employee business travel and commuting.	Monitoring total distance travelled by employees for business and commuting, including mode of transport, vehicle type, engine size and fuel type. Total distance for business-related travelled is sourced from actual claim submitted by employees whereas total distance travelled for employee commuting is derived based on employee commuting surveys collected.	The calculation methodology is guided by 2006 IPCC Guidelines for National Greenhouse Gas Inventories, in line with standards set by Malaysian Green Technology and Climate Change Corporation, the Government's primary agency for green technology with electricity-related emissions calculated using the latest available Grid Emission Factors published by Suruhanjaya Tenaga. Reported Scopes 1, 2 and 3 emissions follow GHG Protocol using the operational control approach.

CROs (CONT'D)

Metrics and Targets (Cont'd)

Targets (tCO₂eq)

Scope	FYE 2020 (Baseline)	FYE 2024	FYE 2025	FYE 2026
1	22.0	26.2	28.1	24.8
2	155.0	191.3	186.1	185.4
Total	177.0	217.5	214.2	210.2



Target

- Short-term:
 - Reduction in Scopes 1 and 2 emissions to similar levels as FYE 2020 emissions.
- Long-term:
 - Net Zero emissions by 2050 (from 2020 baseline)
 - Address the 2-degree scenario

Scope	FYE 2024	FYE 2025	FYE 2026
3	376.98	368.98*	425.76



Target

- Net Zero by 2050
- Address the 2-degree scenario

* Restated based on latest information available

The Group's climate-related targets focus on progressive reduction of absolute Scopes 1 and 2 emissions from FYE 2020 baseline and working towards Net Zero emissions by 2050. At this stage, the targets have not been validated by a third party.

The emissions for last three financial years exceeded baseline year due to expansion of operational activities.

The Group will continue to monitor the progress against its targets and enhance resourcing plan, interim milestones and quantitative progress disclosures as data availability, internal systems and measurement methodologies mature. Similarly, the emissions baseline will be reviewed and updated periodically.

SUSTAINABILITY STATEMENT

CROs (CONT'D)

Metrics and Targets (Cont'd)

CROs Target Action Plan

The Group adopts a progressive and proportionate approach in responding to identified CROs. The action plan below sets out how the Group manage and plan to respond to the identified CROs, including the current resourcing approach and FYE 2026 progress:

Identified CROs	Target/Objective	Current and Planned Actions
Physical Risk - Acute Disruptions due to extreme weather, such as floods or fires	Strengthen operational resilience and minimise disruption to critical operations and customer servicing activities.	Continue to enhance business continuity planning, disaster recovery arrangements and operational response procedures. Review preparedness for key operating locations and critical functions where relevant.
Transition Risk - Technology: CAPEX required for sustainable initiatives and technologies	Strengthen internal systems, processes and reporting capability to support evolving sustainability and climate-related requirements.	Improve data collection, methodology, documentation and monitoring processes for sustainability-related and climate-related disclosures. Assess system or process enhancements where required to support reporting readiness and credible disclosures.
Opportunity: Climate Resilience and Business Continuity Enhancement	Improve continuity capability and strengthen the Group's preparedness for climate-related disruptions.	Continue enhancing business continuity arrangements, operational flexibility and response readiness to support stable service delivery during disruption events.

CROs (CONT'D)

Metrics and Targets (Cont'd)

Resourcing Approach

Managed through existing business continuity, operations, Information Technology ("IT") and departmental resources.

Additional support will be assessed where specific enhancement or recovery measures are required.

Managed through BEST Team, Sustainability Working Committee, relevant departments and existing approval/budgeting processes.

External advisers may be engaged where technical support is required.

Managed through existing business continuity, operations, IT and governance resources.

Future enhancement will be considered through normal planning, budgeting and approval processes.

FYE 2026 Progress

The Group continued to monitor business continuity readiness and assess operational resilience as part of its climate-related assessment.

The scenario analysis identified physical disruption as a key climate-related risk requiring continued preparedness.

The Group enhanced its FYE 2026 disclosures, including reporting boundary, GHG methodology, financial effects, scenario analysis and selected Scope 3 reporting.

CAPEX and related financial effects were assessed where information was available.

The Group identified climate resilience and business continuity enhancement as a practical opportunity.

Scenario analysis was used to assess resilience under higher physical risk and higher transition risk conditions.

SUSTAINABILITY STATEMENT

SROs

The Group identifies and discloses SROs that could reasonably be expected to affect its prospects over the short, medium and long-term.

The SROs are prioritised based on likelihood of occurrence and magnitude of potential financial impact using information available at the reporting date.

In identifying and assessing the SROs, the Group also referred to SASB standards for Consumer Financing industry, particularly in considering customer privacy and data security as sustainability-related matters relevant to the Group's business model.

Risk and Opportunities

Type	SROs and Description	Time Horizon
Risk	Customer Privacy Customer personal data is collected, used, stored and shared in the course of the Group's operations. If not managed in accordance with applicable regulatory requirements and stakeholder expectations, this may give rise to customer complaints, regulatory scrutiny and potential reputational impact for the Group.	Short and Medium
	Data Security Risk of cyber incidents or unauthorised access that may compromise customer or internal information, disrupt operations and create regulatory, legal and reputational impacts.	
Opportunity	Bridging Financing Accessibility The Group has identified a sustainability-related opportunity to address the financing accessibility gap faced by civil servants, who may struggle to obtain timely and affordable credit. By providing responsible personal financing solutions, the Group supports financial inclusion while generating stable, long-term revenue streams through payroll deduction mechanisms. The Group manages this opportunity through its established credit risk framework, using credit scoring, affordability assessments, payroll deduction structures and responsible financing safeguards to mitigate over-indebtedness risk.	Short, Medium and Long

SROs (CONT'D)

Impact and Strategy

1

Risk: Customer Privacy

Impact

Business model:

Potential impact on stakeholder trust and the Group's ability to maintain reliable customer servicing and engagement.

Value chain:

Potential downstream impacts on customers and relevant third parties handling customer information across processes and service arrangements.

Strategy

The Group manages customer privacy through a structured framework comprising governance oversight, policies, access controls and employee awareness measures, aligned with its risk exposure.

The Group complies with Personal Data Protection Act 2010 ("PDPA") and adopts a zero-tolerance approach to privacy breaches.

The Group supports customer data protection using a clear and accessible privacy notice, robust IT Handbook and Data and System Backup Policy and Procedures, which define practice for protecting information assets and managing backups.

The Group conducts briefings during onboarding and requires employees to sign annual compliance undertakings to reinforce accountability.

The Group requires third parties to execute non-disclosure agreements before accessing non-public information, including customer data.

Established incident response procedures support Information Security Policy covering need-to-know access, data retention and secure disposal.

The Group maintains data integrity controls to protect information from unauthorised alteration, regularly reviews employment agreements and internal policies to safeguard proprietary information.

SUSTAINABILITY STATEMENT

SROs (CONT'D)

Impact and Strategy (Cont'd)

2

Risk: Data Security

Impact

Business model:

Potential impact on system availability, operational continuity and stakeholder confidence.

Value chain:

Potential downstream impacts on customers and counterparties if service channels are disrupted or data is compromised.

Potentially impacting system availability, operational continuity and stakeholder confidence.

Strategy

The Group strengthens data security through a structured framework comprising governance, security controls, monitoring, employee awareness and incident response readiness.

Regular assessments and continuous improvements support data security measures. External consultants conduct periodic penetration testing to identify and mitigate cybersecurity risks and to verify adequacy of existing security controls. Independent IT audits provide professional assurance and benchmarking against recognised standards.

The Group invests in data security infrastructure, including firewalls with web filtering capabilities, data encryption and two-factor authentication to enhance system protection.

These technical controls are supported by employee cybersecurity training, regular reminders, best-practice guidance and phishing simulation exercises to reduce the risk of human error.

3

Opportunity: Bridging Financing Accessibility

Impact

Business model:

Supports continued demand for responsible financing solutions and contributes to stable revenue generation through payroll deduction-based collections.

Value chain:

Supports financial inclusion for civil servants by providing access to timely and responsible personal financing, while maintaining safeguards to manage credit quality and avoid over-indebtedness.

Strategy

The Group manages this opportunity through credit scoring, affordability assessments, responsible financing safeguards and payroll deduction mechanism.

These controls support sustainable portfolio growth while ensuring financing accessibility is balanced with prudent credit risk management.

SROs (CONT'D)

Impact and Strategy (Cont'd)

Consideration of Trade-offs in Strategy and Decision-making

In response to identified SROs, the Group considers potential trade-offs as part of its strategy and decision-making process. In particular, the following trade-offs were considered:

1. Customer privacy and data security against operational efficiency

Strengthening privacy and cybersecurity controls may require additional resources, verification procedures and system safeguards, which may affect processing efficiency. However, these measures are necessary to protect customer information, maintain stakeholder trust and support compliance with regulatory expectations.

2. Financing accessibility against responsible financing practices

Expanding access to financing for civil servants may support financial inclusion and business growth. However, this must be balanced against affordability assessments, credit underwriting, responsible financing safeguards and the payroll deduction mechanism to mitigate over-indebtedness and preserve portfolio quality.

3. Business growth against long-term resilience

The Group's initiatives to enhance customer access, digital processes and operational capability may involve additional costs and resources. These are considered against the need to strengthen resilience, maintain regulatory compliance and support sustainable value creation.

Based on the above, where trade-offs arise, the Group prioritises resilience, regulatory compliance, customer protection and responsible growth.

SUSTAINABILITY STATEMENT

SROs (CONT'D)

Financial Effects

The table below presents the expected effects of identified SROs on the Group's financial performance and cash flows. Financial impacts arising from the identified SROs have been assessed to be not material to the Group based on current information available.

In addition, the Group does not expect any material adjustments to the carrying amounts of assets and liabilities reported in the financial statements for FYE 2026 within the next 12 months.

SROs	Current RM'000	Short RM'000	Medium RM'000	Long RM'000
Customer Privacy risk				
Increase in property, plant and equipment but corresponding reduction in cash and bank balances	4.1	10.0	Note 2	Note 2
Increase in cash outflows from investing activities				
Increase in depreciation expenses pursuant to these investments	-	1.5		
Data Security Risk				
Increase in CAPEX but corresponding reduction in cash and bank balances	559.1	497.0	Note 2	Note 2
Increase in cash outflows from investing activities				
Increase in depreciation expenses pursuant to these investments	16.4	82.8		
Increase in operating expenses	462.6	168.0		
Increase in prepaid expenses	375.1	-		
Bridging Financing Accessibility				
Increase in revenue	Nil	Note 1	Note 2	Note 2
Increase in cash flows				

Note:

1. The Group has not provided quantitative information as the measurement level of uncertainty is currently high and the resulting estimates may not be meaningful to users of the financial statements.
2. The Group is currently unable to estimate the anticipated financial effects over the medium and long-term due to uncertainty in key inputs and assumptions, including the availability of reliable data and the evolving nature of the relevant risk or opportunity. The Group will monitor developments, enhance its data collection and assessment methodologies to refine disclosures in future reporting periods.

Hence, to conclude, no immediate impact on overall prospects has been identified in relation to SROs determined by the Group.

SROs (CONT'D)

Financial Effects (Cont'd)

1

Risk: Customer Privacy

Financial Effects

Current

Potential incremental costs associated with strengthening privacy controls, employee training and process or system improvements, where applicable.

Anticipated

Reduced likelihood and impact of privacy related incidents, including potential remediation efforts, disruption-related costs and reputational effects.

2

Risk: Data Security

Financial Effects

Current

Potential incremental costs associated with strengthening security controls, monitoring tools, testing activities and capability building, where applicable.

Anticipated

Reduced likelihood and impact of data security incidents, including potential remediation costs, operational disruption and reputational impacts.

3

Opportunity: Bridging Financing Accessibility

Financial Effects

Current

Supports recurring income generation from payroll deduction based financing with credit risk managed through established underwriting and affordability controls.

Anticipated

Potential for long-term and steady revenue streams driven by sustained demand within the civil servant segment, subject to continued responsible financing practices and maintained credit quality.

Risk Management

The Group manages the identified SROs through existing governance, risk management and operational controls, including privacy controls, cybersecurity safeguards, incident response procedures, affordability assessments, credit scoring and responsible financing practices.

SUSTAINABILITY STATEMENT

SROs (CONT'D)

Capacity to Adjust to SRO Uncertainties

The Group's capacity to adjust to uncertainties arising from identified SROs is supported by its governance structure, risk management framework, internal controls, policies and established monitoring processes.

These include the followings:

Policy updates, access controls, employee awareness, cybersecurity testing, incident response procedures and independent IT reviews to address changing regulatory expectations, emerging cyber threats and operational requirements.

Credit scoring, affordability assessments, responsible financing safeguards, portfolio monitoring and payroll deduction mechanism to support prudent growth while managing credit quality and over-indebtedness risk.

Business continuity planning and escalation processes to respond to operational disruptions and changing business conditions.

These mechanisms allow the Group to adjust its actions, controls and resource allocation where required, while maintaining regulatory compliance, customer protection, operational resilience and responsible growth.

Metrics and Targets

The Group enhances its approach to sustainability-related metrics and targets, in line with development of its data capabilities and internal methodologies, while accounting for the nature of consumer financing operations.

For the reporting period, the Group monitors key performance and risk indicators. Customer privacy oversight includes tracking complaints and incidents, and implementing escalation mechanisms where required. Data security oversight includes monitoring cybersecurity incidents and alerts, as well as ongoing employee awareness initiatives to strengthen cyber risk management.

Portfolio performance and underwriting quality complement prudent credit risk management through the application and coverage of affordability assessments, while maintaining accessible and responsible financing.

At this stage, quantitative metrics are not yet fully developed or separately identifiable. The Group has voluntarily disclosed three financially material non-climate SROs which are presented on a qualitative basis. The Group will progressively strengthen its quantitative metrics and targets in future reporting periods as data availability and measurement approaches become more refined.

The Group has not applied formal non-climate-related scenario analysis for the identified SROs at this stage. The Group currently assesses these matters using qualitative evaluation, existing risk management process, operational monitoring, incident tracking, compliance reviews and management judgement. The Group will consider enhancing its non-climate scenario analysis approach in future reporting periods as data availability, internal methodologies and reporting requirements mature.

EVENTS AFTER THE REPORTING PERIOD

There were no transactions, events or conditions occurring after the end of reporting period and up to the date of authorisation of this Statement that require disclosure.

SUSTAINABILITY JOURNEY ECONOMIC



SUSTAINABILITY JOURNEY: ECONOMIC

Corporate Strategy

The Group operates in an integrated shariah-compliant financing ecosystem, underpinned by shariah governance and adherence to regulatory requirements. The Group strengthens its capabilities in response to evolving industry standards and ongoing digital developments, ensuring its operations remain resilient and relevant.

An embedded culture of knowledge sharing across the organisation drives operational agility, enabling timely response to market and regulatory changes while enhancing process efficiency and maintaining consistent service quality.

Shariah Governance

The Group maintains a structured shariah governance framework, supported by annual engagements with independent shariah consultants. These engagements ensure process and control remain aligned with shariah principles and regulatory expectations.

The consultants also provide operational guidance and training for employees, strengthening understanding and ensuring consistent application of shariah requirements across the Group's activities.

Business Sustainability

The Group's RAISE principles guide its sustainability approach, shaping decision-making and day-to-day operations:

Risk-based Pricing

Applies disciplined credit assessment to manage exposure while ensuring fair and responsible financing practices.

Adoption

Aligns operations with established best practices to strengthen governance and operational standards.

Innovation

Leverages technology to enhance efficiency, improve service delivery and support digital transformation.

Sales channel

Upholds ethics, transparency and integrity in all customer interactions and distribution channels.

Enhancing Productivity

Drives process optimisation through automation and digitalisation to improve efficiency and scalability.

Participation in industry and governance bodies strengthens oversight, enhances accountability and supports alignment with evolving expectations on responsible business practices.

RCE's membership in Institute of Corporate Directors Malaysia provides access to industry insights, governance best practices and professional networks,

supporting governance practices and sustainability efforts of the Group.



CORPORATE MEMBER

SUSTAINABILITY STATEMENT



SUSTAINABILITY JOURNEY: ECONOMIC

Business Sustainability (Cont'd)

External Recognition and Index Inclusion

RCE has been a constituent of FTSE4Good Bursa Malaysia Index and FTSE4Good Bursa Malaysia Shariah Index since 22 June 2020 and 20 December 2021 respectively.



FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that RCE has been independently assessed according to the FTSE4Good criteria and has satisfied the requirements to become a constituent of the FTSE4Good Index Series.

Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social, and Governance practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.



To-date, we maintained our 4-star rating, marking continued external recognition of the Group's EESG practice and commitment to business sustainability.

Developing Brand Presence and Collaborations with Business Partners ("BPs")

The Group focuses on building trust with existing customers while attracting new customers to strengthen its brand presence. The Group delivers shariah-compliant financing solutions tailored to different customer segments, taking into account repayment capacity and creditworthiness.

Collaboration with BPs further supports customer outreach and engagement. In-person initiatives such as roadshows and corporate social responsibility activities,

including health screening programmes conducted with National Kidney Foundation, complement these efforts.

Offline and digital marketing channels reinforce these efforts, enabling the Group to expand its reach while strengthening brand credibility across its customer base.



■ Roadshow and Health Screening Programmes Conducted in Various Venues



SUSTAINABILITY JOURNEY: ECONOMIC

Business Sustainability (Cont'd)

Stable Funding with Prudent Asset-Liability Management

Maintaining stable funding remains a priority to ensure operational continuity and support sustainable growth. The Group adopts a disciplined asset-liability management approach to manage liquidity, optimise funding costs and mitigate financing risk.

In March 2019, the Group established a RM2.0 billion Sukuk Murabahah Asset-Backed Securitisation Programme ("Sukuk Programme") under Zamarad Asset Berhad ("ZAB"). The programme includes a Revolving Option ("RO"), which allows ZAB to procure additional eligible receivables from the Originator, RCEM, by utilising surplus funds from

the sinking funds. This mechanism supports ongoing disbursements while minimising negative carry, contributing to better capital deployment.

To-date, ZAB has issued eleven tranches amounting to RM1.93 billion with latest tranche issued in December 2025.

Subscription

Tranche	Issuance Date	External RM'million	Internal* RM'million	Total RM'million	Outstanding Balance RM'million
1	27.03.2019	240.0	25.0	265.0	25.0
2	26.07.2019	100.0	8.0	108.0	48.0
3	19.11.2019	120.0	8.0	128.0	53.0
4	7.09.2020	120.0	7.0	127.0	57.0
5	25.11.2020	100.0	7.0	107.0	47.0
6	8.07.2021	100.0	24.0	124.0	84.0
7	28.03.2022	210.0	45.0	255.0	175.0
8	25.11.2022	175.0	44.0	219.0	154.0
9	10.08.2023	205.0	49.0	254.0	229.0
10	14.11.2024	125.0	24.0	149.0	134.0
11	10.12.2025	160.0	31.0	191.0	191.0
Utilised Amount		1,655.0	272.0	1,927.0	1,197.0
Unutilised Amount					803.0

* Internally subscribed by an indirect subsidiary.

The Group has another RM900.0 million Sukuk Programme established under Al Dzahab Assets Berhad ("ADA") in March 2016. The programme was fully utilised in March 2018 following the issuance of five tranches amounting to RM900.0 million with its availability period set to expire after seven years from first issuance.

In FYE 2025, the Group extended ADA's Sukuk Programme availability period to perpetual. The programme also incorporates the RO feature similar to ZAB, enabling availability of funds to support financing activities.

SUSTAINABILITY STATEMENT



SUSTAINABILITY JOURNEY: ECONOMIC

Business Sustainability (Cont'd)

Stable Funding with Prudent Asset-Liability Management (Cont'd)

ADA has progressively fully and early redeemed its Sukuk Murabahah ("Sukuk"). To-date, ADA has one active tranche of Sukuk as shown below:

Subscription					
Tranche	Issuance Date	External RM'million	Internal* RM'million	Total RM'million	Outstanding Balance RM'million
1	21.06.2016	120.0	35.5	155.5	-
2	29.09.2016	155.0	26.0	181.0	-
3	29.03.2017	155.0	22.0	177.0	-
4	11.09.2017	160.0	20.0	180.0	-
5	16.03.2018	180.0	26.5	206.5	-
6	30.06.2025	100.0	23.0	123.0	123.0
Utilised Amount		870.0	153.0	1,023.0	123.0
Unutilised Amount					777.0

* Internally subscribed by an indirect subsidiary.

RAM Rating Services Berhad rates both ZAB and ADA Sukuk Programmes. The assigned ratings and their consistent reaffirmation reflect the quality of the underlying securitised receivables.

The redemptions by ZAB and ADA align with the Group's commitment to honour its obligations, reinforcing investor confidence and access to capital markets.

Debt Market Funding - 4th and 5th Foray

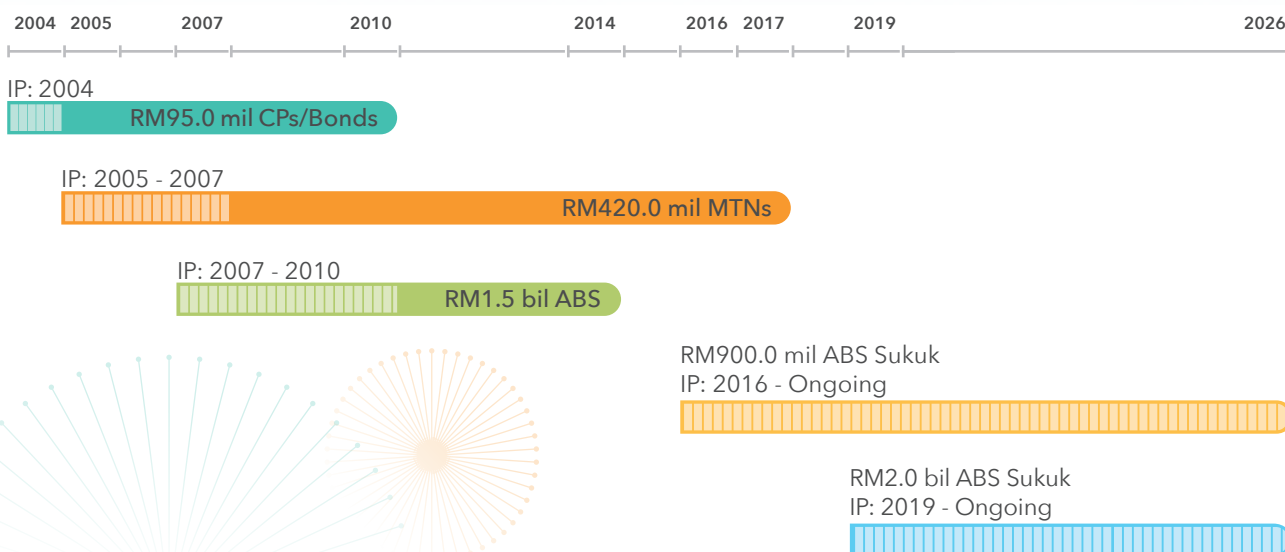
	Rating	Establishment	Status	All-in Cost
① RCE Premier Sdn Bhd				
RM95.0 mil CPs/Bonds	MARC: A	October 2004	Fully Redeemed October 2010	6.3% - 8.6%
② RCE Advance Sdn Bhd				
RM420.0 mil MTNs	MARC: A+	December 2005	Fully Redeemed March 2017	7.8%
③ Tresor Assets Berhad				
RM1.5 bil ABS	RAM: AAA	November 2007	Fully Early Redeemed September 2014	6.5%
④ ADA				
RM900.0 mil ABS Sukuk	RAM: AAA & AA2	March 2016	6th Issuance June 2025	5.3%
⑤ ZAB				
RM2.0 bil ABS Sukuk	RAM: AAA & AA2	March 2019	11th Issuance December 2025	4.5%



SUSTAINABILITY JOURNEY: ECONOMIC

Business Sustainability (Cont'd)

Stable Funding with Prudent Asset-Liability Management (Cont'd)



IP = Issuance Period CP = Commercial Paper MTN = Medium Term Note ABS = Asset-Backed Securities

Robust Collection Management Infrastructure

Maintaining a robust collection management infrastructure supports stable cash flows, ensures operational continuity and minimises exposure to bad debts.

Salary deductions form the core collection mechanism, supported through Biro Perkhidmatan Angkasa's Salary Deduction System. This system enables efficient booking, activation and execution of automated monthly deductions while ensuring compliance with permissible deduction limits.

Automated systems monitor collections in accordance with established timelines and procedures, promptly escalate accounts in arrears or default to Collection and Recovery Department for follow-up and resolution.

The Group embeds preventive controls within the credit and onboarding process. Credit scoring model assesses repayment capabilities, supported by relevant credit information, customer interviews and documented financing purposes for transaction monitoring purpose.

In case of non-payment, the Group promptly engage customers and employers, including issuing reminders. Where necessary, non-performing accounts are transferred to external debt collection agencies with legal action pursued as a last resort.

These measures are reinforced by maintaining accurate customer information and ensuring consistent communication, supporting effective collections and a positive customer experience.

SUSTAINABILITY STATEMENT



SUSTAINABILITY JOURNEY: ECONOMIC

Business Sustainability (Cont'd)

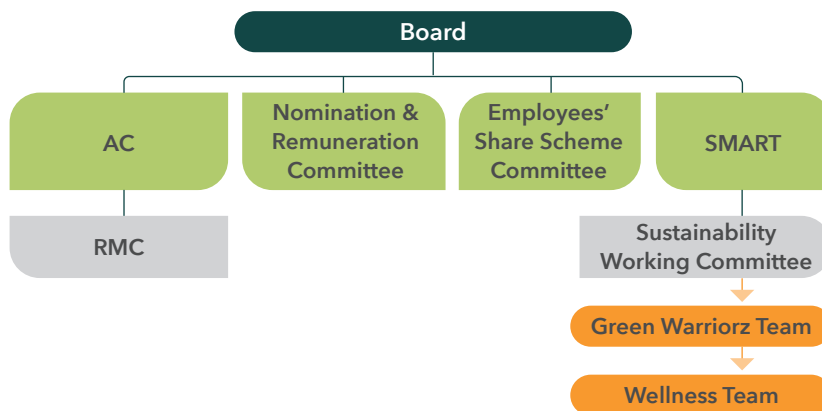
Internal Risk Assessment to Review the Effectiveness of Established Controls

The Group conducts periodic internal risk assessments to evaluate the effectiveness of established controls and identify areas for improvement. These assessments support timely enhancements to risk management practices and strengthen overall control effectiveness.

The Group adopts a two-pronged approach, integrating EESG considerations into decision-making while maintaining ongoing oversight of operational risks across daily activities.

A structured Business Continuity Management (“BCM”) framework supports operational resilience with regular testing and penetration exercise, ensuring preparedness and effectiveness of response measures during potential disruptions.

Board Committee Structure



The Group adopts a two-pronged approach, integrating EESG considerations into decision-making while maintaining ongoing oversight of operational risks across daily activities.



Committee/Department

Roles and Responsibilities

AC	- Oversees the integrity of financial reporting, internal controls and overall risk management framework - Evaluates the effectiveness of internal and external audit functions - Reviews related party transactions and assesses potential conflicts of interest
RMC	- Comprises selected members of the Board and Senior Management - Oversees the Group's risk profile and reports key findings and recommendations to AC - Monitors risk exposures and ensure timely implementation of corrective actions by Management - Applies COSO Enterprise Risk Management - Integrating with Strategy and Performance framework as the basis for the Group's Risk Management Policy
Compliance, Operations and Methods Department	- Conducts regular compliance reviews and drive process improvement - Reviews and refines policy and procedure, ensuring alignment with regulatory update and operational requirement - Facilitates half-yearly control self-assessment reviews by Departmental Heads to identify emerging risks and ensure compliance with applicable regulations



SUSTAINABILITY JOURNEY: ECONOMIC

Business Sustainability (Cont'd)

BCM to Build Resilience against Unfavourable Events

The Group maintains a structured BCM framework to ensure continuity of operations during disruptions. BCM process includes regular risk evaluation and business-impact analyses of affected departments, enabling the identification of critical functions. Business Continuity Plans ("BCPs") sustain operations by enabling remote working arrangements where necessary while

regular updates to policies and procedures maintain their relevance and effectiveness.

Activation of BCM process before, during and after crises is led by Disaster Recovery Team with implementation carried out by designated employees from various departments to ensure coordinated execution.

To support operational continuity, backup infrastructure and alternative sites are established to maintain operations if physical premises are compromised. BCPs are regularly tested, alongside penetration testing to identify and address potential security vulnerabilities.

Responsible Financing

The Group's financing framework supports ethical practices, fair customer treatment and transparent communication throughout the process. The framework guides customer assessment, product communication, approval, repayment support and complaint handling to promote responsible financing and maintain portfolio quality.



Managing Regulatory Changes

The Group operates in a highly regulated environment where timely alignment with evolving legal and regulatory requirements is critical. Fostering a vigilant compliance culture supports adherence to applicable laws, regulations and industry standards.

The Group reinforces this through monitoring of regulatory developments, regular policy reviews and ongoing engagement with relevant authorities to ensure internal policies, procedures and controls remain current and effective.

In FYE 2026, the Group recorded no incidents of non-compliance.

Incidents of Non-compliance

FYE 2026: RMnil, Nil case

FYE 2025: RMnil, Nil case
FYE 2024: RMnil, Nil case

SUSTAINABILITY STATEMENT



SUSTAINABILITY JOURNEY: ECONOMIC

Evolving Digital Trends

The acceleration of digital economy is reshaping customer expectations around accessibility, speed, security and seamless service delivery. In response, the Group strengthens its digital capabilities to enhance customer experience, improve operational resilience and expand market reach in an increasingly technology-driven financing landscape.



The Group leverages on technology to streamline business process, improve onboarding efficiency and advance digital transformation initiatives that support scalable growth. Since October 2021, ePanta\$ has provided customers with one-click access to financing, improving convenience and reducing turnaround time.

The financing application journey is supported by a user-friendly interface with clear step-by-step guidance, incorporating electronic Know-Your-Customer verification and digital signature features. These measures enhance authentication controls, strengthen data security and reduce the risk of unauthorised access.

To maintain the integrity of its digital platforms, the Group engage external consultants to conduct periodic penetration testing and independent IT audits, providing assurance on cybersecurity safeguards, control effectiveness and benchmarking against evolving digital risks as well as industry practices.

Investment on Data Security Infrastructure (RM'000)

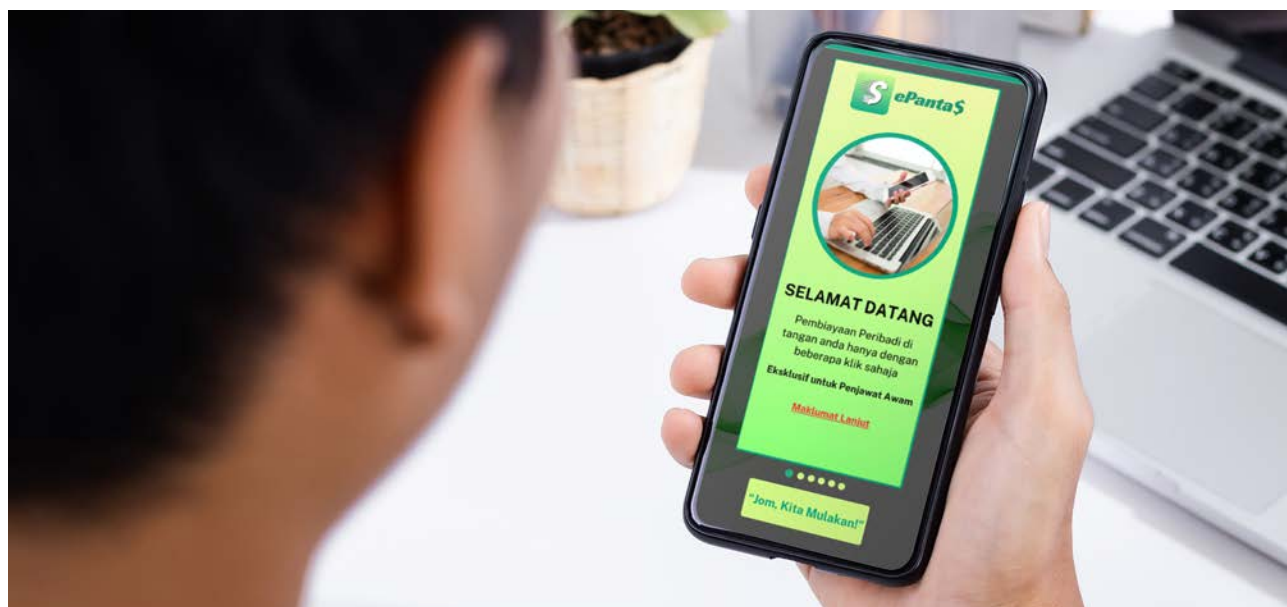
FYE 2026: 1,396.8

FYE 2025: 454.4
FYE 2024: 674.0

Number of Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data

FYE 2026: Nil

FYE 2025: Nil
FYE 2024: Nil



SUSTAINABILITY JOURNEY ENVIRONMENT



SUSTAINABILITY JOURNEY: ENVIRONMENT

The Group's environmental footprint primarily arises from resource consumption in all its office-based operations. While direct environmental impacts are limited, the Group focuses on responsible resource use, waste reduction and improvement in operational efficiency.

The Group supports this approach through ongoing digitalisation, practical workplace initiatives and employee participation programmes that promote responsible consumption and environmental awareness.

Members in Associations

RCE participates in relevant sustainability-focused associations to gain insights and know-how to reduce the ecological footprint.

Since July 2021, RCE has been a Corporate Friend of Climate Governance Malaysia, the Malaysian chapter of the World Economic Forum Climate Governance Initiative. This enables alignment with developments in climate governance and strengthening its understanding of climate-related priorities shaping corporate Malaysia.

In July 2024, RCE became a member of ESG Association of Malaysia, supporting awareness of evolving EESG expectations, industry developments and responsible business practices.



CLIMATE GOVERNANCE MALAYSIA

Resource and Waste Management

Given the nature of business, the Group does not generate hazardous or radioactive waste. Waste management efforts focus on the handling and reduction of solid waste arising from daily office operations.



The Group focuses on responsible resource use, waste reduction and improvement in operational efficiency.



SUSTAINABILITY STATEMENT



SUSTAINABILITY JOURNEY: ENVIRONMENT

Resource and Waste Management (Cont'd)

Paper Utilisation

Paper utilisation is monitored by individual departments to encourage accountability and awareness. Periodic reminders and awareness emails are issued to promote mindful printing and reduce avoidable paper consumption.

Policy Control

- ▶ Lock-print
- ▶ Paperless initiatives
- ▶ Limited colour printing

Monitoring & Awareness

- ▶ Department-level tracking
- ▶ Periodic reminders

Usage Practices

- ▶ Double-sided printing
- ▶ Black-and-white settings
- ▶ Reuse for drafts

Data Protection

- ▶ Secure recycling practices to prevent data leakage
- ▶ Filter recycled paper

Paper Utilisation



In FYE 2026, lower paper utilisation aligned with our resource efficiency initiatives and reduced reliance on printed materials.

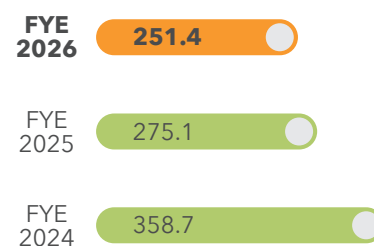
E-Waste Management

The Group promotes proper disposal of electronic waste and encourages employees to recycle unwanted electronic devices and used batteries responsibly.

The Green Warriorz Team is the central point for internal e-waste collection and raises awareness through periodic reminders.

Collected e-waste is transported to licensed recycling facilities for appropriate treatment, ensuring safe handling, pollution control and environmentally recycling.

E-waste Collection (kg)



The Group promotes proper disposal of electronic waste and encourages employees to recycle unwanted electronic devices and used batteries responsibly.



SUSTAINABILITY JOURNEY: ENVIRONMENT

Resource and Waste Management (Cont'd)

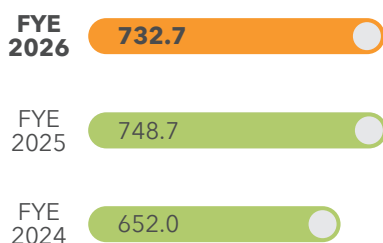
Pre-loved Clothes and Shoes Collection

Since FYE 2022, the Group has implemented initiatives to manage textile waste, led by Green Warriorz Team.

This initiative encourages employees to collect pre-loved clothes and shoes, reducing waste while supporting those in need. It diverts usable items from disposal and reinforces a culture of responsible consumption and community care within the workplace.

Regular email reminders sustain participation, while reinforcing sustainability awareness and importance of reducing textile waste through reuse.

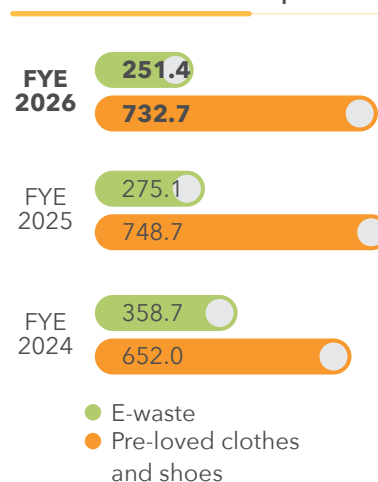
Pre-loved Clothes and Shoes Collection (kg)



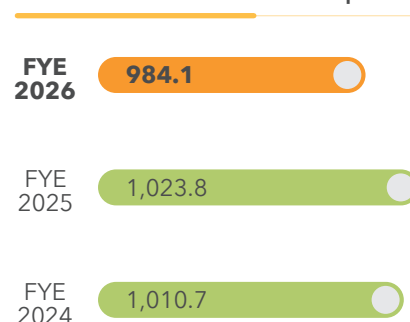
Waste Diverted from Disposal

Tracking waste diverted from disposal forms part of broader efforts to strengthen resource efficiency and promote responsible waste management across the workplace. Three-year trend below provides visibility into the effectiveness of the Group's recycling, reuse and collection initiatives while supporting improvement in waste reduction practices.

Waste Diverted from Disposal



Total Waste Diverted from Disposal



For FYE 2026, the total amount of waste diverted from disposal was lower as compared to previous financial year. The Group continues to identify opportunities to manage its waste to support resource efficiency objectives.

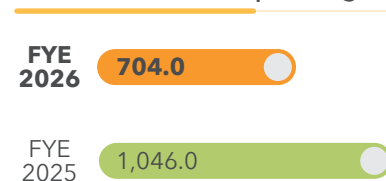
Waste Directed to Disposal

In FYE 2025, the Group began tracking waste directed to disposal to strengthen visibility over residual waste streams not currently diverted through recycling, reuse or collection channels.

This expanded tracking scope improves the Group's ability to assess overall waste management performance, establish a clearer baseline for disposal and identify opportunities to enhance diversion rates over time.

The waste directed to disposal was lower mainly due to the absence of one-off huge paper-related disposal volume carried out as part of housekeeping exercise in previous financial year.

Waste Directed to Disposal (kg)



SUSTAINABILITY STATEMENT



SUSTAINABILITY JOURNEY: ENVIRONMENT

Resource and Waste Management (Cont'd)

Other Initiatives

Beyond formal waste and resource management programmes, the Group promotes practical workplace initiatives that support responsible consumption, waste reduction and environmentally conscious behaviours. These initiatives embed sustainability into daily operations and encourage employees to extend eco-friendly practices beyond the workplace.

Key Workplace Initiatives

Recycling and Waste Reduction	Recycling systems for office supplies, equipment and furniture
Asset Reuse	Pre-loved office equipment and vehicles offered through internal bidding
Digitalisation	Electronic tools support paperless process
Reusable Practices	Encouraging reusable items to minimise single-use packaging
Employee Awareness	Education on eco-friendly practices at work and home
Energy Wellbeing	Encouraging regular movement, including brisk walking

Water Management

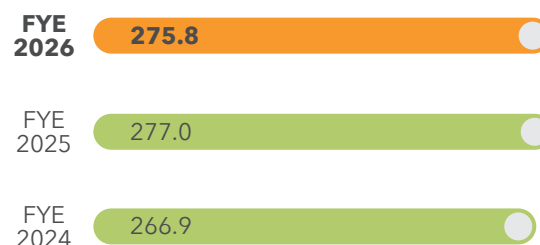
The Group operates outside water-stressed regions and do not require substantial water consumption.

Internal efforts continue to raise employee awareness on water conservation, encouraging mindful usage habits and efficient resource consumption.

For FYE 2026, total water consumption was slightly lower than previous financial year.

Water consumption per employee also improved to 1.2m³ (FYE 2025: 1.3m³), reflecting the impact of awareness efforts and responsible use practices.

Volume of Water Used (m³)



SUSTAINABILITY JOURNEY SOCIAL



SUSTAINABILITY JOURNEY: SOCIAL

Social sustainability shapes engagement with employees, communities and wider stakeholders. The Group fosters a workplace built on diversity, inclusion and mutual respect, recognising that an empowered workforce is essential for long-term performance and responsible business conduct.

Beyond the workplace, the Group advances social value creation through initiatives that promote education, financial literacy and community well-being. These are expected to contribute positively to local communities while strengthening stakeholder trust and shared value.

Ethics and Integrity

Ethics, transparency, accountability and integrity shape business conduct. A strict zero-tolerance stance applies to all forms of corruption and unethical conduct, including bribery, kickbacks, fraud, money laundering and facilitation payments, reinforcing trust across employees, business partners and wider stakeholders.

The Group communicates these principles through Code of Conduct ("COC"), which applies to employees, supply chain and relevant stakeholders. The COC sets out expectations covering compliance with applicable laws and regulations, Anti-Bribery and Corruption ("ABC") Policy, conflict of interest, anti-trust and fair competition, handling confidential information, insider trading, anti-money laundering and anti-terrorism financing.

Labour standards and related policies are communicated clearly to employees in English and, where necessary, Bahasa Malaysia, supporting full understanding and alignment with established principles.

The TRUST principles guide the Group's ABC Policy:

- (T)** Top-level commitment
- (R)** Risk assessment
- (U)** Undertake control measures
- (S)** Systematic review, monitoring and enforcement
- (T)** Training and communication

SUSTAINABILITY STATEMENT



SUSTAINABILITY JOURNEY: SOCIAL

Ethics and Integrity (Cont'd)

In line with Bursa Malaysia's MMLR, the Group reviews its ABC Policy every three years, completing its most recent review in FYE 2024.

All employees, including Sales Team, attend mandatory annual training to reinforce anti-corruption expectations. New hires, including interns, complete this training within first week of joining.

Training Modules



Prevention of
bribery and
improper payments



Detection and
reporting of
suspicious
transactions



Prevention of
financing unlawful
activities



Identification
and reporting of
unethical behaviour

Assessments are conducted following completion of training modules to confirm understanding.

A speak-up culture encourages employees to raise concerns without fear of retaliation, supporting an environment free from unethical practices. The Group's Whistleblowing Policy sets out further details.

Comprehensive anti-corruption due diligence covers existing and prospective business partners, including background checks, watchlist screening and assessments of past conduct to ensure alignment with established ethical standards and a zero-tolerance stance.



A speak-up culture encourages employees to raise concerns without fear of retaliation, supporting an environment free from unethical practices.



In FYE 2026, the Group recorded no cases of employee reprimand or dismissal for bribery or corruption-related violations, nor any fines, penalties or settlements.



SUSTAINABILITY JOURNEY: SOCIAL

Ethics and Integrity (Cont'd)

Mechanisms in Upholding Ethics and Integrity

The Group maintains multiple governance mechanisms to uphold ethics and integrity in its operations, workforce and supply chain. These mechanisms strengthen early detection, escalation, prevention and enforcement, while reinforcing the Group's zero-tolerance stance against misconduct, corruption and unethical behaviour.

Governance Area

Practices and Controls

Whistleblowing

Whistleblowing channels are available through the Group's hotline and corporate website of RCE to enable employees and members of the public to raise genuine concerns relating to actual or suspected wrongdoing, unethical conduct and misconduct, including corruption and bribery.

The Group adopts a strict non-retaliation approach. No employee will face adverse action for raising concerns, reporting, participating in or assisting with investigations relating to suspected breaches of the COC, Group's policies and procedures, applicable laws or regulations.

Reportable matters include:

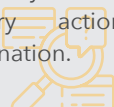
- 1 Misconduct such as fraud, corruption, bribery or blackmail;
- 2 Criminal offences;
- 3 Malpractices, including failure to comply with legal or regulatory obligations;
- 4 Miscarriage of justice;
- 5 Endangerment to an individual's health and safety;
- 6 Concealment of any of the above matters; and
- 7 Other unethical behavior.

All whistleblowing reports are:

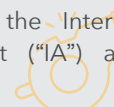
Treated with strict confidentiality.



Investigated and, where appropriate, may result in disciplinary action, including termination.



Reported to AC as the whistleblowing mechanism is administered by the Internal Audit Department ("IA") and overseen by AC.



Trained Departmental Heads address reports effectively, including matters relating to bullying, harassment and other integrity violations.

This mechanism supports the prevention, deterrence and early detection of fraud and misconduct, enabling timely intervention and reducing potential losses. The Group reviews this Whistleblowing Policy every three years or earlier where necessary.

SUSTAINABILITY STATEMENT



SUSTAINABILITY JOURNEY: SOCIAL

Ethics and Integrity (Cont'd)

Mechanisms in Upholding Ethics and Integrity (Cont'd)

Governance Area	Practices and Controls
Policies and Guidelines on Contributions	The Group supports education through study grants and undertakes broader community welfare initiatives as part of its charitable contributions and sponsorships in accordance with ethical standards and applicable laws and regulations. Political donations and sponsorships are strictly prohibited unless expressly permitted by law and approved by the Board. The Group performs due diligence on recipients of contributions and sponsorships as part of its governance controls. In FYE 2026, the Group made no political contributions.
Risk Assessment	Corruption risks, including bribery, form an essential part of the Group's risk assessment process to support effective mitigation strategies and targeted deployment of control resources. All supply chain counterparties undergo assessment under Bribery and Corruption Risk Assessment ("BCRA") before engagement. The Group requires its supply chain to comply with standard anti-corruption and anti-bribery requirements.
Employee Handbook and COC	Employee Handbook and COC provide practical guidance to employees in making ethical decisions, particularly in areas relating to ethics, integrity and confidentiality. The Employee Handbook is communicated to all employees and is accessible through the Group's intranet. Employees are also required to sign an annual declaration of undertaking to confirm compliance with applicable laws, regulations, risk management requirements and internal control standards, including but not limited to: 1 Bursa Malaysia's MMLR 2 Anti-Money Laundering, Anti-Terrorism Financing, Anti-Restricted Activity Financing and Proceeds of Unlawful Activities Act 2001 3 Malaysian Anti-Corruption Commission Act 2009 4 PDPA 5 COC, including confidentiality, risk management and internal control requirements The COC is available through both the Group's intranet and corporate website.



SUSTAINABILITY JOURNEY: SOCIAL

Ethics and Integrity (Cont'd)

Sustainable Environmental and Social Supply Chain

The Group integrates environmental, social and governance expectations into the management of its supply chain ecosystem, recognising that responsible conduct across vendors, suppliers, contractors and Sales Team underpins trust, resilience and ethical business standards.

Clear expectations for environmental and social responsibilities guide supply chain partners, supported by due diligence and credit assessments conducted prior to onboarding. These assessments cover directors' backgrounds, financial performance and historical track records through the BCRA framework.

The BCRA process categorises supply chain partners as low, medium or high risk with assessment frequency calibrated to the assigned risk level. Higher-risk counterparties undergo more frequent review and closer monitoring.

Identified non-compliance may result in disciplinary action, including warning letters, disqualification from incentive programmes or termination of appointment.

Governance

Embed social supply chain requirements into contractual terms, including compliance with employment laws, professional conduct standards, recognised certifications and workplace health and safety requirements.

Communication and Training

Support supply chain partners through capacity building and sharing of relevant best practices.

Risk Assessment

Assess new and existing major supply chain partners through due diligence and social risk assessments, including informal, formal and physical inspection or audits where required.

Monitoring

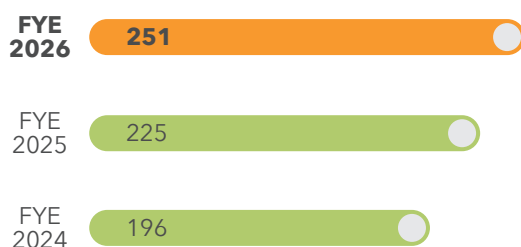
Monitor vendors and subcontractors on an ongoing basis to ensure compliance and identify potential risks.

Supply Chain Compliance Performance

The Group monitored a total of 251 vendors in FYE 2026 as part of its ongoing vendor due diligence process.

During the financial year, no instances of non-compliance were identified and no vendors were terminated in relation to bribery or corruption-related matters.

Numbers of Vendors Monitored



The BCRA process categorises supply chain partners as low, medium or high risk with assessment frequency calibrated to the assigned risk level. Higher-risk counterparties undergo more frequent review and closer monitoring.



SUSTAINABILITY STATEMENT



SUSTAINABILITY JOURNEY: SOCIAL

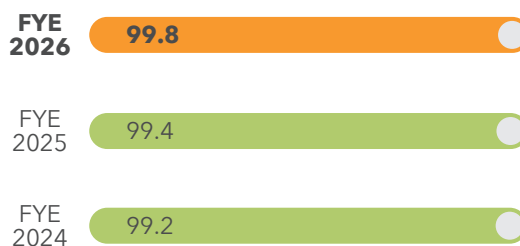
Ethics and Integrity (Cont'd)

Commitment to Local Sourcing

Local sourcing remains an important part of the Group's supply chain approach. The Group maintains a relatively high proportion of spending on local suppliers, supporting local businesses, economic growth and employment opportunities within the communities where it operates.

Working with nearby supply chain partners also improves responsiveness and operational efficiency while reducing transportation distances and associated environmental impact. This collaboration strengthens community ties and supports more resilient day-to-day operations.

Proportion of Spending on Local Suppliers (%)



Upholding Labour and Human Rights

The Group remains committed to upholding labour and human rights across its workforce. The Group adheres to Malaysia's labour laws and aligns its practices with recognised international human rights standards, including United Nations Guiding Principles on Business and Human Rights and International Bill of Human Rights.

Updates are shared through internal email and intranet to keep employees informed of relevant initiatives and expectations, supporting continued compliance with labour and human rights standards.

Scope

Equality and Non-Discrimination

Our Commitment

Maintain an inclusive workplace where all employees are treated fairly and with respect.

What We Do

- Based employment decisions on merit, qualifications, performance and experience
- Do not tolerate discrimination across race, nationality, religion, gender, age and disability
- Foster an inclusive workplace where all races and nationalities are welcomed, with festive occasions and national days celebrated together
- Provide prayer rooms to support religious practices
- Provide a breastfeeding room for nursing mothers
- Ensure equal access to training, promotions and appraisals regardless of age
- Consider individuals with disabilities or special needs fairly in hiring, with appropriate support to maintain an inclusive workplace



SUSTAINABILITY JOURNEY: SOCIAL

Ethics and Integrity (Cont'd)

Upholding Labour and Human Rights (Cont'd)

Scope	Our Commitment	What We Do
Fair Employment Conditions	Fair employment practices that comply with all applicable legal and regulatory requirements.	➤ Comply with laws and regulations relating to working hours, overtime, holidays, leave entitlements, minimum wages and statutory benefits ➤ Observe local working hour requirements and discourage excessive overtime ➤ Undertake overtime only when necessary during peak periods ➤ Uphold the principle of equal pay for equal work ➤ Provide compensation aligned with prevailing industry standards ➤ Ensure salaries meet or exceed minimum wage requirements
Safe and Healthy Workplace	Provide a workplace that protects employee safety, health and well-being	➤ Maintain a safe and healthy work environment that protects against workplace risks and hazards ➤ Promote work-life integration to support employee well-being ➤ Maintain zero tolerance for physical abuse, bullying and threats
Prohibition of Harassment	Maintain a respectful workplace free from all forms of harassment	➤ Maintain policies and reporting channels to prevent verbal, physical, emotional, sexual and other forms of harassment
Freedom of Association and Collective Bargaining	Respect employees' rights to representation and collective dialogue	➤ Respect employees' rights to freely associate and participate in collective bargaining in full compliance with applicable laws and regulations
Prohibition of Forced Labour, Human Trafficking or Child Labour	Maintain a zero-tolerance policy for exploitative labour practices	➤ Observe minimum age laws ➤ Prohibit slavery, forced labour, human trafficking and child labour
Privacy and Data Protection	Protect employee and stakeholders' personal data	➤ Protect the integrity of personal data in full compliance with applicable laws and regulations



The Group recorded no incidents, fines or cases relating to discrimination based on ethnicity, gender or religious belief in FYE 2026.

SUSTAINABILITY STATEMENT



SUSTAINABILITY JOURNEY: SOCIAL

Ethics and Integrity (Cont'd)

Local Talent Empowerment and Workforce Development

Empowering and nurturing local talent form part of the Group's commitment to inclusive workforce growth and long-term human capital development. This approach focuses on providing fair access to employment opportunities, strengthening local employability and supporting the development of future-ready capabilities.

Key initiatives undertaken include:

Area	Approach
Equal Opportunity for Local Talent	Recruitment and selection processes ensure fairness and non-discrimination, providing equal opportunities to all candidates. Employment opportunities are extended to Malaysians from diverse backgrounds, including vulnerable groups such as women, individuals without tertiary education and those from lower-income segments.
Internship and Youth Development	Internship opportunities engage driven undergraduates, supporting skill development while strengthening future talent and leadership pipelines.
Targeted Local Advertising	Recruitment outreach leverages on online job portals, corporate careers page (https://www.rce.com.my/careers.php), recruitment agencies and LinkedIn to enhance access to local candidates.
Skill-Based Hiring with Preference for Local Talent	Hiring decisions prioritise skills and experience required for each role, while giving preference to local talent to support community employment opportunities.
Participation in Government Hiring Initiatives	Participation in government-led programmes such as Daya Kerjaya expands job placement opportunities across targeted groups. As at 31 March 2026, the Group has one employee recruited under this initiative.



SUSTAINABILITY JOURNEY: SOCIAL

Ethics and Integrity (Cont'd)

Our Commitment to a Harassment-free Workplace

The Group maintains zero tolerance for all forms of sexual harassment, recognising such behaviour as a form of discrimination that violates individual dignity. This commitment ensures that every employee is treated with dignity and respect within a safe, healthy and supportive work environment.

The Sexual Harassment Policy reinforces this commitment by protecting employees from unwelcome advances and establishing a fair and impartial process for handling reported incidents. The policy is accessible through the Group's corporate website and intranet. Employees are regularly reminded of their rights and related requirements.



The Group maintains zero tolerance for all forms of sexual harassment, recognising such behaviour as a form of discrimination that violates individual dignity.

Displaying sexual harassment awareness notices across the workplace raises awareness and strengthens reporting confidence. Employees are encouraged to raise concerns with Human Resource Unit or their immediate superior, while trained Departmental Heads respond promptly and appropriately to complaints. New joiners receive onboarding briefings on respectful workplace expectations, reporting channels and available support mechanisms.

During the financial year, all employees were required to attend anti-sexual harassment trainings as part of the Group's effort to maintain a safe, respectful and inclusive workplace free from harassment, discrimination and inappropriate conduct.



■ Employees Attended Anti-Sexual Harassment Trainings

In FYE 2026, there were two incidents of alleged sexual harassment reported and resolved after investigation by Human Resource Unit.

Grievance Mechanism for Labour Standards Breach

The Group takes breaches of labour standards seriously and addresses them through a structured grievance and remediation process to ensure timely resolution and continuous compliance.

Upon identifying potential non-compliance, thorough investigations to assess the matter, document findings and determine appropriate corrective actions with subject matter experts consulted where necessary to support objective assessment and effective resolution.

Monitoring of developments in labour standards keeps relevant Departmental Heads informed, enabling timely improvements where corrective measures are required.

In FYE 2026, the Group recorded no instances of non-compliance with labour standards.

SUSTAINABILITY STATEMENT



SUSTAINABILITY JOURNEY: SOCIAL

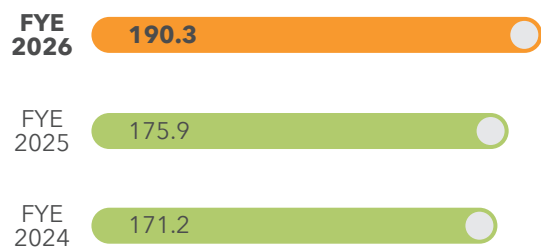
Talent Management

Empowering and nurturing local talent form part of the Group's commitment to inclusive workforce growth and long-term human capital development. This approach focuses on providing fair access to employment opportunities, strengthening local employability and supporting the development of future-ready capabilities.

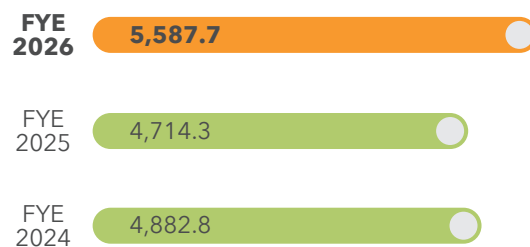
Key initiatives undertaken include:

Area	Approach
Talent Management	→ A structured talent management framework supports recruitment, development and retention through training and career advancement programmes.
Training and Career Advancement	→ Offer a wide range of training opportunities to align employees with industry developments and support career progression. → Implement onboarding programmes to equip new joiners with an understanding of core values and operational procedures for seamless integration. → Provide on-the-job training to build practical experience and enhance role effectiveness. → Promote a culture of lifelong learning, encouraging employees to upgrade their skills and adapt to evolving market trends continuously.
Training Participation	→ Employees participated in a wide range of training programmes, which include but not limited to: ▶ Leadership development sessions focused on 7 Habits of Highly Effective People ▶ Regulatory, legal and technical knowledge sessions, anti-corruption related training; and ▶ Soft skills and specialised knowledge sessions covering effective communication, critical thinking and emotional intelligence.

Investment in Employee Training (RM'000)



Total Training Hours

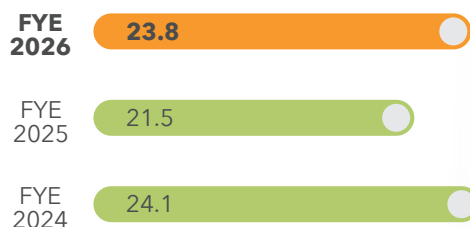




SUSTAINABILITY JOURNEY: SOCIAL

Talent Management (Cont'd)

Average Training Hours Per Employee

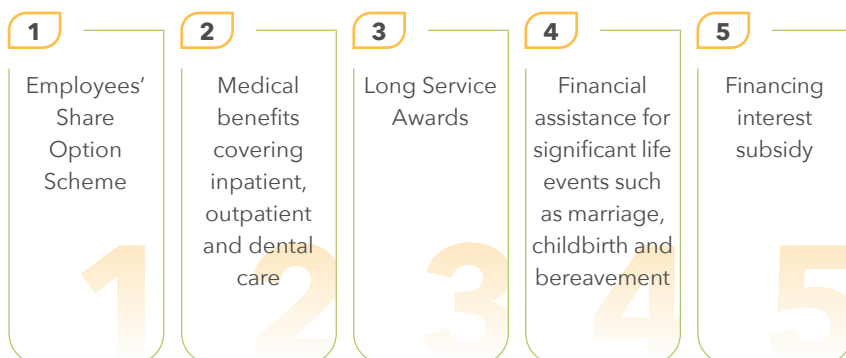


Investment in employees training increased in FYE 2026 mainly due to higher number of employees involved in targeted capability-building initiatives. These trainings support employees' awareness and readiness in areas such as leadership, regulatory compliance, sustainability, cybersecurity and wellness programmes.

Retaining Talent

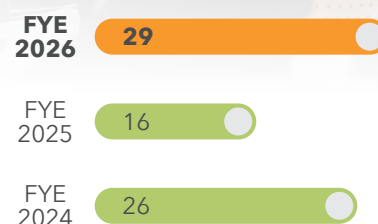
The Group provides a remuneration package that attracts, motivates and retains talent, comprising a basic salary structure complemented by performance-based rewards, which it reviews regularly to recognise and incentivise high performers.

Responsiveness to evolving workforce needs is maintained while complying with the Minimum Wage Order 2024 and, where possible, exceeding its requirements to support fair and equitable pay. Salary structures are benchmarked against industry standards to maintain market competitiveness. Additional benefits include:

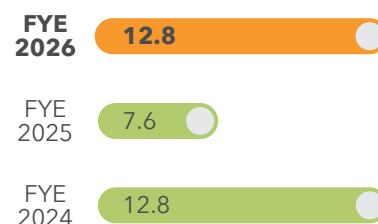


Recognition, rewards and career progression are provided on an equal opportunity basis, taking into account job experience, qualifications and performance.

Total Number of Turnover



Overall Turnover Rate (%)



The increase in employee turnover in FYE 2026 was mainly attributable to various factors, including competitive job market conditions, evolving employee expectations and personal circumstances.

SUSTAINABILITY STATEMENT



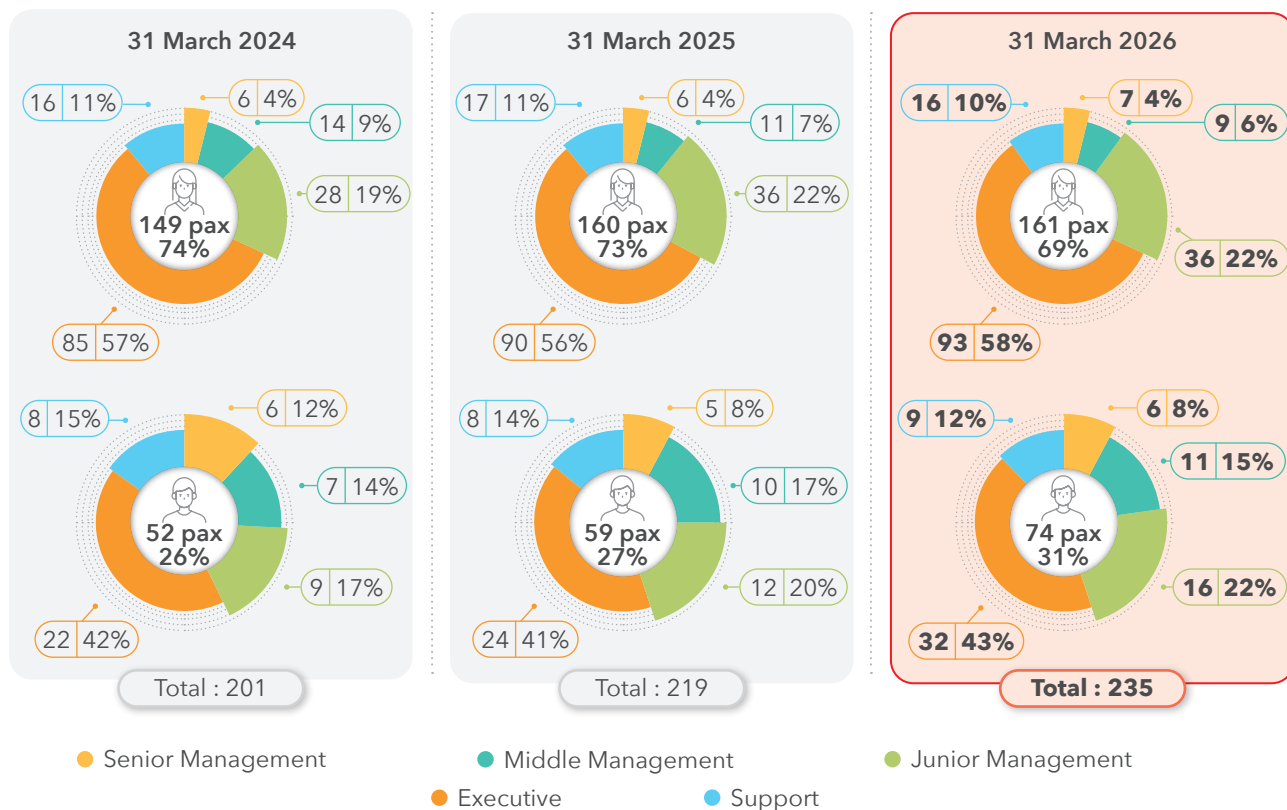
SUSTAINABILITY JOURNEY: SOCIAL

Workforce Diversity and Inclusivity

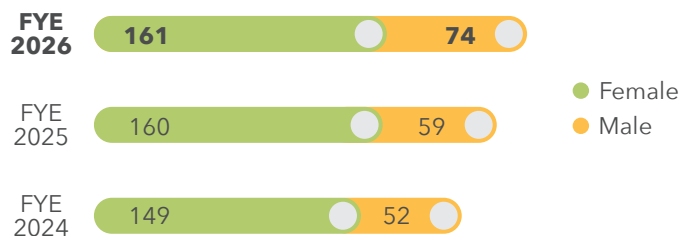
The Group is committed to maintaining an inclusive workforce and providing equal career opportunities regardless of race, religion, gender, age, disability status or nationality. Recruitment, development and progression continue to be guided by merit, capability and equal access to opportunities.

As at 31 March 2026, the Group employed 235 permanent Malaysian employees. The following chart presents the workforce composition by gender and age across each employee category.

Workforce Diversity and Inclusivity (By Gender)



Total Workforce Diversity and Inclusivity (pax)



The Group is committed to maintaining an inclusive workforce and providing equal career opportunities regardless of race, religion, gender, age, disability status or nationality. Recruitment, development and progression continue to be guided by merit, capability and equal access to opportunities.

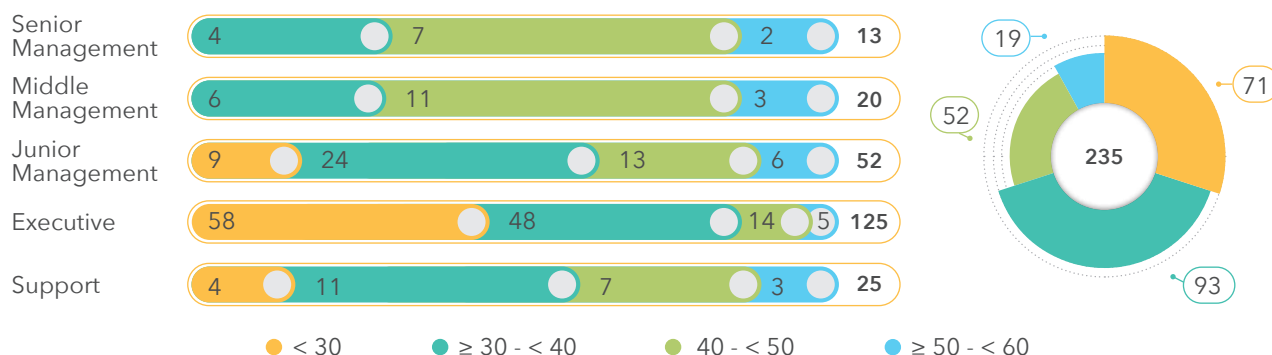




SUSTAINABILITY JOURNEY: SOCIAL

Workforce Diversity and Inclusivity (Cont'd)

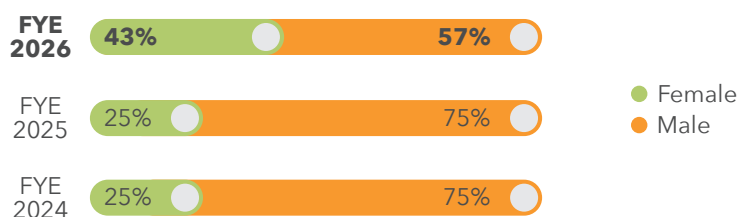
Workforce Diversity and Inclusivity (By Age Group)



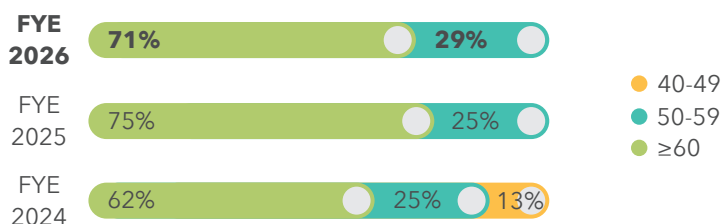
Our workforce remains predominantly female, reflecting the nature of the Group's business requirements. The current age profile, with higher representation in 30 to 40 age group, supports succession planning, leadership continuity and youth development.

In FYE 2022, the Group formalised its Gender Diversity Policy, targeting a minimum of 30.0% female representation on the Board with all appointments made on merit. The Board composition by gender and age over the past three years are as follows:

Board by Gender



Board by Age Group

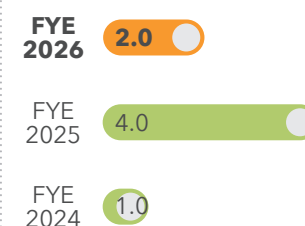


As at 31 March 2026, the female representation on the Board exceeded 30.0%, reflecting the Group's commitment to diversify and inclusive governance.

Workforce inclusion strengthens through the hiring and retention of employees with special needs. As at 31 March 2026, one employee with special need is part of the workforce, representing 0.4% of total employees. Assigned roles align with their capabilities and support needs.

In FYE 2026, the Group also employed 5 contract employees, representing 2.0% of the total workforce.

Number of Contract Employee Over Total Workforce (%)



SUSTAINABILITY STATEMENT



SUSTAINABILITY JOURNEY: SOCIAL

Occupational Safety and Well-being

Safeguarding employee safety, health and overall well-being remains a core priority. The Group upholds occupational safety and health requirements while advancing initiatives that support both physical and mental well-being, reinforcing a safe, healthy and productive workplace.

Safety and Health Governance

The Group's Safety, Health and Emergency Response Team ("SHER") develops and implements workplace safety and health rules and safe systems of work to eliminate workplace hazards. SHER leads employees during emergencies and shares regular safety and health awareness updates.

Quarterly safety inspections ensure safety equipment remains in good working condition and ready for use during emergencies.

During the financial year, the following safety related trainings were attended by our employees:

Safety Related Training

- 1 First Aid
- 2 Workplace Safety for Employees
- 3 Driving Seminar

Total Employees Trained on Health and Safety Standards (Number)

FYE 2026 26

FYE 2025 36

FYE 2024 33

Occupational Incident (Number)

FYE 2026 : Nil

FYE 2025 : Nil
FYE 2024 : Nil

Lost Time Incident Rate

FYE 2026 : Nil

FYE 2025 : Nil
FYE 2024 : Nil

In FYE 2026, no occupational incidents were reported, resulting in a zero lost time incident rate and marking the sixth consecutive year with zero reported injury cases.

Wellness Initiatives

The Group's Wellness Team and Human Resource and Administration Department lead initiatives to promote both physical and mental well-being across the workplace.

The activities included:

- 1 Annual health screening programmes - to encourage employees to take a proactive approach to their health and overall wellness.



■ Annual Health Screening Programmes

- 2 Activ@Work Challenge - which incorporates physical activity into employees' daily routines to achieve step targets. The Group won third place in Emerald Category, awarded by Pertubuhan Keselamatan Sosial.



■ Activ@Work Challenge Third Place Certificate

- 3 KL Car-Free Morning participation - promotes healthier and more active lifestyle among employees.



■ KL Car-Free Morning Participation



SUSTAINABILITY JOURNEY: SOCIAL

Occupational Safety and Well-being (Cont'd)

- 4** **Terrarium workshops** - allow employees to reconnect with nature and foster balance in digital work environment and distracting world.



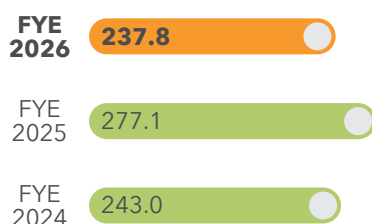
■ Terrarium Workshop

Community Investment

The Group focuses its community investment on education, healthcare and social support, recognising that stronger communities contribute to long-term social resilience and a more stable environment for economic growth. These efforts reinforce the Group's commitment to financial inclusion and broader social well-being.

In FYE 2026, the Group contributed RM237.8k to community initiatives, supporting students, the public and hospitals, reaching out to 370 beneficiaries.

Investment to External Community (RM'000)



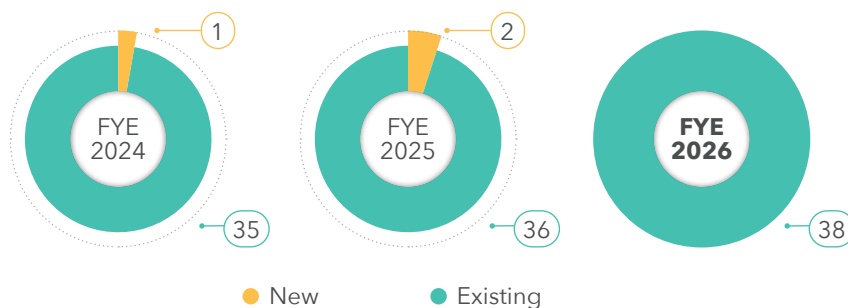
Education



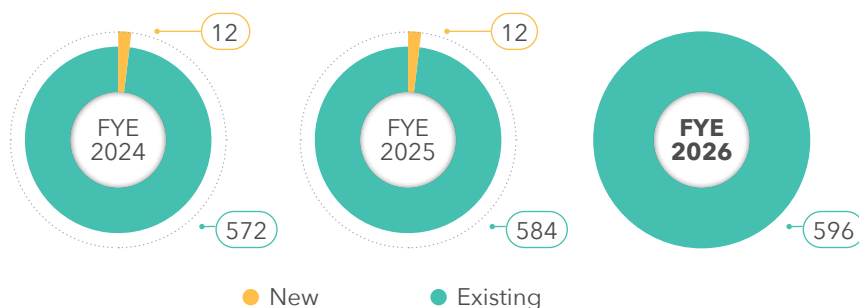
The Group channels part of its education support through Yayasan Azman Hashim ("YAH"), founded by Tan Sri Azman Hashim, Chairman of RCE's intermediate holding company, Amcorp Group Berhad.

Established on 5 January 1991, YAH focuses on uplifting underprivileged youth, particularly those from marginalised backgrounds or without access to formal education. The Group supports this mission by helping expand access to quality education, break the cycle of poverty and enable individuals to realise their full potential.

Accumulated Number of Study Grants Awarded (Pax)



Accumulated Study Grants Awarded (RM'000)



While no study grant was awarded during FYE 2026, the Group remains committed to supporting education related initiatives and will continue to assess suitability of candidates.

SUSTAINABILITY STATEMENT



SUSTAINABILITY JOURNEY: SOCIAL

Community Welfare Activities

Community welfare initiatives include donations, sponsorships, partnerships and collaborations that uplift those in need and contribute to broader economic and social development.

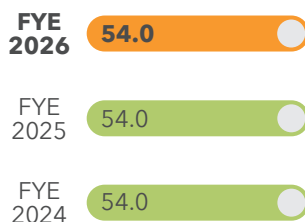
Donation to Women's Aid Organisation ("WAO")

A key long-term initiative is support for WAO, a Malaysian non-governmental, non-profit organisation founded in 1982 that advocates for women's rights, combats violence against women and promotes gender equality. WAO operates a 24-hour hotline, a shelter for survivors of domestic violence, counselling services, legal aid and advocacy programmes. WAO received first-phase certification under the Core Humanitarian Standard on Quality and Accountability in September 2019.

Support for WAO has started since August 2019. In FYE 2026, RM54,000 was contributed to fund WAO's pro bono counselling and therapy sessions. Funding from the Group supports licensed mental health services and counselling for women and child survivors of domestic violence, including medication where required, alongside peer support groups that aid recovery for child survivors.



Women's Aid Organisation Donation (RM'000)



Supply of Medical Equipment to Hospital

The Group supports public healthcare by supplying hospitals in Malaysia with essential medical equipment. These contributions strengthen the healthcare system's capacity to manage increasing patient loads and ensure the availability of vital tools for effective treatment and care.

In FYE 2026, the Group donated RM182.2k to hospitals in Malaysia.

Donation to Hospitals (RM'000)



In FYE 2026, RM54,000 was contributed to fund WAO's pro bono counselling and therapy sessions.



In FYE 2026, the Group donated RM182.2k to hospitals in Malaysia.



CENTRALISED SUSTAINABILITY INTELLIGENCE PLATFORM

Date & Time: 2026-07-23_16:03:53
Main Market | Group 1 | FYE 31/03/2026

RCE CAPITAL BHD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Senior Management	Percentage	100.00	100.00	—	Internal
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Middle Management	Percentage	100.00	100.00	—	Internal
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Junior Management	Percentage	100.00	100.00	—	Internal
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage	96.52	100.00	—	Internal
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Support	Percentage	100.00	100.00	—	Internal
Anti-corruption	Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	—	Internal
Anti-corruption	Confirmed incidents of corruption and action taken	Number	0	0	—	Internal
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	277090.00	237780.00	—	Internal

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CENTRALISED SUSTAINABILITY INTELLIGENCE PLATFORM

RCE CAPITAL BHD BMLR Transition Period

Date & Time: 2026-07-23_16:03:53
Main Market | Group 1 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Community/Society	Total number of beneficiaries of the investment in communities	Number	418	370	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Senior Management more than or equal to 60	Percentage	0.00	0.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Senior Management more than or equal to 50 to less than 60	Percentage	18.20	15.40	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Senior Management more than or equal to 40 to less than 50	Percentage	54.50	53.80	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Senior Management more than or equal to 30 to less than 40	Percentage	2730	30.80	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Senior Management less than 30	Percentage	0.00	0.00	—	Internal

RCE CAPITAL BHD
BMLR Transition Period

Date & Time: 2026-07-23_16:03:53
Main Market | Group 1 | 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) - Middle Management more than or equal to 60	Percentage	0.00	0.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Middle Management more than or equal to 50 to less than 60	Percentage	14.30	15.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Middle Management more than or equal to 40 to less than 50	Percentage	61.90	55.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Middle Management more than or equal to 30 to less than 40	Percentage	23.80	30.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Middle Management less than 30	Percentage	0.00	0.00	—	Internal

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CENTRALISED SUSTAINABILITY INTELLIGENCE PLATFORM

RCE CAPITAL BHD BMLR Transition Period

Date & Time: 2026-07-23_16:03:53
Main Market | Group 1 | 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) - Junior Management more than or equal to 60	Percentage	0.00	0.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Junior Management more than or equal to 50 to less than 60	Percentage	12.50	11.50	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Junior Management more than or equal to 40 to less than 50	Percentage	22.90	25.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Junior Management more than or equal to 30 to less than 40	Percentage	50.00	46.20	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Junior Management less than 30	Percentage	14.60	17.30	—	Internal

RCE CAPITAL BHD

BMLR Transition Period

Date & Time: 2026-07-23_16:03:53
Main Market | Group 1 | 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) - Executive more than or equal to 60	Percentage	0.00	0.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Executive more than or equal to 50 to less than 60	Percentage	3.50	4.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Executive more than or equal to 40 to less than 50	Percentage	10.50	11.20	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Executive more than or equal to 30 to less than 40	Percentage	40.40	38.40	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Executive less than 30	Percentage	45.60	46.40	—	Internal

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CENTRALISED SUSTAINABILITY INTELLIGENCE PLATFORM

RCE CAPITAL BHD BMLR Transition Period

Date & Time: 2026-07-23_16:03:53
Main Market | Group 1 | 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) - Support more than or equal to 60	Percentage	0.00	0.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Support more than or equal to 50 to less than 60	Percentage	4.00	12.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Support more than or equal to 40 to less than 50	Percentage	32.00	28.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Support more than or equal to 30 to less than 40	Percentage	40.00	44.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category) - Support less than 30	Percentage	24.00	16.00	—	Internal

RCE CAPITAL BHD

BMLR Transition Period

Date & Time: 2026-07-23_16:03:53
Main Market | Group 1 | 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 Gender Group by Employee Category - Senior Management Female	Percentage	55.00	54.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Senior Management Male	Percentage	45.00	46.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Middle Management Female	Percentage	52.00	45.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Middle Management Male	Percentage	48.00	55.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Junior Management Female	Percentage	75.00	69.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Junior Management Male	Percentage	25.00	31.00	—	Internal

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CENTRALISED SUSTAINABILITY INTELLIGENCE PLATFORM

RCE CAPITAL BHD BMLR Transition Period

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Main Market | Group 1 | 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 Gender Group by Employee Category - Executive Female	Percentage	79.00	74.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Executive Male	Percentage	21.00	26.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Support Female	Percentage	68.00	64.00	—	Internal
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Support Male	Percentage	32.00	36.00	—	Internal
Diversity	Percentage of directors by gender and age group - Female	Percentage	25.00	42.90	—	Internal
Diversity	Percentage of directors by gender and age group - Male	Percentage	75.00	57.00	—	Internal
Diversity	Percentage of directors by gender and age group - more than or equal to 60	Percentage	75.00	71.40	—	Internal
Diversity	Percentage of directors by gender and age group - between 50 to 59	Percentage	25.00	28.60	—	Internal

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RCE CAPITAL BHD

BMLR Transition Period

Date & Time: 2026-07-23_16:03:53
Main Market | Group 1 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Percentage of directors by gender and age group - between 40 to 49	Percentage	0.00	0.00	—	Internal
Energy management	Total energy consumption	Megawatt	37111	356.77	—	Internal
Health and safety	Number of work-related fatalities	Number	0	0	—	Internal
Health and safety	Lost time incident rate ("LTIR")	Rate	0.00	0.00	—	Internal
Health and safety	Number of employees trained on health and safety standards	Number	36	26	—	Internal
Labour practices and standards	Total hours of training by employee category - Senior Management	Hours	341	449	—	Internal
Labour practices and standards	Total hours of training by employee category - Middle Management	Hours	579	514	—	Internal
Labour practices and standards	Total hours of training by employee category - Junior Management	Hours	1287	1664	—	Internal
Labour practices and standards	Total hours of training by employee category - Executive	Hours	2195	2659	—	Internal
Labour practices and standards	Total hours of training by employee category - Support	Hours	312	302	—	Internal
Labour practices and standards	Percentage of employees that are contractors or temporary staff	Percentage	4.00	2.00	—	Internal
Labour practices and standards	Total number of employee turnover by employee category - Senior management	Number	2	1	—	Internal

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CENTRALISED SUSTAINABILITY INTELLIGENCE PLATFORM

RCE CAPITAL BHD BMLR Transition Period

Date & Time: 2026-07-23_16:03:53
Main Market | Group 1 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Labour practices and standards	Total number of employee turnover by employee category - Middle management	Number	4	3	—	Internal
Labour practices and standards	Total number of employee turnover by employee category - Junior management	Number	3	8	—	Internal
Labour practices and standards	Total number of employee turnover by employee category - Executive	Number	7	16	—	Internal
Labour practices and standards	Total number of employee turnover by employee category - Support	Number	0	1	—	Internal
Labour practices and standards	Number of substantiated complaints concerning human rights violations	Number	0	2	—	Internal
Supply chain management	Proportion of spending on local suppliers	Percentage	99.40	99.80	—	Internal
Data privacy and security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	—	Internal
Water	Total volume of water used	Megalitres	0.27252	0.27563	—	Internal
Waste management	Total waste generated	Kilogram	2,069.80	1,688.10	—	Internal
Waste management	Total waste diverted from disposal	Kilogram	1,023.80	984.10	—	Internal
Waste management	Total waste directed to disposal	Kilogram	1,046.00	704.00	—	Internal

RCE CAPITAL BHD
BMLR Transition Period

Date & Time: 2026-07-23_16:03:53
Main Market | Group 1 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Emissions management	Scope 1 emissions	tCO2eq	2810	24.80	—	Internal
Emissions management	Scope 2 emissions	tCO2eq	18610	185.40	—	Internal
Emissions management	Scope 3 emissions (for business travel and employee commuting categories)	tCO2eq	368.98	425.76	—	Internal

CENTRALISED SUSTAINABILITY INTELLIGENCE PLATFORM

RCE CAPITAL BHD IFRS S2

Date & Time: 2026-07-23_16:03:53
Main Market | Group 1 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Climate	Scope 1	tCO ₂ eq	2810	24.80	* Reduce emissions by 50% by 2030. Net Zero by 2050.	Internal
Footnote Target	Updated sustainability targets.					
Climate	Scope 2 (location-based)	tCO ₂ eq	18610	185.40	* Reduce emissions by 50% by 2030. Net Zero by 2050.	Internal
Footnote Target	Updated sustainability targets.					
Climate	Total Scope 3	tCO ₂ eq	368.98	425.76	* Reduce emissions by 50% by 2030. Net Zero by 2050.	Internal
Footnote Target	Updated sustainability targets.					
Climate	Scope 3 - Category 6: Business Travel	tCO ₂ eq	2.06	1.86	—	Internal
Climate	Scope 3 - Category 7: Employee Commuting	tCO ₂ eq	366.92	423.90	—	Internal

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STATEMENT OF ASSURANCE

To strengthen the credibility of the Statement, the Performance Data Table for FYE 2026 accompanying this Statement from page 105 to 116, has been subject to an internal review by RCE's IA.

The review concluded that the controls for preparing the data in the Performance Data Table are generally adequate, appropriate and effective. The IA report has been reviewed by AC.

VALUE CREATION MODEL

The Group's value creation model is prepared in accordance with International Integrated Reporting Framework, illustrating how key capitals are deployed through strategic priorities and business activities to generate sustainable outcomes and value for stakeholders.

The Group delivers quality financial services while sustaining leadership in its core financing offerings. High-calibre talent is attracted, retained and motivated to support performance, operating controls, disciplined capital management and robust liquidity positions. These elements collectively strengthen resilience and financial stability, enabling delivery of sustainable returns.

Anchored by this mission, the Group creates value by deploying its capitals through methodical execution of its strategic pillars, balancing growth opportunities with effective management of material risks within its defined risk appetite. These value drivers are structured across key capitals, strategic pillars and material matters, forming the basis of the Group's value creation model.

The Group maximises shareholder value through earnings sustainability, orderly capital allocation and consistent dividends, while building "Customers for Life" through

responsible financing and long-term relationships. The Group builds brand presence within approved channels and drives value through digitalisation, operational efficiency, data analytics and system capabilities. This approach reinforces good business practices through governance, regulatory compliance and continued trust of stakeholders.

The Group leverages on a business model that delivers recurring income and predictable cash flows, alongside credit scoring models and system enhancements to improve operational efficiency and maintain portfolio quality. Solid institutional relationships and regulatory compliance further strengthen resilience. Together, these activities drive stable earnings, better cost management and stakeholder confidence, enhancing the Group's financial position and operational capability. Thus, reinforcing trust among customers, funding partners, regulators and shareholders.

Clear financial targets are set to guide performance, drive disciplined capital deployment and align growth with shareholder value.

In creating value, the Group considers material matters that may influence business sustainability. While its environmental footprint remains limited, the Group continues to monitor climate-related developments and improve resource efficiency across its operations.

The Group integrates strategy, risk management and performance discipline to create value across time horizons, delivering earnings stability in the short-term, operational and funding optimisation in the medium-term and sustained profitability, capital strength and stakeholder trust in the long-term.



The Group creates value by deploying its capitals through methodical execution of its strategic pillars, balancing growth opportunities with effective management of material risks within its defined risk appetite.



VALUE CREATION MODEL

CAPITAL

INPUT

Financial FC

Available financial resources to sustain operations and future growth

As at 31 March 2026:

- Total equity: RM870.7 million
- Total financing liabilities: RM2.04 billion
- Market capitalisation: RM1.54 billion

Manufactured MC

Digital infrastructure that supports product and service delivery to customers

- Total investment in cyber security infrastructure and digitalisation: RM1.6 million

Intellectual IC

Proprietary innovation, industry know-how, brand reputation, strategic alliances and internal capabilities

- More than 20 years in civil servant financing
- Customer focus and speed-to-market execution
- Shariah-based financing
- Risk-based credit scoring model
- Robust compliance framework

Human HC

Competencies, capabilities and experience of our employees in driving overall strategies

- Over 200 employees
- Total investment in training: RM190.3k

Social and Relationship SC

Maintaining relationships with stakeholders

- Total investment to the external community: RM237.8k
- Prioritising local chain suppliers

Natural NC

Natural resource efficiency and environmental footprint management

- Total fuel consumption: 10,859.1 litres
- Total electricity consumption: 255,704.9 kWh
- Total water used: 275.8 m³
- Efforts to protect and conserve natural resources

STRATEGIC PILLAR

- Maximising shareholders' value
- "Customers for Life"
- Expanding brand presence
- Digitising for value
- Advocating sustainable business

Strategy

- Delivering sustainable returns
- Customer centricity
- Advancing economic, environmental, social and governance priorities
- Digital enablement

Financial Goal

- Dividend payout ranging 60% to 80%

MATERIALITY MATTERS M



Economic

- M1 Business sustainability
- M2 Responsible financing
- M3 Managing regulatory changes
- M4 Evolving digital trends
- M5 Customer trust and loyalty
- M6 Breach of privacy



Environment

- M7 Climate change
- M8 Resource and waste management



Social

- M9 Ethics and integrity
- M10 Talent management
- M11 Workforce diversity and inclusivity
- M12 Occupational safety and well-being
- M13 Education
- M14 Community welfare activities

BUSINESS MODEL

OUTCOME

VALUE

1

Customer acquisition through approved channels

2

Credit assessment and underwriting

3

Disbursement of financing

4

Payroll collection through authorised collection channels

5

Portfolio monitoring and recovery management

6

Funding optimisation

- Profit after tax: RM126.6 million (2025: RM105.5 million)
- Return on Average Equity: 14.8% (2025: 12.6%)
- Earnings per share: 8.62 (2025: 7.20) sen
- Dividend per share: 6.50 (2025: 6.50) sen

- Number of substantiated complaints concerning breaches of customer privacy and losses of customer data: Nil (2025: Nil)

- Shariah-compliant security for five consecutive years by Shariah Advisory Council of Securities Commission Malaysia
- Constituent of both FTSE4Good and FTSE4Good Shariah indices for seven and five consecutive years respectively
- "Best Securitisation Sukuk of the Year 2025" award by Asset Triple A Islamic Finance Awards 2025 on 27 August 2025
- "Best Islamic Finance Deal" award by FinanceAsia Achievement Awards 2025 on 4 March 2026
- "Excellence in Shariah-Compliant Personal Financing Solutions" award under the Signature Brand category by the BrandLaureate World Halal BestBrands Awards 2026 on 29 April 2026

- Workforce diversity: 69% female; 31% male (2025: 73% female; 27% male)
- Total number of turnover: 29 (2025: 16)
- Overall turnover rate: 12.8% (2025: 7.6%)
- Total training hours: 5,587.7 (2025: 4,714.3)
- 43% representation of women on the Board (2025: 25%)

- Total beneficiaries: 370 (2025: 418) pax
- Proportion of spending on local suppliers: 99.8% (2025: 99.4%)

- Scope 1 emissions: 24.8 (2025: 28.1) tCO₂eq
- Scope 2 emissions: 185.4 (2025: 186.1) tCO₂eq
- Scope 3 emissions: 425.76 (2025: 368.98) tCO₂eq
- Paper utilisation: 55.2 (2025: 64.1) kg
- Waste diverted from disposal: 984.1 (2025: 1,010.7) kg
- Waste directed to disposal: 704.0 (2025: 1,046.0) kg

SHORT-TERM

- ▶ Earnings generation
- ▶ Portfolio expansion
- ▶ Optimised funding costs

MEDIUM-TERM

- ▶ Cost discipline
- ▶ Enhanced digital capabilities
- ▶ Strengthen credit quality

LONG-TERM

- ▶ Sustainable earning capacity
- ▶ Resilient capital structure
- ▶ Stakeholders' trust
- ▶ Regulatory and business continuity

STAKEHOLDER ENGAGEMENT AND VALUE CREATION

The Group's ability to create and sustain value is closely linked to robust relationships with stakeholders across its financing ecosystem. Regular engagement with key stakeholder groups provides timely insights into their priorities, expectations and emerging concerns, enabling the Group to identify relevant risks

and opportunities that may affect business sustainability.

Integrating these insights into strategy-setting, governance oversight and risk-management processes ensures alignment between material matters, stakeholder priorities and the capital most critical to value creation. This integration

complements decision-making, capital preservation besides improving the Group's ability to deliver meaningful growth and stakeholder confidence.

Key stakeholder groups, their priorities and how the Group engages and responds are summarised as below:

Frequency of Engagement

A

Annually

Q

Quarterly

C

Continuous



BUSINESS PARTNERS

Capital

FC

MC

IC

Priorities and Areas of Interest	Material Matters	Potential Risks	Mitigation	Engagement Platform
- Joint venture opportunities in potential markets - Collaborative efforts in sustainable investment portfolios - Current and upcoming products - Expansion opportunities	M1 M2 M3 M4 M5 M6	- Misalignment of strategic goals - Financial or operational instability - Unethical or non-compliant conduct - Over-reliance on certain business partners - Missed expansion opportunities - Underperformance of a potential market	- Continuous engagement and monitoring of performance and financial health - Diversification of partner base - Scenario simulation and market studies - Align partnerships with strategic objectives	C - Code of Conduct - Formal and informal meetings - Training and briefings - Corporate website, Facebook and Instagram



INVESTORS AND ANALYSTS

Capital

FC

IC

SC

NC

Priorities and Areas of Interest	Material Matters	Potential Risks	Mitigation	Engagement Platform
- Comprehensive financial performance analysis - Exploration of business performance trends and forecasts - Evaluation of regulatory compliance measures - Asset quality and credit risk management	M1 M2 M3 M7 M8 M9 M11 M13 M14	- Inadequate disclosures - Governance and compliance risk - Market perception risk arising from negative sentiment unrelated to fundamentals - Credit risk - Share price volatility - Funding or liquidity risk - Reduced access to capital	- Enhanced reporting practices - Proactive communication during periods of uncertainty - Prudent disbursement approach and impairment policies - Highlight long-term value drivers and fundamentals - Consistent dividend payout guidance - Diversification of funding sources - Communicate long-term value drivers	A - Annual General Meetings - Financial statements Q - Corporate presentations - Investor relations briefings and roadshows - Interim financial reports C - Corporate website

Frequency of Engagement |

A Annually

Q Quarterly

C Continuous



FINANCIERS

Capital

FC

IC

Priorities and Areas of Interest	Material Matters	Potential Risks	Mitigation	Engagement Platform
- Asset quality and repayment capacity - Financing services diversification strategies - Future investment opportunities - Risk management strategies	M1 M2 M3	- Asset quality deterioration affecting cash flow - Macroeconomic instability - Breach of covenants - Over-reliance on limited financiers	- Active monitoring of assets, cash flow and cost of funds - Proactive compliance with covenants - Diversification of the funding base - Maintain stable cash flow and funding access	C - Code of Conduct - Formal and informal meetings - Financial statements



SALES TEAM

Capital

FC

MC

IC

Priorities and Areas of Interest	Material Matters	Potential Risks	Mitigation	Engagement Platform
- Tailored financial solutions - Market insights - Potential market and customers - Incentive packages - Training and system support	M1 M2 M3 M4 M5 M6	- Misalignment between sales target and risk appetite - Non-adherence to policies - Mis-selling of products or poor customer experience - Customer poaching risk	- Set quantitative and qualitative targets - Regular training on policies and products - Active monitoring of sales activity and customer experience - Attractive incentive programmes - Non-compete and customer privacy clauses in agreements - Align sales with risk and financing principles	C - Code of Conduct - Onboarding programmes - Formal and informal meetings - Product briefings - Training and development programmes - Regular dissemination of information memorandum

STAKEHOLDER ENGAGEMENT AND VALUE CREATION

Frequency of Engagement |

A Annually

Q Quarterly

C Continuous



EMPLOYEES

Capital

FC

IC

HC

SC

Priorities and Areas of Interest	Material Matters	Potential Risks	Mitigation	Engagement Platform
- Fair and competitive remuneration packages - Opportunities for professional development - A collaborative and supportive work culture - Emphasis on work-life integration, safety and overall well-being	M1 M9 M10 M11 M12	- Talent retention risk - Skill gap/capability risk - Health, safety and wellness risk	- Competitive remuneration and benefits aligned with market standards - Structured training and development programmes - Robust occupational health, safety, and wellness initiatives - Embed sustainability into performance expectations	C - Code of Conduct - Onboarding programmes - Policies and Procedures ("P&P") - Performance appraisals - Training and development opportunities - Holistic employee wellness initiatives: body, mind and soul



GOVERNMENT AND REGULATORS

Capital

FC

MC

IC

HC

SC

NC

Priorities and Areas of Interest	Material Matters	Potential Risks	Mitigation	Engagement Platform
- Adherence to applicable laws, regulations and industry standards - Responsible financing and protection of consumer credit rights - Strong governance, risk management and internal control - Stability and integrity with the financial system	M1 M2 M3 M4 M6 M7 M8 M9 M11 M12 M13 M14	- Significant penalties or business suspension due to breach of laws, regulations and requirements. - Reputational risk due to unethical practices	- Regular monitoring of regulatory updates and proactive compliance - Robust internal control and a dedicated compliance team to oversee adherence - Integrate sustainability into governance practices	C - Information disclosure and regulatory submissions - Corporate website and media channels - Training and compliance briefings

Frequency of Engagement

A Annually **Q** Quarterly **C** Continuous



CUSTOMERS

Capital

FC **MC** **IC**

Priorities and Areas of Interest	Material Matters	Potential Risks	Mitigation	Engagement Platform
- Prompt, reliable and competitive financing solutions - Ethical and responsible financing practices - Efficient application processing and responsive service - Data privacy and protection of consumer credit rights - Convenient digital channel and user-friendly application process - Accessible Shariah-compliant financing solutions	M1 M2 M4 M5 M6	- Negative customer experience due to poor service quality or mis-selling of products - Exposure to scams due to potential data leakage - Loss of customer loyalty due to low competitive products or a less user-friendly digital platform 	- Strengthen customer service support - Robust data protection and cybersecurity measures - Continuous simplification of digital platforms and offering a step-by-step guide 	C - Online customer service via social media, website, email and chatbot - Customer service hotline - In-person assistance at service counters



SUPPLIERS

Capital

FC **SC**

Priorities and Areas of Interest	Material Matters	Potential Risks	Mitigation	Engagement Platform
- Timely payment and clear commercial terms - Transparent communication - Long-term partnership opportunities that foster mutual growth - Fair and ethical procurement practices - Increased opportunities for local suppliers to drive economic inclusion	M1 M9	- Over-reliance on key suppliers - Ambiguous terms leading to disputes - Failure of suppliers to deliver quality goods or services 	- Diversification of suppliers - Robust procurement policies and transparent selection processes - Regular supplier performance review - Prioritisation of local suppliers during the procurement process - Ensure supply chain reliability 	C - Code of Conduct - Communication and transactions - Formal and informal meetings - Conduct of due diligence

STAKEHOLDER ENGAGEMENT AND VALUE CREATION

Frequency of Engagement |

A Annually

Q Quarterly

C Continuous



COMMUNITY

Capital

SC

NC

Priorities and Areas of Interest	Material Matters	Potential Risks	Mitigation	Engagement Platform
- Contributions to local economic development and financial inclusion by serving unserved and underserved communities - Responsible lending practices that do not exploit vulnerable groups - Corporate social responsibility - Environmental responsibility and sustainability efforts	M13 M14	- Reputational damage arising from poor business practices - Operational activities affecting the environment 	- Providing accessible financing solutions - Financial literacy initiatives to promote responsible financing - Environmental management practices to reduce operational footprint - Support financial inclusion and economic participation 	C - Community investments and contributions - Corporate social responsibility initiatives and partnerships

KEY RISKS AND MITIGATION IN VALUE CREATION

The Group's ability to create value depends on anticipating, assessing and responding to risks and opportunities across its financing activities, funding structure and operating environment. A good risk management approach safeguards capital strength, preserves earnings sustainability and supports resilience.

Given the nature of the Group's personal financing business, sustainability risk is less material from a direct environmental impact perspective, as operations remain primarily office-based and low in environmental intensity. Credit, liquidity, regulatory and operational risks are the most material drivers

of stakeholder value with integrated reporting focused on responsible financing, regulatory compliance and social impact.

The Group evaluates these key risks and implements targeted mitigation measures to protect portfolio quality, strengthen resilience and support sustainable growth.



CREDIT RISK

Credit risk refers to potential losses arising from customers' inability or unwillingness to repay financial obligations on time.

Impact

- Increase in allowance for impairment losses on receivables
- Profit/interest income volatility
- Higher funding cost due to risk premium

Mitigation

- Adopt a risk-based credit scoring model with periodic refinements, overseen by Credit Scoring Committee
- Regular review of portfolio to identify deteriorating credit quality and implement early intervention measures such as restructuring or increased oversight

Opportunities

- Customise products for customers with acceptable risk profiles, increasing market share
- Continuous monitoring can highlight profitable products for expansion while reducing low-performing exposures



LIQUIDITY RISK

Liquidity risk refers to risk that the Group is unable to meet its financial obligations as and when they fall due.

Impact

- Insufficient cash flows to meet financial obligations
- Limits the ability to secure funding at a reasonable cost, leading to increased profit/interest expense

Mitigation

- Funding from multiple sources i.e. banks and debt capital market
- Periodic cash flow projections
- Disciplined capital management and maintenance of an adequate liquidity buffer

Opportunities

- Effective liquidity and capital management allow cost of funds optimisation without taking excessive risk
- Robust liquidity strengthens trust among investors and rating agencies, potentially lowering funding cost

KEY RISKS AND MITIGATION IN VALUE CREATION



OPERATIONAL RISK

Operational risk refers to losses arising from inadequate or failed internal processes, people or systems.

Impact

- Financial loss from fraud, regulatory fines, legal action or system failures
- Loss of productivity or performance
- System/service disruption

Mitigation

- P&P to ensure proper internal controls
- Establishment of a Disciplinary Committee for Fraud/Task Force Investigation
- Three Lines of Defence model: Business Divisions, Compliance, Operations and Method Department and Internal Audit
- Maintain zero tolerance towards money laundering, bribery and corruption activities
- Establish clear procedures, including Business Continuity Plan ("BCP") to respond to operational disruption

Opportunities

- Robust policies, procedures and internal controls can minimise repetitive errors and operational inefficiencies
- Continuous process improvement helps prevent future issues and increase operational excellence



TECHNOLOGY AND CYBER RISK

Technology and cyber risk refer to potential threats to information systems, data integrity or infrastructure.

Impact

- Financial loss from recovery cost, regulatory fine, legal action or system failure
- System/service disruption
- Reputational damage, leading to loss of stakeholder confidence

Mitigation

- Implement cybersecurity measures i.e. firewalls, password encryption and multi-factor authentication
- Strengthen protective measures through regular system assessments, penetration testing and collaboration with independent cybersecurity specialists
- Conduct regular cybersecurity awareness programmes, training and testing for employees
- Establish clear procedures i.e. BCP to respond to operational disruption

Opportunities

- Improved systems reduces errors and operational cost while increasing efficiency
- Robust cybersecurity and data protection create trust among stakeholders
- Implementation of BCP prepares the organisation to respond quickly to system or service disruptions



REGULATORY AND COMPLIANCE RISK

Regulatory and compliance risk arise from non-compliance with laws, regulations or supervisory requirements.

Impact

- Increase compliance cost and financial loss from regulatory fine
- Operational adjustments and ongoing internal control refinements
- Reputational damage, leading to loss of stakeholder confidence

Mitigation

- Implement policies, procedures and control to monitor regulatory changes and ensure timely adherence
- Clear accountability structures and reporting lines for compliance matters
- Regular audits and reviews to ensure ongoing compliance
- Regular training to educate employees on regulatory requirements relevant to their roles

Opportunities

- Efficient compliance processes improve operational efficiency
- Encourage innovation in responsible financing solutions or entry into segments that are less accessible to competitors
- Strong governance fosters stakeholder confidence, enhances brand credibility and operational resilience

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of RCE Capital Berhad (“RCE” or “the Company”) recognises the importance of safeguarding and promoting the interests of shareholders and other stakeholders. The Board believes a sound and robust corporate governance framework is essential for managing risks, fostering ethical conduct, and ensuring sustainability and continuous business growth. Throughout the financial year 2026, the Board maintained its dedication to fortifying resilience through effective stewardship, with an unwavering commitment to upholding strong corporate governance value. The Board continued to advocate transparency, accountability, integrity and responsibility to enhance long-term shareholders’ value and safeguarding the interests of stakeholders.

The Board is pleased to present this Corporate Governance Overview Statement (“Statement”) to provide shareholders and investors with an overview of the corporate governance practices upheld by the Company under the leadership of the Board during the financial year ended 31 March 2026. The overview takes guidance from the three (3) key corporate governance principles as set out in the Malaysian Code on Corporate Governance (“Code”).

PRINCIPLE A
BOARD LEADERSHIP AND
EFFECTIVENESS

PRINCIPLE B
EFFECTIVE AUDIT AND RISK
MANAGEMENT

PRINCIPLE C
INTEGRITY IN
CORPORATE REPORTING
AND MEANINGFUL
RELATIONSHIP WITH
STAKEHOLDERS

This Statement is prepared in compliance with the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and shall be read in tandem with the Corporate Governance Report (“CG Report”) of the Company, which provides the details on how the Company has applied each practice as set out in the Code.

 The CG Report is available on the Company’s website at www.rce.com.my.

The governance structure of RCE is as follows:



PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS



I. Board Responsibilities

Role and Leadership of the Board

The Group is helmed by an effective and experienced Board with diverse professional backgrounds, each bringing a wealth of experience, skills and expertise. The Board holds overall responsibility for driving the sustainable growth and financial soundness of the Group.

The Directors are aware of their responsibilities to shareholders and stakeholders in creating and delivering sustainable value and ensuring the Group's long-term success through the Board's leadership and management of its business.

As a cohesive team, the Directors establish the values and standards of the Company and ensure that the Group's business is properly managed to safeguard the Group's assets and shareholders' investment.

Separation of Roles between Chairman and Chief Executive Officer ("CEO")

The Board acknowledges the importance of having clear roles for the Chairman of the Board and the CEO to ensure optimal balance, better decision-making and accountability. The positions of the Chairman and the CEO are therefore held by different individuals with clear and distinct roles, which are formally documented in the Board Charter.

The Board Charter, which is available on the Company's website at www.rce.com.my also sets out, amongst others, the role, functions, composition, operation and processes of the Board and the responsibilities of the individual Directors, Independent Directors and Company Secretary. The Board Charter is reviewed as and when required in order to be aligned with the practices recommended in the Code, the Listing Requirements, relevant laws and regulations as well as current practices.

Roles and Responsibilities of the Chairman, Board and CEO

The Chairman leads the Board by setting the tone at the top, and managing the Board effectiveness by focusing on strategy, governance and compliance. The Board's principal focus is the overall strategic direction, development and control of the Group. In support of this focus, the Board maps out and reviews the Group's medium and long-term strategic plans on an annual basis, so as to align the Group's business directions and goals with the prevailing economic and market conditions. The Board provides guidance and input to Management and also reviews Management's performance and ensures that necessary financial and human resources are available to meet the Group's objectives. The Board's other main duties include regular oversight of the Group's business performance, and ensuring that the internal controls and risk management processes of the Group are well in place and are implemented consistently to safeguard the assets of the Group. The Board also remains cognisant of the need for sustainable practices to manage the economic, environmental and social impact to address the long-term interest of the stakeholders.

The Board entrusts the CEO with managing the Group's day-to-day operations, supported by the Deputy CEO and the senior management team, in ensuring that the Group operates within a framework of prudent and effective controls under the Board's guidance. The CEO is accountable for the execution of policies and strategies set by the Board to achieve the Group's corporate goals. Management provides relevant information to the Board in a concise and timely manner to enable the Board to make informed decisions and discharge its duties effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

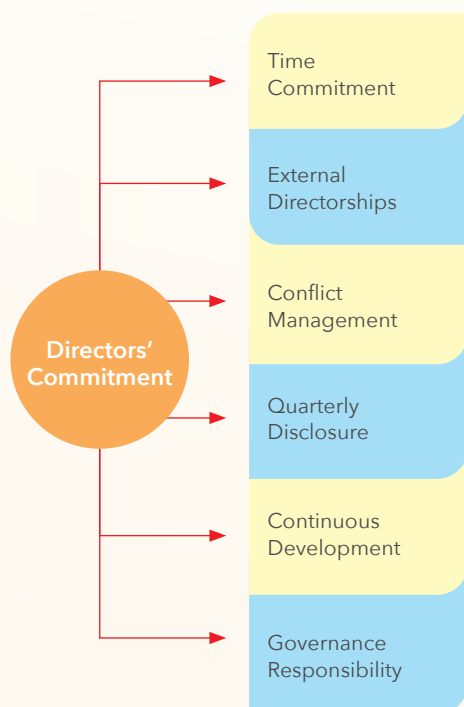
PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS



Directors' Time Commitment and External Directorships

The Directors are mindful of the importance of devoting sufficient time and effort to carry out their responsibilities and enhance their professional skills. Each Director is expected to devote sufficient time to carry out their role as Directors and members of the Board Committees, if applicable, apart from attending Board and Board Committees meetings, general meetings and Directors' training. Nevertheless, the Board also recognises that Directors may hold external directorships and other outside business interests, which can bring valuable perspectives to the Group.



In fostering time commitment from the Directors, they are required to notify the Chairman before accepting any new directorship in other public listed companies and such notification shall include an indication of time that will be spent on the new appointment. In accepting such appointment, the Directors shall take into consideration the time spent on the new appointment to enable them to devote sufficient time to carry out their duties to the Company and to ensure that the additional appointment will not have any impact to their commitment and their roles in the Company. The Directors shall seek guidance from the Chairman of the Board if there is any potential conflict of interest ("COI") and shall upon appointed, notify the Company Secretary who shall inform the Chairman and other Board members accordingly. None of the Directors of the Company serve in more than five (5) listed companies and the CEO of the Company does not serve as a director in other listed companies.

The Directors are also required to notify the Company as and when they are appointed to other boards and provide the updates on their directorships and shareholdings in other companies on a quarterly basis.

The Board is of the view that, save as disclosed, the current external directorships held by the Directors of the Company do not give rise to any COI. When a potential, perceived or an actual COI arises, the Directors are obliged to disclose and manage such conflict in accordance with the COI Policy put in place by the Company, so as to ensure their ability to discharge their duties is not impaired. Moreover, each Director is able to discern an appropriate amount of time to commit to the Company without it being formally regulated. The Board believes that the provisions of the Companies Act 2016 ("Act") and the Listing Requirements of Bursa Securities are sufficient to ensure adequate commitment from Directors to perform their duties.

Board Meetings and Decision-Making Process

The Board meets at least four (4) times annually with additional meetings convened as and when deemed necessary. During the financial year, the Board met four (4) times with the presence of the senior management where it deliberated, reviewed and considered a variety of matters including the Group's financial results, budget and strategy, operations and corporate development of the Group, declaration of dividends, solvency position of the Company for dividends and share buyback, sustainability matters, corporate governance practices, corporate proposals and strategic issues that affect the Group's business operations.

Board meetings are of sufficient duration to ensure adequate analysis and deliberation for effective decision-making. The Board decisions made shall be by a majority as prescribed under the Constitution of the Company. Where a COI arises, it is mandatory under the Company's COI Policy for the Directors concerned to declare their interests and abstain from the deliberation and decision-making process. In the event where a corporate proposal is required to be approved by shareholders, the interested Directors will abstain from voting, in respect of their shareholdings in the Company, on the resolution relating to the corporate proposal, and will further undertake to ensure that person(s) connected to them similarly abstain from voting on the resolution.

In the intervals between Board meetings, approvals on matters requiring the sanction of the Board are sought by way of circular resolutions which are supported with all relevant information and explanations to enable the Board to make informed decisions. All circular resolutions approved by the Board will be tabled for notation at the next Board meeting.

Details of attendance of Directors at the Board meetings held during the financial year are as follows:

Name of Directors	No. of Meetings Attended	Percentage of Attendance (%)
Shahman Azman	4/4	100
Tan Sri Dato' Setia Mazlan Mansor	4/4	100
Thein Kim Mon	4/4	100
Azura binti Azman	4/4	100
Shalina Azman	4/4	100
Lum Sing Fai	4/4	100
Tracy Chen Wee Keng (Appointed on 6 June 2025)	3/3 [#]	100
Soo Kim Wai (Retired on 10 September 2025)	2/2 [^]	100
Datuk Mohamed Azmi bin Mahmood (Resigned on 14 March 2026)	4/4 [^]	100

Notes:

[#] Reflects the number of meetings held during the financial year following her appointment as Director

[^] Reflects the number of meetings held during the financial year prior to their retirement/resignation as Director

All Directors who held office during the financial year have more than adequately complied with the minimum requirements on attendance at Board meetings as stipulated under the Listing Requirements of Bursa Securities (minimum 50% attendance).

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. This is demonstrated by amongst others, the full attendance and time spent at the Board and Board Committees meetings by the Directors during the financial year.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS



Board Committees

To aid in fulfilling its duties, the Board has delegated certain responsibilities to the Board Committees, namely Audit Committee, Nomination & Remuneration Committee, Employees' Share Scheme Committee and Sustainability Management Committee. These Committees are pivotal in reviewing matters within their own defined terms of reference approved by the Board, and in keeping the Board efficient. They report to the Board on matters considered and their recommendations thereon. At all times, the Board has collective oversight over the Board Committees.

The Board Committees exercise transparency and full disclosure in their proceedings. The Board is kept apprised of the activities and the decisions of the Board Committees through the circulation of the minutes of the meetings of the Board Committees and updates by the chairman of the respective Board Committees. The ultimate responsibility for the final decision on all matters however, lies with the Board.

Board Committees

Audit Committee

Nomination &
Remuneration
Committee

Employees'
Share Scheme
Committee

Sustainability
Management
Committee

Audit Committee

The Audit Committee's principal role is to monitor the integrity of financial statements, risk management and internal controls, effectiveness of external and internal audit processes, and to review and manage COI situations and related party transactions, if any. Further details are disclosed under Principle B: Effective Audit and Risk Management in this Statement.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee (“N&R Committee”)’s primary role is to assist the Board in reviewing the appropriateness of its structure, size and composition, and evaluating the performance and effectiveness of the Board, its Committees, the individual Directors, CEO and Deputy CEO. It also supports the Board in assessing all elements of the remuneration for Directors and CEO.

The N&R Committee comprises exclusively Non-Executive Directors, a majority of whom are Independent Directors and meets at least once in a financial year and whenever required.

During the financial year ended 31 March 2026, the N&R Committee held one (1) meeting with the full attendance of the N&R Committee members as follows:

Name	No. of Meetings Attended	Percentage of Attendance (%)
Tan Sri Dato’ Setia Mazlan Mansor ⁺	1/1	100
Shalina Azman	1/1	100
Azura binti Azman (Appointed on 14 March 2026)	N/A	#
Datuk Mohamed Azmi bin Mahmood (Resigned on 14 March 2026)	1/1 [^]	100

Notes:

⁺ Appointed as Chairman of the N&R Committee on 14 March 2026

[#] No meeting was held during the financial year after her appointment as member of the N&R Committee on 14 March 2026

[^] Reflects the number of meetings held during the financial year prior to his cessation as Chairman and member of the N&R Committee on 14 March 2026

The N&R Committee had carried out the following activities during the financial year:

reviewed and assessed the mix of skills, expertise, composition, size and experience of the Board;	reviewed the CEO’s remuneration package and the renewal of his service agreement;	reviewed the background, skills and experience of potential candidates for appointment as Independent Non-Executive Director and member of Audit Committee of the Company;
reviewed and assessed the contribution and performance of each individual Director, CEO, and the effectiveness of the Board and the Board Committees;	reviewed the performance of the Audit Committee and each of its members;	reviewed the appointments to the Board Committees;
reviewed and assessed the independence of the Independent Directors;	reviewed the training courses attended by the Directors and assessed their training needs;	reviewed the promotion of the Chief Business Officer to Deputy CEO in line with the Company’s succession planning; and
reviewed the Directors who were due for retirement at the Company’s 71st Annual General Meeting (“AGM”) to determine whether to recommend their re-election;	reviewed and recommended the Directors’ fees for the financial year ended 31 March 2025;	recommended the provision of a company car to the Deputy CEO.
	reviewed and recommended the Directors’ benefits for the Non-Executive Chairman and Non-Executive Directors of the Company;	



The terms of reference of the N&R Committee is available on the Company’s website at www.rce.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS



Employees' Share Scheme ("ESS") Committee

The ESS Committee was established to assist the Board in administering the Company's ESS in accordance with the By-Laws governing and constituting the ESS as approved by the shareholders.

During the financial year ended 31 March 2026, the ESS Committee held three (3) meetings with the full attendance of the ESS Committee members as follows:

Name	No. of Meetings Attended	Percentage of Attendance (%)
Lum Sing Fai [#]	3/3	100
Shalina Azman	3/3	100
Loh Kam Chuin (CEO)	3/3	100
Soo Kim Wai (Retired on 10 September 2025)	2/2 [^]	100

Notes:

[#] Appointed as Chairman of the ESS Committee on 10 September 2025

[^] Reflects the number of meetings held during the financial year prior to his cessation as Chairman and member of the ESS Committee on 10 September 2025

The ESS Committee had carried out the following activities during the financial year:



reviewed and recommended the extension of the duration of the Company's ESS;



reviewed and approved the revision of the option period for the fourth and fifth grants of the Employees' Share Option Scheme; and



reviewed and recommended the sixth grant of options under the Employees' Share Option Scheme to the employees of the Group.

Sustainability Management Committee

RCE recognises the importance of sustainability and economic, environmental, social and governance matters, and their associated risks and opportunities for the Group. The Board is responsible to ensure that RCE has in place appropriate sustainability strategies which are aligned with the Company's strategic direction to support the Group's long-term objectives.

The Board is supported by the Sustainability Management Committee ("SMART"), which assists the Board in administering and overseeing the development and implementation of the Group's sustainability strategies.



During the financial year ended 31 March 2026, SMART held two (2) meetings with the full attendance of the SMART members as follows:

Name	No. of Meetings Attended	Percentage of Attendance (%)
Shahman Azman	2/2	100
Shalina Azman	2/2	100
Loh Kam Chuin (CEO)	2/2	100
Oon Hooi Khee (Deputy CEO)	2/2	100
Johnson Yap Choon Seng (Company Secretary)	2/2	100
Cheryl Low Peck Yoke (Chief Financial Officer) (Appointed on 2 March 2026)	1/1*	100

Note:

* Reflects the number of meetings held during the financial year following her appointment as a member of SMART

SMART, supported by a Sustainability Working Committee, diligently executed numerous sustainability initiatives and activities throughout the financial year. As a testament to RCE's commitment towards conservation of environmental, corporate social responsibility and the practice of good corporate governance, the Company has been included as a constituent of FTSE4Good Bursa Malaysia Index and FTSE4Good Bursa Malaysia Shariah Index since 2020 and 2021 respectively. Further information on RCE's approach to sustainability are disclosed in the Sustainability Statement in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS



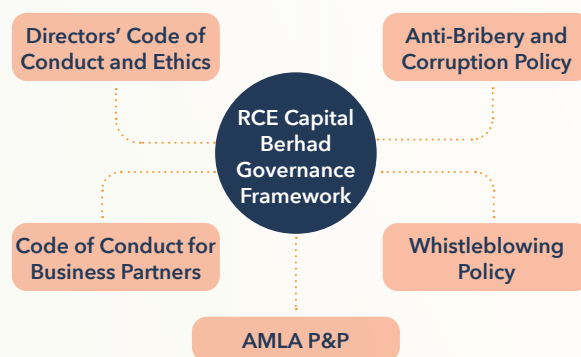
Company Secretaries

The Board is supported by suitably qualified Company Secretaries who are experienced, competent and knowledgeable. They provide advisory services to the Board and its Committees on issues relating to corporate governance matters, compliance with laws, rules, procedures and regulations affecting the Group. Each Director has unrestricted access to the advice and services of the Company Secretaries to ensure effective functioning of the Board and Board Committees, and adherence to Board policies and procedures at all times.

Ethics, Integrity and Compliance Framework

The Board acknowledges its role in establishing a corporate culture with uncompromising ethical conduct. In line with this principle, the Board has adopted a Directors' Code of Conduct and Ethics which sets out the fundamental guiding principles and standards of behaviour that are expected of the Directors in carrying their duties and discharging their responsibilities to the highest standards of personal integrity and professionalism. The Board also takes cognisance of the requirements under the Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries issued by the Securities Commission Malaysia.

The Group continues to be committed in promoting the values of integrity and zero tolerance towards any form of bribery or corrupt practices throughout the organisation. An Anti-Bribery and Corruption Policy was adopted which requires the Directors, employees and business partners to uphold the highest standards of business ethics by refraining from engaging in any form of corruption, bribery, fraud or facilitation payments. The Board has also adopted the Anti-Money Laundering, Countering Financing of Terrorism, Proliferation Financing and Targeted Financial Sanctions Policies & Procedures ("AML A P&P"), which set out guidelines to ensure compliance with relevant regulatory requirements concerning the prevention, detection and protection to the Group from money laundering, terrorism financing, proliferation financing or other criminal activities. The AML A P&P was reviewed and updated in February 2025 to incorporate revisions in regulatory guidelines and requirements to ensure consistency with current practices.



The Group has also put in place a Code of Conduct for Business Partners as a guidance to its business partners on their conduct of business with the Group and had communicated the same to the business partners.

Additionally, the Group in its effort to enhance corporate governance has also put in place a Whistleblowing Policy to provide an avenue for employees and stakeholders to report genuine concerns about malpractices, unethical behaviour, misconduct or failure to comply with regulatory requirements without fear of reprisal, discrimination or adverse consequences. Confidentiality of the matters raised and the identity of the whistle blowers are protected under the policy. The detailed whistleblowing mechanism prescribed in the Whistleblowing Policy had been mapped into a process flowchart.

The Directors' Code of Conduct and Ethics, Anti-Bribery and Corruption Policy, Code of Conduct for Business Partners and the Whistleblowing Policy together with the details of the whistleblowing reporting channels are accessible on the Company's website at www.rce.com.my.

Conflict of Interest

The Board has put in place a COI Policy to strengthen the governance framework of RCE Group by providing clear guidelines for identifying, disclosing and managing COI involving Directors and Key Senior Management.

The COI Policy also expands the scope of the Audit Committee's review of COI situations and the measures taken to resolve or mitigate such conflicts.

In accordance with Bursa Securities' Guidance on COI and the Company's COI Policy, the Audit Committee has reviewed identified COI situations, assessed the adequacy of mitigation measures, and reported its findings to the Board. The Committee is satisfied that these COIs have been effectively managed in compliance with the COI Policy and applicable regulatory requirements.

A summary of the actual, potential and perceived COI situations disclosed by the Directors and Key Senior Management, as reviewed by the Audit Committee, together with the corresponding measures taken to resolve, eliminate or mitigate such conflicts, is presented in the Audit Committee Report of this Annual Report.

Conflict of Interest Management Process

Identify

Disclose

Mitigate

Review

Directors' Training and Continuing Education

The Board recognises the importance of continuous education and training in broadening perspectives and staying updated on industry developments, global markets, regulatory changes, and management strategies to enhance the Directors' skills and knowledge in discharging their stewardship responsibilities. Directors regularly attend various seminars, training and external professional programmes which they individually considered relevant and beneficial to further enhance their business acumen and professionalism. In addition, Directors are also invited to attend in-house training organised by the Company and conducted by external consultants for the Directors and employees of the Group.

The Company Secretary keeps the Directors informed of relevant external training programmes. A record of all internal and external training programmes attended by the Directors is maintained by the Company Secretary and tabled to the N&R Committee and the Board for notation on a half-yearly basis to facilitate the evaluation and determination of the Directors' training needs.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS



The external conferences/workshops and internally organised programmes attended by the Directors during the financial year were as follows:

Director	Course Attended
Shahman Azman	The Shift in Boardroom Dynamics: Enhancing Governance and Strategic Leadership Empowering Change: Your Journey to Sustainability Starts Here Are You Ready for an Inclusive Future? Are You Prepared? Your Quick Guide to Anti-Financial Crime Singapore Institute of Directors - Transatlantic Divide on ESG Future Proof Governance Workforce: Agile, Critical and Resilience Key Aspects of Audit Committee Unmasking Corporate Fraud: Identifying Red Flags to Strengthen Organisational Integrity The Future of Enterprise Strategy: Navigating the Triple Convergence of Risk, Digital Transformation and Sustainability Mastering Innovation with Design Thinking Dynamics Singapore Institute of Directors - Growth and Impact with Advisory Boards Invest Shariah Conference (ISC) 2025 Boardroom Blindspots: How Our Perceptions of Risk Influence our Boardroom Effectiveness Singapore Institute of Directors - Strategies for a New World Order National Budget 2026 Review and Updates Provision of Financial Assistance & Related Party Transactions IFRS Sustainability Disclosure Standards International SOS - Engulfed: Effects of the Wider Middle East Conflict on Asia Pacific
Tan Sri Dato' Setia Mazlan Mansor	Provision of Financial Assistance & Related Party Transactions IFRS Sustainability Disclosure Standards
Thein Kim Mon	Board Simulation – Balancing Risks & Opportunity in Sustainability Leadership Programme IFRS Sustainability Disclosure Standards
Azura binti Azman	Anti-Bribery & Anti-Corruption Awareness Programme Audit Committee Conference 2025 National Sustainability Reporting Framework Symposium Corporate Finance for Non Finance Directors

Director	Course Attended
Azura binti Azman (Cont'd)	Navigating AMLA Risks: The Strategic Role of the Board ASEAN Capital Markets Forum International Conference Provision of Financial Assistance & Related Party Transactions IFRS Sustainability Disclosure Standards
Tracy Chen Wee Keng	Information Classification and Handling Guidelines Information and Cyber Security Awareness Data Protection Banking Ethics Unveiled: Real World Insights Mandatory Accreditation Programme Responsible AI in Financial Services - An Ethics First Approach Managing Complexity: Non-Financial Risks in a Multi-Party Operating Environment Securities Commission Malaysia's Audit Oversight Board Conversation with Audit Committees Mandatory Accreditation Programme Part II: Leading for Impact (LIP) IFRS Sustainability Disclosure Standards
Shalina Azman	Driving Impact Through Board-Management Alignment National Budget 2026 Review and Updates Provision of Financial Assistance & Related Party Transactions Future-Ready Boards: Mastering Strategic Leadership in a Disruptive World IFRS Sustainability Disclosure Standards
Lum Sing Fai	Asian Economy: Impact - Climate Risk Induction: Board of Directors Refresher on BASEL FIRB (Foundation Internal Ratings Based) Ikhlas Capital Annual Conference 2025 Capital Gains Tax (CGT), Foreign Sourced Income (FSI) & Sales & Service Tax (SST) Board Artificial Intelligence (AI) Day 2025 Briefing on Trade Agreement with USA Cyber Security Awareness Program 48th Federation of ASEAN Economic Associations Conference (FAEA) Provision of Financial Assistance & Related Party Transactions Microsoft Teams Essentials

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS



Director

Lum Sing Fai
(Cont'd)

Course Attended

Sustainability Training and Launch of the Sustainability Academy

Anti-Money Laundering Awareness Programme

Anti-Bribery and Corruption Training

The Exclusive Engagement Session with YBhg Tan Sri Azman Mokhtar, Chairman of the Malaysia International Islamic Financial Centre (MIFC) Leadership Council

Environmental, Social & Governance

Audit Committee Essentials

IFRS Sustainability Disclosure Standards

The N&R Committee and the Board upon assessing the training needs of each of its Directors, are satisfied that the Directors have received the necessary training during the financial year under review, which enhanced their effectiveness and contribution to the Board.

II. Board Composition

Board Composition and Structure

The Board has adopted a 9-year tenure policy for Independent Directors, limiting their tenure to nine (9) years in support of Board refreshment. On 14 March 2026, Datuk Mohamed Azmi bin Mahmood, who had served as Independent Director for nine (9) years, stepped down from the Board to conform to the 9-year tenure policy for Independent Directors.

In addition, Mr. Soo Kim Wai, a Non-Independent Non-Executive Director, who was due to retire by rotation in accordance with Clause 118 of the Constitution at the 71st AGM held on 10 September 2025, did not seek re-election and accordingly retired from the Board at the conclusion of the AGM.

The current Board comprises seven (7) Directors, of whom four (4) are Independent Directors. None of the Independent Directors has exceeded the Company's 9-year tenure limit, and the Board continues to comprise entirely Non-Executive Directors.

Tenure of Independent Directors as at 31 March 2026

Tenure



< 3 years

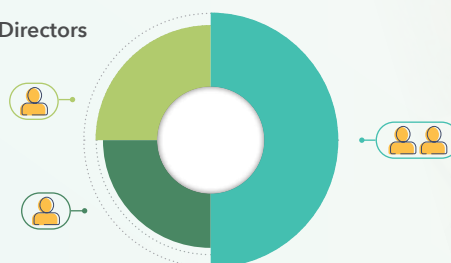


3-6 years



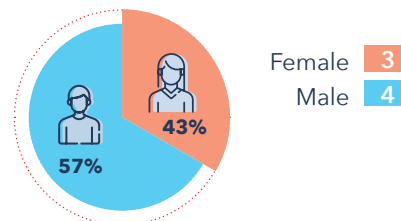
6-9 years

Number of Independent Directors



Board Gender Diversity

The Board has adopted a gender diversity policy to promote boardroom diversity in line with the Code's recommendation of at least 30% women representation. With three (3) women Directors representing 43% of the Board members, the Board has exceeded its gender diversity target.



Independent Directors, Board Diversity and Oversight

In addition to promoting boardroom diversity, the Board also places strong emphasis on independent oversight. The significant presence of Independent Directors on the Board ensures that the interests of minority shareholders are taken into account by the Board. The structure of the Board also ensures that no single Director is dominant in the decision-making process. The current Directors present a diverse mix of qualifications and experiences covering business, finance, audit, risk management, banking, accounting, investment banking, capital markets, legal, law enforcement and public services. Collectively, they bring a wide range of competencies, capabilities, technical skills and pertinent business acumen to the Group. With its diversity of qualifications, expertise and skills, the Board is of the view that the current composition and size are adequate for the effective discharge of its functions and responsibilities. The Board composition is also in compliance with paragraph 15.02 of the Listing Requirements and the Code. A brief profile of each Director is set out in the Profile of Directors section of this Annual Report.

The Group practices non-discrimination in any form whether based on age, gender or ethnicity throughout the organisation and this includes the selection of Board members. The Board is committed to ensuring that its composition not only reflects the diversity as recommended by the Code, as best as it can, but also encompasses the appropriate blend of skills and balance to contribute to the achievement of the Company's goal.

Directors' Fit and Proper Policy

In line with paragraph 15.01A of the Listing Requirements, RCE has adopted a formal Directors' Fit and Proper Policy. This Policy serves as a practice guide for the appointment and re-election of Directors to assist N&R Committee and the Board to discharge their duties and functions in the Board's nomination and re-election process of Directors.



The Directors' Fit and Proper Policy is available on the Company's website at www.rce.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS



Board Effectiveness and Annual Evaluation

The Board, through its N&R Committee, reviews annually the effectiveness of the Board and Board Committees, the contribution and performance of the individual Directors, CEO and Deputy CEO, as well as the independence of the Independent Directors. The N&R Committee also conducted fit and proper assessment on the Directors who were proposed for re-election, and the Directors standing for re-election had also provided their fit and proper confirmation. The performance and contribution of the retiring Directors were also taken into account by the Board in determining whether the Board should support the re-election of the said Directors.

Based on the results of the evaluations for the financial year under review, the Board concluded that the Board as a whole and its Committees have been effective in discharging their oversight responsibilities and that each of the Directors, CEO and Deputy CEO continued to discharge their respective duties and responsibilities effectively. Premised on the outcome of the evaluations, the Board also agreed that the current composition of the Board is appropriate, taking into account the current mix of skills, experience and core competencies in the Board composition and given the Group's businesses and the size of its business operations.

Individual Directors of the Company, the CEO and Deputy CEO possess the required competence to manage the Group's affairs and create value to the organisation and its shareholders. The Board is also satisfied with the performance, fitness and propriety of the Directors standing for re-election at the 72nd AGM based on the satisfactory results of the evaluations and the fit and proper assessment. As the feedback of the Board evaluation was generally satisfactory, no apparent shortcomings had been identified.

III. Appointment to the Board

As part of the N&R Committee's oversight of Board succession planning, it is also responsible for identifying suitable candidates to fill Board vacancies as and when the needs arise, or to complement the Board's current composition, and make recommendations to the Board on their appointment to the Board and where applicable, to the various Board Committees. As part of the nomination and selection process, potential candidates are identified through various channels, including independent external sources and the network of existing Board members. In recommending new appointments to the Board, the N&R Committee assesses the suitability of candidates and conduct a fit and proper assessment in accordance with the Directors' Fit and Proper Policy. The evaluation takes into account a range of criteria, including the required mix of skills, knowledge, expertise, professionalism, character and integrity, experience, competencies, personal qualities, and time commitment. The N&R Committee also considers the candidate's ability to enhance the existing Board composition and availability to commit to Board's activities. In the case of candidate proposed as Independent Directors, the candidate's independence and capacity to discharge the responsibilities and functions expected from an Independent Director are assessed. The N&R Committee is responsible to ensure that the procedures for appointing new Directors are transparent.

During the financial year ended 31 March 2026, the Board appointed Ms. Tracy Chen Wee Keng as an Independent Director of the Company on 6 June 2025. This appointment followed the established nomination and selection process as set out above. The N&R Committee, having assessed her skillset, expertise and experience, independence, and fitness and propriety in accordance with the Directors' Fit and Proper Policy, recommended her appointment to the Board.

IV. Remuneration

The Board is aware that a fair remuneration is critical to attract, retain and motivate its Directors and senior management. The Company has in place a Remuneration Policy for Directors and CEO which sets out the criteria applied in recommending their remuneration packages.

The aforesaid policy aims to set remuneration at levels which are sufficient to attract and retain Directors and CEO needed to run the Company successfully, taking into consideration various pertinent factors including the function, workload and responsibilities involved.

The N&R Committee conducts annual review of the remuneration package of the CEO and Deputy CEO and recommends to the Board any adjustments and/or performance-based rewards, taking into consideration their contributions during the financial year, the Group's performance, achievement of key performance indicators, and prevailing market and industry practices. Long-term incentives are implemented through the Company's ESS.

In the case of Non-Executive Directors, their remunerations reflect the expertise and level of responsibilities undertaken by the Non-Executive Directors. Meeting attendance allowances are also paid to Independent Directors in accordance with the number of meetings attended during the financial year. Non-Executive Directors are not eligible to participate in any employees share scheme implemented by the Company. Individual Directors will abstain from participating in the discussions and decisions of their own remuneration package. Non-Executive Directors' fees and benefits are subject to shareholders' approval at the AGM based on the recommendation of the Board.

In May 2026, the Board approved the N&R Committee's recommendation for the proposed increase in the Non-Executive Directors' fees payable for the financial year ended 31 March 2026 to reflect the responsibilities assumed and the level of risk exposure borne by the Non-Executive Directors of the Company, in view of the growing importance of their role in providing effective checks and balances. The proposed increase also took into consideration that the last revision of the Non-Executive Directors' fees was in 2021. The Directors' fees will be put forth to the shareholders for approval at the 72nd AGM in accordance with Section 230 of the Act.

The Company has also in place a Directors and Officers liability insurance ("D&O policy") to indemnify the Directors against liability and costs incurred by them in discharging their duties as Directors, to the extent permitted under the Act. The Directors are required to contribute jointly to the premium of the D&O policy.

The details of the Directors' and the CEO's remuneration for the financial year ended 31 March 2026 are disclosed in the CG Report under the respective Practice 8.1 and 8.2.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B

EFFECTIVE AUDIT AND RISK MANAGEMENT



I. Audit Committee

The Audit Committee of the Company comprises five (5) Non-Executive Directors, four (4) of whom are Independent Directors, in compliance with the Listing Requirements of Bursa Securities.

The Audit Committee is chaired by an Independent Director, Mr. Thein Kim Mon, who is not the Chairman of the Board. Having the positions of Board Chairman and Chairman of the Audit Committee assumed by different individuals allows the Board to objectively review the Audit Committee's findings and recommendations. Other Audit Committee members are Tan Sri Dato' Setia Mazlan Mansor, Puan Azura binti Azman, Ms. Tracy Chen Wee Keng and Mr. Lum Sing Fai.

The Company, through its Audit Committee, has established a transparent and appropriate relationship with the Company's external auditors which ensures the objectivity, independence and effectiveness of external auditors are maintained.

The performance of the Audit Committee and its members were evaluated as part of the Board's annual assessment and based on the findings, the Board is satisfied that the Audit Committee has discharged its responsibilities effectively during the financial year. The Audit Committee has adequate understanding of the Company's significant financial and non-financial risks. Each of its members has made positive contribution to the overall effectiveness of the Audit Committee as well.

A full Audit Committee Report enumerating its membership and a summary of activities during the financial year is set out on pages 159 to 167 of this Annual Report.

II. Risk Management and Internal Control Framework

The Board acknowledges its overall responsibility for the Group's risk management and internal control system that provides reasonable assurance of effective and efficient operations, compliance with laws and regulations, as well as comprehensive internal procedures and guidelines.

A Risk Management Committee comprising members with risk and business management knowledge and experience has been established by the Company to implement the risk management policies and strategies formulated and approved by the Board. It monitors and manages the principal risk exposures by ensuring that Management has taken the necessary steps to mitigate such risks and recommends action where necessary. The Risk Management Committee reports to the Audit Committee, which in turn will brief the Board on its findings, if so required.

The Board continues to maintain and regularly review the adequacy and effectiveness of risk management and internal control system to ensure, as far as possible, the protection of the Group's assets and its shareholders' investments.

The Statement on Risk Management and Internal Control, which provides an overview of the management of risks and state of internal control within the Group, is set out on pages 153 to 158 of this Annual Report.

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS



I. Communication with Stakeholders

The Board recognises the importance of maintaining meaningful and purposeful relationship with stakeholders. To this end, the Company remains committed to ensuring transparent, timely, and effective communication with shareholders, investors and various stakeholders.

The Company's official website, www.rce.com.my, continues to serve as a central platform for stakeholders to access latest information pertaining to the Group, including financial performance, corporate developments, governance policies, and sustainability initiatives. Throughout the financial year, the Company and its Investor Relations ("IR") team conducted briefings and engagement sessions with analysts and fund managers to provide insights into the Group's performance, strategic direction, and outlook.

The Company also accommodates ad hoc requests for briefings or meetings to foster open and ongoing dialogue with analysts and fund managers. In its commitment to transparency and responsiveness, the Group has made available the IR team's contact details and an online enquiry form on its website, allowing stakeholders to submit questions, provide feedback, or raise concerns. This channel complements the Company's broader stakeholder engagement framework and supports two-way communication with the public.

Investor relations matters may be directed to the following persons:

Mr. Loh Kam Chuin, CEO
Ms. Oon Hooi Khee, Deputy CEO
Telephone number: +603-4047 0988
Email: ir@rce.com.my

II. Conduct of General Meetings

The Company's general meetings remain the principal forum for dialogue and interaction with shareholders and provide an opportunity for the shareholders to seek clarification on any issues and gain a deeper understanding of the Group's businesses, governance, performance and corporate developments.

The 71st AGM of the Company was held physically on 10 September 2025. Notice of and Administrative Guide for the 71st AGM, the Form of Proxy and the Annual Report were issued and made available on the Company's website more than 28 days before the meeting. This provided shareholders with sufficient time to review the Company's financial and operational performance, consider the resolutions to be tabled, and to make necessary arrangements to attend the 71st AGM in person or by proxies.

Shareholders were invited to submit questions in advance of the meeting as well as raise questions during the AGM. The proceedings of the AGM included a presentation by the CEO on the Group's activities, financial performance and business outlook, followed by a question-and-answer session during which questions from shareholders and proxies were addressed before the resolutions were put to vote.

To facilitate meaningful participation and engagement, all members of the Board including the CEO were present at the 71st AGM to respond to questions raised and to receive feedback from shareholders and proxies. Shareholders were encouraged to participate actively in the question-and-answer session relating to the Group's operations and proposed resolutions.

In compliance with the Listing Requirements, voting on all resolutions was conducted by way of poll via an electronic voting system, and the poll results were duly verified by the appointed independent scrutineer.

Minutes of the 71st AGM, including the questions raised and the Company's responses, were made available on the Company's website at www.rce.com.my within 30 business days after the AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required by the Act to ensure that the financial statements prepared for each financial year give a true and fair view of the state of affairs of the Group and the Company as at the end of the financial year, and of the results of their operations and cash flows for the financial year. The Directors consider that in preparing the financial statements, they have consistently used and applied the appropriate and relevant accounting policies and made judgements and estimates that are reasonable and prudent.

The Directors have a general responsibility in ensuring that the Group keeps proper accounting records in accordance with the provisions of the Act to enable the preparation of the financial statements with reasonable accuracy. The Directors are also responsible for taking reasonable steps to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

KEY FOCUS AREAS AND FUTURE PRIORITIES

The Board is satisfied that the Group has continued to uphold high standards of corporate governance and remains committed to the highest level of integrity, accountability and ethical conduct across all aspects of its business operations.

Moving forward, the Board will continue to strengthen the Company's corporate governance framework, policies and practices to ensure they remain relevant, effective and aligned with evolving regulatory expectations and market developments. The Board also remains committed to fostering a strong culture of risk awareness, good governance and sustainability across the Group, and delivering long-term sustainable growth and value to all stakeholders.

In line with the Company's commitment to enhancing transparency and more meaningful stakeholder communication, the Board will also evaluate opportunities to further enhance the Group's corporate reporting practices, including embarking on an integrated reporting journey for annual reporting.

This Statement is made in accordance with the resolution of the Board of Directors dated 26 May 2026.

ADDITIONAL COMPLIANCE INFORMATION

1. Material Contracts

There were no material contracts entered into by the Company and/or its subsidiaries involving the interests of the Directors, chief executive and/or major shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

2. Audit and Non-Audit Fees

The amount of audit and non-audit fees incurred for services rendered by the external auditors and their affiliated companies or firms to the Company and the Group for the financial year ended 31 March 2026 are as follows:

Fees	Company RM	Group RM
Audit Fees	123,000	419,000
Non-Audit Fees	26,700	92,300
Total	149,700	511,300

The non-audit fees incurred by the Company and the Group mainly consist of the following:

- Review and submission of tax returns; and
- Review of Statement on Risk Management and Internal Control.

3. Employees' Share Scheme

The Employees' Share Scheme ("ESS") implemented on 20 October 2020 is the only share scheme of the Company in existence during the financial year ended 31 March 2026 ("FYE 2026"). The details of the ESS are as follows:

- (a) The total number of options granted, exercised, cancelled, adjusted and outstanding:

Description	Number of Options	
	Since commencement of ESS	During FYE 2026
Granted	107,408,000	31,709,000
Exercised	87,296,521	17,121,000
Cancelled	4,245,196	2,846,800
Adjustment*	29,759,717	-
Outstanding	45,626,000	45,626,000

Note:

* The number of options has been adjusted in accordance with ESS By-Laws to reflect the bonus issues undertaken by the Company which were completed on 17 January 2022 and 26 September 2024 respectively.

ADDITIONAL COMPLIANCE INFORMATION

3. Employees' Share Scheme (Cont'd)

- (b) Total number of options granted, exercised, cancelled and outstanding during FYE 2026 based on each category of participants:

Grant Date	Option Price	Category of Participants	Options Outstanding as at 1.04.2025	Granted			Exercised			Options		Options Outstanding as at 31.03.2026
				Options Number	%	Number of participants	Options Number	%	Number of participants	Cancelled	Recategorisation	
13.10.2023	RM1.14 [#]	Directors and Chief Executive Officer	-	-	-	-	-	-	-	-	-	-
		Senior management	480,000	-	-	-	-	-	-	-	-	480,000
		Middle and junior management, executive and non-executive	2,283,000	-	-	-	(90,000)	100.0	2	(88,000)	-	2,105,000
		Total	2,763,000	-	-	-	(90,000)	100.0	2	(88,000)	-	2,585,000
25.06.2024	RM1.27 [#]	Directors and Chief Executive Officer	1,800,000	-	-	-	-	-	-	-	-	1,800,000
		Senior Management	9,486,000	-	-	-	-	-	-	(660,000)	560,000	9,386,000
		Middle and junior management, executive and non-executive	19,835,800	-	-	-	(50,000)	100.0	1	(1,780,800)	(560,000)	17,445,000
		Total	31,121,800	-	-	-	(50,000)	100.0	1	(2,440,800)	-	28,631,000
11.08.2025	RM0.96	Directors and Chief Executive Officer	-	2,400,000	7.6	1	(1,200,000)	7.1	1	-	-	1,200,000
		Senior management	-	12,004,000	37.8	13	(5,530,500)	32.6	9	-	-	6,473,500
		Middle and junior management, executive and non-executive	-	17,305,000	54.6	192	(10,250,500)	60.3	159	(318,000)	-	6,736,500
		Total	-	31,709,000	100.0	206	(16,981,000)	100.0	169	(318,000)	-	14,410,000

Note:

[#] The option prices have been adjusted in accordance with ESS By-Laws to reflect the bonus issue undertaken by the Company which was completed on 26 September 2024.

3. Employees' Share Scheme (Cont'd)

- (c) Percentages of options applicable to Directors and senior management under the ESS during the financial year and since its commencement up to FYE 2026 are set out below:

Directors and Senior Management	Percentage	
	Since commencement of ESS	During FYE 2026
Aggregate maximum allocation	37.91%	45.43%
Actual options granted	37.91%	45.43%

- (d) Non-Executive Directors are not eligible to participate in the ESS.

4. Utilisation of Proceeds

The Group has established two special purpose vehicles, namely Zamarad Assets Berhad ("ZAB") and Al Dzahab Assets Berhad ("ADA") for the issuance of RM2.0 billion and RM900.0 million Sukuk Murabahah Asset-Backed Securitisation Programmes respectively. The programmes are backed by receivables originated by RCE Marketing Sdn Bhd, a wholly-owned subsidiary of the Company.

During the financial year, ZAB and ADA issued their eleventh and sixth tranche of Sukuk Murabahah respectively. Details of the utilisation of proceeds as at 31 March 2026 are as follows:

Description	ZAB RM'000	ADA RM'000	Total RM'000
Proceeds	160,000	100,000	260,000
Utilisation:			
(a) purchase consideration of the acquired islamic financing agreements	(154,655)	(96,417)	(251,072)
(b) minimum profit balance required for finance service reserve account	(3,059)	(1,965)	(5,024)
(c) issuance related expenses	(1,339)	(1,039)	(2,378)
(d) deposit into revenue account	(947)	(579)	(1,526)
Total	-	-	-

5. Recurrent Related Party Transactions

The information on recurrent related party transactions for the financial year is set out in Note 23 to the financial statements.

ADDITIONAL COMPLIANCE INFORMATION

6. Disclosure of Financial Data for Shariah Screening

Pursuant to Paragraph 9.25A of the Bursa Malaysia Securities Berhad 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

	Group	
	2026 RM	2025 RM
Revenue	323,234,034	331,670,556
Other income	33,166,155	36,243,405
Total	356,400,189	367,913,961
Total Assets	3,003,797,340	2,986,157,931

(B) Business Activities

		Group	
Remarks		2026 RM	2025 RM
Shariah Non-Compliant Activities			
Interest income	Consumer financing	389,830	557,157
Interest income	Factoring and confirming	271,725	254,574
Other Shariah non-compliant activities	Factoring and confirming	98,130	100,471
Other Shariah non-compliant activities	Processing and administration of payroll collection	10,489	27,772
Other Shariah non-compliant activities	Bad debts recoveries	1,540,579	1,503,461
Other Shariah non-compliant activities	Miscellaneous income	149,924	1,741,597
Interest income	Deposits and bank balances	5,508	5,196
Total		2,466,185	4,190,228

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

(C) Component of Financial Position

(i) Cash Component

	Group	
	2026 RM	2025 RM
Islamic Account/Instruments		
Deposits with licensed bank	681,258,487	625,614,811
Cash at bank (exclude cash in hand)	70,553,805	127,893,379
Cash in hand	3,284	3,284
Total	751,815,576	753,511,474
Conventional Account/Instruments		
Cash at bank (exclude cash in hand)	11,523,651	13,958,531
Money market instruments	11,662	11,388
Total	11,535,313	13,969,919

(ii) Debt Component

	Group	
	2026 RM	2025 RM
Islamic Financing		
Current		
Revolving credit and financing	275,260,616	370,967,172
Sukuk	215,115,430	173,609,642
Term financing	116,906,347	108,376,754
Non-Current		
Sukuk	820,813,724	806,100,162
Term financing	237,343,166	216,403,354
Total	1,665,439,283	1,675,457,084

ADDITIONAL COMPLIANCE INFORMATION

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

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

(ii) Debt Component

	Group	
	2026 RM	2025 RM
Conventional Borrowing		
Current		
Revolving credit and loans	260,093,967	205,933,105
Term loans	51,338,878	66,748,365
Hire purchase payables	400,194	364,823
Banker's acceptances	198,900	-
Non-Current		
Term loans	58,846,877	109,892,995
Hire purchase payables	507,047	531,520
Total	371,385,863	383,470,808

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors of RCE Capital Berhad (“Board”) is responsible for the Group’s risk management and internal control system as well as reviewing its adequacy and effectiveness on an on-going basis.

The Group’s system of risk management and internal control is designed to manage and not eliminate the risk of failure to achieve the Group’s objectives, hence it can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board is pleased to disclose that:

(a) there is an on-going process for identifying, evaluating, monitoring and managing the significant risks faced by the Group throughout the financial year up to the date of approval of this statement; and

(b) the said process is regularly reviewed by the Board and accords with the SORMIC Guide 2025 - Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies.

Whilst the Board has overall responsibility for the establishment of the Group’s risk management and internal control system, it has delegated the responsibility of implementation and monitoring of this system to the Management who will report on identified risks and actions taken to mitigate and control the risks. The Chief Executive Officer, Mr. Loh Kam Chuin, and the Chief Financial Officer, Ms. Cheryl Low Peck Yoke, have provided assurance to the Board that the risk management and internal control system is operating adequately and effectively, in all material aspects, during the financial year under review.

The Board summarises below the process it has applied in reviewing the adequacy and the effectiveness of the risk management and internal control system:

Risk Management

The Group’s Risk Management framework is outlined in the Group’s Risk Management Policy. The Audit Committee shall assist the Board in evaluating the adequacy of the Group’s Risk Management framework. The Group’s Risk Management framework is guided by the Committee of Sponsoring Organisations of the Treadway Commission (“COSO”) Enterprise Risk Management Integrated Framework and benchmarking against COSO principles are performed annually.

A Risk Management Committee, comprising members of Senior Management and Directors, monitors the risks faced by the Group and the Risk Management Committee reports to the Audit Committee. The Risk Management Committee is chaired by Encik Shahman Azman, who is the Non-Executive Chairman of RCE Capital Berhad.

Risks are defined as uncertain future events which could influence the achievement of the Group’s objectives. Risks are assessed according to the impact and likelihood of risk events.

A two-pronged risk management approach is adopted where:

- (a) key risks including environmental, social and governance risks are identified and evaluated together with mitigating controls as part of the decision-making process for each significant business transaction by Departmental Heads; and
- (b) day-to-day operational risk management by Departmental Heads entails:
 - identification of risks;
 - implementation of mitigating controls; and
 - self-assessment to determine changes in risks and internal controls effectiveness.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Risk papers are prepared by Departmental Heads and reviewed by Management to document the identification and assessment of risks made in regard to significant business transactions. These are deliberated by the Risk Management Committee and reviewed by the Audit Committee.

Besides identifying and evaluating risks, Departmental Heads also design, operate and monitor suitable internal controls to mitigate and control the risks requiring risk management actions. These are documented in the risk profile (risk register) and reviewed by Management.

Risk profile and corresponding controls are self-assessed by Departmental Heads and reviewed by Senior Management to determine that the risk profile continues to be relevant and that the controls are practiced and effective in mitigating and controlling the risks.

Results of self-assessment are deliberated by the Risk Management Committee and reviewed by the Audit Committee.

During the financial year, key risks reviewed and mitigating controls employed by the Group include but are not limited to the following:

Credit risks



Financing facilities are reviewed for utilisation purposes, security against financing facilities and repayment patterns prior to facility extension.

Annual reviews of customers granted with financing facilities are performed where customer businesses' are reviewed including aspects regarding competition faced, financial performance and future prospects.

Impairment model is reviewed for relevance, suitability and reliability of recovery rates for better reflection of recovery effects in provisioning.

Periodical review of receivables are carried out where non-performing financing are identified and analysed in terms of reasons for non-performance, aging of facility and customer profile.

Operational risks



Matters in relation to the acquisition of a subsidiary were discussed and all outstanding matters were resolved.

Risks and mitigating actions from proposal on strategic collaboration to provide salary deduction arrangement and referral service were reviewed.

Technology and cyber risks



External security professionals were engaged to identify any potential security vulnerabilities, enhance cybersecurity awareness, evaluate the effectiveness of web and mobile application security controls, and the effectiveness of external perimeter security.

Fraud risks



The Disciplinary Committee for Fraud and the Task Force Investigation identify and investigate all attempted and penetrated fraudulent activities.

Regulatory and compliance risks

The Compliance, Operations and Methods Department (“COM”) prepares Annual Plan for assignments to be carried out. Reports on reviews completed are also prepared. During the year, COM performed Policies and Procedures (“P&P”) review, Compliance Check/Process Improvement assignments, preparation of risk review papers and regulatory reporting.

Appointment of financial professional for the review of related party transactions pricing basis to be in accordance with Income Tax Act 1967, Income Tax (Transfer Pricing) Rules 2023 and Malaysia Transfer Pricing Guidelines 2024.

Appointment of Shariah consultants to review and certify compliance with Shariah principles.

Liquidity, cash flow and reputational risks

The organisation secures new credit facilities to meet liquidity requirements and assesses all terms regarding pricing, security, and covenants. Management reviews planned controls, which include the diligent monitoring of cash flow, security values, and covenants, while maintaining a strategic mixture of fixed and floating rate financing liabilities.

Corruption risks

The respective operating unit identifies and assesses the risks that are inherent to its operations. Mitigating controls implemented include:

1 establishment, dissemination and communication of Code of Conduct for Business Partners and Anti-Bribery and Corruption Policy to stakeholders;

2 segregation of duties;

3 authorisation and approval with authority matrix in place;

4 multiple quotations from different vendors before an engagement;

5 background checks and conduct of due diligence;

6 donations, contributions and gifts given/received are declared and recorded; and

7 periodical training or briefings.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

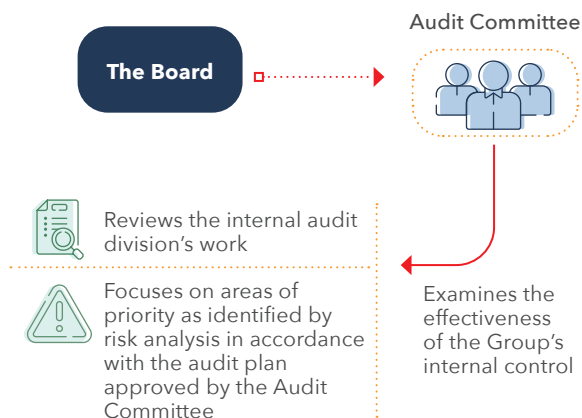
Internal Control

- (a) The Board has adopted a Directors' Code of Conduct and Ethics which provides principles and standards relating to Directors' duties and serves as a guideline for the Board to act in the best interest of the Group, and fulfil their fiduciary obligations to all its stakeholders. The Nomination & Remuneration Committee comprises exclusively of Non-Executive Directors, a majority of whom are Independent Directors, reviews and assesses, among others, the effectiveness of the Board and each of the Directors annually. The assessment includes elements such as promotion of good corporate governance culture which reinforces ethical, prudent and professional behaviour in line with the Directors' Code of Conduct and Ethics.

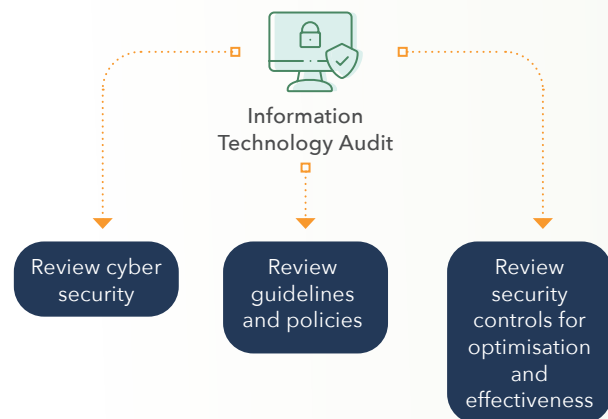
Directors' Code of Conduct & Ethics

- Best Interest of the Group
- Fiduciary Responsibilities
- Good Governance
- Ethical Conduct
- Professional Behaviour

- (b) The Board has appointed the Audit Committee to examine the effectiveness of the Group's systems of internal control on behalf of the Board. This is accomplished through the review of the internal audit division's work, which focuses on areas of priority as identified by risk analysis and in accordance with the audit plan approved by the Audit Committee.

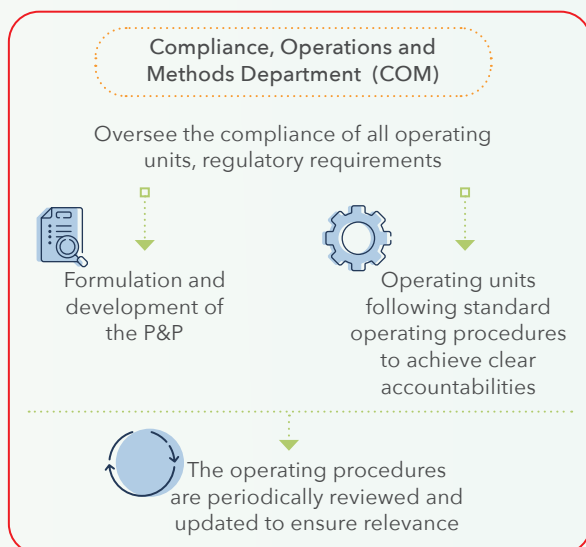


- (c) The Group has engaged the services of the internal audit division of Amcorp Group Berhad, a major shareholder of the Company, to perform its internal audit functions. The Internal Audit Department is headed by Ms. Chia Meng Yee since year 2001. She is a member of The Malaysian Institute of Certified Public Accountants (MICPA).
- (d) Internal audit reports and the proposed corrective actions are presented at the Audit Committee Meeting. Follow-up audits are performed to review the status and effectiveness of management actions.
- (e) The Board has also engaged external Information Technology Audit service provider to review cyber security, guidelines and policies, security controls for optimisation and effectiveness.



- (f) A management structure exists with clearly defined lines of responsibility and the appropriate levels of delegation to promote checks and balances through the segregation of duties. The Management Team, led by the Chief Executive Officer and comprises other Departmental Heads, is responsible for implementing the Group's strategies and managing day-to-day business. Management Team performs regular monitoring and review of the Group's financial results and provides quarterly financial and operation reports to the Audit Committee/Board. Meetings are held at operational and management levels regularly to identify, discuss and resolve business and operational issues.

- (g) Compliance remains the key priority of the Group. COM is responsible to oversee the compliance of all operating units, regulatory requirements as well as the formulation and development of the P&P. Operating units have standard operating procedures in which their operations must comply with so as to achieve clear accountabilities. The operating procedures are periodically reviewed and updated as and when necessary to ensure relevance to the Group's operations.



- (h) Regulatory requirements are communicated to all operating units through awareness campaigns and training to infuse the requirements into the business processes to manage compliance risks.
- (i) Compliance and process improvement reviews are carried out for the purpose of checking compliance and continuous enhancement on internal control and operational efficiencies, without compromising internal controls and value creation to the shareholders and stakeholders.



- (j) A Code of Conduct is incorporated in the Group's Employee Handbook and Anti-Bribery and Corruption Policy together with the corporate values, which emphasises ethical behaviour, quality products and services. The Code of Conduct must be complied with by all employees and its effectiveness and relevance in the current business environment is reviewed and assessed periodically, and any non-compliances are promptly investigated, acted upon and reported.

- (k) Sustainability Management Committee (SMART) assists the Board to oversee sustainability initiatives and performance, and to ensure strategies, goals and principles are aligned with its commitment towards sustainability. The Group has engaged a professional consultant to facilitate the adoption of the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards. A comprehensive Implementation Roadmap has been developed to address identified gaps, paving the way for full compliance.

- (l) A formal staff performance appraisal system, guided by key performance indicators to evaluate and measure staff performance and their competency is performed once a year to link performance and remuneration in order to create a high-performance work culture. Training and development programmes are provided to employees to enhance their knowledge and competency in carrying out their duties and responsibilities toward achieving the Group's objectives.

Annual Performance Appraisal	Guided by key performance indicators to evaluate and measure staff performance
Training and development programmes	Provided to employees to enhance their knowledge and competency to carry out duties and responsibilities toward achieving the Group's objectives

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- (m) Key staff and Departmental Heads are enrolled in Leadership Development Programmes to help raise awareness in their leadership and communication style in order to drive positive results and achieve peak performance.
- (n) The Group also practices Annual and Mid-Year Strategy and Budgeting and monitoring process as follows:
 - (i) there is an annual budgeting process for each area of business and approval of the annual budget by the Board.
 - (ii) actual performance is compared with the budget monthly, together with an explanation of any major variance, while the budget for the current year is reviewed at least semi-annually. Action plans are formulated to address any areas of concern.
- (o) Adequate insurance and physical security of major assets are in place to protect the assets of the Group and are sufficiently covered against any mishap that will result in material losses to the Group.
- (p) The Group has established and put in place a whistleblowing policy to provide an avenue for the Board, officers and employees as well as members of the public a safe channel for reporting concerns about possible improprieties. Allegation of improprieties, if any, is reported at the Audit Committee Meetings.

The Board is of the view the Group's risk management and internal control systems is satisfactory, adequate and effective for the Group's purpose. The Board will continue to monitor all major risks affecting the Group and take the necessary measures to mitigate them and continue to enhance the adequacy and effectiveness of the risk management and internal control system of the Group.

Pursuant to paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the Statutory Auditors have reviewed this statement for inclusion in the Annual Report of the Group for the financial year ended 31 March 2026. Their review is performed in accordance with Audit and Assurance Practice Guide 3 ("AAPG 3") issued by the Malaysian Institute of Accountants. The Statutory Auditors' procedures have been conducted to assess whether the Statement on Risk Management and Internal Control is supported by the documentation prepared by or for the Directors and that it is an appropriate reflection of the process adopted by the Directors in reviewing the adequacy and integrity of the system of internal control for the Group.

AAPG 3 does not require the Statutory Auditors to consider whether this statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk and control procedures. Based on their procedures performed, the Statutory Auditors have reported to the Board that nothing has come to their attention which 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 - Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies, nor is factually inaccurate.

This Statement on Risk Management and Internal Control is made in accordance with the resolution of the Board of Directors dated 26 May 2026.

AUDIT COMMITTEE REPORT

MEMBERS OF THE AUDIT COMMITTEE

The composition of the Audit Committee of RCE Capital Berhad is as follows:

Name	Designation	Directorship
Thein Kim Mon	Chairman	Independent Director
Tan Sri Dato' Setia Mazlan Mansor	Member	Independent Director
Azura binti Azman	Member	Independent Director
Tracy Chen Wee Keng (<i>Appointed on 6 June 2025</i>)	Member	Independent Director
Lum Sing Fai (<i>Appointed on 10 September 2025</i>)	Member	Non-Independent Non-Executive Director

No alternate Directors were appointed to the Audit Committee. The Audit Committee Chairman, Mr. Thein Kim Mon is a Fellow of the Institute of Chartered Accountants, England and Wales (FCA) and the Institute of Chartered Accountants of Australia (FCA). Accordingly, the Audit Committee meets the requirements of Paragraph 15.09(1)(c) of Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("Listing Requirements").

To support the Company's gender diversity policy in line with the Malaysian Code on Corporate Governance, which recommends at least 30% women representation on the Board, Ms. Tracy Chen Wee Keng was appointed as an Independent Director of the Company and a member of the Audit Committee on 6 June 2025.

During the financial year, Mr. Soo Kim Wai, who retired by rotation pursuant to Clause 118 of the Company's Constitution, did not seek re-election at the 71st Annual General Meeting ("AGM") held on 10 September 2025 and accordingly, he retired as Director of the Company at the conclusion of the AGM. Consequent thereto, he also ceased to be a member of the Audit Committee. On the same date, Mr. Lum Sing Fai was appointed as a member of the Audit Committee.

In line with the Company's 9-year tenure policy for Independent Directors, Datuk Mohamed Azmi bin Mahmood resigned as an Independent Director of the Company on 14 March 2026 upon completion of his 9-year tenure and accordingly ceased to be a member of the Audit Committee.

Following the above changes, the Audit Committee comprises five (5) members, four (4) of whom are Independent Directors. All Independent Directors have satisfied the independence requirements prescribed under the Listing Requirements. Accordingly, the composition of the Audit Committee complies with the requirements of Paragraph 15.09(1)(a) and (b) of the Listing Requirements.

The Audit Committee members possess a comprehensive understanding of the Group's business, enabling them to continuously apply a critical and probing view on the Company's financial reporting process, transactions and other financial information. The Audit Committee Chairman together with the Audit Committee members play an active role in engaging with Management, Chief Financial Officer, internal auditors and external auditors.

The Board of Directors ("the Board"), through the Nomination & Remuneration ("N&R") Committee, annually reviews the term of office and assesses the performance of the Audit Committee and its members through an effectiveness evaluation exercise. The N&R Committee assessed the performance of the Audit Committee for the financial year ended 31 March 2026 and was satisfied that the Audit Committee and its members had effectively discharged their functions, duties and responsibilities in accordance with its terms of reference. The Board was of the view that the Audit Committee had consistently provided effective oversight in matters relating to the Group's financial and audit, risk management and internal control, and provided valuable recommendations to the Board for better decision-making, thereby contributing to the efficiency and effectiveness of Board meetings.

AUDIT COMMITTEE REPORT

MEETINGS AND ATTENDANCE

During the financial year ended 31 March 2026, the Audit Committee held four (4) meetings. The details of attendance of the Audit Committee members are as follows:

Name	No. of Meetings Attended	Percentage of Attendance (%)
Thein Kim Mon	4/4	100
Tan Sri Dato' Setia Mazlan Mansor	4/4	100
Azura binti Azman	4/4	100
Tracy Chen Wee Keng (<i>Appointed on 6 June 2025</i>)	3/3 [#]	100
Lum Sing Fai (<i>Appointed on 10 September 2025</i>)	2/2 [#]	100
Soo Kim Wai (<i>Retired on 10 September 2025</i>)	2/2 [^]	100
Datuk Mohamed Azmi bin Mahmood (<i>Resigned on 14 March 2026</i>)	4/4 [^]	100

Notes:

[#] Reflects the number of meetings held during the financial year following their appointment to the Audit Committee

[^] Reflects the number of meetings held during the financial year prior to their cessation as members of the Audit Committee

The Audit Committee Meetings were conducted in accordance with the requisite quorum as stipulated in the terms of reference of the Audit Committee, which requires the presence of at least two (2) members, of whom the majority must be Independent Directors.

The Chief Executive Officer, Deputy Chief Executive Officer, Group Chief Financial Officer, Head of Internal Audit and senior management personnel attended all Audit Committee meetings. Their presence was essential for presenting reports on financial results, audits and other pertinent matters for the Audit Committee's deliberation and approval. Where necessary, Management representatives of the audit subjects were also invited to the meetings to provide clarifications on specific issues arising from the audit reports.

In relation to statutory audit matters, representatives of the external auditors were invited to the meetings, when necessary, to present and discuss their Audit Planning Memorandum and other relevant matters. The external auditors also attended the meeting where the annual audited financial statements were reviewed and discussed.

This provided a platform for direct interaction between Audit Committee members, Management and auditors, facilitating robust discussions and informed decision-making.

The Company Secretary acts as the Secretary of the Audit Committee. The Audit Committee members are provided with the agenda and relevant committee papers before each meeting. Minutes of the Audit Committee Meetings are distributed to the Board for notation and the Chairman of the Audit Committee shall report key issues discussed at the Audit Committee Meetings to the Board.

TERMS OF REFERENCE

In performing its duties and discharging its responsibilities, the Audit Committee is guided by its terms of reference.

 The terms of reference is accessible on the Company's corporate website at www.rce.com.my.

SUMMARY OF ACTIVITIES

The key activities undertaken by the Audit Committee in discharging its functions and duties during the financial year were as follows:

Financial Results

- (a) Reviewed the unaudited quarterly financial results of the Group and related announcements prior to recommending them to the Board for consideration and approval and the release of the Group's results to Bursa Securities. The review included detailed discussions with Chief Executive Officer, Deputy Chief Executive Officer, Group Chief Financial Officer and senior personnel from Group Finance Department to ensure compliance with the financial reporting standards and clarity of disclosures. Areas of discussion included, amongst others, the overall performance of the Group, the prospects of the Group, accounting treatment of significant transactions and the underlying activities that lead to such transactions.
- (b) Reviewed the annual audited financial statements of the Group with Management and external auditors prior to submission to the Board for its consideration and approval. The review focused particularly on the application of accounting policies and practices, adjustments arising from the audits, significant matters highlighted including financial reporting issues, key audit matters, significant judgements and estimates such as the impairment assessment of goodwill, significant and unusual events/transactions and how these matters were addressed, compliance with applicable approved accounting standards in Malaysia and other legal and regulatory requirements, significant risks and audit focus areas of the Group. Upon deliberation, the Audit Committee concluded that the annual audited financial statements of the Group presented a true and fair view of the Group's financial performance.

Internal Audit

- (a) Reviewed and approved the Audit Plans, including feedback on the proposed audit scope and areas of focus, with audit frequency determined based on the risk profile of the respective audit areas.
- (b) Reviewed the proposed engagement of independent service provider to perform information technology ("IT") audits for the Group to ensure that the Group's IT environment remains intact from the constant evolution of IT threats and vulnerabilities, and recommended the same for Board's approval.
- (c) Reviewed the internal audit reports, audit recommendations made and adequacy of Management's responses to these recommendations and actions taken to improve the system of internal control and procedures. During the meetings, enquiries were made to both internal auditors and Management over details of issues raised, root causes and the proposed corrective actions. Where appropriate, the Audit Committee directed Management to rectify and improve control procedures. The Audit Committee also provided additional advisories and constructive feedback on issues raised through the discussions with internal auditors and Management to ensure satisfactory and timely remedial actions have been committed by Management to address identified risks.
- (d) Monitored and deliberated the implementation of audit recommendations arising from internal audit activities as well as the follow-up audits conducted by internal auditors to ensure that all key risks and controls have been addressed. The Audit Committee also considered the timeliness of completion of the proposed actions and whether such actions had effectively resolved the issues raised.
- (e) Reviewed the status of audit assignment reported by the internal auditors to ensure that the progress was in line with the approved Audit Plan.
- (f) Reviewed the fees for the outsourcing of the Group's Internal Audit Function to Corporateview Sdn. Bhd., a wholly-owned subsidiary of Amcorp Group Berhad and recommended the fees for Board's approval.
- (g) Reviewed the resource requirements for the year and assessed the performance and competency of the Internal Audit Function. A formal annual appraisal of the internal auditors was performed on 25 February 2026 where areas reviewed covered adequacy of scope, functions, competency, resources, authority of the Internal Audit Function, and honesty and professional courage. The Audit Committee was satisfied that the internal auditors had discharged their duties effectively during the period under review.

AUDIT COMMITTEE REPORT

Internal Audit

- (h) Reviewed the objectivity and independence of the Internal Audit Function. On 25 February 2026, the internal auditors confirmed to the Audit Committee of their independence and declared that they did not engage in activities that would impair their independence and are prohibited from auditing functions where they held functional responsibilities in the past twelve (12) months or those they are currently responsible for. The Head of Internal Audit also confirmed to the Committee that there was individual objectivity and organisational independence and there was no interference in determining the scope of internal auditing, performing work and communicating results. This assurance reinforced the Committee's confidence in the Internal Audit Function's ability to operate effectively and independently.
- (i) Reviewed the annual reporting by the Internal Audit Function on the outcome of Quality Assurance and Improvement Program ("QAIP") for the period from 1 January 2025 to 31 December 2025 in accordance with The Institute of Internal Auditors' International Professional Practices Framework ("IPPF"). The review covered internal assessment performed by the Internal Audit Function to evaluate conformance to IPPF, as well as the review of competency and professional experience of the internal audit staff, and whether any ethical breaches were identified and made known in the course of their work.
- (j) Reviewed and recommended the appointment of an external assessor to perform the assessment on the Internal Audit Function to ensure conformance with the Global Internal Audit Standards.
- (k) Reviewed the whistleblowing reports received via the whistleblowing channels managed by the Internal Audit Function. All reports received through the whistleblowing channels were tabled to the Audit Committee on a quarterly basis, with pertinent reports, if any, highlighted for deliberation.
- (l) Reviewed the Statement on Risk Management and Internal Control to ensure that it is consistent with their understanding of the state of internal control of the Group and recommended the same to the Board for inclusion in the Annual Report. Compliance with the requirements as set out in The Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers on the content of the Statement on Risk Management and Internal Control was also assessed by the Audit Committee.

External Audit

- (a) Reviewed with the external auditors the Audit Planning Memorandum prior to the commencement of the annual audit, which outlined the auditors' responsibilities, audit materiality, scoping of components, methodology and timetable, significant risks and areas of audit focus, changes to accounting standards, internal control plan, involvement of internal auditors, internal specialists and audit data analytics, independent policies and procedures as well as the proposed fees for the audit and non-audit services for the financial year under review, at the Audit Committee Meeting held on 18 November 2025. The Audit Committee recommended the proposed audit and non-audit fees for the Board's approval and the same were duly approved by the Board.
- (b) Reviewed and deliberated on the external auditors' presentation of the results of their annual audit for the financial year under review and their audit report in ensuring that appropriate actions have been taken.
- (c) Reviewed with the external auditors the impact of new or proposed changes in accounting standards and regulatory requirements.
- (d) Reviewed the provision of non-audit services rendered by the external auditors to the Group, particularly in circumstances where the auditors were best qualified and suitable to provide the required services given their comprehensive knowledge of the Group's business operations, systems and processes. In assessing the nature and scope of the non-audit services, the Audit Committee was satisfied that the services were not likely to create any conflict of interest or impair the external auditors' independence and objectivity.

External Audit

- (e) Held two (2) discussions with the external auditors without the presence of Management on 22 May 2025 and 18 November 2025 respectively, to discuss issues requiring attention/significant matters arising from the audit.
- (f) Reviewed, assessed and monitored the performance, suitability and independence of the external auditors. Areas of the performance review included adequacy of audit scope and ability to meet audit deadlines, competency and quality of services rendered, sufficiency of resources, effectiveness of the external auditors' recommendations in addressing any weaknesses observed during the audits, timeliness in escalating audit issues to the Audit Committee, level of communication and interaction by the audit team, and independence, objectivity and professionalism of the audit team. In addition, the Audit Committee also discussed matters relating to the potential conflict of interest of the external auditors as part of its broader oversight responsibilities. The external auditors had provided an annual confirmation of their independence in accordance with the terms of all professional and regulatory requirements.

In evaluating the external auditors, the Audit Committee had also considered information presented in the external auditors' 2025 Audit Transparency Report.

Following the outcome of the assessment and being satisfied with the external auditors' performance, suitability and independence, the Audit Committee at its meeting held on 26 May 2026 recommended to the Board for approval of the re-appointment of Deloitte Malaysia PLT (formerly known as Deloitte PLT) as auditors of the Company. A resolution for their re-appointment will be tabled for shareholders' approval at the forthcoming annual general meeting.

Related Party Transactions

- (a) Reviewed the related party transactions entered into by the Group and ensured that the transaction was in the best interest of the Company, fair, reasonable, on normal commercial terms and not detrimental to the interests of the minority shareholders of the Company.
- (b) Reviewed the recurrent related party transactions of a revenue or trading nature and any outstanding amount due/owing to the Group by its related parties on a quarterly basis to ensure the amounts transacted were within the approved shareholders' mandate obtained from the shareholders.
- (c) Reviewed the adequacy of the guidelines, procedures and processes in identifying, monitoring, reviewing and tracking of recurrent related party transactions.
- (d) Reviewed the Circular to Shareholders in respect of the recurrent related party transactions prior to recommending them for the Board's approval to seek shareholders' mandate at the annual general meeting of the Company.

Conflict of Interest ("COI")

Reviewed and assessed the annual COI declarations made by the Directors and Key Senior Management of the Group. The review, which was conducted at the Audit Committee meeting held in May 2026, included the evaluation of identified COI situations, and assessment of the adequacy of mitigation measures, the findings of which were then reported to the Board. The Audit Committee was satisfied that the identified COIs have been effectively managed in accordance with the Group's COI Policy and applicable regulatory requirements.

Four (4) out of seven (7) Directors who held office as at the end of the financial year, and one (1) Key Senior Management personnel, had disclosed their respective COI situations. The remaining Directors and Key Senior Management confirmed that they have no COI with the Group.

AUDIT COMMITTEE REPORT

Conflict of Interest

The actual, potential and perceived COI disclosed by the Directors and Key Senior Management, together with the corresponding measures taken to resolve, eliminate or mitigate such conflicts, are summarised as follows:

Director/ Key Senior Management	COI Situations	Measures Taken to Address the COI
Shahman Azman (Non-Independent Non-Executive Chairman)	Shahman Azman is a Director of Amcorp Group Berhad ("Amcorp") (in which he does not hold any shares) whereby its subsidiary companies are engaged in the provision of mezzanine financing and moneylending services, which may be considered to be of a similar nature to certain businesses within RCE Group. Shahman Azman's father, Tan Sri Azman Hashim, is the Executive Chairman and major shareholder of Amcorp. He is also the Chairman Emeritus and Honorary Adviser as well as a major shareholder of AMMB Holdings Berhad ("AMMB"). AMMB operates within the financial services sector, which may be considered to be of a similar nature to certain businesses within RCE Group.	(1) Disclosure: - full and timely disclosure of any actual, potential, or perceived COI to the Company; - submit quarterly COI disclosure, detailing any new or ongoing COI. This ensures that the Company is kept informed of any changes and can take appropriate action as needed; - submit annual declaration of COI, detailing the full scope and nature of their interests as part of ongoing compliance obligations. (2) Recusal: - abstain from participating in any deliberations, discussions, or decision-making processes for transactions involving Amcorp and AMMB or their subsidiaries where such involvement may give rise to an actual, potential, or perceived COI.
Tracy Chen Wee Keng (Independent Director)	Tracy Chen Wee Keng is an Independent Director in both CIMB Investment Bank Berhad and RCE (she does not hold any shares in either entity). Given that CIMB Investment Bank Berhad is acting as one of the Joint Lead Arrangers and Joint Lead Managers for the Sukuk Murabahah Asset-Backed Securitisation Programme by RCE's special purpose vehicle and that the CIMB Group operates in financial services sector which may be considered to be of a similar nature to certain businesses within RCE Group, a potential or perceived conflict of interest may arise by virtue of the common directorship held by her in both entities.	(1) Disclosure: - full and timely disclosure of any actual, potential, or perceived COI to the Company; - submit quarterly COI disclosure, detailing any new or ongoing COI. This ensures that the Company is kept informed of any changes and can take appropriate action as needed; - submit annual declaration of COI, detailing the full scope and nature of their interests as part of ongoing compliance obligations. (2) Recusal: - abstain from participating in any deliberations, discussions, or decision-making processes for transactions involving CIMB Group where such involvement may give rise to an actual, potential, or perceived COI.
Shalina Azman (Non-Independent Non-Executive Director)	Shalina Azman is the Deputy Chairman of Amcorp (in which she does not hold any shares) whereby its subsidiary companies are engaged in the provision of mezzanine financing and moneylending services, which may be considered to be of a similar nature to certain businesses within RCE Group.	(1) Disclosure: - full and timely disclosure of any actual, potential, or perceived COI to the Company; - submit quarterly COI disclosure, detailing any new or ongoing COI. This ensures that the Company is kept informed of any changes and can take appropriate action as needed; - submit annual declaration of COI, detailing the full scope and nature of their interests as part of ongoing compliance obligations.

Director/ Key Senior Management	COI Situations	Measures Taken to Address the COI
Shalina Azman (Non-Independent Non-Executive Director) (Cont'd)	Shalina Azman's father, Tan Sri Azman Hashim, is the Executive Chairman and major shareholder of Amcorp. He is also the Chairman Emeritus and Honorary Adviser as well as a major shareholder of AMMB. AMMB operates within the financial services sector, which may be considered to be of a similar nature to certain businesses within RCE Group.	(2) Recusal: abstain from participating in any deliberations, discussions, or decision-making processes for transactions involving Amcorp and AMMB or their subsidiaries where such involvement may give rise to an actual, potential, or perceived COI.
Lum Sing Fai (Non-Independent Non-Executive Director)	Lum Sing Fai is the Group Managing Director of Amcorp (in which he does not hold any shares) whereby its subsidiary companies are engaged in the provision of mezzanine financing and moneylending services, which may be considered to be of a similar nature to certain businesses within RCE Group.	(1) Disclosure: - full and timely disclosure of any actual, potential, or perceived COI to the Company; - submit quarterly COI disclosure, detailing any new or ongoing COI. This ensures that the Company is kept informed of any changes and can take appropriate action as needed; - submit annual declaration of COI, detailing the full scope and nature of their interests as part of ongoing compliance obligations. (2) Recusal: - abstain from participating in any deliberations, discussions, or decision-making processes for transactions involving Amcorp or its subsidiaries where such involvement may give rise to an actual, potential, or perceived COI.
Johnson Yap Choon Seng (Company Secretary)	Johnson Yap Choon Seng is the Deputy Group Managing Director of Amcorp (in which he does not hold any shares) whereby its subsidiary companies are engaged in the provision of mezzanine financing and moneylending services, which may be considered to be of a similar nature to certain businesses within RCE Group.	(1) Disclosure: - full and timely disclosure of any actual, potential, or perceived COI to the Company; - submit quarterly COI disclosure, detailing any new or ongoing COI. This ensures that the Company is kept informed of any changes and can take appropriate action as needed; - submit annual declaration of COI, detailing the full scope and nature of their interests as part of ongoing compliance obligations. (2) Recusal: - abstain from participating in any deliberations, discussions, or decision-making processes for transactions involving Amcorp or its subsidiaries where such involvement may give rise to an actual, potential, or perceived COI.

AUDIT COMMITTEE REPORT

Employees' Share Scheme ("ESS")

Reviewed and verified that options allocated and granted during the financial year under the Company's ESS were in accordance with the allocation criteria approved by the ESS Committee and in compliance with the By-Laws of the ESS. Areas reviewed included maximum number of shares available under the ESS, eligibility of the allottees, basis of allocation and option price.

Risk Management Committee

- (a) Reviewed the deliberations on risk management approaches by the Risk Management Committee. Matters deliberated by Risk Management Committee encompass, amongst others, completion update on the acquisition of a wholly-owned subsidiary, securing new credit facilities to meet liquidity requirement, impairment of goodwill and cost of investment, strategic business initiatives, proposed engagement of external service provider for penetration testing services, changes to key impairment assessment methodologies and assumptions, Anti-Bribery and Corruption Policy update in relation to offering and receipt of gifts, hospitality, charitable contributions and sponsorships.
- (b) Reviewed the Control Self-Assessment ratings submitted by the respective operations management on a half-yearly basis, which enables the Company to update key risks direction, identify emerging risks and define an adequate and practical mitigation action plan, where necessary.

Others

- (a) Reviewed the Audit Committee Report for inclusion in the Annual Report.
- (b) Reviewed the proposed engagement of Internal Audit Function to conduct assurance review of the data table disclosed in the Sustainability Statement for conformance with the prescribed format and followed by recommendation for the Board's approval.

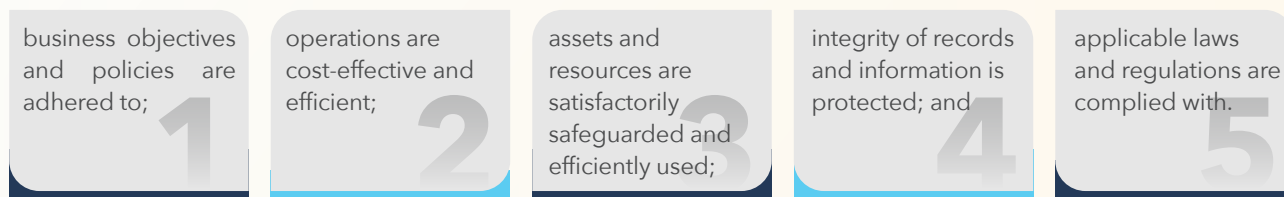
INTERNAL AUDIT FUNCTION

The Company engaged the services of the internal audit department of Amcorp Group Berhad, a major shareholder of the Company, to perform its internal audit function. The Internal Audit Function is independent of the activities it audits and carries out its works through a risk-based approach by focusing on key risk areas. The costs incurred for the Internal Audit Function of the Group for the financial year ended 31 March 2026 was RM355,500.

The Internal Audit Function reports directly to the Audit Committee and assists the Audit Committee in the discharge of its duties and functions. The independent Internal Audit Function's role is to provide objective assurance and consulting activity designed to add value to and improve the Group's operations.

The Internal Audit Function presents its risk-based Audit Plan, which includes the scope and functions of the Internal Audit for the financial year for consideration and approval of the Audit Committee at the beginning of the financial year. This risk-based Audit Plan is subject to review at the quarterly meetings of the Audit Committee in response to changes in the operational, financial and control environment.

The scope of the internal audit function performed by the internal auditors encompasses audit visits to all relevant subsidiaries of the Group on a regular basis. The objectives of such audit visits are to determine whether adequate controls have been established and are operating in the Group, to provide reasonable assurance that:



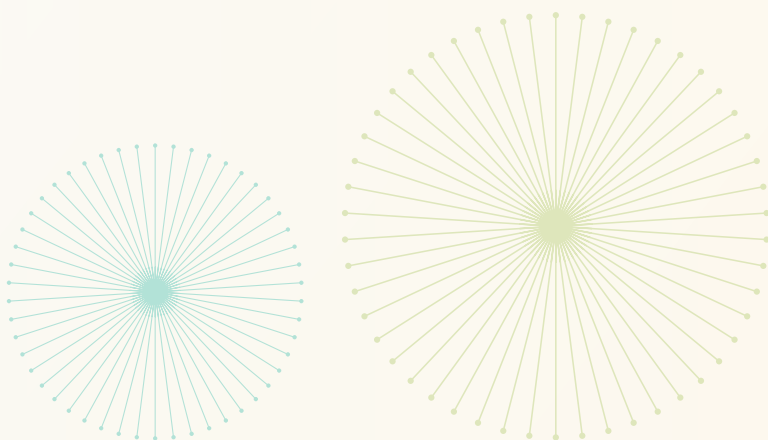
During the financial year, the Internal Audit Function undertook reviews in accordance with its approved Audit Plan covering the following areas: regulatory compliance, business development, customer service, recovery, legal and risk management activities. The Internal Audit Function manages the whistleblowing channels to ensure all the channels are available throughout and reports received are investigated and reported to the Audit Committee. The Internal Audit Function also carried out a review of related party transactions, options allocation under the ESS and Management's self-assessment of risk profiles.

The above reviews performed by the Internal Audit Function provide an indication of the effectiveness of the Group's system of risk management and internal control, and that there is an appropriate balance of controls and risks in achieving the Group's business objectives and policies.

Audit reports, with ratings for both individual findings and overall reports, were issued to highlight any deficiencies or findings requiring Management's attention. Such reports also included practical and cost-effective recommendations as well as proposed corrective actions to be adopted by Management. The audit reports together with Management's responses were reported to the Audit Committee on a quarterly basis. Follow-up audits were then carried out to ensure that the agreed-upon recommendations were implemented by Management appropriately.

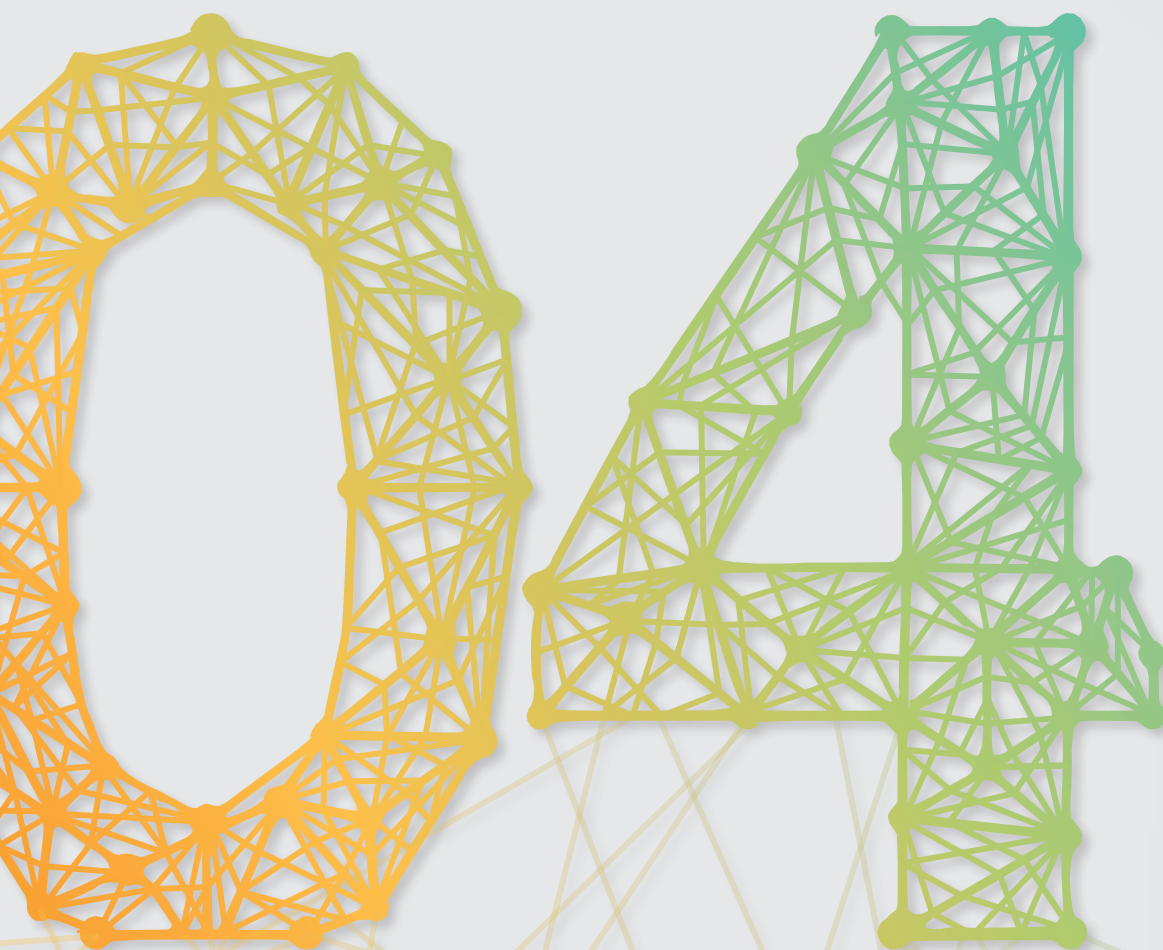
Internal Audit Function's conformance to the standards contained in the IPPF as promulgated by The Institute of Internal Auditors were internally assessed during the financial year, where the effectiveness and efficiency of the Internal Audit Function, as well as audit personnel competency and experience, were reviewed. An external assessment was performed in the financial year 2022 in compliance with its QAIP, and these were reported to the Audit Committee.

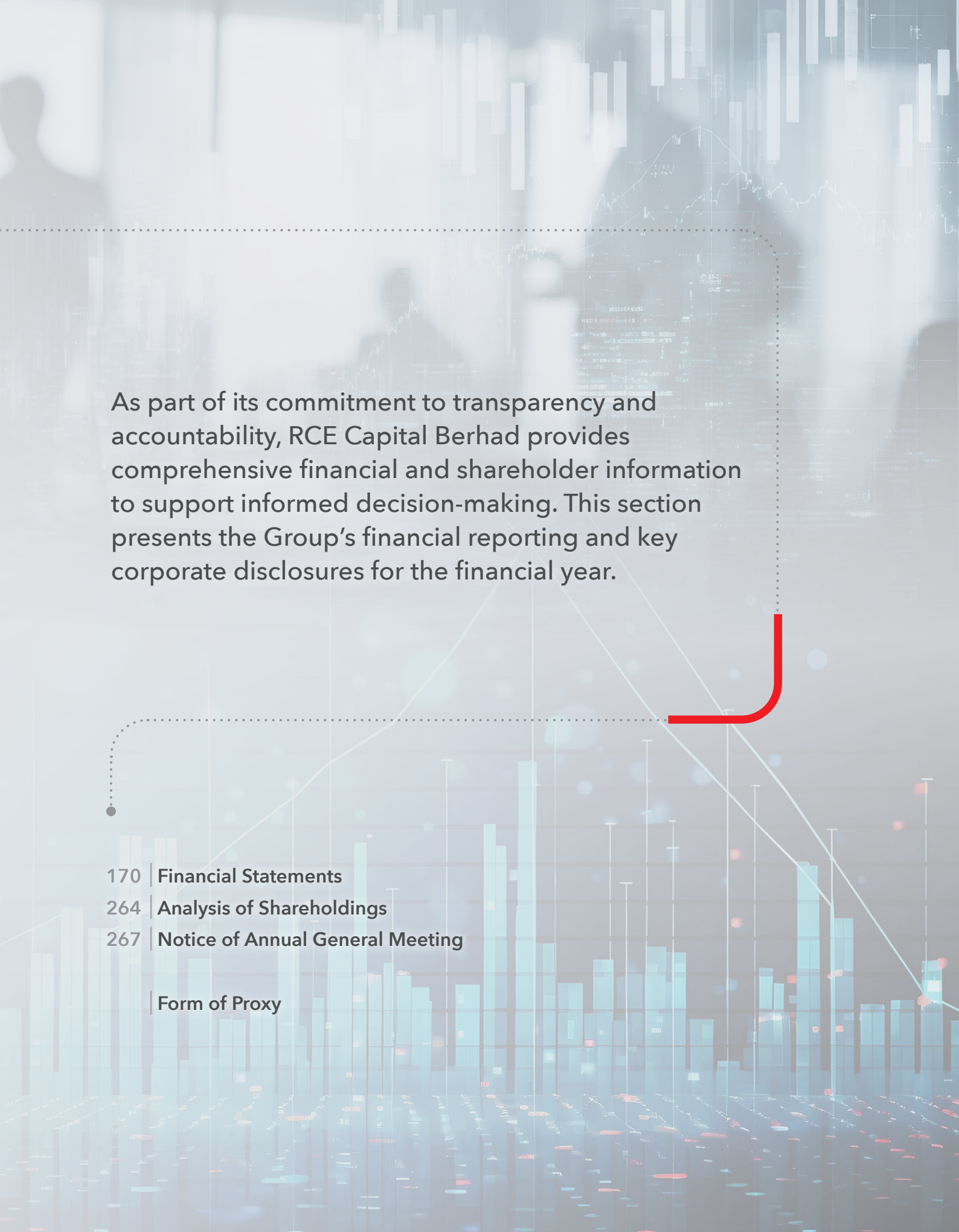
This Audit Committee Report is made in accordance with the resolution of the Board of Directors dated 26 May 2026.



FINANCIAL

AND SHAREHOLDER INFORMATION

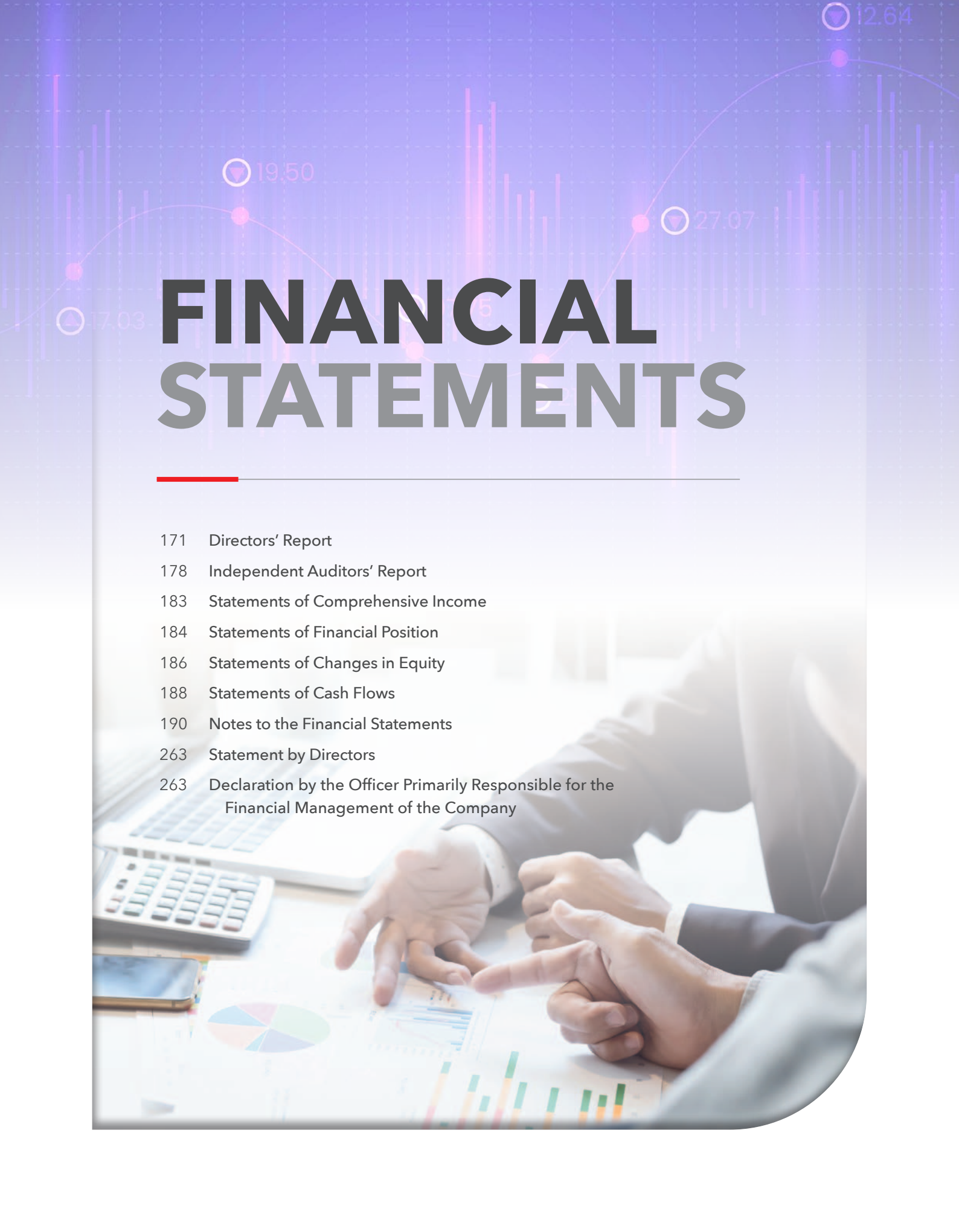




As part of its commitment to transparency and accountability, RCE Capital Berhad provides comprehensive financial and shareholder information to support informed decision-making. This section presents the Group's financial reporting and key corporate disclosures for the financial year.

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DIRECTORS' REPORT

The directors of **RCE CAPITAL BERHAD** have pleasure in submitting 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 principal activities of the Company are that of investment holding and provision of management services.

The information on the name, place of incorporation, principal activities and percentage of issued share capital held by the holding company in each subsidiary company are disclosed in Note 16 to the financial statements.

FINANCIAL RESULTS

The audited results of the Group and of the Company for the financial year ended 31 March 2026 are as follows:

	The Group RM	The Company RM
Profit for the financial year	126,569,060	93,757,717

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

DIVIDENDS

Dividends declared or paid by the Company since the end of the previous financial year are as follows:

	RM
In respect of financial year ended 31 March:	
2026:	
First interim dividend of 3.00 sen per ordinary share, declared on 18 November 2025 and paid on 30 December 2025	44,041,054
2025:	
Second interim dividend of 3.50 sen per ordinary share, declared on 22 May 2025 and paid on 30 June 2025	51,381,230

DIRECTORS' REPORT

DIVIDENDS (CONT'D)

The Board of Directors ("Board") has declared a second interim dividend of 3.50 sen per ordinary share ("2nd interim dividend") in respect of financial year ended 31 March 2026, to be paid on 30 June 2026. The dividend payable is estimated at RM51,381,230 based on the latest number of ordinary shares, net of treasury shares.

The entitlement date for the dividend payment is 16 June 2026.

This 2nd interim dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 March 2027.

Total dividend declared in respect of the financial year ended 31 March 2026 is 6.50 sen per ordinary share.

The Board does not recommend any final dividend for the financial year ended 31 March 2026.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in Note 28 to the financial statements.

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

TREASURY SHARES

During the financial year, there were no repurchases of the Company's shares from the open market.

The treasury shares were held by the Company in accordance with Section 127 of the Companies Act 2016 in Malaysia.

The Company has the right to cancel, resell and/or distribute the treasury shares as dividends at a later date or transfer the treasury shares for Employees' Share Scheme ("ESS") or as purchase consideration at a later date. None of the treasury shares repurchased have been sold, cancelled or transferred during the financial year.

As at 31 March 2026, the number of ordinary shares, net of treasury shares is 1,468,035,142 shares. Further details are disclosed in Note 26 to the financial statements.

ESS

The ESS which was approved by the shareholders at the Annual General Meeting held on 22 September 2020 is governed by the By-Laws and implemented on 20 October 2020. The ESS is to be in force for a period of five (5) years and has been extended until 31 December 2026 by the Board upon recommendation of the ESS committee. The ESS comprises shares and/or options to subscribe for shares of up to fifteen percent (15%) of the total number of issued shares of the Company (excluding treasury shares) at any point in time for eligible executive directors and employees of the Group.

The salient features of the ESS are disclosed in Note 27 to the financial statements.

The persons to whom the options are granted have no right to participate by virtue of the options in any other share of any other company in the Group.

The details and movements in number of options during the financial year are as follows:

Grant date	Expiry date	Option price RM	ESS options				Balance as at 31.03.2026
			Balance as at 1.04.2025	Granted	Exercised	Cancelled	
13.10.2023	20.11.2026	1.14 [#]	2,763,000	-	(90,000)	(88,000)	2,585,000
25.06.2024	20.11.2026	1.27 [#]	31,121,800	-	(50,000)	(2,440,800)	28,631,000
11.08.2025	20.11.2026	0.96	-	31,709,000	(16,981,000)	(318,000)	14,410,000
			33,884,800	31,709,000	(17,121,000)	(2,846,800)	45,626,000

[#] The number of options and option price have been adjusted in accordance with By-Laws 15.1 and 15.5(b) arising from issuance of 741,066,767 new shares ("Bonus Shares").

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

- to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- to ensure that any current assets, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION (CONT'D)

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

- (a) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

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

- (a) any charge on the assets of the Group and of the Company which 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 has become enforceable or is likely to become enforceable within the period of twelve (12) months after the end of the financial year which will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

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

DIRECTORS

The directors of the Company in office during the financial year and the period from the end of the financial year to the date of this report are as follows:

Shahman Azman	
Tan Sri Dato' Setia Mazlan Mansor	
Thein Kim Mon	
Azura Binti Azman	
Chen Wee Keng	(Appointed on 6 June 2025)
Shalina Azman*	
Lum Sing Fai	
Soo Kim Wai	(Retired on 10 September 2025)
Datuk Mohamed Azmi Bin Mahmood	(Resigned on 14 March 2026)

* Director of the Company and subsidiary companies.

LIST OF DIRECTORS OF SUBSIDIARY COMPANIES

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the list of directors of the subsidiary companies (excluding director who is also director of the Company) during the financial year and up to the date of this report are as follows:

Loh Kam Chuin
 Oon Hooi Khee
 Teoh Boon Wee
 Aqeel Bin Mokhtar^
 Muhamad Firdaus Bin Mokhtar^
 Norhayati Binti Azit^ (Resigned on 10 February 2026)

^ Directors of the special purpose vehicles, which are included as indirect and not legal subsidiary companies of the Company.

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, the interest of directors in office at the end of the financial year in shares and options in the Company during the financial year are as follows:

	Number of ordinary shares			Balance as at 31.03.2026
	Balance as at 1.04.2025	Acquired	Disposed	
The Company				
Direct interest:				
Shahman Azman	1,200,000	-	-	1,200,000
Shalina Azman	1,800,000	-	-	1,800,000
Lum Sing Fai	1,992	-	-	1,992

Other than those disclosed above, none of the other directors in office at the end of the financial year held any interest in shares and options in the Company or its related companies during and at the end of the financial year.

DIRECTORS' BENEFITS AND REMUNERATION

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than the benefit included in the aggregate amount of remuneration received or due and receivable by the directors as disclosed in the financial statements) 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 benefit which may be deemed to have arisen by virtue of the balances and transactions with companies in which certain directors of the Company are also directors and/or have substantial financial interests as disclosed in Note 23 to the financial statements.

DIRECTORS' REPORT

DIRECTORS' BENEFITS AND REMUNERATION (CONT'D)

During and at the end of the financial year, there are no arrangement subsisted to which the Company is a party, whereby directors of the Company might acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate other than the options granted pursuant to the Company's ESS as disclosed in Note 27 to the financial statements.

The directors' remuneration of the Group and of the Company during the financial year are RM1,328,791 and RM780,599 respectively. Further details of directors' remuneration are disclosed in Note 7 to the financial statements.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Group and the Company maintain directors and officers' liability insurance for the purpose of Section 289 of the Companies Act 2016 in Malaysia, which provides appropriate insurance cover for their directors and officers throughout the financial year.

The insurance premium paid by the Group during the financial year amounted to RM40,095.

There was no indemnity given to or insurance effected for the auditors of the Company in accordance with Section 289 of the Companies Act 2016 in Malaysia.

SUBSEQUENT EVENT

Details of subsequent event are disclosed in Note 35 to the financial statements.

HOLDING COMPANIES

The Company is a subsidiary company of Cempaka Empayar Sdn. Bhd.. The intermediate holding company is Amcorp Group Berhad, a company incorporated in Malaysia. The directors regard Clear Goal Sdn. Bhd., a company incorporated in Malaysia as the ultimate holding company.

AUDITORS

The auditors, Deloitte Malaysia PLT (formerly known as Deloitte PLT), have indicated their willingness to continue in office.

AUDITORS' REMUNERATION

The auditors' remuneration of the Group and of the Company during the financial year are RM430,000 and RM134,000 respectively. Further details of auditors' remuneration are disclosed in Note 9 to the financial statements.

Signed on behalf of the Board, as approved by the Board in accordance with a resolution of the directors.



SHAHMAN AZMAN

Kuala Lumpur
26 May 2026



LUM SING FAI

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RCE CAPITAL BERHAD

(INCORPORATED IN MALAYSIA)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **RCE CAPITAL BERHAD**, which comprise the statements of financial position of the Group and of the Company as at 31 March 2026, and the statements of 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 183 to 262.

In our opinion, the accompanying financial statements of the Group and of the Company 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, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* issued by 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 ethical responsibilities in accordance with the said By-Laws and the IESBA Code.

Key Audit Matter

Key audit matter presented below is the matter that, in our professional judgement, was of most significance in our audit of the financial statements of the Group and of the Company of the financial year. This matter was 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 this matter.

Key Audit Matter

How the Scope of our Audit Responded to the Key Audit Matter

Allowances for impairment on financing receivables

MFRS 9 Financial Instruments requires the Group to account for financing receivables loss with a forward-looking expected credit loss (“ECL”) approach.

The measurement of ECL is complex and requires the application of significant judgement and estimates which includes the identification of credit exposures with a significant increase in credit risk and assumptions used in ECL models such as expected future cash flows, time value of money, forward looking macroeconomic factors and probability-weighted scenario.

During the financial year, the Group applied Stage 3 assumptions that better reflect the expected recovery rate of financing receivables.

Details of the judgements and assumptions used are disclosed in Notes 3, 4 and 33 to the financial statements.

We performed the following procedures to address the key audit matter:

- Evaluated the design, implementation and operating effectiveness of key controls over impairment of financing receivables.
- Engaged internal information technology (“IT”) specialist to test the general IT controls around systems involved in the impairment of financing receivables.
- Assessed and evaluated the appropriateness of the Group’s ECL model, including updates on forward looking macroeconomic factors and probability-weighted scenario.
- Tested samples of financing receivables to evaluate if credit staging is appropriately classified in accordance with the Group’s definition of significant increase in credit risk.
- Reconciled samples of ECL output from the source system to the general ledger.
- Involved our internal credit risk and ECL model specialists to review and validate the ECL models, forward-looking information, macroeconomic variables (“MEV”), assumptions applied, internal validation outcomes, and consistency against independent external sources, including Bank Negara Malaysia data.
- Assessed and evaluated the accuracy and completeness of disclosures in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RCE CAPITAL BERHAD (INCORPORATED IN MALAYSIA)

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report of the Group and of the Company, but does not include the financial statements 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, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements 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 has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's 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; and
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RCE CAPITAL BERHAD (INCORPORATED IN MALAYSIA)

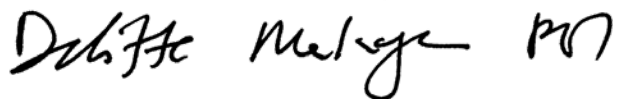
Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

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 safeguard 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 of the current year and are therefore the key audit matter. We describe this matter in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

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



DELOITTE MALAYSIA PLT (LLP0010145-LCA)
Chartered Accountants (AF 0080)



SITI HAJAR BINTI OSMAN
Partner - 03061/04/2027 J
Chartered Accountant

26 May 2026

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	The Group		The Company	
		2026 RM	2025 RM	2026 RM	2025 RM
Profit/interest income		287,163,127	292,368,535	-	-
Other revenue		36,070,907	39,302,021	95,319,550	95,330,000
Revenue	5	323,234,034	331,670,556	95,319,550	95,330,000
Other income		33,166,155	36,243,405	208,841	200,210
Profit/interest expense applicable to revenue	6	(93,696,623)	(100,322,300)	-	-
Directors' remuneration	7	(1,035,040)	(938,040)	(778,000)	(681,000)
Staff costs	8	(33,284,074)	(32,914,810)	-	-
Allowances for impairment loss on:					
- receivables, net	18, 21	(24,336,787)	(37,504,107)	-	-
- investment in a subsidiary company	16	-	-	-	(19,998,980)
Depreciation of plant and equipment and right-of-use ("ROU") assets	14 - 15	(3,477,039)	(4,086,079)	(298)	-
Amortisation of intangible assets	17	(1,864,363)	(386,720)	-	-
Impairment of goodwill on consolidation	17	-	(18,989,170)	-	-
Other expenses		(26,462,615)	(26,004,144)	(934,878)	(865,708)
Finance costs	10	(184,110)	(237,730)	-	-
Profit before tax	9	172,059,538	146,530,861	93,815,215	73,984,522
Income tax expense	11	(45,490,478)	(40,993,279)	(57,498)	(54,421)
Profit/Total comprehensive income for the financial year		126,569,060	105,537,582	93,757,717	73,930,101
Attributable to:					
Owners of the Company		126,569,060	105,537,582		
Earnings per ordinary share ("EPS") (sen):					
Basic	12	8.62	7.20		
Diluted	12	8.60	7.16		

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026

		The Group		The Company	
		2026	2025	2026	2025
	Note	RM	RM	RM	RM
ASSETS					
Non-Current Assets					
Plant and equipment	14	4,376,391	4,911,152	10,219	-
ROU assets	15	4,963,532	2,517,541	-	-
Investment in subsidiary companies	16	-	-	334,486,832	334,486,832
Intangible assets	17	68,380,001	50,244,364	-	-
Financing receivables	18	1,737,567,050	1,722,953,300	-	-
Other investments	19	-	2	-	2
Deferred tax assets	20	93,518,606	90,704,823	68,369	72,000
Total Non-Current Assets		1,908,805,580	1,871,331,182	334,565,420	334,558,834
Current Assets					
Financing receivables	18	239,720,240	227,110,683	-	-
Trade receivables	21	44,395,111	54,850,199	-	-
Other receivables, deposits and prepaid expenses	22	47,525,520	65,384,474	152,685	121,433
Amount due from a subsidiary company	23	-	-	14,678,090	14,443,686
Deposits with licensed financial institutions	24	681,270,149	625,626,199	-	-
Cash and bank balances	24	82,080,740	141,855,194	1,986	1,173
Total Current Assets		1,094,991,760	1,114,826,749	14,832,761	14,566,292
Total Assets		3,003,797,340	2,986,157,931	349,398,181	349,125,126

		The Group		The Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	25	204,881,145	204,881,145	204,881,145	204,881,145
Treasury shares	26	(4,947,936)	(4,947,936)	(4,947,936)	(4,947,936)
Reserves	28	670,721,246	639,581,266	148,313,972	148,362,135
Total Equity		870,654,455	839,514,475	348,247,181	348,295,344
Non-Current Liabilities					
Payables and accrued expenses	29	-	4,227,770	-	-
Hire-purchase payables	30	507,047	531,520	-	-
Financing liabilities	31	1,117,003,767	1,132,396,511	-	-
Lease liabilities	15	2,103,006	36,453	-	-
Deferred tax liabilities	20	49,547,114	46,427,317	-	-
Total Non-Current Liabilities		1,169,160,934	1,183,619,571	-	-
Current Liabilities					
Payables and accrued expenses	29	36,919,052	29,732,419	1,136,981	825,764
Hire-purchase payables	30	400,194	364,823	-	-
Financing liabilities	31	918,914,138	925,635,038	-	-
Lease liabilities	15	989,385	1,017,891	-	-
Tax liabilities		6,759,182	6,273,714	14,019	4,018
Total Current Liabilities		963,981,951	963,023,885	1,151,000	829,782
Total Liabilities		2,133,142,885	2,146,643,456	1,151,000	829,782
Total Equity and Liabilities		3,003,797,340	2,986,157,931	349,398,181	349,125,126

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The Group	Note	Share Capital RM	Treasury Shares RM	Non-Distributable Reserve ESS RM	Distributable Reserve Retained Earnings RM	Sub-total Reserves RM	Total RM
Balance as at 1 April 2024		201,916,965	(4,947,936)	2,940,797	629,863,319	632,804,116	829,773,145
Total comprehensive income		-	-	-	105,537,582	105,537,582	105,537,582
Transactions with owners							
Dividends	13	-	-	-	(95,338,494)	(95,338,494)	(95,338,494)
Options under ESS:							
- Granted		-	-	5,372,794	-	5,372,794	5,372,794
- Exercised		2,964,180	-	(3,530,167)	(5,264,565)	(8,794,732)	(5,830,552)
- Cancelled		-	-	(89,432)	89,432	-	-
Total transactions with owners		2,964,180	-	1,753,195	(100,513,627)	(98,760,432)	(95,796,252)
Balance as at 31 March 2025		204,881,145	(4,947,936)	4,693,992	634,887,274	639,581,266	839,514,475
Balance as at 1 April 2025		204,881,145	(4,947,936)	4,693,992	634,887,274	639,581,266	839,514,475
Total comprehensive income		-	-	-	126,569,060	126,569,060	126,569,060
Transactions with owners							
Dividends	13	-	-	-	(95,422,284)	(95,422,284)	(95,422,284)
Options under ESS:							
- Granted		-	-	3,357,983	-	3,357,983	3,357,983
- Modification		-	-	75,876	-	75,876	75,876
- Exercised		-	-	(1,817,455)	(1,623,200)	(3,440,655)	(3,440,655)
- Cancelled		-	-	(389,066)	389,066	-	-
Total transactions with owners		-	-	1,227,338	(96,656,418)	(95,429,080)	(95,429,080)
Balance as at 31 March 2026		204,881,145	(4,947,936)	5,921,330	664,799,916	670,721,246	870,654,455

The Company	Note	Share Capital RM	Treasury Shares RM	Non- Distributable Reserve ESS RM	Distributable Reserve Retained Earnings RM	Sub-total Reserves RM	Total RM
Balance as at 1 April 2024		201,916,965	(4,947,936)	2,940,797	164,660,811	167,601,608	364,570,637
Total comprehensive income		-	-	-	73,930,101	73,930,101	73,930,101
Transactions with owners							
Dividends	13	-	-	-	(95,338,494)	(95,338,494)	(95,338,494)
Options under ESS:							
- Granted		-	-	5,372,794	-	5,372,794	5,372,794
- Exercised		2,964,180	-	(3,530,167)	326,293	(3,203,874)	(239,694)
- Cancelled		-	-	(89,432)	89,432	-	-
Total transactions with owners		2,964,180	-	1,753,195	(94,922,769)	(93,169,574)	(90,205,394)
Balance as at 31 March 2025		204,881,145	(4,947,936)	4,693,992	143,668,143	148,362,135	348,295,344
Balance as at 1 April 2025		204,881,145	(4,947,936)	4,693,992	143,668,143	148,362,135	348,295,344
Total comprehensive income		-	-	-	93,757,717	93,757,717	93,757,717
Transactions with owners							
Dividends	13	-	-	-	(95,422,284)	(95,422,284)	(95,422,284)
Options under ESS:							
- Granted		-	-	3,357,983	-	3,357,983	3,357,983
- Modification		-	-	75,876	-	75,876	75,876
- Exercised		-	-	(1,817,455)	-	(1,817,455)	(1,817,455)
- Cancelled		-	-	(389,066)	389,066	-	-
Total transactions with owners		-	-	1,227,338	(95,033,218)	(93,805,880)	(93,805,880)
Balance as at 31 March 2026		204,881,145	(4,947,936)	5,921,330	142,392,642	148,313,972	348,247,181

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	172,059,538	146,530,861	93,815,215	73,984,522
Adjustments for:				
Allowances for impairment loss on:				
- receivables, net	24,336,787	37,504,107	-	-
- investment in a subsidiary company	-	-	-	19,998,980
Depreciation of plant and equipment and ROU assets	3,477,039	4,086,079	298	-
ESS expense	3,433,859	5,395,535	-	-
Amortisation of intangible assets	1,864,363	386,720	-	-
Finance costs	184,110	237,730	-	-
Plant and equipment written off	366	864,945	-	-
Other investment written off	2	-	2	-
Impairment of goodwill on consolidation	-	18,989,170	-	-
Profit and interest income from deposits and bank balances	(26,407,546)	(27,743,681)	-	-
Gain on disposal of plant and equipment	(93,887)	-	-	-
Dividends income	-	-	(95,000,000)	(95,000,000)
Interest income on amount due from a subsidiary company	-	-	(168,827)	(150,812)
Operating Profit/(Loss) Before Working Capital Changes	178,854,631	186,251,466	(1,353,312)	(1,167,310)
(Increase)/Decrease in working capital:				
Financing receivables	(51,570,456)	(14,527,733)	-	-
Trade receivables	10,465,450	(235,372)	-	-
Other receivables, deposits and prepaid expenses	8,111,994	(14,796,033)	(31,252)	47,883
Amount due from a subsidiary company	-	-	1,550,828	(1,462,480)
Increase in working capital:				
Payables and accrued expenses	3,121,212	2,037,110	311,217	14,066
Cash Generated From/(Used In) Operations	148,982,831	158,729,438	477,481	(2,567,841)
Taxes paid	(52,490,177)	(67,932,668)	(43,950)	(60,770)
Taxes refunded	5,122,320	584,904	83	-
Net Cash Generated From/(Used In) Operating Activities	101,614,974	91,381,674	433,614	(2,628,611)

	The Group		The Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
CASH FLOWS FROM INVESTING ACTIVITIES				
Profit and interest income from deposits and bank balances	26,407,546	27,743,681	-	-
Proceeds from disposal of plant and equipment	93,888	-	-	-
Proceeds from disposal of ROU assets	-	71,099	-	-
Acquisition of intangible asset	(6,000,000)	-	-	-
Additions to plant and equipment	(1,760,974)	(1,182,362)	(10,517)	-
Deposit payment for asset under hire-purchase	(119,674)	-	-	-
Acquisition of subsidiary company, net of cash acquired	-	(21,762,219)	-	-
Dividends received	-	-	95,000,000	95,000,000
Net Cash Generated From Investing Activities	18,620,786	4,870,199	94,989,483	95,000,000
CASH FLOWS FROM FINANCING ACTIVITIES				
Drawdown of:				
- revolving credits	1,343,100,000	1,079,500,000	-	-
- term financing/loans	145,000,000	259,999,991	-	-
- other financing liabilities	1,238,900	2,421,058	-	-
Issuance of Sukuk Murabahah ("Sukuk")	260,000,000	125,000,000	-	-
Proceeds from issuance of shares	-	2,964,180	-	2,964,180
Repayments of:				
- revolving credits	(1,383,600,000)	(1,052,800,000)	-	-
- term financing/loans	(183,216,143)	(151,217,297)	-	-
- other financing liabilities	(1,040,000)	(2,421,058)	-	-
- lease liabilities	(1,017,890)	(965,065)	-	-
- hire-purchase payables	(389,102)	(402,459)	-	-
Redemptions of Sukuk	(205,000,000)	(325,000,000)	-	-
Dividends paid	(95,422,284)	(95,338,494)	(95,422,284)	(95,338,494)
(Placements)/Withdrawal of deposits, cash and bank balances, net:				
Assigned in favour of the trustees	(56,917,179)	119,116,398	-	-
Pledged to licensed financial institutions	5,036,982	(16,559,860)	-	-
Cash settlement for ESS	(3,953,560)	(10,583,008)	-	-
Finance costs paid	(66,185)	(130,054)	-	-
Net Cash Used In Financing Activities	(176,246,461)	(66,415,668)	(95,422,284)	(92,374,314)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(56,010,701)	29,836,205	813	(2,925)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	77,723,260	47,887,055	1,173	4,098
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR (NOTE 24)	21,712,559	77,723,260	1,986	1,173

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

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa”).

The registered office of the Company is located at 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS7/26, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The principal place of business of the Company is located at 20th Floor, Menara Teo Chew, No. 1 Jalan Lumut, 50400 Kuala Lumpur, Malaysia.

The principal activities of the Company are that of investment holding and provision of management services. The principal activities of the subsidiary companies are as disclosed in Note 16. There have been no significant changes in the nature of these principal activities during the financial year other than as disclosed in Note 16.

The financial statements of the Group and of the Company have been authorised by the Board for issuance on 26 May 2026.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the provisions of the Companies Act 2016 in Malaysia.

The preparation of financial statements requires the directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and disclosure of contingent assets and liabilities. In addition, the directors are also required to exercise their judgements in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 4. Although these estimates and assumptions are based on the directors’ best knowledge of events and actions, actual results could differ from those estimates.

2.1 Changes in Accounting Policies

As at the date of issuance of the financial statement, the accounting policies adopted by the Group and the Company are consistent with those of previous financial year.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONT'D)

2.2 Standards and Amendments Issued But Not Yet Effective

The Group and the Company have not adopted the following relevant standards and amendments that have been issued but not yet effective:

MFRS 18	Presentation and Disclosure in Financial Statements ¹
MFRS 19	Subsidiaries without Public Accountability: Disclosures ¹

Amendments to:

MFRS 9 and 7	Amendments to the Classification and Measurement of Financial Instruments ²
MFRS 10 and 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
MFRS 19	Subsidiaries without Public Accountability: Disclosures ¹

Amendments that are part of Annual Improvements – Volume 11²

- ¹ Effective for annual periods beginning on or after 1 January 2027
- ² Effective for annual periods beginning on or after 1 January 2026
- ³ Effective date deferred to a date to be announced by Malaysian Accounting Standards Board

The Group and the Company will adopt the above standards and amendments when they become effective. The adoption will not result in any significant financial impact on the financial statements of the Group and of the Company, except for MFRS 18 Presentation and Disclosure in Financial Statements (“MFRS 18”). The Group and the Company are currently assessing the potential impact of MFRS 18 on the presentation and disclosure in the financial statements and will continue to monitor relevant implementation guidance in preparation for its adoption.

3. MATERIAL ACCOUNTING POLICIES

3.1 Basis of Accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as disclosed in the accounting policies below.

3.2 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary companies made up to the end of the financial year using the acquisition method of accounting. The financial statements of the subsidiary companies are prepared for the same reporting date as the Company.

Under the acquisition method of accounting, identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.2 Basis of Consolidation (Cont'd)

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at its acquisition date and any corresponding gain or loss is recognised in profit or loss.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recognised as goodwill in the statements of financial position (see Note 3.7(a) on Goodwill on Consolidation). In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.

Subsidiary companies are consolidated from the acquisition date, which is the date on which the Group effectively obtains control, until the date on which the Group ceases to control the subsidiary companies.

Control is achieved when the Group:

- (a) has power over the investee;
- (b) is exposed, or has rights, to variable returns from its involvement with the investee; and
- (c) has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- (a) the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- (b) potential voting rights held by the Group, other vote holders or other parties;
- (c) rights arising from other contractual arrangements; and
- (d) any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting pattern at previous shareholders' meetings.

Intragroup balances, transactions and unrealised gains and losses on intragroup transactions are eliminated in full. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.

When the Group ceases to have control, any retained interest in the subsidiary company is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss.

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.2 Basis of Consolidation (Cont'd)

Non-controlling interest represents the equity in subsidiary companies not attributable, directly or indirectly, to owners of the Company, and is presented within equity in the statements of financial position, separately from equity attributable to owners of the Company.

For each business combination, any non-controlling interest in the acquiree (if any) is recognised by the Group on the acquisition date either at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

All profit or loss and each component of other comprehensive income of the subsidiary companies are attributed to the owners of the Company and to the non-controlling interest even if the attribution of losses to the non-controlling interest results in a deficit balance in the shareholders' equity.

3.3 Revenue and Other Income

Revenue of the Group consists mainly of profit/interest and fee income from consumer financing, factoring and confirming activities and fee income from processing and administration of payroll collection.

Revenue of the Company consists of dividend income from subsidiary companies and strategic management fee.

Revenue is recognised when the Group and the Company have satisfied a performance obligation by transferring control of a service (i.e. contract asset) to a customer. The amount of revenue recognised is the amount of the transaction price allocated to the performance obligation. Transaction price is the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring the promised services, excluding the amount collected on behalf of third parties. The transaction price is allocated to each performance obligation on the basis of relative stand-alone selling prices of each distinct service in the contract as below:

(a) Fee income from consumer financing, factoring and confirming

Fee income from consumer financing, factoring and confirming are recognised at a point in time when the Group satisfies its performance obligation upon rendering its services.

(b) Fee income from processing and administration of payroll collection

Fee income from processing and administration of payroll collection is recognised at a point in time when services are rendered.

(c) Strategic management fee

Strategic management fee is recognised at a point in time when services are rendered.

The Group's other sources of revenue and income are recognised as follows:

(a) Profit/Interest income

Profit/Interest income is recognised using the effective profit/interest method.

(b) Dividend income

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

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Revenue and Other Income (Cont'd)

(c) Profit/Interest income from deposits and bank balances

Profit/Interest income from deposits and bank balances is recognised on an accrual basis using the effective profit/interest method.

3.4 Plant and Equipment and Depreciation

Plant and equipment are initially recorded at cost. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the Company and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

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

Depreciation is calculated to write off the cost or valuation of the assets to their residual values on a straight line basis over their estimated useful lives. The principal depreciation rates are as follows:

Office equipment, furniture and fittings	20%
Motor vehicles	20%
Office renovation	20%
Computers and IT equipment	25% - 50%

Work-in-progress is not depreciated until it is completed and ready for intended use.

At each reporting date, the carrying amount of an item of plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount (see Note 3.9(b) on Impairment of Other Non-Financial Assets).

The residual values, useful lives and depreciation method are reviewed at each reporting date to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

The carrying amount of an item of plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in profit or loss and the revaluation surplus related to those assets, if any, is transferred directly to retained earnings.

Motor vehicles under hire purchase arrangement are presented under ROU assets in statements of financial position in accordance to MFRS 16 Leases ("MFRS 16") (see Note 3.5(a)(i) on ROU assets).

3. MATERIAL ACCOUNTING POLICIES (CONT'D)**3.5 Leases and Hire-Purchase****(a) Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Group recognises lease liabilities to make lease payments and ROU assets representing the right to use the underlying assets.

(i) ROU assets

The Group recognises ROU assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). ROU assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. ROU assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful lives of the assets are as follows:

Office floors	59 - 112 months
Motor vehicles	60 months

The ROU assets are subject to impairment (see Note 3.9(b) on Impairment of Other Non-Financial Assets).

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

In calculating the present value of the lease payments, the Group uses its incremental financing liabilities rate at the lease commencement date because the rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of profit/interest and reduced for the lease payments made. In addition, the carrying amounts of lease liabilities are remeasured if there is a modification, a change in the lease term or a change in the lease payments.

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Leases and Hire-Purchase (Cont'd)

(a) Group as a lessee (Cont'd)

(iii) Short-term leases and leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office floors (i.e. those leases that have a lease term of twelve (12) months or less from the commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight line basis over the lease term.

(b) Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income is accounted for on a straight line basis over the lease term and is included as income in the statements of comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as income in the period in which they are earned.

3.6 Investment in Subsidiary Companies

A subsidiary company is an entity, including structured entity, controlled by the Company.

Investment in subsidiary companies, which is eliminated on consolidation, is stated at cost less accumulated impairment losses, if any. On disposal of such an investment, the difference between the net disposal proceeds and its carrying amount is included in profit or loss.

3.7 Intangible Assets

(a) Goodwill on consolidation

Goodwill arising on consolidation is the excess of cost of investment over the Group's share of the net fair value of net assets of the acquiree's identifiable assets, liabilities and contingent liabilities, and is initially recognised as an asset at cost and subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs") expected to benefit from the synergies of the combination. CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGUs is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary company, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Intangible Assets (Cont'd)

(b) Other intangible assets

An intangible assets is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

Intangible assets acquired separately is measured at cost on initial recognition. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Subsequent to initial recognition, intangible assets is measured at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with a finite useful life will be amortised on a straight-line basis over the estimated useful life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and amortisation method for an intangible assets with a finite useful life are reviewed at each reporting date.

The carrying amount of an intangible assets is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in profit or loss.

3.8 Financial Assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as fair value through profit or loss ("FVTPL"), which are initially measured at fair value.

The Group and the Company classified the financial assets in the following measurement categories: amortised cost, fair value through other comprehensive income ("FVOCI") or FVTPL.

The Group and the Company determine the classification of financial assets at initial recognition. The financial assets are not subsequently reclassified unless the Group and the Company change its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

(a) Classification and subsequent measurement

(i) Amortised cost

Financial assets are measured at amortised cost if the financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.8 Financial Assets (Cont'd)

(a) Classification and subsequent measurement (Cont'd)

(i) Amortised cost (Cont'd)

Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective profit/interest method. Gains and/or losses are recognised in profit or loss upon derecognition, reclassification or impairment, and through the amortisation process.

Profit/Interest income calculated using the effective profit/interest method is recognised in profit or loss. A modification gain or loss is recognised in profit or loss when the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset.

Financial assets measured at amortised cost are classified as current assets, except for those having maturity later than twelve (12) months after the reporting date which are classified as non-current.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

3.9 Impairment of Assets

(a) Financial assets

Expected credit loss ("ECL") is derived from probability-weighted credit losses determined by evaluating a range of possible outcomes and considering future economic conditions.

The Group and the Company apply a three-stage approach to measure ECL on financial assets measured at amortised cost. Financial assets migrate through the following three stages based on the change in credit quality since initial recognition:

(i) Stage 1: 12-months ECL - not credit impaired

For financial assets where there have not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next twelve (12) months is recognised.

(ii) Stage 2: Lifetime ECL - not credit impaired

For financial assets where there have been a significant increase in credit risk since initial recognition but that are not credit impaired and not originated credit-impaired financial assets, a lifetime ECL is recognised.

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.9 Impairment of Assets (Cont'd)

(a) Financial assets (Cont'd)

(iii) Stage 3: Lifetime ECL - credit impaired

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial assets that have become credit impaired but not originated credit-impaired financial assets, a lifetime ECL is recognised and profit/interest income is calculated by applying the effective profit/interest rate ("EPR/EIR") to the amortised cost (net of provision) rather than the gross carrying amount.

The measurement of ECL is a function of the probability of default ("PD"), loss given default ("LGD") (i.e. the magnitude of the loss if there is a default) and the exposure at default ("EAD"). The assessment of the PD and LGD is based on historical data with consideration of forward looking information, using not only past and current information, but also forward looking information.

In the measurement of ECL, forward looking adjustment is in accordance with the expected future macroeconomic conditions, including combination of statistical analysis and expert judgements based on the availability of detailed information. In addition, key macroeconomic variables encompassed in ECL measurement include probability-weighted scenarios based on available forecasts.

At each reporting date, the Group and the Company assess whether there has been a significant increase in credit risk for financial assets since initial recognition by comparing the risk of default occurring over the remaining expected life between reporting date and the date of initial recognition. The Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information.

The Group and the Company assess whether the credit risk on a financial asset has increased significantly on an individual or collective basis. For the purposes of a collective evaluation of impairment, financial assets are grouped on a basis of shared credit risk characteristics, taking into account the collection mode, disbursement period and other relevant factors.

If in a subsequent period, the asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the loss allowance for that financial asset reverts from lifetime ECL to 12-months ECL.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. In assessing whether a customer is in default, the Group and the Company consider indicators that are qualitative and quantitative such as where the principal and/or profit of the financial asset is past due a certain period of time.

For financial assets measured at amortised cost other than financing and Murabahah financing receivables, the Group and the Company apply the simplified approach as permitted by MFRS 9, which requires an entity to recognise a loss allowance based on lifetime ECL at each reporting date. The ECL is computed based on provisional matrix.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.9 Impairment of Assets (Cont'd)

(a) Financial assets (Cont'd)

The Group's assessments on changes in credit risk are disclosed in Note 33(b).

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, the financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due as disclosed in Note 33(b).

(b) Other non-financial assets

At each reporting date, the Group and the Company review the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimate the recoverable amount of the CGUs to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior financial years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.10 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and bank balances, deposits with licensed financial institutions and other short-term, highly liquid investments generally with maturities of three (3) months or less, which are readily convertible to known cash with insignificant risk of changes in value. Amounts that are assigned in favour of trustees or pledged to licensed financial institutions are excluded from cash and cash equivalents.

3.11 Financial Liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.11 Financial Liabilities (Cont'd)

(a) Other financial liabilities

The Group and the Company's other financial liabilities include payables and financing liabilities.

Payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective profit/interest method.

Financing liabilities are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective profit/interest method.

Financing liabilities are classified as current liabilities unless the Group and the Company have an unconditional right to defer the settlement of the liability for at least twelve (12) months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

3.12 Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- (a) the amount of the loss allowance; and
- (b) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15.

Liabilities arising from financial guarantees are presented together with other provisions.

3.13 Income Taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current tax is recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

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3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.13 Income Taxes (Cont'd)

(b) Deferred tax

Deferred tax is recognised in full using the liability method on temporary differences arising between the carrying amount of an asset or liability in the statements of financial position and its tax base. Deferred tax is recognised for all temporary differences, unless the deferred tax arises from goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit.

A deferred tax asset is recognised only to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences, unutilised tax losses and unutilised tax credits can be utilised. The carrying amount of a deferred tax asset is reviewed at each reporting date. If it is no longer probable that sufficient future taxable profits will be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset will be reduced accordingly. When it becomes probable that sufficient future taxable profits will be available, such reductions will be reversed to the extent of the future taxable profits.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

3.14 Provisions

Provisions are made when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of the resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.15 Employee Benefits

(a) Short-term employee benefits

Wages, salaries, paid annual leave, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by the employees of the Group and of the Company. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by the employees that increase their entitlement to future compensated absences.

(b) Defined contribution plan

The Group and the Company make statutory contributions to the Employee Provident Fund, a defined contribution pension scheme. Contributions are charged to profit or loss in the period in which the related service is performed. Once the contributions have been paid, the Group and the Company have no further payment obligations.

(c) Share-based compensation

The Group and the Company operate share-based compensation plan, wherein shares or options to subscribe for shares of the Company are granted to eligible directors and employees of the Group based on certain financial and performance criteria and such conditions as it may deem fit.

For an equity-settled share-based compensation plan, the total fair value of options granted to eligible directors and employees is recognised as an employee cost with a corresponding increase in the options reserve within equity over the vesting period and taking into account the probability that the options will vest. The fair value of options is measured at grant date, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date.

At each reporting date, the Company revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of revision of original estimates, if any, in profit or loss, and a corresponding adjustment to equity over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to equity when the options are exercised.

The equity amount is recognised as non-distributable reserve until the option is exercised or until the option expires, upon which it will be transferred directly to retained earnings.

If the share-based compensation plan provides a choice of cash settlement to the eligible directors and employees, the Group and the Company are required to account for that transaction or the components of the transaction as cash-settled share-based payment transaction. In this regards, the Group and the Company have incurred a liability to settle in cash or other assets or as an equity-settled share-based payment transaction.

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3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.16 Foreign Currencies

(a) Functional and presentation currency

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(b) Foreign currency transactions and balances

In preparing the financial statements of the Group, transactions in foreign currency other than the entity's functional currency are recorded in the functional currency using the exchange rates prevailing at the dates of the transactions. At the end of each reporting date, foreign currency monetary assets and liabilities are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary items that are measured at fair value in a foreign currency are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transactions.

Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in profit or loss.

Exchange differences arising on the translation of foreign currency non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains or losses are recognised directly in other comprehensive income. Exchange differences arising from such non-monetary items are recognised directly to other comprehensive income.

3.17 Share Capital and Share Issuance Expenses

An equity instrument is a contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities.

Ordinary shares are classified as equity instruments. Costs directly attributable to equity transactions are accounted for as a deduction, net of tax, from equity.

Distributions to holders of ordinary shares are debited directly to equity and interim dividends declared on or before the end of the reporting date are recognised as liabilities. Final dividends are recognised upon the approval of shareholders in a general meeting.

3.18 Treasury Shares

Shares repurchased by the Company are held as treasury shares and are measured and carried at the cost of purchase. Treasury shares are presented in the financial statements as a set-off against equity.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares. When treasury shares are re-issued by re-sale in the open market, the difference between the sales consideration and the carrying amount is recognised in equity. When treasury shares are distributed as share dividend, the cost of the treasury shares is applied in the reduction of the distributable retained earnings.

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.19 Segment Reporting

Segment reporting is not presented as the Group is primarily engaged in the provision of shariah-compliant and conventional financing services in a manner consistent with the internal reporting provided to and regularly reviewed by the chief operating decision maker in order to allocate resources to a segment and to assess its performance.

Business segments provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those components operating in other economic environments.

Segment revenue, expense, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment. Segment revenue, expenses, assets and liabilities are determined before intragroup balances and intragroup transactions are eliminated as part of the consolidation process, except to the extent that such intragroup balances and transaction are within the Group.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

4.1 Critical Judgements Made in Applying the Group's Accounting Policies

In the process of applying the Group's accounting policies, which are described in Note 3, management is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements, except for those involving estimations which are dealt with in Note 4.2 below.

4.2 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 except for the following:

(a) Amortisation and impairment of intangible assets

The Group's intangible assets comprise of goodwill on consolidation and other intangible assets.

Goodwill on consolidation is not amortised but is tested for impairment annually or more frequently when indicators of impairment are identified. Other intangible assets are assessed for impairment only when there is an indication that the asset may be impaired. This requires an estimation of the value-in-use of the CGUs to which the intangible assets are allocated.

NOTES TO THE FINANCIAL STATEMENTS

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4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)

4.2 Key Sources of Estimation Uncertainty (Cont'd)

(a) Amortisation and impairment of intangible assets (Cont'd)

Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the CGUs and also to choose a suitable growth rate and pre-tax discount rate in order to calculate the present value of those cash flows.

The expected future cash flows used in impairment testing are based on the estimates derived from historical, industry trend, economic conditions and other information available in the general market.

Other intangible assets with finite useful life are amortised over its estimated useful life. The determination of the appropriate amortisation period and method involves management judgement on the nature of the asset, expected pattern of economic benefits' consumption and any legal or contractual requirements.

(b) Allowances for impairment loss on receivables

The Group records impairment losses on its receivables using ECL models. The impairment losses computed based on the ECL models require judgement to ensure impairment losses recorded reflect the credit risk of the Group's receivables in accordance with the requirements of MFRS 9. Areas of judgement include determination of criteria for significant increase in credit risk, selection of appropriate models and measurement of EAD, PD and LGD and the application of forward looking information into the ECL models.

The application of forward looking information includes sourcing of economic variables forecast periodically, complemented by regression testing. As with any economic forecasts, the projections and likelihoods of occurrence are subject to inherent uncertainty. The Group considers these forecasts represent its best estimate and appropriately represent a range of forward looking economic scenarios and their probability weightings to derive at the economic inputs and the effect on EAD, PD and LGD.

(c) Deferred tax assets

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

5. REVENUE

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Profit income:				
Consumer financing	281,545,688	286,068,126	-	-
Murabahah financing	4,955,884	5,488,678	-	-
	286,501,572	291,556,804	-	-
Interest income:				
Consumer financing	389,830	557,157	-	-
Factoring and confirming	271,725	254,574	-	-
	661,555	811,731	-	-
	287,163,127	292,368,535	-	-
Other revenue:				
Shariah fee income from:				
Consumer financing	23,957,828	26,559,934	-	-
Processing and administration of payroll collection	9,313,500	10,050,804	-	-
Wakalah fee	1,970,960	1,763,040	-	-
Murabahah financing	720,000	800,000	-	-
	35,962,288	39,173,778	-	-
Factoring and confirming	98,130	100,471	-	-
Processing and administration of payroll collection	10,489	27,772	-	-
Dividend income from subsidiary companies	-	-	95,000,000	95,000,000
Strategic management fee from a subsidiary company (Note 23)	-	-	319,550	330,000
	36,070,907	39,302,021	95,319,550	95,330,000
	323,234,034	331,670,556	95,319,550	95,330,000

NOTES TO THE FINANCIAL STATEMENTS

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5. REVENUE (CONT'D)

During the financial year, the other revenue of the Group and of the Company, which are recognised at a point in time is as below:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Shariah fee income from:				
Consumer financing	23,957,828	26,559,934	-	-
Processing and administration of payroll collection	9,313,500	10,050,804	-	-
Wakalah fee	1,970,960	1,763,040	-	-
Murabahah financing	720,000	800,000	-	-
	35,962,288	39,173,778	-	-
Factoring and confirming	98,130	100,471	-	-
Processing and administration of payroll collection	10,489	27,772	-	-
Dividend income from subsidiaries companies	-	-	95,000,000	95,000,000
Strategic management fee from a subsidiary company	-	-	319,550	330,000
	36,070,907	39,302,021	95,319,550	95,330,000

6. PROFIT/INTEREST EXPENSE APPLICABLE TO REVENUE

	The Group	
	2026 RM	2025 RM
Profit expense on:		
Sukuk	47,573,852	54,023,950
Revolving credits	15,573,906	12,528,466
Term financing	14,641,136	10,408,268
	77,788,894	76,960,684
Interest expense on:		
Revolving credits	8,784,589	12,785,203
Term loans	7,115,306	10,570,517
Bankers' acceptances	7,834	5,896
	15,907,729	23,361,616
	93,696,623	100,322,300

7. DIRECTORS' REMUNERATION

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Directors of the Group and the Company:				
Fees	693,000	600,000	693,000	600,000
Other emoluments	301,000	297,000	85,000	81,000
Defined contributions	41,040	41,040	-	-
	1,035,040	938,040	778,000	681,000
Benefits-in-kind	293,751	299,849	2,599	2,074
Total directors' remuneration	1,328,791	1,237,889	780,599	683,074

The directors' remuneration represents amounts paid to or receivable by the directors for the respective financial year and are disclosed in accordance with Fifth Schedule (2) of the Companies Act 2016 in Malaysia. These have been accrued in profit or loss over one (1) or more financial years.

During the financial year:

- (a) no professional fee are paid to directors or any firms of which directors are members for services rendered to the Group and the Company; and
- (b) no amount is paid to or receivable by any third party for services provided by directors to the Group and the Company.

8. STAFF COSTS

	The Group	
	2026 RM	2025 RM
Salaries	22,724,836	20,790,879
Options granted under ESS	3,433,859	5,395,535
Defined contributions	2,988,935	2,779,597
Social security contributions	236,369	208,723
Others	3,900,075	3,740,076
	33,284,074	32,914,810

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9. PROFIT BEFORE TAX

The following amounts have been included in arriving at profit before tax:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Profit income from deposits and bank balances	(26,402,038)	(27,738,485)	-	-
Interest income from deposits and bank balances	(5,508)	(5,196)	-	-
	(26,407,546)	(27,743,681)	-	-
Bad debt recoveries	(5,779,713)	(5,652,945)	-	-
Gain on disposal of plant and equipment	(93,887)	-	-	-
Interest income on amount due from a subsidiary company (Note 23)	-	-	(168,827)	(150,812)
Collection fee	5,402,279	5,861,394	-	-
Sukuk issuance expense	3,293,277	3,367,368	-	-
Facility fee	2,624,118	1,090,941	-	-
Sales and marketing expenses	2,137,233	2,384,735	-	-
Legal and professional fee	2,018,927	1,695,565	372,312	279,305
Management fee to a related party (Note 23)	1,562,000	1,562,000	-	-
Auditors' remuneration:				
Statutory audit	419,000	389,000	123,000	120,000
Non-statutory audit	11,000	11,000	11,000	11,000
	430,000	400,000	134,000	131,000
Internal audit fee to a related party (Note 23)	358,800	319,000	148,500	118,200
Rental of:				
Disaster recovery centre	204,511	189,327	-	-
Warehouse	105,092	89,627	-	-
Expenses relating to leases of low value assets	52,995	58,200	-	-
Plant and equipment written off	366	864,945	-	-

10. FINANCE COSTS

	The Group	
	2026 RM	2025 RM
Interest expense on:		
Unwinding of discount on payables	117,925	107,676
Hire-purchase payables	34,729	45,773
Lease liabilities (Note 15)	31,456	84,281
	184,110	237,730

11. INCOME TAX EXPENSE

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Income tax payable:				
Current year	50,264,460	68,177,612	53,868	48,918
Over provision in prior years	(5,079,996)	(30,326,811)	(1)	(3)
	45,184,464	37,850,801	53,867	48,915
Deferred tax (Note 20):				
Current year	373,630	3,177,597	3,631	5,509
Over provision in prior years	(67,616)	(35,119)	-	(3)
	306,014	3,142,478	3,631	5,506
Income tax expense	45,490,478	40,993,279	57,498	54,421

Included in over provision of income tax is an amount of RM4,990,680 (2025: RM30,279,572) arising from profit expense accrued in previous financial years but not deductible at that time. During the financial year, the profit expense becomes due and payable upon early redemption of Sukuk undertaken by a subsidiary company and deductible for tax purpose in accordance with Sections 33(4) and 33(5) of the Income Tax Act 1967.

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11. INCOME TAX EXPENSE (CONT'D)

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

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Profit before tax	172,059,538	146,530,861	93,815,215	73,984,522
Tax at applicable statutory tax rate of 24% (2025: 24%)	41,294,289	35,167,407	22,515,652	17,756,285
Tax effects of:				
Expenses not deductible for tax purposes	4,373,396	5,928,216	341,896	5,098,187
Income not subject to tax	(23,304)	(88)	(22,800,049)	(22,800,045)
Expenses deductible upon payment becomes due and payable	4,990,680	30,279,572	-	-
Deferred tax assets not recognised in respect of current year's unutilised tax losses	3,029	-	-	-
Realisation of deferred tax assets not recognised previously	-	(19,898)	-	-
Tax at effective tax rate	50,638,090	71,355,209	57,499	54,427
Over provision in prior years:				
Income tax	(5,079,996)	(30,326,811)	(1)	(3)
Deferred tax	(67,616)	(35,119)	-	(3)
Income tax expense	45,490,478	40,993,279	57,498	54,421

The Malaysian income tax is calculated at the statutory tax rate of 24% (2025: 24%) of the estimated taxable profits for the year of assessment 2026. The computation of deferred tax as at 31 March 2026 uses the same statutory tax rate.

12. EPS

(a) Basic EPS

	The Group	
	2026 RM	2025 RM
Profit for the financial year attributable to ordinary equity holders of the Company	126,569,060	105,537,582
Weighted average number of ordinary shares in issue:		
Balance net of treasury shares as at 1 April	1,468,035,142	732,850,571
Effects of:		
- Issuance of 741,066,767 new shares ("Bonus Shares")	-	732,850,571
- Shares pursuant to ESS exercised	-	715,507
Balance as at 31 March	1,468,035,142	1,466,416,649
Basic EPS (sen)	8.62	7.20

The basic EPS of the Group is calculated by dividing the profit for the financial year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year.

In the previous financial year, the weighted average number of ordinary shares in issue took into account the effects of the distribution of Bonus Shares.

(b) Diluted EPS

	The Group	
	2026 RM	2025 RM
Profit for the financial year attributable to ordinary equity holders of the Company	126,569,060	105,537,582
Weighted average number of ordinary shares in issue:		
Effects of dilution of ESS	1,468,035,142 4,043,371	1,466,416,649 7,297,955
Adjusted weighted average number of ordinary shares in issue	1,472,078,513	1,473,714,604
Diluted EPS (sen)	8.60	7.16

The diluted EPS of the Group is calculated by dividing the profit for the financial year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares adjusted for dilutive effects of ESS.

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13. DIVIDENDS

	The Group and The Company	
	2026 RM	2025 RM
Recognised during the financial year:		
Second interim dividend for 2024: 7.00 sen per ordinary share, paid on 27 June 2024	-	51,299,540
First interim dividend for 2025: 3.00 sen per ordinary share, paid on 31 December 2024	-	44,038,954
	-	95,338,494
Second interim dividend for 2025: 3.50 sen per ordinary share, paid on 30 June 2025	51,381,230	-
First interim dividend for 2026: 3.00 sen per ordinary share, paid on 30 December 2025	44,041,054	-
	95,422,284	95,338,494

The Board has declared a second interim dividend of 3.50 sen per ordinary share ("2nd interim dividend") in respect of financial year ended 31 March 2026, to be paid on 30 June 2026. The dividend payable is estimated at RM51,381,230 based on the latest number of ordinary shares, net of treasury shares.

The entitlement date for the dividend payment is 16 June 2026.

This 2nd interim dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 March 2027.

Total dividend declared in respect of the financial year ended 31 March 2026 is 6.50 sen per ordinary share.

The Board does not recommend any final dividend for the financial year ended 31 March 2026.

14. PLANT AND EQUIPMENT

The Group	Office equipment, furniture and fittings RM	Computers and IT equipment RM	Motor vehicles RM	Office renovation RM	Work-in- progress RM	Total RM
Cost						
Balance as at 1 April 2024	2,446,250	27,767,328	504,030	2,799,593	584,107	34,101,308
Additions	47,168	887,205	-	18,860	511,511	1,464,744
Written off	(94,149)	(425,463)	-	-	(485,534)	(1,005,146)
Reclassification	99,729	497,395	-	-	(597,124)	-
Balance as at 31 March 2025/ 1 April 2025	2,498,998	28,726,465	504,030	2,818,453	12,960	34,560,906
Additions	148,076	1,067,705	-	69,447	527,797	1,813,025
Written off	(8,204)	(697,588)	-	-	-	(705,792)
Disposals	-	-	(504,030)	-	-	(504,030)
Reclassification	-	65,564	-	-	(65,564)	-
Balance as at 31 March 2026	2,638,870	29,162,146	-	2,887,900	475,193	35,164,109
Accumulated depreciation						
Balance as at 1 April 2024	2,132,059	22,094,344	504,029	2,118,939	-	26,849,371
Charge for the financial year	193,408	2,359,082	-	388,094	-	2,940,584
Written off	(94,143)	(46,058)	-	-	-	(140,201)
Balance as at 31 March 2025/ 1 April 2025	2,231,324	24,407,368	504,029	2,507,033	-	29,649,754
Charge for the financial year	117,691	2,072,792	-	156,936	-	2,347,419
Written off	(8,181)	(697,245)	-	-	-	(705,426)
Disposals	-	-	(504,029)	-	-	(504,029)
Balance as at 31 March 2026	2,340,834	25,782,915	-	2,663,969	-	30,787,718
Carrying amount						
Balance as at 31 March 2025	267,674	4,319,097	1	311,420	12,960	4,911,152
Balance as at 31 March 2026	298,036	3,379,231	-	223,931	475,193	4,376,391

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14. PLANT AND EQUIPMENT (CONT'D)

The Company		Computers and IT equipment RM
Cost		
Balance as at 1 April 2024/31 March 2025/1 April 2025		-
Additions		10,517
Balance as at 31 March 2026		10,517
Accumulated depreciation		
Balance as at 1 April 2024/31 March 2025/1 April 2025		-
Charge for the financial year		298
Balance as at 31 March 2026		298
Carrying amount		
Balance as at 31 March 2025		-
Balance as at 31 March 2026		10,219

During the financial year, the Group and the Company acquired plant and equipment as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Acquired via:				
Cash payments	1,760,974	1,182,362	10,517	-
Payables	52,051	282,382	-	-
	1,813,025	1,464,744	10,517	-

15. ROU ASSETS AND LEASE LIABILITIES

The Group	Office floors RM	Motor vehicles RM	Total RM
Cost			
Balance as at 1 April 2024	5,493,963	2,334,209	7,828,172
Modification of lease period	(5,525)	-	(5,525)
Disposals	-	(180,552)	(180,552)
Balance as at 31 March 2025/1 April 2025	5,488,438	2,153,657	7,642,095
Modification of lease period	3,055,937	-	3,055,937
Additions	-	519,674	519,674
Balance as at 31 March 2026	8,544,375	2,673,331	11,217,706
Accumulated depreciation			
Balance as at 1 April 2024	3,698,419	390,093	4,088,512
Charge for the financial year	890,095	255,400	1,145,495
Disposals	-	(109,453)	(109,453)
Balance as at 31 March 2025/1 April 2025	4,588,514	536,040	5,124,554
Charge for the financial year	868,498	261,122	1,129,620
Balance as at 31 March 2026	5,457,012	797,162	6,254,174
Carrying amount			
Balance as at 31 March 2025	899,924	1,617,617	2,517,541
Balance as at 31 March 2026	3,087,363	1,876,169	4,963,532

The following are the amounts recognised in profit or loss:

	The Group	
	2026 RM	2025 RM
Depreciation of ROU assets	1,129,620	1,145,495
Expenses relating to leases of low value assets	52,995	58,200
Interest expense on lease liabilities (Note 10)	31,456	84,281
	1,214,071	1,287,976

The Group leases office floors and motor vehicles under hire-purchase arrangement with average lease term of five (5) (2025: five (5)) years. The Group also has certain leases with low value assets. The Group applies the recognition exemptions for these leases as permitted by MFRS 16.

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15. ROU ASSETS AND LEASE LIABILITIES (CONT'D)

The details of lease liabilities are as follows:

	The Group	
	2026 RM	2025 RM
Total outstanding	3,342,419	1,087,747
Less: Future finance charges	(250,028)	(33,403)
Principal outstanding	3,092,391	1,054,344
Less: Amount due within one (1) year	(989,385)	(1,017,891)
Non-current portion	2,103,006	36,453

The weighted average discount rate applied ranges from 4.76% to 5.16% (2025: 4.87% to 5.83%) per annum. The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

The maturity profile of the lease liabilities are as follows:

	The Group	
	2026 RM	2025 RM
On demand or within one (1) year	989,385	1,017,891
More than one (1) year and less than two (2) years	2,103,006	36,453
	3,092,391	1,054,344

A reconciliation of lease liabilities to cash flows arising from financing activities are as follows:

	The Group	
	2026 RM	2025 RM
Balance as at 1 April	1,054,344	2,024,934
Cash flows	(1,049,346)	(1,049,346)
Other changes	3,087,393	78,756
Balance as at 31 March	3,092,391	1,054,344

Included in other changes are effect of modification of lease period and accrued interest expense.

16. INVESTMENT IN SUBSIDIARY COMPANIES

	The Company	
	2026 RM	2025 RM
Unquoted shares, at cost	354,485,812	354,485,812
Less: Allowance for impairment	(19,998,980)	(19,998,980)
	334,486,832	334,486,832

Movement in allowance for impairment:

	The Company	
	2026 RM	2025 RM
Balance as at 1 April	19,998,980	-
Addition	-	19,998,980
Balance as at 31 March	19,998,980	19,998,980

The details of the subsidiary companies are as follows:

	Place of Business/ Country of Incorporation	Effective Ownership Interest and Voting Interest		Principal Activities
		2026 %	2025 %	
Direct subsidiary companies				
RCE Marketing Sdn. Bhd. ("RCEM")	Malaysia	100	100	Provision of shariah-compliant financing and money lending services, financial administrative services, processing and administration of payroll collection
Mezzanine Enterprise Sdn. Bhd.	Malaysia	100	100	Provision of financial administrative services
RCE Factoring Sdn. Bhd. ("RCEF")	Malaysia	100	100	Confirming and factoring, provision of shariah-compliant financing and money lending services, industrial hire-purchase specialising in trade-related activities and general trading

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16. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

	Place of Business/ Country of Incorporation	Effective Ownership Interest and Voting Interest		Principal Activities
		2026 %	2025 %	
Direct subsidiary companies (Cont'd)				
EXP Payment Sdn. Bhd. ("EXP")	Malaysia	100	100	Provision of shariah-compliant financing and money lending services
Indirect subsidiary companies				
Corewealth Alliance Dynamic Sdn. Bhd. ("CAD") ^π	Malaysia	100	100	Provision of shariah-compliant financing and money lending services and financial administrative services
RCE Equity Sdn. Bhd. ^π	Malaysia	100	100	Provision of financial administrative services
RCE Sales Sdn. Bhd. ^π	Malaysia	100	100	Provision of shariah-compliant financing and money lending services
RCE Trading Sdn. Bhd. ("RCET") ^π	Malaysia	100	100	Investment of securities
Al Dzahab Assets Berhad ("ADA") ^π	Malaysia	100	100	A special purpose vehicle established to acquire a pool of eligible financing receivables from its immediate holding company and to issue Sukuk to fund the purchase of such financing
Zamarad Assets Berhad ("ZAB") ^π	Malaysia	100	100	A special purpose vehicle established to acquire a pool of eligible financing receivables from its immediate holding company and to issue Sukuk to fund the purchase of such financing

^π Held indirectly through RCEM

In the previous financial year, the Group acquired 100% equity interest in CAD for a total cash consideration of RM27,000,000.

The acquisition was complementary to the Group's business, representing a strategic opportunity for the Group to expand its reach and consumer base.

16. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

The acquired subsidiary company had contributed the following results to the Group:

	The Group 2025 RM
Revenue	520,009
Profit for the financial year	71,596

Had the acquisition occurred on 1 April 2024, the Group's revenue and profit for the financial year ended 31 March 2025 would have been RM331,676,960 and RM105,455,686 respectively.

The fair values of the identifiable assets and liabilities of CAD arising from the acquisition were as follows:

	The Group 2025 RM
Other intangible assets	22,287,263
Other receivable	5,114,492
Financing receivables	327,155
Cash and bank balances	123,289
Financing liability	(401,757)
Other payables	(450,442)
Purchase consideration	27,000,000

The fair value of other and financing receivables were estimated to approximate their gross contractual amounts which were expected to be fully collectible at the acquisition date.

The cash outflow arising from the acquisition was as follows:

	The Group 2025 RM
Purchase consideration	27,000,000
Settlement of other receivable	(5,114,492)
Cash and cash equivalents of subsidiary company acquired	(123,289)
Net cash outflow of the Group	21,762,219

Acquisition-related costs of RM237,346 were included in other expenses in the statements of comprehensive income.

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17. INTANGIBLE ASSETS

The Group	Goodwill on consolidation RM	Other intangible assets RM	Total RM
Cost			
Balance as at 1 April 2024	47,666,145	-	47,666,145
Additions	-	22,287,263	22,287,263
Balance as at 31 March 2025/1 April 2025	47,666,145	22,287,263	69,953,408
Addition	-	20,000,000	20,000,000
Balance as at 31 March 2026	47,666,145	42,287,263	89,953,408
Accumulated amortisation			
Balance as at 1 April 2024	-	-	-
Charge for the financial year	-	386,720	386,720
Balance as at 31 March 2025/1 April 2025	-	386,720	386,720
Charge for the financial year	-	1,864,363	1,864,363
Balance as at 31 March 2026	-	2,251,083	2,251,083
Accumulated impairment losses			
Balance as at 1 April 2024	333,154	-	333,154
Charge for the financial year	18,989,170	-	18,989,170
Balance as at 31 March 2025/1 April 2025/31 March 2026	19,322,324	-	19,322,324
Carrying amount			
Balance as at 31 March 2025	28,343,821	21,900,543	50,244,364
Balance as at 31 March 2026	28,343,821	40,036,180	68,380,001

(a) Goodwill on consolidation

Goodwill acquired in business combinations is allocated, at acquisition, to the CGUs that are expected to benefit from the business combination as follows:

- (i) consumer financing operations of RCEM Group as an individual CGU;
- (ii) processing and administration of payroll collection operations of EXP as an individual CGU; and
- (iii) factoring and confirming operations of RCEF as an individual CGU.

17. INTANGIBLE ASSETS (CONT'D)**(a) Goodwill on consolidation (Cont'd)**

The carrying amount of goodwill allocated to each CGU is as follows:

	The Group	
	2026 RM	2025 RM
Consumer financing	28,343,821	28,343,821

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired. The key assumptions used in value-in-use calculations are as follows:

(i) Consumer financing

The recoverable amount of the CGU is determined based on value-in-use calculation, which uses cash flow projections based on financial budgets approved by management covering a five-year period. The key assumptions for the value-in-use calculation include quantum of disbursements, which is based on the CGU's past performance and management's expectation on the growth in financing demand and the availability of funds. The pre-tax discount rate applied to the cash flow projections is 6.35% (2025: 6.60%) per annum. No growth rate is assumed in extrapolating the cash flows beyond the five-year period.

(ii) Processing and administration of payroll collection

In the previous financial year, the Group had fully impaired the goodwill in relation to this CGU as the recoverable amount determined was nil.

The recoverable amount of the CGU was determined based on value-in-use calculation, which uses cash flow projections based on financial budgets approved by management covering a five-year period. The key assumptions for the value-in-use calculation included quantum of financing collection, which was based on management's expectation on the growth in financing demand. The pre-tax discount rate applied to the cash flow projections was 6.06% per annum. No growth rate was assumed in extrapolating the cash flows beyond the five-year period.

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of the group of CGU to which goodwill is allocated. The directors believe that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

(b) Other intangible assets

Other intangible assets consist of rights to access to the salary deduction mechanism for collection repayment by financing receivables. The Group amortises other intangible assets with a finite useful life of twenty (20) years using the straight-line method. The period reflects the estimated duration over which the other intangible assets are expected to generate future economic benefits for the Group. The amortisation period and method are reviewed at least annually with any changes accounted for as changes in accounting estimates.

During the financial year, the Group recognised an other intangible asset amounting to RM20,000,000 following the fulfilment of contractual conditions.

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18. FINANCING RECEIVABLES

The Group	Receivables		
	Financing RM	Loans RM	Total RM
2026			
At amortised cost, gross	2,109,584,089	4,181,965	2,113,766,054
Less: Allowances for impairment	(135,223,470)	(1,255,294)	(136,478,764)
	1,974,360,619	2,926,671	1,977,287,290
Amount receivable within one (1) year	(239,194,754)	(525,486)	(239,720,240)
Non-current portion	1,735,165,865	2,401,185	1,737,567,050
2025			
At amortised cost, gross	2,085,876,287	4,852,213	2,090,728,500
Less: Allowances for impairment	(138,974,828)	(1,689,689)	(140,664,517)
	1,946,901,459	3,162,524	1,950,063,983
Amount receivable within one (1) year	(226,675,980)	(434,703)	(227,110,683)
Non-current portion	1,720,225,479	2,727,821	1,722,953,300

The non-current portion of the financing receivables are as follows:

The Group	Receivables		
	Financing RM	Loans RM	Total RM
2026			
Amount receivables:			
More than one (1) and less than two (2) years	263,852,660	469,673	264,322,333
More than two (2) and less than five (5) years	784,381,851	1,073,550	785,455,401
More than five (5) years	686,931,354	857,962	687,789,316
	1,735,165,865	2,401,185	1,737,567,050
2025			
Amount receivables:			
More than one (1) and less than two (2) years	255,686,573	416,615	256,103,188
More than two (2) and less than five (5) years	759,435,345	1,051,896	760,487,241
More than five (5) years	705,103,561	1,259,310	706,362,871
	1,720,225,479	2,727,821	1,722,953,300

Financing and loan receivables which arose from the provision of shariah-compliant and conventional financing are governed under related Commodity Murabahah Facility Agreement, Facility Agreement, Assignment Agreement, First Party Agreement and the Power of Attorney, where applicable, between corporations or customers and the Group.

18. FINANCING RECEIVABLES (CONT'D)

The financing receivables are:

	The Group	
	2026 RM	2025 RM
Assigned in favour of the trustees	941,850,420	886,162,474
Pledged to licensed financial institutions	906,582,625	862,355,394
	1,848,433,045	1,748,517,868

The information on the financial risk of financing receivables are disclosed in Note 33.

Movement in allowances for impairment:

The Group	Stage 1 RM	Stage 2 RM	Stage 3 RM	Total RM
Balance as at 1 April 2024	42,637,586	1,786,976	83,278,518	127,703,080
Changes in the ECL:				
Transfer to Stage 1	308,111	(300,015)	(8,206,186)	(8,198,090)
Transfer to Stage 2	(157,405)	1,292,513	(2,418,372)	(1,283,264)
Transfer to Stage 3	(1,180,229)	(720,506)	56,419,068	54,518,333
Net adjustment of allowances for impairment	(1,029,523)	271,992	45,794,510	45,036,979
New financial assets originated or purchased	11,594,645	-	-	11,594,645
Financial assets derecognised	(2,523,375)	(75,838)	(3,421,519)	(6,020,732)
Changes in risk parameters	(7,260,935)	(266,673)	(5,573,614)	(13,101,222)
Written off	-	-	(24,548,233)	(24,548,233)
Balance as at 31 March 2025/1 April 2025	43,418,398	1,716,457	95,529,662	140,664,517
Changes in the ECL:				
Transfer to Stage 1	577,409	(263,330)	(16,281,606)	(15,967,527)
Transfer to Stage 2	(139,377)	1,168,089	(2,358,549)	(1,329,837)
Transfer to Stage 3	(1,249,324)	(664,178)	55,014,037	53,100,535
Net adjustment of allowances for impairment	(811,292)	240,581	36,373,882	35,803,171
New financial assets originated or purchased	12,378,680	-	-	12,378,680
Financial assets derecognised	(2,355,350)	(36,321)	(2,826,272)	(5,217,943)
Changes in risk parameters	(7,799,180)	(147,825)	(10,669,753)	(18,616,758)
Written off	-	-	(28,532,903)	(28,532,903)
Balance as at 31 March 2026	44,831,256	1,772,892	89,874,616	136,478,764

The information on the credit quality analysis and write off of financing receivables are disclosed in Note 33(b).

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18. FINANCING RECEIVABLES (CONT'D)

The Group applied the latest economic scenarios to reflect a probability-weighted range of possible future outcome and factor in forecasted Real Gross Domestic Product, a forward looking element used for the ECL calculation. Accordingly, the ECL during the financial year has been adjusted to reflect the impact of latest economic conditions.

19. OTHER INVESTMENTS

	The Group and The Company	
	2026 RM	2025 RM
Investments, at FVTPL		
Association memberships	-	2

During the financial year, the Group and the Company have fully written off the other investments.

20. DEFERRED TAX

(a) The deferred tax assets and liabilities are made up of the following:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Balance as at 1 April	44,277,506	47,419,984	72,000	77,506
Recognised in profit or loss (Note 11)	(306,014)	(3,142,478)	(3,631)	(5,506)
Balance as at 31 March	43,971,492	44,277,506	68,369	72,000

20. DEFERRED TAX (CONT'D)

(b) Presented after appropriate offsetting as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Deferred tax assets (gross)	95,199,273	90,704,823	69,720	72,000
Offsetting	(1,680,667)	-	(1,351)	-
Deferred tax assets (net)	93,518,606	90,704,823	68,369	72,000
Deferred tax liabilities (gross)	(51,227,781)	(46,427,317)	(1,351)	-
Offsetting	1,680,667	-	1,351	-
Deferred tax liabilities (net)	(49,547,114)	(46,427,317)	-	-
	43,971,492	44,277,506	68,369	72,000

Deferred tax assets and liabilities are offset when there is legally enforceable right to set-off current tax assets against current tax liabilities and when deferred taxes relate to the same taxation authority.

(c) The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred tax assets of the Group:

	Profit expense applicable to revenue RM	Financing receivables RM	Unutilised tax losses RM	Other temporary differences RM	Payables RM	Total RM
Balance as at 1 April 2024	10,683,170	32,546,665	7,572	4,513,442	650,623	48,401,472
Recognised in profit or loss	34,940,175	(246,308)	6,827,524	1,395,436	(613,476)	42,303,351
Balance as at 31 March 2025/ 1 April 2025	45,623,345	32,300,357	6,835,096	5,908,878	37,147	90,704,823
Recognised in profit or loss	4,288,286	(1,065,312)	2,199,982	(949,959)	21,453	4,494,450
Balance as at 31 March 2026	49,911,631	31,235,045	9,035,078	4,958,919	58,600	95,199,273

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20. DEFERRED TAX (CONT'D)

(c) Cont'd

Deferred tax liabilities of the Group:

	Profit income from Sukuk RM	Other temporary differences RM	Plant and equipment RM	Total RM
Balance as at 1 April 2024	-	(460,804)	(520,684)	(981,488)
Recognised in profit or loss	(45,623,345)	217,668	(40,152)	(45,445,829)
Balance as at 31 March 2025/ 1 April 2025	(45,623,345)	(243,136)	(560,836)	(46,427,317)
Recognised in profit or loss	(4,288,287)	(530,928)	18,751	(4,800,464)
Balance as at 31 March 2026	(49,911,632)	(774,064)	(542,085)	(51,227,781)

Deferred tax assets of the Company:

	Other temporary differences RM
Balance as at 1 April 2024	77,506
Recognised in profit or loss	(5,506)
Balance as at 31 March 2025/1 April 2025	72,000
Recognised in profit or loss	(3,631)
Balance as at 31 March 2026	68,369

(d) The amount of unutilised tax losses and unabsorbed capital allowances for which no deferred tax assets are recognised in the statements of financial position due to uncertainty of their recoverability are as follows:

	The Group	
	2026 RM	2025 RM
Unutilised tax losses	2,304,322	2,291,699
Unabsorbed capital allowances	2,165,990	2,165,990
	4,470,312	4,457,689

20. DEFERRED TAX (CONT'D)

(d) Cont'd

In accordance with the provision in Finance Act 2022 gazetted on 31 December 2021, the unutilised tax losses are available for utilisation in the next consecutive ten (10) years effective from year of assessment 2019, for which, any excess at the end of the tenth (10th) year, will be disregarded.

The unutilised tax losses for which no deferred tax asset is recognised will expire in the following financial years:

	The Group	
	2026 RM	2025 RM
2029	2,196,882	2,196,882
2030	18,184	18,184
2031	15,786	15,786
2032	13,635	13,635
2033	10,702	10,702
2034	12,608	12,608
2035	12,546	12,546
2036	11,356	11,356
2037	12,623	-
	2,304,322	2,291,699

21. TRADE RECEIVABLES

	The Group	
	2026 RM	2025 RM
Murabahah financing receivable	41,975,843	52,648,514
Factoring receivables	1,869,102	1,806,990
Confirming receivables	628,414	483,306
	44,473,359	54,938,810
Less: Allowances for impairment	(78,248)	(88,611)
Trade receivables, net	44,395,111	54,850,199

During the financial year ended 31 March 2021, the Group granted a shariah-compliant Murabahah financing of RM50.0 million to a customer.

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21. TRADE RECEIVABLES (CONT'D)

The salient terms of the Murabahah financing are as follows:

- (a) Original tenure of twelve (12) months from the date of disbursement. The financing was subsequently granted extension to the financing tenure, each for periods of six (6) months;
- (b) A charge over ordinary shares pledged by customer; and
- (c) Minimum margin of security at one point ten (1.10) times prior to disbursement and throughout the tenure.

The Murabahah financing bears profit rate at 11.00% (2025: 11.00%) per annum with remaining principal and profit repayable at the end of the tenure.

For factoring and confirming receivables, the credit period granted by the Group ranges from 90 to 150 (2025: 90 to 150) days.

As at the reporting date, there is significant concentration of credit risk arising from the amount due from two (2) (2025: two (2)) major customers amounting to 98.62% (2025: 99.25%) of the total trade receivables. The extension of credits to and the repayments from these customers are closely monitored by the management to ensure that these customers adhered to the agreed credit terms and policies.

Movement in allowances for impairment:

	Lifetime ECL RM	Credit impaired RM	Total RM
Balance as at 1 April 2024	94,174	-	94,174
Charge for the financial year	1,129	-	1,129
Changes in risk parameters	(6,692)	-	(6,692)
Balance as at 31 March 2025/1 April 2025	88,611	-	88,611
Charge for the financial year	362	-	362
Changes in risk parameters	(10,725)	-	(10,725)
Balance as at 31 March 2026	78,248	-	78,248

The information on the credit quality analysis and write off of trade receivables are disclosed in Note 33(b).

22. OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Other receivables	3,414,052	11,141,250	121,719	99,255
Collections in transit	2,670,524	2,063,701	-	-
	6,084,576	13,204,951	121,719	99,255
Tax recoverable	38,715,220	35,533,454	-	-
Prepaid expenses	2,333,210	2,252,445	30,966	22,178
Refundable deposits	392,514	14,393,624	-	-
	47,525,520	65,384,474	152,685	121,433

Included in other receivables and deposits of the Group are:

- (a) advances given to corporations amounting to RM2,512,795 (2025: RM8,353,000); and
- (b) deposit paid for the acquisition of an asset from an external party amounting to RMnil (2025: RM14,000,000).

23. RELATED PARTY TRANSACTIONS

The outstanding balances arising from related party transactions as at the reporting date are as below:

	The Company	
	2026 RM	2025 RM
Amount due from a subsidiary company	14,678,090	14,443,686

The amount due from a subsidiary company arose mainly from advances given, are unsecured, bear interest rate at 1.00% (2025: 1.30%) per annum, repayable on demand and to be settled in cash, except otherwise stated.

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the parties or exercise significant influence over the parties in making financial and operating decisions, or vice versa, or where the Group and the parties are subject to common control or common significant influence. Related parties may be individuals or other parties.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Company either directly or indirectly. They include the directors and senior management of the Group and of the Company.

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23. RELATED PARTY TRANSACTIONS (CONT'D)

(b) Related party disclosures

Other than as disclosed elsewhere in the financial statements, the related parties and their relationships with the Company are as follows:

Name of related parties	Relationship
AmBank Islamic Berhad ("AIB") AmBank (M) Berhad ("AMB") AmFunds Management Berhad ("AFMB")	A company in which a deemed substantial shareholder of the Company has indirect interest
Corporateview Sdn. Bhd. ("CVSB") Harpers Travel (Malaysia) Sdn. Bhd. ("HTSB")	Subsidiary companies of Amcorp Group Berhad, the intermediate holding company of the Company
AmInvestment Bank Berhad ("AIBB")	A company in which a deemed substantial shareholder and a director of the Company have substantial interest or directorship
AON Insurance Brokers (M) Sdn. Bhd. ("AIBM")	A company in which certain directors of the Company have directorship

During the financial year, significant related party transactions, which are determined on a basis negotiated between the said parties are as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Direct subsidiary companies:				
Strategic management fee from RCEM (Note 5)	-	-	(319,550)	(330,000)
Interest income on amount due from RCEM (Note 9)	-	-	(168,827)	(150,812)
Other related parties:				
Profit/Interest income from AIB	(3,304,147)	(4,915,272)	-	-
Profit/Interest expense to:				
AIB	12,415,714	10,059,440	-	-
AMB	5,051,106	6,521,786	-	-

23. RELATED PARTY TRANSACTIONS (CONT'D)

(b) Related party disclosures (Cont'd)

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Other related parties (Cont'd):				
Fee to CVSB:				
Management fee (Note 9)	1,562,000	1,562,000	-	-
Internal audit fee (Note 9)	358,800	319,000	148,500	118,200
Insurance premium and brokerage fee to AIBM	1,234,667	1,156,483	-	-
Fee to AIBB:				
Placement fee	753,200	315,000	-	-
Agency fee	30,000	86,704	-	-
Professional fee	-	103,639	-	103,639
Travel package to HTSB	512,817	687,159	-	-

(c) Compensation of key management personnel

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Short-term employees' benefits	9,243,573	9,003,378	778,000	681,000
Options granted under ESS	1,525,384	2,021,228	-	-
Defined contribution plan	1,137,108	1,102,887	-	-
	11,906,065	12,127,493	778,000	681,000

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24. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Deposits with licensed financial institutions:				
- Islamic	681,258,487	625,614,811	-	-
- Conventional	11,662	11,388	-	-
	681,270,149	625,626,199	-	-
Cash and bank balances with licensed financial institutions:				
- Islamic	70,557,089	127,896,663	-	-
- Conventional	11,523,651	13,958,531	1,986	1,173
	82,080,740	141,855,194	1,986	1,173
	763,350,889	767,481,393	1,986	1,173
Less: Deposits, cash and bank balances Assigned in favour of the trustees	(688,797,486)	(631,880,307)	-	-
Pledged to licensed financial institutions:				
- Islamic	(42,072,711)	(44,946,212)	-	-
- Conventional	(10,768,133)	(12,931,614)	-	-
	(52,840,844)	(57,877,826)	-	-
	(741,638,330)	(689,758,133)	-	-
	21,712,559	77,723,260	1,986	1,173

Deposits with licensed financial institutions of the Group have a weighted average remaining maturity period of 94 (2025: 119) days. The information on weighted average effective profit rate ("WAEPR") is disclosed in Note 33.

The outstanding balances arising from related party transaction as at the reporting date are as below:

	The Group	
	2026 RM	2025 RM
Deposits and bank balances placed with:		
AIB	203,418,788	166,488,239
AMB	10,370,100	10,414,004
AFMB	11,662	11,388
	213,800,550	176,913,631

25. SHARE CAPITAL

	The Group and The Company			
	2026 No. of shares	2025	2026 RM	2025 RM
<i>Ordinary shares</i>				
Balance as at 1 April	1,484,467,534	741,066,767	204,881,145	201,916,965
Issuances of:				
Bonus Shares	-	741,066,767	-	-
Shares pursuant to options exercised	-	2,334,000	-	2,964,180
Balance as at 31 March	1,484,467,534	1,484,467,534	204,881,145	204,881,145

In the previous financial year, the total number of issued shares of the Company was increased from 741,066,767 to 1,484,467,534 by way of issuances of:

- (a) 741,066,067 Bonus Shares on the basis of one (1) Bonus Share for every one (1) ordinary share held by shareholders on the entitlement date of 25 September 2024; and
- (b) 2,334,000 new ordinary shares pursuant to options exercised.

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

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the Company's residual assets.

26. TREASURY SHARES

	The Group and The Company			
	2026 No. of shares	2025	2026 RM	2025 RM
Balance as at 1 April	16,432,392	8,216,196	4,947,936	4,947,936
Issuance of Bonus Shares	-	8,216,196	-	-
Balance as at 31 March	16,432,392	16,432,392	4,947,936	4,947,936

The shareholders of the Company, by a resolution passed at an annual general meeting held on 10 September 2025, has granted an approval to the Company to buy back its own shares of up to ten percent (10%) of its total number of issued shares of the Company.

In the previous financial year, the total number of treasury shares of the Company was increased from 8,216,196 to 16,432,392 by way of receipt of 8,216,196 Bonus Shares pursuant to the bonus issue which are held as treasury shares by the Company.

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26. TREASURY SHARES (CONT'D)

There were no repurchases of the Company's shares from the open market for the financial years ended 31 March 2026 and 31 March 2025.

The treasury shares were held by the Company in accordance with Section 127 of the Companies Act 2016 in Malaysia.

The Company has the right to cancel, resell and/or distribute the treasury shares as dividends at a later date or transfer the treasury shares for ESS or as purchase consideration at a later date. None of the treasury shares repurchased have been sold, cancelled or transferred during the financial year.

As at 31 March 2026, the number of ordinary shares, net of treasury shares is 1,468,035,142 shares.

27. ESS

The ESS which was approved by the shareholders at the Annual General Meeting held on 22 September 2020 is governed by the By-Laws and implemented on 20 October 2020. The ESS is to be in force for a period of five (5) years and has been extended until 31 December 2026 by the Board upon recommendation of the ESS committee. The ESS comprises shares and/or options to subscribe for shares of up to fifteen percent (15%) of the total number of issued shares of the Company (excluding treasury shares) at any point in time for eligible executive directors and employees of the Group.

The salient features of the ESS are as follows:

- (a) The maximum number of shares to be allotted and issued pursuant to the ESS shall not at any point in time in aggregate exceed fifteen percent (15%) of the issued and paid-up share capital of the Company (excluding treasury shares);
- (b) Not more than ten percent (10%) of the total number of shares to be issued under the ESS shall be allocated to any executive director or employee, who either singly or collectively through persons connected with the executive director or employee, holds twenty percent (20%) or more of the issued and paid-up share capital of the Company;
- (c) The eligible persons are executive directors and employees who have attained the age of eighteen (18) years, not an undischarged bankrupt and has not served a notice of resignation or received a notice of termination or subject to any disciplinary proceeding; and
- (d) The option price shall be at a discount of not more than ten percent (10%) of the five (5) days volume weighted average market price of the Company's shares immediately preceding the date of offer.

27. ESS (CONT'D)

The details and movements in number of options during the financial year are as follows:

Grant date	Expiry date	Option price RM	ESS options				Balance as at 31.03.2026
			Balance as at 1.04.2025	Granted	Exercised	Cancelled	
13.10.2023	20.11.2026	1.14 [#]	2,763,000	-	(90,000)	(88,000)	2,585,000
25.06.2024	20.11.2026	1.27 [#]	31,121,800	-	(50,000)	(2,440,800)	28,631,000
11.08.2025	20.11.2026	0.96	-	31,709,000	(16,981,000)	(318,000)	14,410,000
			33,884,800	31,709,000	(17,121,000)	(2,846,800)	45,626,000
Weighted average option price		(RM)	1.26	0.96	0.96	1.24	1.16
Weighted average share price		(RM)			1.16		
Weighted average of remaining contractual life		(days)					234

[#] The number of options and option price have been adjusted in accordance with By-Laws 15.1 and 15.5(b) arising from issuance of Bonus Shares.

The details and movements in number of options in the previous financial year are as follows:

Before Bonus Issue adjustment:

Grant date	Expiry date	Option price RM	ESS options				Balance as at 25.09.2024 [^]
			Balance as at 1.04.2024	Granted	Exercised	Cancelled	
17.10.2022	30.11.2024	1.19 [*]	100,000	-	(69,000)	-	31,000
13.10.2023	19.10.2025	2.28	11,825,500	-	(9,659,500)	(360,000)	1,806,000
25.06.2024	15.09.2025	2.55	-	19,216,000	-	-	19,216,000
			11,925,500	19,216,000	(9,728,500)	(360,000)	21,053,000
Weighted average option price		(RM)	2.27	2.55	2.27	2.28	2.54
Weighted average share price		(RM)			3.10		
Weighted average of remaining contractual life		(days)					354

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27. ESS (CONT'D)

After Bonus Issue adjustment:

Grant date	Expiry date	Option price RM	ESS options				Balance as at 31.03.2025
			Balance as at 25.09.2024 [^]	Adjustment [#]	Exercised	Cancelled	
17.10.2022	30.11.2024	0.59* [#]	31,000	31,000	(62,000)	-	-
13.10.2023	15.09.2025	1.14 [#]	1,806,000	1,806,000	(849,000)	-	2,763,000
25.06.2024	15.09.2025	1.27 [#]	19,216,000	19,216,000	(7,310,200)	-	31,121,800
			21,053,000	21,053,000	(8,221,200)	-	33,884,800
Weighted average option price	(RM)		1.26	1.26	1.25	-	1.26
Weighted average share price	(RM)				1.62		
Weighted average of remaining contractual life	(days)						168

[^] Refers to the entitlement date for issuance of Bonus Shares.

* The option price has been adjusted in accordance with By-Laws 15.1 and 15.5(c) arising from dividends distribution.

[#] The number of options and option price have been adjusted in accordance with By-Laws 15.1 and 15.5(b) arising from issuance of Bonus Shares.

The fair value of options granted, determined using the Trinomial valuation model, took into account the terms and conditions upon which the options were granted. The fair value of options measured at grant date and the assumptions are as follows:

		Grant date	
		2026 11.08.2025	2025 25.06.2024
Fair value of options at grant dates	(RM)	0.11	0.28
Grant date share price	(RM)	1.06	2.83
Option price	(RM)	0.96	2.55
Expected volatility	(%)	8.952	9.247
Expected life	(days)	469	447
Risk free rate	(%)	3.074	3.607
Expected dividend yield	(%)	6.598	5.655

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of the options granted were incorporated into the measurement of fair value.

28. RESERVES

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Non-distributable: ESS reserve	5,921,330	4,693,992	5,921,330	4,693,992
Distributable: Retained earnings	664,799,916	634,887,274	142,392,642	143,668,143
	670,721,246	639,581,266	148,313,972	148,362,135

(a) Non-distributable:

ESS reserve:

The ESS reserve represents the equity settled options granted to eligible directors and employees. This reserve is made up of the cumulative value of services received from eligible directors and employees recorded on the grant date of options. Details of ESS granted to eligible directors and employees are disclosed in Note 27.

(b) Distributable:

Retained earnings:

Distributable reserves are those available for distribution as dividends.

Under the single-tier system, the dividends paid, credited or distributed to shareholders are not tax deductible by the Company, but are exempted from tax in the hands of the shareholders.

29. PAYABLES AND ACCRUED EXPENSES

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Current:				
Accrued expenses	19,775,873	14,572,700	1,136,981	825,764
Payables	16,117,679	14,255,219	-	-
Deposits	1,025,500	904,500	-	-
	36,919,052	29,732,419	1,136,981	825,764
Non-current:				
Payables	-	4,227,770	-	-
	36,919,052	33,960,189	1,136,981	825,764

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29. PAYABLES AND ACCRUED EXPENSES (CONT'D)

Included in payables and accrued expenses of the Group are:

- (i) accrual for staff related costs amounting to RM8,652,486 (2025: RM7,417,861);
- (ii) advanced collections from customers amounting to RM4,983,986 (2025: RM5,570,295) held by subsidiary companies and on behalf of various corporations;
- (iii) sales and marketing expenses amounting to RM5,448,800 (2025: RM5,402,653); and
- (iv) refundable collections amounting to RM610,182 (2025 RM1,033,191).

30. HIRE-PURCHASE PAYABLES

	The Group	
	2026 RM	2025 RM
Total outstanding	962,745	944,977
Less: Future finance charges	(55,504)	(48,634)
Principal outstanding	907,241	896,343
Less: Amount due within one (1) year	(400,194)	(364,823)
Non-current portion	507,047	531,520

The non-current portion of the hire-purchase payables are as follows:

	The Group	
	2026 RM	2025 RM
Financial years ending 31 March:		
2027	-	325,405
2028	264,706	186,900
2029	100,158	19,215
2030	84,207	-
2031	57,976	-
	507,047	531,520

The interest rates implicit in these hire-purchase arrangements of the Group range from 3.78% to 4.63% (2025: 3.78% to 4.63%) per annum. The Group's hire-purchase payables are secured by a charge over the assets under hire-purchase.

30. HIRE-PURCHASE PAYABLES (CONT'D)

A reconciliation of hire-purchase payables to cash flows arising from financing activities are as follows:

	The Group	
	2026 RM	2025 RM
Balance as at 1 April	896,343	1,298,802
Cash flows	(423,831)	(448,232)
Additions	400,000	-
Other changes	34,729	45,773
Balance as at 31 March	907,241	896,343

Included in other changes is accrued interest expense.

31. FINANCING LIABILITIES

	Note	The Group	
		2026 RM	2025 RM
At amortised cost			
Secured			
Current:			
- Shariah			
RM2.0 billion Sukuk Programme	(a)	204,198,772	173,609,642
RM900.0 million Sukuk Programme	(b)	10,916,658	-
		215,115,430	173,609,642
Revolving credits	(c)	258,257,868	265,899,994
Term financing	(d)	116,906,347	108,376,754
		590,279,645	547,886,390
- Conventional			
Revolving credits	(c)	260,093,967	197,928,765
Term loans	(d)	51,338,878	66,748,365
		311,432,845	264,677,130
		901,712,490	812,563,520

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31. FINANCING LIABILITIES (CONT'D)

		The Group	
	Note	2026 RM	2025 RM
At amortised cost (Cont'd)			
Secured (Cont'd)			
Non-current:			
- Shariah			
RM2.0 billion Sukuk Programme	(a)	731,504,390	806,100,162
RM900.0 million Sukuk Programme	(b)	89,309,334	-
		820,813,724	806,100,162
Term financing	(d)	237,343,166	216,403,354
		1,058,156,890	1,022,503,516
- Conventional			
Term loans	(d)	58,846,877	109,892,995
		1,117,003,767	1,132,396,511
Unsecured			
Current			
- Shariah			
Revolving credits	(c)	17,002,748	105,067,178
- Conventional			
Revolving credits	(c)	-	8,004,340
Bankers' acceptance		198,900	-
		2,035,917,905	2,058,031,549
		The Group	
		2026 RM	2025 RM
Disclosed in the statements of financial position as:			
Current		918,914,138	925,635,038
Non-current		1,117,003,767	1,132,396,511
		2,035,917,905	2,058,031,549

31. FINANCING LIABILITIES (CONT'D)

The maturity profile of the financing liabilities is as follows:

	The Group	
	2026 RM	2025 RM
On demand or within one (1) year	918,914,138	925,635,038
More than one (1) year and less than two (2) years	503,618,660	294,017,035
More than two (2) years and less than five (5) years	530,274,412	643,823,945
More than five (5) years	83,110,695	194,555,531
	2,035,917,905	2,058,031,549

A reconciliation of financing liabilities to cash flows arising from financing activities are as follows:

	The Group			
	2025 RM	Cash flows RM	Other changes RM	2026 RM
Sukuk	979,709,804	55,000,000	1,219,350	1,035,929,154
Revolving credits	576,900,277	(40,500,000)	(1,045,694)	535,354,583
Term financing/loans	501,421,468	(38,216,143)	1,229,943	464,435,268
Other financing liabilities	-	198,900	-	198,900
Total	2,058,031,549	(23,517,243)	1,403,599	2,035,917,905

Included in other financing liabilities are bankers' acceptance amounting to RM198,900 (2025: RMnil).

	The Group			
	2024 RM	Cash flows RM	Other changes RM	2025 RM
Sukuk	1,175,824,081	(200,000,000)	3,885,723	979,709,804
Revolving credits	549,606,799	26,700,000	593,478	576,900,277
Term financing/loans	394,152,718	108,782,694	(1,513,944)	501,421,468
Total	2,119,583,598	(64,517,306)	2,965,257	2,058,031,549

Included in other changes are accrued profit/interest expense and transaction costs.

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31. FINANCING LIABILITIES (CONT'D)

The outstanding balances arising from related party transactions as at the reporting date are as follows:

	The Group	
	2026 RM	2025 RM
Financing liabilities with:		
AIB	291,409,555	278,849,829
AMB	133,004,701	154,688,725
	424,414,256	433,538,554

(a) RM2.0 billion Sukuk Murabahah Asset-Backed Securitisation Programme ("Sukuk Programme") (Secured)

ZAB was incorporated on 13 June 2018 as a special purpose vehicle for the sole purpose of undertaking the Sukuk Programme amounting to RM2.0 billion which involves the purchase of financing receivables from RCEM from time to time. The purchases of financing receivables meeting certain pre-determined eligibility criteria are funded by the proceeds from the issuance of Sukuk by ZAB.

The Sukuk is constituted by a trust deed dated 19 March 2019 made between ZAB and the Trustee for the holders of the Sukuk.

During the financial year, ZAB has:

- (i) further issued one (1) (2025: one (1)) tranche of Sukuk amounting to RM191.0 million (2025: RM149.0 million), out of which RM31.0 million (2025: RM24.0 million), were subscribed by a subsidiary company, RCEM (2025: RCET);
- (ii) redeemed RM160.0 million (2025: RM155.0 million) of Class A Sukuk from its Tranches 1, 4, 5, 8 and 10 (2025: Class A Sukuk from its Tranches 2, 3, 6, 7 and 9) upon legal maturity; and
- (iii) early redeemed RM45.0 million (2025: RMnil) Class B Sukuk from its Tranche 1 upon expected maturity.

The main features of the Sukuk are as follows:

- (i) the maximum issue size of the RM2.0 billion Sukuk Programme consists of a multiple series of Classes A, B and C;
- (ii) all Sukuk under first (1) to eleventh (11) tranches are issued at par and have maturity ranging from one (1) to eight point five (8.5) years;
- (iii) each series of the Sukuk under Class A bear fixed profit rates ranging from 3.45% to 5.42% (2025: 3.30% to 5.42%) per annum, payable semi-annually in arrears with the last profit payment to be made on the respective maturity dates;
- (iv) the Class B Sukuk bears fixed profit rates ranging from 3.95% to 5.72% (2025: 3.95% to 5.72%) per annum and step up by 4.0% per annum from the expected maturity in year seven (7) until the legal maturity in year eight point five (8.5). The profit is payable semi-annually in arrears with the last profit payment to be made on the respective maturity dates; and

31. FINANCING LIABILITIES (CONT'D)

(a) RM2.0 billion Sukuk Programme (Secured) (Cont'd)

- (v) the Class C Sukuk bears fixed profit rates ranging from 17.00% to 57.00% (2025: 17.00% to 57.00%) per annum and payable in full or in part upon the full redemption of Classes A and B. The Class C Sukuk is internally subscribed by subsidiary companies, RCET and RCEM.

(b) RM900.0 million Sukuk Programme (Secured)

ADA was incorporated on 5 November 2015 as a special purpose vehicle for the sole purpose of undertaking the Sukuk Programme amounting to RM900.0 million which involves the purchase of financing receivables from RCEM from time to time. The purchases of financing receivables meeting certain pre-determined eligibility criteria are funded by the proceeds from the issuance of Sukuk by ADA.

The Sukuk is constituted by a trust deed dated 8 June 2016 made between ADA and the Trustee for the holders of the Sukuk.

In the previous financial year, ADA has revised the tenure of the Sukuk Programme to perpetual to allow for further issuances of Sukuk.

During the financial year, ADA has:

- (i) further issued one (1) (2025: nil) tranche of Sukuk amounting to RM123.0 million (2025: RMnil), out of which RM23.0 million (2025: RMnil), were subscribed by a subsidiary company, RCET (2025: nil); and
- (ii) early redeemed RM26.5 million (2025: RM42.0 million) of Class C Sukuk from its Tranche 5 (2025: Class C Sukuk from its Tranches 3 to 4) upon full redemption of Classes A and B Sukuk.

The main features of the Sukuk are as follows:

- (i) the maximum issue size of the RM900.0 million Sukuk Programme consists of a multiple series of Classes A, B and C Sukuk;
- (ii) all Sukuk under Tranche 6 are issued at par and have maturity ranging from one (1) to eight point five (8.5) years;
- (iii) each series of the Sukuk under Class A bear fixed profit rates ranging from 3.53% to 3.98% (2025: 5.15% to 5.18%) per annum, payable semi-annually in arrears with the last profit payment to be made on the respective maturity dates;
- (iv) the Class B Sukuk bears fixed profit rate at 4.43% (2025: 6.00% to 6.11%) per annum and step up by 4.0% per annum from the expected maturity in year seven (7) until the legal maturity in year eight point five (8.5). The profit is payable semi-annually in arrears with the last profit payment to be made on the respective maturity dates; and
- (v) the Class C Sukuk bears fixed profit rate at 22.60% (2025: 27.00%) per annum and payable in full or in part upon the full redemption of Classes A and B Sukuk. The Class C Sukuk is internally subscribed by a subsidiary company, RCET.

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31. FINANCING LIABILITIES (CONT'D)

The Sukuk Programmes are secured against the following:

- (i) a debenture incorporating a first fixed and floating charge over the entire undertaking, property, assets and rights, both present and future of ZAB and ADA;
- (ii) a first legal charge by the share trustee, over the entire issued and paid-up share capital of ZAB and ADA;
- (iii) an assignment of the rights, titles, benefits and interests under the eligible financing receivables purchased by ZAB and ADA; and
- (iv) an assignment and charge over the designated accounts and all monies standing to the credit of the accounts of ZAB and ADA.

(c) Revolving credits

The revolving credit facilities are principally for working capital purposes and secured against the following:

- (i) an assignment of the rights, titles, benefits and interests of eligible receivables under the financing agreements entered into between a subsidiary company with corporations, where applicable;
- (ii) an assignment of the designated accounts and all monies standing to the credit of the accounts, where applicable; and/or
- (iii) an irrevocable corporate guarantee by the Company.

During the financial year, the Group is granted with two (2) (2025: nil) unsecured facilities amounting to RM150.0 million (2025: RMnil).

(d) Term financing/loans

The term financing/loan facilities are principally for working capital purposes and secured against the following:

- (i) an assignment of the rights, titles, benefits and interests of eligible receivables under the applicable financing agreements entered into between a subsidiary company with corporations;
- (ii) an assignment of the designated accounts and all monies standing to the credit of the accounts;
- (iii) a fixed deposit by a subsidiary company on lien or charged; and
- (iv) an irrevocable corporate guarantee by the Company.

The maturity ranges from three (3) to six (6) (2025: three (3) to six (6)) years from the date of the first disbursement of the applicable tranche of the term financing/loans.

During the financial year, the Group has fully settled one (1) secured term financing (2025: one (1) term loan) with a limit of RM100.0 million (2025: RM30.0 million) upon maturity.

In the previous financial year, the Group was granted with one (1) secured term financing amounting to RM150.0 million.

The information on WAEPR is disclosed in Note 33.

32. COMMITMENTS

	The Group	
	2026 RM	2025 RM
Capital expenditure approved and contracted for:		
Plant and equipment	863,650	436,766
Other capital expenditure	-	6,000,000
	863,650	6,436,766

In the previous financial year, other capital expenditure was in relation to an asset acquisition entered into with an external party. The total other capital expenditure committed amounting to RM20.0 million, out of which RM14.0 million has been paid as deposit as disclosed in Note 22. The remaining balance of RM6.0 million was payable upon fulfilment of certain conditions.

33. FINANCIAL INSTRUMENTS**Financial Risk Management Objectives and Policies**

The Group's financial risk management objectives and policies are monitored by the Risk Management Committee which reports to the Audit Committee.

The operations of the Group are subject to a variety of financial risks, including profit rate (both fair value and cash flow), credit and liquidity risks. The Group has taken measures to minimise its exposure to risks and/or costs associated with the financing, investing and operating activities of the Group.

The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

(a) Profit rate risk

Fair value profit rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market profit rates. Cash flow profit rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market profit rates.

The Group is exposed to profit rate risk mainly from timing differences between the maturities or re-pricing of its profit-bearing assets and liabilities.

Sensitivity to profit rates arises from mismatches in the profit rate characteristics of the assets and their corresponding liability funding. These mismatches are managed as part of the overall profit rate risk management process of the Group.

The Group manages its profit rate risk exposure from profit bearing financing liabilities by maintaining a mix of fixed and floating rate financing liabilities. The Group actively reviews its debt portfolio, taking into consideration the repayment and maturity profiles of its financing liabilities and the nature of its assets. This strategy allows the Group to capitalise on cheaper funding in a low profit rate environment and achieve a certain level of protection against rate hikes.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Credit risk

Credit risk is the risk of default that may arise on its outstanding contractual obligations resulting in financial loss to the Group. The Group adopts a policy of only dealing with creditworthy counterparties and obtaining sufficient credit enhancement such as assignment and collaterals, where appropriate, as a means of mitigating the risk.

(i) Shariah-compliant and conventional consumer financing services:

The Group manages this risk by exercising adequate credit evaluation measures in its financing criteria and stringent monitoring of repayment. Exposure to credit risk is mitigated through an ongoing monitoring procedure on the repayment via salary deduction from its financing receivables.

The Group does not have any significant concentration of credit risk due to its large number of underlying customers. The maximum exposure to credit risk of the Group is represented by the carrying amount of each financial asset.

(ii) Shariah-compliant financing services, factoring and confirming:

The Group manages the credit risk for its shariah-compliant services by exercising adequate credit evaluation. Exposure to credit risk is mitigated through an ongoing monitoring procedure and secured against ordinary shares, lands and building pledged by customers.

In addition, the Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

The information on significant concentration of credit risk are disclosed in Note 21.

The credit risk for other receivables, deposits with licensed financial institutions, cash and bank balances and amount due from a subsidiary company are considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

Credit quality analysis

The Group uses three categories of financing receivables which reflect their credit risk and how the allowances for impairment are determined for each of those categories.

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Credit risk (Cont'd)

Credit quality analysis (Cont'd)

A summary of the assumptions underpinning the Group's ECL model is as follows:

(i) Financing and Murabahah financing receivables

Category	Group's definition of category
Stage 1	Financing receivables that neither have a significant increase in credit risk since initial recognition nor credit-impaired as at reporting date.
Stage 2	All financing receivables that have been significant increase in credit risk since initial recognition but do not have objective evidence of impairment.
Stage 3	When one or more objective evidence of defaults that have a detrimental impact on the estimated future cash flows have occurred.

(ii) Factoring and confirming receivables

Category	Group's definition of category
Lifetime ECL	Profit and/or principal repayments are from 0 to 90 days past due from the credit period granted.
Credit impaired	Profit and/or principal repayments are more than 90 days past due from the credit period granted.

The Group accounts for its credit risk by appropriately providing for ECL on a timely basis. In calculating the ECL rates, the Group considers historical loss rates for each category of financing receivables and adjusts for forward looking macroeconomic data.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Credit risk (Cont'd)

Credit quality analysis (Cont'd)

The Group provides for credit losses as follows:

(i) Financing receivables

Group internal credit rating	Credit quality by days past due	Basis for recognition of ECL provision	Gross carrying amount* RM	Carrying amount (net of impairment provision) RM	Basis for calculation of profit income
2026					
Stage 1	0 to 30	12 months expected losses. Where expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	826,122,058	811,641,072	Gross carrying amount
	0 to 90^		1,186,702,287	1,156,352,017	
			2,012,824,345	1,967,993,089	
Stage 2	31 to 90	Lifetime expected losses.	2,897,672	2,113,270	Gross carrying amount
	91 to 180^		3,766,993	2,778,503	
			6,664,665	4,891,773	
Stage 3	More than 90	Lifetime expected losses.	54,952,575	2,583,047	Carrying amount (net of credit allowance)
	More than 180^		39,511,173	2,006,085	
			94,463,748	4,589,132	

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Credit risk (Cont'd)

Credit quality analysis (Cont'd)

(i) Financing receivables (Cont'd)

Group internal credit rating	Credit quality by days past due	Basis for recognition of ECL provision	Gross carrying amount* RM	Carrying amount (net of impairment provision) RM	Basis for calculation of profit income
2025					
Stage 1	0 to 30	12 months expected losses. Where expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	1,093,939,838	1,074,163,833	Gross carrying amount
	0 to 90^		894,955,143	871,312,750	
			1,988,894,981	1,945,476,583	
Stage 2	31 to 90	Lifetime expected losses.	3,309,766	2,443,367	Gross carrying amount
	91 to 180^		3,403,339	2,553,281	
			6,713,105	4,996,648	
Stage 3	More than 90	Lifetime expected losses.	57,831,606	-	Carrying amount (net of credit allowance)
	More than 180^		37,698,056	-	
			95,529,662	-	

* Excluded fee for the provision of services to be recognised over a period of time of RM186,704 (2025: RM409,248).

^ In relation to a portfolio of financing receivables, which is subject to distinguishable administration technical delay due to logistic consideration.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Credit risk (Cont'd)

Credit quality analysis (Cont'd)

(ii) Murabahah financing receivable

Group internal credit rating	Credit quality by days past due	Basis for recognition of ECL provision	Gross carrying amount* RM	Carrying amount (net of impairment provision) RM	Basis for calculation of profit income
2026					
Stage 1	0 to 30	12 months expected losses. Where expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	41,975,843	41,975,843	Gross carrying amount
2025					
Stage 1	0 to 30	12 months expected losses. Where expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	52,648,514	52,648,514	Gross carrying amount

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Credit risk (Cont'd)

Credit quality analysis (Cont'd)

(iii) Factoring and confirming receivables

Group internal credit rating	Credit quality by days past due	Basis for recognition of ECL provision	Gross carrying amount* RM	Carrying amount (net of impairment provision) RM	Basis for calculation of profit income
2026					
Lifetime ECL	0 to 90	Lifetime ECL	2,497,516	2,419,268	Gross carrying amount
2025					
Lifetime ECL	0 to 90	Lifetime ECL	2,290,296	2,201,685	Gross carrying amount

There are no significant changes to estimation technique or assumption made, other than during the financial year, the Group applied Stage 3 assumptions that better reflect the expected recovery rate of financing receivables.

Write off

Write off exercise on fully impaired accounts is carried out periodically. The Group categorises financing receivables and trade receivables for write off when customer fails to make contractual payments in a given period and actions taken to recover have not been successful.

Where financing receivables and trade receivables have been written off, the Group continues to engage in enforcement activities to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The amount outstanding on financing receivables and trade receivables that were written off during the financial year and are still subject to enforcement activities are RM28,532,903 (2025: RM24,548,233).

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Credit risk (Cont'd)

Credit quality analysis (Cont'd)

In addition, the Group and the Company are exposed to credit risk representing the amount granted summarised as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Financial guarantees to licensed financial institutions for financing liabilities facilities granted to subsidiary companies	-	-	2,060,200,000	2,010,200,000

As at the reporting date, the fair value of the financial guarantees are RMnil (2025: RMnil), determined based on probability-weighted discounted cash flow method. The probability has been estimated and assigned for the following key assumptions:

- (i) the likelihood of the guaranteed party defaulting within the guaranteed period;
- (ii) the exposure on the portion that is not expected to be recovered due to the guaranteed party's default; and
- (iii) the estimated loss exposure if the party guaranteed were to default.

The counterparties to the financial guarantee contracts do not have a right to demand for settlement as no default events have arisen. Accordingly, financial guarantee contracts under the scope of MFRS 7 *Financial Instruments: Disclosures* are not included in the following profit rate and liquidity risks' maturity profile.

Assignment and collaterals

The assignment and collaterals obtained by the Group are as follows:

- (i) Shariah-compliant and conventional consumer financing – assignment of financing receivables by corporations and collection proceeds in the designated accounts of corporations; and
- (ii) Shariah-compliant financing services, factoring and confirming – collaterals such as ordinary shares, land and buildings.

33. FINANCIAL INSTRUMENTS (CONT'D)**(b) Credit risk (Cont'd)****Assignment and collaterals (Cont'd)**

As at the reporting date, the financial effect of assignment and collaterals (quantification of the extent to which they mitigate credit risk) held by the Group are as follows:

	Maximum exposure RM	Assigned value RM	Collateral value RM	Total value RM	Financial effect %
2026					
Financing receivables	1,091,082,268	993,187,041	-	993,187,041	91.03
Trade receivables	44,395,111	-	74,636,000	74,636,000	168.12
	1,135,477,379	993,187,041	74,636,000	1,067,823,041	94.04
2025					
Financing receivables	1,122,027,450	1,039,151,234	-	1,039,151,234	92.61
Trade receivables	54,850,199	-	88,400,000	88,400,000	161.17
	1,176,877,649	1,039,151,234	88,400,000	1,127,551,234	95.81

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due.

The Group actively manages its operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient level of cash to meet its working capital requirements, while maintaining the availability of a diverse source of banking facilities from various financial institutions at a reasonable level to its overall debt position. It also strives to maintain a balance between continuity of funding and flexibility through the use of these facilities.

Cash flow forecasting is performed in the operating entities of the Group on an aggregate basis, taking into consideration the Group's debt financing plans, including the matching of maturity profiles of its financial assets and liabilities.

In addition, the Group manages liquidity risk by continuously evaluating opportunities to finance its short-term obligations as and when they fall due, including raising funds from the market as evidenced from the establishment of Sukuk Programmes as disclosed in Notes 31(a) and 31(b) respectively.

The Group also manages its liquidity risk by maintaining a portion of its resources in deposits with licensed financial institutions and cash and bank balances amounting to RM741,638,331 (2025: RM689,758,133) as disclosed in Note 24 to meet estimated commitments arising from its financial liabilities.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

33. FINANCIAL INSTRUMENTS (CONT'D)

(c) Liquidity risk (Cont'd)

Profit rate and liquidity risk tables

Analysis of financial instruments based on remaining contractual maturity

The following table sets out the WAEPR, carrying amounts and the remaining maturities as at the reporting date of the Group's financial instruments:

The Group	Note	WAEPR %	Total RM	Maturity Profile		
				Less than 1 year RM	1-5 years RM	More than 5 years RM
2026						
Fixed rate						
Financing receivables	18	12.03	1,977,287,290	239,720,240	1,049,777,734	687,789,316
Trade receivables	21	10.52	44,395,111	44,395,111	-	-
Other receivables and deposits	22	-	6,477,090	6,477,090	-	-
Deposits with licensed financial institutions	24	3.59	681,258,487	681,258,487	-	-
Payables and accrued expenses	29	-	36,919,052	36,919,052	-	-
Hire-purchase payables	30	3.85	907,241	400,194	507,047	-
Sukuk	31	4.77	1,035,929,154	215,115,430	596,417,314	224,396,410
Term financing	31	5.01	62,999,970	5,427,252	57,572,718	-
Lease liabilities	15	4.77	3,092,391	989,385	2,103,006	-
Floating rate						
Deposits with licensed financial institutions	24	2.37	11,662	11,662	-	-
Cash and bank balances	24	1.97	82,080,740	82,080,740	-	-
Revolving credits	31	4.39	535,354,583	535,354,583	-	-
Term financing/loans	31	4.41	401,435,298	162,817,974	238,617,324	-
Bankers' acceptance	31	5.06	198,900	198,900	-	-

33. FINANCIAL INSTRUMENTS (CONT'D)

(c) Liquidity risk (Cont'd)

Profit rate and liquidity risk tables (Cont'd)

				Maturity Profile		
		WAEPR	Total	Less than	1-5years	More than
The Group	Note	%	RM	1 year	RM	5 years
				RM		RM
2025						
Fixed rate						
Financing receivables	18	11.95	1,950,063,983	227,110,683	1,016,590,429	706,362,871
Trade receivables	21	10.48	54,850,199	54,850,199	-	-
Other receivables and deposits	22	-	27,598,575	27,598,575	-	-
Deposits with licensed financial institutions	24	3.83	625,614,811	625,614,811	-	-
Payables and accrued expenses	29	-	33,960,189	29,732,419	4,227,770	-
Hire-purchase payables	30	4.17	896,343	364,823	531,520	-
Sukuk	31	5.05	979,709,804	173,609,642	611,544,631	194,555,531
Term financing	31	4.84	67,261,045	4,456,762	62,804,283	-
Lease liabilities	15	5.45	1,054,344	1,017,891	36,453	-
Floating rate						
Deposits with licensed financial institutions	24	2.20	11,388	11,388	-	-
Cash and bank balances	24	2.43	141,855,194	141,855,194	-	-
Revolving credits	31	4.50	576,900,277	576,900,277	-	-
Term financing/loans	31	4.50	434,160,423	170,668,357	263,492,066	-

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

33. FINANCIAL INSTRUMENTS (CONT'D)

(c) Liquidity risk (Cont'd)

Profit rate and liquidity risk tables (Cont'd)

The Company	Note	WAEPR %	Total RM	Maturity Profile Less than 1 year RM
2026				
Fixed rate				
Other receivables	22	-	121,719	121,719
Amount due from a subsidiary company	23	1.00	14,678,090	14,678,090
Cash and bank balances	24	-	1,986	1,986
Accrued expenses	29	-	1,136,981	1,136,981
2025				
Fixed rate				
Other receivables	22	-	99,255	99,255
Amount due from a subsidiary company	23	1.30	14,443,686	14,443,686
Cash and bank balances	24	-	1,173	1,173
Accrued expenses	29	-	825,764	825,764

As at the reporting date, there are no default events have arisen that may cause the financial guarantee to be called. In the event of default and such financing liabilities are not repaid by the subsidiary companies, the Company would be required to meet its obligations on demand in accordance with the terms of such contracts.

Analysis of financial liabilities based on an undiscounted basis

The following table summarises the remaining maturities as at the reporting date of the Group's financial liabilities based on contractual undiscounted repayment obligations:

The Group	Total RM	Maturity Profile		
		Less than 1 year RM	1-5 years RM	More than 5 years RM
2026				
Fixed rate				
Payables and accrued expenses	36,949,602	36,949,602	-	-
Hire-purchase payables	962,745	428,856	533,889	-
Sukuk	1,201,444,147	243,319,247	710,024,072	248,100,828
Term financing	71,347,449	8,336,076	63,011,373	-
Lease liabilities	3,319,019	1,112,739	2,206,280	-
Floating rate				
Revolving credits	535,354,583	535,354,583	-	-
Term financing/loans	428,783,458	177,634,536	251,148,922	-
Bankers' acceptance	198,900	198,900	-	-

33. FINANCIAL INSTRUMENTS (CONT'D)

(c) Liquidity risk (Cont'd)

Profit rate and liquidity risk tables (Cont'd)

The Group	Total RM	Maturity Profile		
		Less than 1 year RM	1-5 years RM	More than 5 years RM
2025				
Fixed rate				
Payables and accrued expenses	34,108,421	29,732,421	4,376,000	-
Hire-purchase payables	944,977	394,392	550,585	-
Sukuk	1,142,191,172	204,300,029	722,813,066	215,078,077
Term financing	78,833,546	7,590,578	71,242,968	-
Lease liabilities	1,087,747	1,049,347	38,400	-
Floating rate				
Revolving credits	576,900,277	576,900,277	-	-
Term financing/loans	472,067,595	188,379,751	283,687,844	-

Sensitivity analysis for profit rate risk

As at the reporting date, if profit rate had been fifty (50) basis points lower/higher, with all other variables held constant, the Group's profit for the financial year would increase/decrease by RM3,420,871 (2025: RM3,502,866) as a results of a lower/higher profit expense on floating rate financial assets and liabilities.

(d) Fair values

The accounting policies applicable to the major financial assets and liabilities are as disclosed in Note 3.

(i) Financial assets

The Group's and the Company's principal financial assets are financing receivables, trade receivables, other receivables and deposits, amount due from a subsidiary company, deposits with licensed financial institutions and cash and bank balances.

(ii) Financial liabilities

Significant financial liabilities include financing liabilities, lease liabilities, hire-purchase payables and payables and accrued expenses.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

33. FINANCIAL INSTRUMENTS (CONT'D)

(d) Fair values (Cont'd)

The carrying amount of financial assets and liabilities of the Group as at the reporting date approximate their fair values except for the following:

		2026		2025	
	Note	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
Financial assets					
Financing receivables	18	1,977,287,290	2,018,457,167	1,950,063,983	1,989,197,213
Financial liabilities					
Financing liabilities					
- Sukuk	31	1,035,929,154	1,065,162,200	979,709,804	1,008,524,188
- Term financing	31	62,999,970	63,424,481	67,261,045	67,403,461

The methods and assumptions used by management to determine the fair values of the financial instruments are as follows:

(i) Financing receivables

The fair values of financing receivables with remaining maturity of less than one (1) year are estimated to approximate their carrying amounts. For financing receivables with remaining maturity of more than one (1) year, the fair values are estimated based on discounted cash flows using prevailing rates of financing receivables of similar credit profile.

The fair values of impaired financing receivables are represented by their carrying amounts, net of credit allowance, being the expected recoverable amount.

(ii) Short-term financial instruments

The fair values are estimated to approximate their carrying amounts as the financial instruments are considered short-term in nature.

(iii) Sukuk and term financing

The fair values are estimated using discounting technique. The discount rates are based on market profit rates available to the Group for similar instruments.

33. FINANCIAL INSTRUMENTS (CONT'D)**(d) Fair values (Cont'd)**

The fair value hierarchies used to classify financial instruments not measured at fair value in the statements of financial position, but for which fair value is disclosed, are as follows:

- (i) Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- (iii) Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2026				
Financial assets				
Financing receivables	-	-	2,018,457,167	2,018,457,167
Financial liabilities				
Financing liabilities				
- Sukuk	-	1,065,162,200	-	1,065,162,200
- Term financing	-	63,424,481	-	63,424,481
2025				
Financial assets				
Financing receivables	-	-	1,989,197,213	1,989,197,213
Financial liabilities				
Financing liabilities				
- Sukuk	-	1,008,524,188	-	1,008,524,188
- Term financing	-	67,403,461	-	67,403,461

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

34. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group continue as going concerns while maintaining sustainable return to stakeholders.

The Group monitors capital using a gearing ratio, which is net financing liabilities divided by total equity. Net financing liabilities are calculated as total financing liabilities less deposits, cash and bank balances. Total equity is calculated as share capital plus reserves as shown in the statements of financial position.

As at the reporting date, the net gearing ratio are as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Total financing liabilities	2,035,917,905	2,058,031,549	-	-
Less: Deposits, cash and bank balances	(763,350,889)	(767,481,393)	(1,986)	(1,173)
Net financing liabilities	1,272,567,016	1,290,550,156	(1,986)	(1,173)
Total equity	870,654,455	839,514,475	348,247,181	348,295,344
Net gearing ratio (times)	1.46	1.54	-	-

35. SUBSEQUENT EVENT

On 26 May 2026, AmInvestment Bank Berhad, on behalf of the Board of Directors of the Company, announced that the Company proposes to establish a new employees' share scheme of up to 15% of the total number of issued shares in the Company (excluding treasury shares) at any point in time, to eligible executive directors (if any) and employees of the Group ("Proposed ESS"). The Proposed ESS will comprise an employees' share option scheme and a restricted share grant plan.

Barring any unforeseen circumstances and subject to the relevant approvals being obtained, the Proposed ESS is expected to be implemented by first quarter of 2027.

STATEMENT BY DIRECTORS

The directors of **RCE CAPITAL BERHAD** state that, in their opinion, the accompanying financial statements set out on pages 183 to 262 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act 2016 in Malaysia, so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026 and of the financial performance and the cash flows of the Group and of the Company for the financial year ended on that date.

Signed on behalf of the Board
in accordance with a resolution of the directors



SHAHMAN AZMAN



LUM SING FAI

Kuala Lumpur
26 May 2026

DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **LOW PECK YOKE**, the officer primarily responsible for the financial management of **RCE CAPITAL BERHAD**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 183 to 262 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
the abovenamed **LOW PECK YOKE** at
KUALA LUMPUR this 26th day of May
2026.



LOW PECK YOKE
MIA 25960

Before me

COMMISSIONER FOR OATHS



PESURUHJAYA SUMPAH
W737
MUHAMMAD FAIZ DHARMENDRA
BIN ABDULLAH
01 JAN 2024 - 31 DEC 2026
MALAYSIA
No. 30, Tingkat Bawah, Blok B,
Flat PKNS, Jalan Raja Muda Musa,
50300 Kg. Baru, Kuala Lumpur

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2026

Issued Shares : 1,484,467,534 ordinary shares
Voting Rights : One (1) vote per ordinary share on a poll or one (1) vote per shareholder on show of hands

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Less than 100	554	4.31	23,780	0.00
100 to 1,000	1,641	12.78	869,541	0.06
1,001 to 10,000	5,903	45.97	30,084,525	2.05
10,001 to 100,000	4,135	32.20	129,732,015	8.84
100,001 to less than 5% of issued shares	606	4.72	632,622,151	43.09
5% and above of issued shares	3	0.02	674,703,130	45.96
Total	12,842	100.00	1,468,035,142	100.00

THIRTY LARGEST REGISTERED SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	%
1.	CEMPAKA EMPAYAR SDN BHD	497,956,330	33.92
2.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR CEMPAKA EMPAYAR SDN BHD	99,746,800	6.79
3.	RHB NOMINEES (TEMPATAN) SDN BHD - MALAYSIAN TRUSTEES BERHAD PLEDGED SECURITIES ACCOUNT FOR CEMPAKA EMPAYAR SDN BHD	77,000,000	5.25
4.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR CEMPAKA EMPAYAR SDN BHD (LSF-URC)	56,000,000	3.81
5.	BBL NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR CEMPAKA EMPAYAR SDN BHD	52,207,000	3.56
6.	LEMBAGA TABUNG HAJI	44,740,800	3.05
7.	AL WAKALAH NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR CEMPAKA EMPAYAR SDN BHD	38,100,000	2.60
8.	AMANAHRAYA TRUSTEES BERHAD - PUBLIC ISLAMIC OPPORTUNITIES FUND	34,925,400	2.38
9.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR CEMPAKA EMPAYAR SDN BHD (AMCORPPROPMGT)	29,200,000	1.99
10.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD - EMPLOYEES PROVIDENT FUND BOARD	26,367,168	1.80

THIRTY LARGEST REGISTERED SHAREHOLDERS (CONT'D)

No.	Name of Shareholders	No. of Shares	%
11.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD - EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	22,736,800	1.55
12.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR CEMPAKA EMPAYAR SDN BHD (AGB CBC2)	19,000,000	1.29
13.	CIMB COMMERCE TRUSTEE BERHAD - PUBLIC FOCUS SELECT FUND	12,948,600	0.88
14.	LEMBAGA TABUNG ANGKATAN TENTERA	11,432,700	0.78
15.	LOH KAM CHUIN	11,400,000	0.78
16.	AMANAHRAYA TRUSTEES BERHAD - PUBLIC STRATEGIC SMALLCAP FUND	10,350,000	0.71
17.	KENANGA NOMINEES (TEMPATAN) SDN BHD - RAKUTEN TRADE SDN BHD FOR YAP CHOON SENG	8,000,000	0.54
18.	OON HOOI KHEE	5,600,000	0.38
19.	LIEW SZE FOOK	5,260,000	0.36
20.	MAYBANK NOMINEES (TEMPATAN) SDN BHD MTRUSTEE BHD FOR NOMURA TNB RBTF (EQ) (433137)	5,202,100	0.35
21.	HIEW CHANG CHUN	5,120,000	0.35
22.	CHEAM MAY YOON	5,040,000	0.34
23.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD - URUSHARTA JAMAAH SDN BHD (NOMURA 2)	5,000,000	0.34
24.	PUBLIC NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR CHEAM MAY CHOO (E-KTN)	4,530,000	0.31
25.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD - EMPLOYEES PROVIDENT FUND BOARD (NOMURA)	4,410,442	0.30
26.	PUBLIC NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT FOR CHEAM HENG CHAI (E-KTN)	4,298,000	0.29
27.	B-OK SDN BHD	4,020,000	0.27
28.	LIEW KIM CHOI	3,498,800	0.24
29.	AMANAHRAYA TRUSTEES BERHAD - PUBLIC EMERGING OPPORTUNITIES FUND	3,480,800	0.24
30.	FONG SILING	3,000,000	0.20
Total		1,110,571,740	75.65

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2026

SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Cempaka Empayar Sdn Bhd	869,210,132	59.21	-	-
Amcorp Group Berhad	-	-	869,210,132 ⁽¹⁾	59.21
Clear Goal Sdn Bhd	-	-	869,210,132 ⁽¹⁾	59.21
Tan Sri Azman Hashim	-	-	869,210,132 ⁽¹⁾	59.21

Note:

⁽¹⁾ Deemed interested by virtue of Section 8(4) of the Companies Act 2016 through Cempaka Empayar Sdn Bhd.

DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S SHAREHOLDINGS AND OPTIONS HELD UNDER THE EMPLOYEES' SHARE SCHEME OF THE COMPANY

Name of Directors and Chief Executive Officer	Direct Interest		Indirect Interest		No. of Options Held
	No. of Shares	%	No. of Shares	%	
Shahman Azman	1,200,000	0.08	-	-	-
Tan Sri Dato' Setia Mazlan Mansor	-	-	-	-	-
Thein Kim Mon	-	-	-	-	-
Azura binti Azman	-	-	-	-	-
Tracy Chen Wee Keng	-	-	-	-	-
Shalina Azman	1,800,000	0.12	-	-	-
Lum Sing Fai	1,992	*	-	-	-
Loh Kam Chuin (Chief Executive Officer)	11,400,000	0.78	-	-	1,800,000

Note:

* Negligible

The analysis of shareholdings is based on the Record of Depositors as at 30 June 2026, net of 16,432,392 treasury shares.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Seventy-Second Annual General Meeting of RCE Capital Berhad will be held at Ballroom 1, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor, Malaysia on Thursday, 3 September 2026 at 10.30 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

- | | | |
|----|--|---------------------|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 March 2026 together with the Reports of the Directors and Auditors thereon. | |
| 2. | To approve the payment of Directors' fees of RM693,000 for the financial year ended 31 March 2026. | Resolution 1 |
| 3. | To approve the Directors' benefits to the Non-Executive Directors of the Company up to an aggregate amount of RM910,000 for the period from 4 September 2026 until the next Annual General Meeting of the Company. | Resolution 2 |
| 4. | To re-elect the following Directors who retire pursuant to Clause 118 of the Company's Constitution: | |
| | (i) Mr. Thein Kim Mon | Resolution 3 |
| | (ii) Mr. Lum Sing Fai | Resolution 4 |
| 5. | To re-appoint Deloitte Malaysia PLT (formerly known as Deloitte PLT) as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. | Resolution 5 |

AS SPECIAL BUSINESS

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

- | | | |
|----|--|---------------------|
| 6. | Authority to Issue Shares Pursuant to Section 75 of the Companies Act 2016 | |
| | "THAT subject always to the Companies Act 2016 ("Act"), provisions of the Company's Constitution and the approval from the relevant authorities, where such approval is necessary, full authority be and is hereby given to the Directors pursuant to Section 75 of the Act to issue and allot shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." | Resolution 6 |

NOTICE OF ANNUAL GENERAL MEETING

7. **Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

"THAT subject to Bursa Malaysia Securities Berhad Main Market Listing Requirements, approval be and is hereby given for the Company and its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature ("RRPT") with the related parties as specified in Section 2.2 of the Circular to Shareholders dated 29 July 2026 in relation to the RRPT, provided that the transactions are in the ordinary course of business which are necessary for day-to-day operations and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the interest of the minority shareholders of the Company and that the aggregate value of such transactions conducted pursuant to the shareholders' mandate during the financial year be disclosed in the annual report of the Company;

AND THAT such authority conferred shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the AGM, the authority is renewed; or
- (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but must not extend to such extension 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 in general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this resolution."

Resolution 7

8. **Proposed Renewal of Share Buy-Back Authority**

"THAT subject to the Companies Act 2016 ("Act"), provisions of the Constitution of the Company, Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and any other relevant authorities, approval be and is hereby given for the Company to purchase ordinary shares in the Company as may be determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors of the Company may in their absolute discretion deem fit and expedient in the interest of the Company ("Share Buy-Back Mandate") provided that:

- (i) the aggregate number of ordinary shares in the Company which may be purchased and/or held by the Company at any point of time pursuant to the Share Buy-Back Mandate shall not exceed ten per centum (10%) of the total number of issued ordinary shares of the Company for the time being;

Resolution 8

- (ii) the maximum amount of funds to be allocated by the Company for the purpose of purchasing its own ordinary shares shall not exceed the Company's retained profits at the time of purchase(s);
- (iii) the authority conferred by this resolution will be effective immediately upon the passing of this ordinary resolution and will continue to be in force until:
 - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time the said authority will lapse unless by an ordinary resolution passed at the general meeting of the Company, 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 an ordinary resolution passed by the shareholders in general meeting,

whichever is the earlier;
- (iv) the shares so purchased by the Company pursuant to the Share Buy-Back Mandate be retained as treasury shares which may be distributed as dividends and/or resold on Bursa Securities and/or cancelled and/or dealt with by the Directors in the manner allowed by the Act;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as they may consider expedient or necessary to implement and give effect to the Share Buy-Back Mandate."

9. **PROPOSED ESTABLISHMENT OF A NEW EMPLOYEES' SHARE SCHEME OF UP TO 15% OF THE TOTAL NUMBER OF ISSUED ORDINARY SHARES OF THE COMPANY ("RCE SHARES" OR "SHARES") (EXCLUDING TREASURY SHARES) AT ANY POINT IN TIME ("PROPOSED ESS")**

"THAT subject to the approvals of all relevant regulatory authorities being obtained, the Company be and is hereby authorised:

Resolution 9

- (a) to establish, implement and administer the Proposed ESS for the benefit of the executive directors and employees of the Company and its subsidiaries which are not dormant, who meets the criteria of eligibility for participation in the Proposed ESS ("Eligible Persons") in accordance with the draft By-Laws ("By-Laws") which is set out in Appendix I of the Circular to Shareholders dated 29 July 2026 in relation to the Proposed ESS ("ESS Circular");
- (b) to appoint and authorise a committee ("ESS Committee") by which the Proposed ESS will be administered by the said ESS Committee, who will be responsible for, among others, implementing and administering the Proposed ESS;

NOTICE OF ANNUAL GENERAL MEETING

- (c) to appoint a trustee to facilitate the implementation and administration of the Proposed ESS, where deemed appropriate;
- (d) to make the necessary applications to Bursa Malaysia Securities Berhad ("Bursa Securities") and to do all things necessary at the appropriate time or times for permission to deal with and for the listing and quotation of such new Shares that may hereafter or from time to time be allotted and issued pursuant to the Proposed ESS;
- (e) to add, modify, vary and/or amend the terms and conditions as set out in the By-Laws from time to time as may be required, including where permitted by the relevant authorities or as may be deemed necessary by the relevant authorities or the Directors of the Company or upon the recommendation of the ESS Committee, provided that such additions, modifications, variations and/or amendments are effected and permitted in accordance with the provisions of the By-Laws;
- (f) to allot and issue, transfer and/or procure for delivery from time to time to the Eligible Persons such number of new or existing Shares which may be made available under the Proposed ESS provided that the maximum number of Shares to be allotted and issued and/or transferred pursuant to the Proposed ESS and any other employees' share schemes implemented by the Company shall not, at any point in time, in aggregate exceed 15% of the total number of issued Shares (excluding treasury shares); and
- (g) to do all such acts, execute all such documents and to enter into all such transactions, arrangements, agreements, deeds or undertakings and to make such rules or regulations, or impose such terms and conditions or delegate any part of its power as may be necessary or expedient in order to give full effect to the Proposed ESS and the terms of the By-Laws;

THAT the Directors of the Company be and are hereby authorised to give effect to the Proposed ESS with full power to consent to, accept and/or effect such conditions, modifications, variations and/or amendments as they may deem fit and/or as may be required by the relevant regulatory authorities;

THAT this resolution constitutes a specific approval for the issuance of securities in the Company contemplated herein and shall continue in full force and effect until all the new RCE Shares to be issued pursuant to or in connection with the Proposed ESS have been duly allotted and issued in accordance with the terms of the Proposed ESS;

THAT the Directors of the Company be and are hereby given the discretion to extend the duration of the Proposed ESS for a further period or periods, provided that the initial duration of the Proposed ESS and such extension(s) made pursuant to the By-Laws, shall not, in aggregate, exceed a duration of 10 years from the effective date of the Proposed ESS without having to obtain any further sanction, approval, consent or authorisation of the shareholders of the Company in a general meeting;

AND THAT the proposed By-Laws of the Proposed ESS, as set out in Appendix I of the ESS Circular, be and is hereby approved."

10. **PROPOSED ALLOCATION TO LOH KAM CHUIN, CHIEF EXECUTIVE OFFICER OF THE COMPANY, UNDER THE PROPOSED ESS ("PROPOSED ALLOCATION")**

Resolution 10

"THAT subject to the passing of the Ordinary Resolution 9, the Directors of the Company be and are hereby authorised at any time and from time to time under the Proposed ESS, to grant to Loh Kam Chuin, the Chief Executive Officer of the Company, such number of new or existing Shares which will be vested in him at a specified future date as well as options which, upon exercise, will entitle him to obtain Shares at a specified future date and at a predetermined price and to allot and issue and/or deliver such number of options, Shares and/or the equivalent cash value or any combinations thereof to him pursuant to the Proposed ESS, provided always, that:

- (i) he does not participate in the deliberation or discussion of his own allocation and the allocation to any persons connected with him; and
- (ii) not more than 10% (or such other percentage as may be permitted by the relevant authorities from time to time) of the total number of Shares made available under the new scheme shall be allocated to him if he, either singly or collectively through persons connected with him, holds 20% or more of the total number of issued Shares (excluding treasury shares),

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the By-Laws governing and constituting the Proposed ESS as set out in Appendix I of the ESS Circular and the Main Market Listing Requirements of Bursa Securities or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time;

THAT this resolution constitutes a specific approval for the issuance of securities in the Company contemplated herein and shall continue in full force and effect until all the new RCE Shares to be issued pursuant to or in connection with the Proposed Allocation have been duly allotted and issued in accordance with the terms of the Proposed Allocation;

AND THAT subject always to such terms and conditions and/or adjustments which may be made in accordance with the By-Laws, the Directors of the Company be and are hereby authorised to take such steps as necessary or expedient to implement, finalise or to give full effect to the Proposed Allocation with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be imposed and/or permitted by the relevant authorities."

11. To transact any other business of which due notice shall have been received.

By Order of the Board

JOHNSON YAP CHOON SENG (MIA 20766) (SSM PC No. 202008000685)

SEOW FEI SAN (MAICSA 7009732) (SSM PC No. 201908002299)

Secretaries

Petaling Jaya
29 July 2026

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors as at 26 August 2026 shall be eligible to attend, speak and vote at the Seventy-Second Annual General Meeting.
2. A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy without limitation. There is no restriction as to the qualification of the proxy.
3. Where a member appoints two (2) proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
4. Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with the ordinary shares of the Company standing to the credit of the said account.
5. A member who is an exempt authorised nominee is entitled to appoint multiple proxies for each omnibus account it holds.
6. The instrument appointing a proxy ("Form of Proxy") shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
7. The Form of Proxy and the power of attorney (if any) under which it is signed or a notarially certified copy thereof must be lodged with the Company's share registrar, Tricor Investor & Issuing House Services Sdn. Bhd., at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, it may be deposited in the designated drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or submitted via e-mail to is.enquiry@vistra.com, not less than forty-eight (48) hours before the time set for holding the Meeting or at any adjournment thereof. You may also submit the Form of Proxy electronically via Vistra Share Registry and IPO (MY) portal at <https://srmy.vistra.com> before the aforesaid cut-off time. Please refer to the Administrative Guide for the Seventy-Second Annual General Meeting which is available for download at www.rce.com.my for further details.

Explanatory Notes:

- (i) The Audited Financial Statements under Agenda 1 are meant for discussion only in accordance with Section 340(1)(a) of the Companies Act 2016 and do not require shareholders' approval. Hence, this Agenda will not be put forward for voting.

(ii) **Resolution 2 - Directors' Benefits**

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

The proposed Resolution 2 is to seek shareholders' approval for the payment of Directors' benefits for the period from 4 September 2026 until the next Annual General Meeting ("AGM") of the Company ("Relevant Period") up to an aggregate amount of RM910,000.

In determining the estimated total Directors' benefits for the Relevant Period, the size of the Board and Board Committees and the number of meetings estimated to be held during the Relevant Period were taken into consideration.

(iii) **Resolutions 3 and 4 - Re-election of Directors**

The Constitution of the Company provides that all Directors shall retire from office at least once every three (3) years and that at every AGM, one-third of the Directors for the time being or if the number is not three (3) or a multiple of three (3), then the number nearest one-third shall retire from office and be eligible for re-election.

The following Directors are due for retirement by rotation pursuant to Clause 118 of the Company's Constitution at the Seventy-Second AGM of the Company, and being eligible, may offer themselves for re-election:

- (1) Mr. Thein Kim Mon
- (2) Mr. Lum Sing Fai

Mr. Thein Kim Mon and Mr. Lum Sing Fai, collectively known as the "retiring Directors", have offered themselves for re-election at the Seventy-Second AGM in accordance with Clause 118 of the Company's Constitution.

The Board via the Nomination & Remuneration ("N&R") Committee, has through an annual evaluation carried out in May 2026, reviewed the performance and contributions of each of the retiring Directors as well as assessed the independence demonstrated by Mr. Thein Kim Mon. Additionally, the N&R Committee has also conducted a fit and proper assessment on the retiring Directors.

The N&R Committee after taking into account the satisfactory performance, contributions, as well as the fitness and propriety of the retiring Directors; the independence demonstrated by Mr. Thein Kim Mon, and their ability to act in the best interests of the Group in decision-making, had recommended the re-election of the retiring Directors for the Board's consideration. The retiring Directors had also met the fit and proper criteria as prescribed in the Directors' Fit and Proper Policy.

The Board was satisfied with the evaluation results of the retiring Directors and based on the N&R Committee's recommendation, resolved to recommend the re-election of the retiring Directors at the forthcoming Seventy-Second AGM.

The profile of the retiring Directors is set out in the Profile of Directors in the Annual Report 2026 and are also available on the Company's website at www.rce.com.my.

(iv) **Resolution 6 - Authority to Issue Shares Pursuant to Section 75 of the Companies Act 2016**

The Ordinary Resolution proposed under Agenda 6 is for the purpose of seeking a renewal of the general mandate ("General Mandate") and if passed, will empower the Directors of the Company pursuant to Section 75 of the Companies Act 2016, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to funding future investment, working capital, acquisitions or such other purposes as the Directors consider would be in the best interest of the Company.

As at the date of this Notice, no new share in the Company was issued pursuant to the mandate granted to the Directors at the Seventy-First AGM of the Company held on 10 September 2025.

NOTICE OF ANNUAL GENERAL MEETING

(v) **Resolution 7 - Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")**

The Ordinary Resolution proposed under Agenda 7, if passed, will allow the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature pursuant to paragraph 10.09 of Bursa Malaysia Securities Berhad Main Market Listing Requirements. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

(vi) **Resolution 8 - Proposed Renewal of Share Buy-Back Authority**

The Ordinary Resolution proposed under Agenda 8, if passed, will allow the Company to purchase up to 10% of the total number of issued ordinary shares of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

(vii) **Resolution 9 - Proposed Establishment of a New Employees' Share Scheme of up to 15% of the total number of issued ordinary shares of the Company ("RCE Shares" or "Shares") (excluding treasury shares) at any point in time ("Proposed ESS")**

The Ordinary Resolution proposed under Agenda 9, if passed, will allow the Company to establish a new employees' share scheme which comprises:

- (a) an employees' share option scheme which will entitle the eligible executive directors and employees of the Company and its subsidiaries, excluding dormant subsidiaries ("Eligible Persons"), upon exercise, to participate in the equity of the Company at a specified future date and at a predetermined price, or where determined by the Employees' Share Scheme Committee, to receive the equivalent cash value in lieu of all or part of the Shares; and
- (b) a restricted share grant plan which entitles the Eligible Persons to receive the RCE Shares at no consideration, upon fulfilment of the prescribed vesting conditions and/or performance targets (if any).

(viii) **Resolution 10 - Proposed Allocation to Loh Kam Chuin, Chief Executive Officer of the Company, under the Proposed ESS ("Proposed Allocation")**

The Ordinary Resolution proposed under Agenda 10, if passed, will allow the Company to offer and grant to Loh Kam Chuin, options to subscribe or acquire RCE Shares at a specified future date and at a predetermined price, or to receive new and/or existing RCE Shares at no consideration, or the equivalent cash value of such Shares, or combinations thereof.

Further information on the Proposed Shareholders' Mandate, Proposed Renewal of Share Buy-Back Authority and Proposed ESS (including the Proposed Allocation) are set out in the Circulars/Statement to Shareholders dated 29 July 2026 which are available on the Company's website at www.rce.com.my.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Seventy-Second AGM and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Seventy-Second AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists and other documents relating to the Seventy-Second AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing requirements, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

RCE

RCE CAPITAL BERHAD

Registration No. 195301000151 (2444-M)

FORM OF PROXY

I/We _____ NRIC No./Passport No./Company No./Registration No.: _____

of _____

being a member/members of **RCE CAPITAL BERHAD**, hereby appoint:

(1) Name of Proxy: _____ NRIC No./Passport No.: _____

Address: _____

Email: _____ Tel No.: _____

(2) Name of Proxy: _____ NRIC No./Passport No.: _____

Address: _____

Email: _____ Tel No.: _____

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the Seventy-Second Annual General Meeting of the Company to be held at Ballroom 1, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor, Malaysia on Thursday, 3 September 2026 at 10.30 a.m. or at any adjournment thereof, in the manner as indicated below:

No.	Resolutions	For	Against
1.	To approve the payment of Directors' fees.		
2.	To approve the Directors' benefits.		
3.	To re-elect Mr. Thein Kim Mon as Director.		
4.	To re-elect Mr. Lum Sing Fai as Director.		
5.	To re-appoint Deloitte Malaysia PLT (formerly known as Deloitte PLT) as Auditors of the Company and to authorise the Directors to fix their remuneration.		
6.	Authority to issue shares pursuant to Section 75 of the Companies Act 2016.		
7.	Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		
8.	Proposed Renewal of Share Buy-Back Authority.		
9.	Proposed Establishment of a New Employees' Share Scheme of up to 15% of the total number of issued ordinary shares of the Company (excluding treasury shares) at any point in time ("Proposed ESS").		
10.	Proposed Allocation to Loh Kam Chuin, Chief Executive Officer of the Company, under the Proposed ESS.		

Please indicate with an "X" in the spaces provided above as to how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.

Dated this _____ day of _____, 2026.

Signature of Shareholder/Common Seal

Tel No. (During office hours): _____

No. of Shares Held		
CDS Account No.		
Proportion of holdings to be represented by each proxy	Proxy 1 %	Proxy 2 %

Notes:

- In respect of deposited securities, only members whose names appear in the Record of Depositors as at 26 August 2026 shall be eligible to attend, speak and vote at the Seventy-Second Annual General Meeting.
- A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy without limitation. There is no restriction as to the qualification of the proxy.

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3. Where a member appoints two (2) proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
4. Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with the ordinary shares of the Company standing to the credit of the said account.
5. A member who is an exempt authorised nominee is entitled to appoint multiple proxies for each omnibus account it holds.
6. The instrument appointing a proxy ("Form of Proxy") shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
7. The Form of Proxy and the power of attorney (if any) under which it is signed or a notarially certified copy thereof must be lodged with the Company's share registrar, Tricor Investor & Issuing House Services Sdn. Bhd., at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, it may be deposited in the designated drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or submitted via e-mail to is.enquiry@vistra.com, not less than forty-eight (48) hours before the time set for holding the Meeting or at any adjournment thereof. You may also submit the Form of Proxy electronically via Vistra Share Registry and IPO (MY) portal at <https://srmy.vistra.com> before the aforesaid cut-off time. Please refer to the Administrative Guide for the Seventy-Second Annual General Meeting which is available for download at www.rce.com.my for further details.

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STAMP

Share Registrar for RCE Capital Berhad
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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PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Seventy-Second Annual General Meeting ("Seventy-Second AGM") and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Seventy-Second AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists and other documents relating to the Seventy-Second AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing requirements, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.



www.rce.com.my

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