



ADVANCE SYNERGY BERHAD

● *annual report* ●

CONTENTS

annual report



SYNERGY BERHAD

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STRATEGIC REPORT & CORPORATE GOVERNANCE

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Five-Year Group Financial Highlights

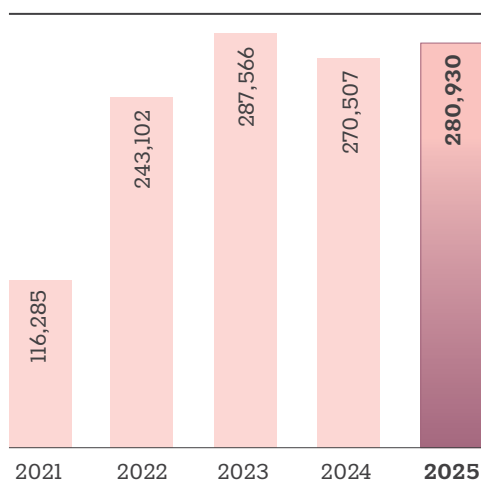
	Year ended 31 December				
	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Statements of Comprehensive Income					
Revenue	116,285	243,102	287,566	270,507	280,930
Gross Profit	45,321	66,616	67,633	62,595	66,848
Gross Profit Margin (%)	39.0	27.4	23.5	23.1	23.8
Operating profit/(loss)	8,023	(35,971)	(66,629)	(64,076)	(18,507)
EBITDA	24,718	(18,574)	(49,232)	(49,042)	(7,482)
Profit/(Loss) before tax	2,077	(41,260)	(76,835)	(72,214)	(24,518)
Profit/(Loss) after tax	(1,409)	(44,431)	(80,625)	(75,632)	(27,427)
Statements of Financial Position					
Total assets	765,522	833,957	747,413	594,606	538,888
Total liabilities	236,150	270,398	259,181	187,091	154,263
Shareholders' funds	447,801	488,357	420,639	354,667	343,191
Share Information					
Per Ordinary Share					
Earnings/(Loss) per share, basic (sen)	(1.21)	(2.94)	(1.95)	(2.32)	(0.63)
Net assets per share (sen) (Note 1)	48.19	19.31	16.63	14.02	13.57
Financial Ratios					
Return on equity (%)	(0.27)	(7.88)	(16.51)	(18.56)	(7.13)
Current ratio	2.2 : 1	2.5 : 1	2.3 : 1	3.0 : 1	2.9 : 1
Debt-Equity ratio (Note 2)	0.20 : 1	0.25 : 1	0.28 : 1	0.23 : 1	0.21 : 1

Note 1 : The lower net assets per share for 2022 compared to 2021 is mainly due to increase in the number of ordinary shares of the Company after the allotment of 1.6 billion new ordinary shares on 31 October 2022 pursuant to the Rights Issue.

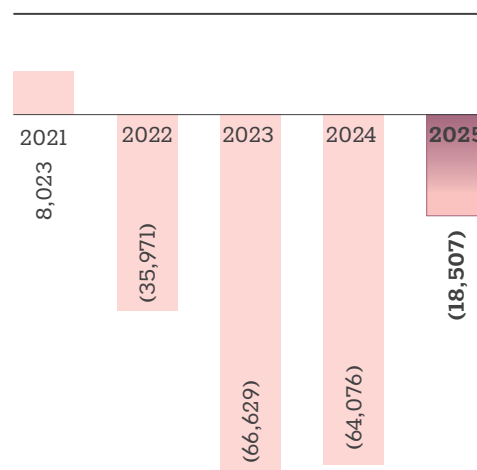
Note 2 : Debt comprises current and non-current borrowings.

REVENUE

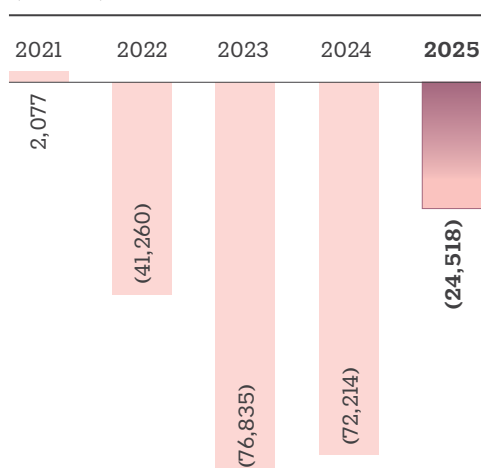
(RM'000)

**OPERATING PROFIT/(LOSS)**

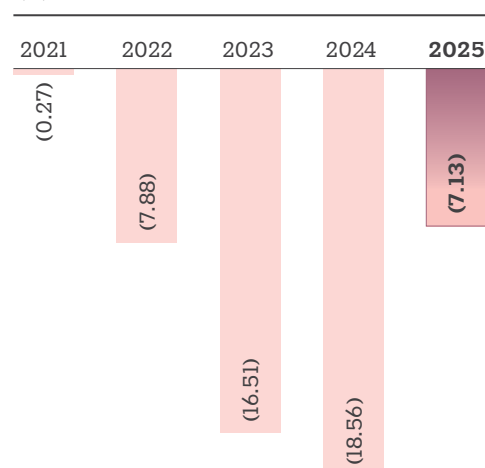
(RM'000)

**PROFIT/(LOSS) BEFORE TAX**

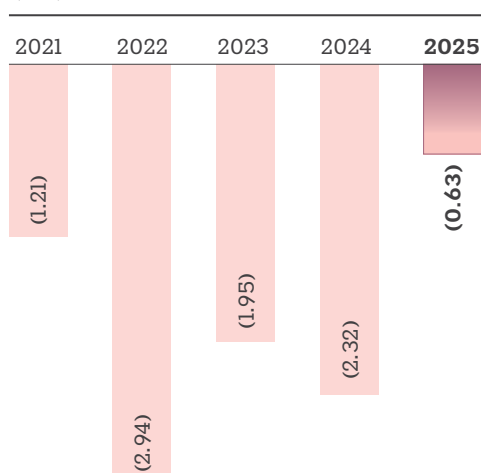
(RM'000)

**RETURN ON EQUITY**

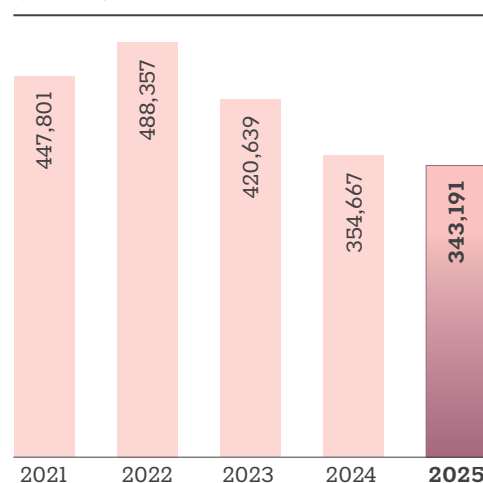
(%)

**EARNINGS/(LOSS) PER SHARE**

(Sen)

**SHAREHOLDERS' FUNDS**

(RM'000)



Chair's Statement

Dear Shareholders

Despite the progress made by the Group in fiscal 2025, it was not sufficient to turnaround the Group to profitability. However, we see that the Group has emerged stronger in their core business activities and thus we will continue to fully focus to invest and progress our long term business plans and strategies to address the market opportunities that we see in each of our division's market segment. We believe that our efforts will eventually be reflected in the financial performance of the Group and in our market value.

During the year, we managed to reduce our loss before tax from RM72.2 million to RM24.5 million mainly due to minimal loss attributable to absence of non-cash impairment loss of goodwill and property, plant and equipment, and lower fair value loss for the venture investment portfolio under the accounting rules in fiscal 2025 compared to fiscal 2024.

Efforts were made to terminate businesses which are not yielding the returns during the year. We ceased the operations of Shanghai Holiday Villa Hotel & Residence Jiading P.R.C. ("Shanghai hotel") in fiscal 2025. We continued to focus on the review and restructuring of loss making subsidiaries and will dispose assets which are not yielding the returns. We are mindful to channel our resources to build the remaining businesses in the Group after the evaluation. We also believe that our focus to improve operational efficiency and sustainably reduce costs, and be committed to financial discipline will yield significantly better results in the coming year.

With the internal restructuring efforts and notwithstanding the challenging business environment, our Group managed to deliver better revenue performance with an increase in revenue from RM270.5 million in fiscal 2024 to RM280.9 million in fiscal 2025, an increase of 3.9%.

The revenue growth was contributed mainly by our property development unit from the sales of our residential units in Phase 2, Federal Park project. The project was fully completed in September 2025 with more than 95% sold as at 31 December 2025. Advance Synergy Realty Sdn Bhd ("ASR") achieved a robust revenue growth of RM46.3 million in fiscal 2025 compared to RM2.3 million in fiscal 2024, and the profit before tax surged to RM2.4 million compared to a loss before tax of RM1.9 million in the previous year.

Our Travel & Tours division continued to anchor the profit of the Group, contributing profit before tax of RM6.2 million in this fiscal year compared to profit of RM7.0 million in fiscal 2024.

Although our Information & Communications Technology (“ICT”) division has not returned to overall profitability in fiscal 2025, the loss before tax has narrowed by over 50% from a loss of RM29.3 million in fiscal 2024 to RM13.8 million in fiscal 2025. Again, in fiscal 2025, this loss is primarily due to non-cash fair value impairment on the venture investment portfolio. Excluding the fair value impairment, the division achieved a breakeven position at profit before tax level.

Despite challenges of intense competition leading to ongoing price war for acquiring merchant business, our Financial Services division recorded higher revenue of RM7.0 million in fiscal 2025 compared to RM4.6 million in fiscal 2024 with increased gross processing volume (“GPV”) from merchants and consumer financing income. The increase in GPV comes from the division’s efforts to recruit more merchants with an increase in number of merchants by 19.5% in fiscal 2025 from fiscal 2024 which in turn leads to the higher GPV. The division continued to make a loss albeit a much improved results with a loss before tax of RM8.0 million (excluding non-cash impairment loss of an intangible asset of RM2.1 million) in fiscal 2025 compared to a loss of RM9.4 million in the previous year. The loss was mainly attributable to the thin gross margin, high overhead costs and increasing operational costs leading to significant impact on our Financial Services division. Management will continuously evaluate its revenue growth strategies whilst managing costs to turnaround the business. As a loss-making subsidiary, full focus is made to turnaround the business failing which further restructuring will be implemented as the Group moves to consolidate its businesses.

Our subsidiary, Paydee Nura Sdn Bhd (“Paydee Nura”), launched the consumer financing programme under the Financial Services division which took off strongly to generate a maiden profit in fiscal 2025. Paydee Nura focuses mainly on shariah-compliant consumer loans to civil servants working closely with Biro Perkhidmatan Angkasa (“Angkasa”) as administrator of the salary deduction scheme for civil servants in order to improve collection procedures and mitigate credit risk.

Our hospitality unit did better this year compared to the previous fiscal year 2024. Holiday Villa Beach Resort & Spa Cherating (“Cherating hotel”) continued to show profit in both fiscal 2024 and 2025. The Marloes which started full operations in April 2024 recorded higher revenue in fiscal 2025. Both hotels posted strong revenue momentum despite a difficult operating environment of uncertainties and increasing costs in travel, and we believe this confirms the quality of our hotels. Cherating hotel recorded similar level of revenue of RM10.4 million in fiscal 2024 and 2025. The Marloes’ revenue jumped from RM5.2 million in fiscal 2024 to RM6.5 million in fiscal 2025.

Yap Ah Shak House (“YASH”), positioned as a destination for music, arts and culinary experiences, complementing its existing serviced office business, was fully operational with the opening of its newest food and beverage (“F&B”) venues, Kapitan’s Club and The Botanical Arts Society, in the second half of fiscal 2025. During the year, YASH hosted various events including KL Jazz Day, Urban Narratives and Small Works, Big Stories contemporary art exhibitions, as well as being a participating venue for The Impact Festival. Such events along with weekly and monthly live and recorded music programmes serve to promote its F&B and event venues and also as part of its community, social and recreational services programme to promote and create awareness of the cultural heritage by collaborating and working with the local arts and music communities.

Our bus fabrication unit which turned around to show a profit before tax in fiscal 2024 recorded a loss in fiscal 2025 attributable mainly to the delay in the supply of Euro 6 chassis as Australia enforced on Euro 6 standard for its heavy vehicles including coaches. We are confident that the delay in the supply of chassis is only a temporary setback and with the continued efforts by our bus fabrication unit to achieve sustainable level of profitability, we are in a good position to deliver significantly better results backed by improved operational efficiency.

The education unit showed slow progress in expanding its revenue in fiscal 2025 as the unit grappled with delay in obtaining approvals to operate its education business in the new premise. After relocating to a more central area in Kuala Lumpur in November 2024, the unit has applied and is still waiting for the approvals required for the recruitment of foreign students for its GEP English course. During this period, limited courses were offered hence revenue of RM0.5 million was recorded in fiscal 2025, lower compared to the revenue of RM0.8 million recorded in fiscal 2024.

OUTLOOK

The Board and I strongly believe that the performance of the Group in the year ahead will show strong improvement (subject to challenging global uncertainties and the economic impact arising from the Iran war) as we move to prioritise sustainable profitability and generation of value on the path of recovery. Our continuous efforts to review the Group’s entire business portfolio would be a key element for the turnaround of the Group. Thereafter, we move to the next phase of our strategy to drive growth.

Against a complex global backdrop, we shall adopt discipline in focusing on our priorities and action plan to generate revenue, and to sustainably manage costs coupled with strong governance and the ability to stay agile. The Group has weathered a number of turbulent periods in its history and the Board and I are cautiously positive of the Group’s prospects in navigating our businesses in the coming year. We have a strong governance framework to ensure that risks are managed and appropriate governance principles are in place whilst the Group operates to deliver long term stakeholder value. We shall continue to integrate sustainability considerations into our business practices.

OUTLOOK (continued)

During the year, the Group conducted workshops to provide our staff with hands-on understanding of the Task Force on Climate-related Financial Disclosures (“TCFD”) framework, focusing on climate-related risks and opportunities and preparing to integrate with International Financial Reporting Standards (“IFRS”) S2 for climate change reporting and disclosure. We believe the enhanced disclosure will drive the Group towards more responsible and forward looking business practices.

DIVIDEND

Despite the loss in fiscal 2025 for our Company due mainly to fair value loss on investment in our subsidiary, Captii Limited, in line with our commitment to maintain our long track record of paying dividends to support the interest of our shareholders and taking into consideration the retained profits in the Company, the Board is pleased to recommend to our shareholders a single-tier dividend of 0.05 sen per ordinary share for fiscal 2025.

APPRECIATION

The Board and I express our appreciation to our shareholders for your unwavering trust and confidence in Advance Synergy Berhad. To the regulatory authorities, we thank you for your continuous guidance. To our customers and partners, thank you for your continued support and trust in the Group.

On behalf of the Board, I would like to thank the Management and staff for their hard work, resilience and professionalism.

YONG TECK MING

Group Chair

30 April 2026

Performance Review

The Group recorded higher revenue of RM280.9 million for the year as compared to RM270.5 million in the previous year. The Group's total assets amounted to RM538.9 million and our shareholders' funds stood at RM343.2 million as at 31 December 2025 compared to RM594.6 million and RM354.7 million respectively as at 31 December 2024. A summary review of several key financial indicators is outlined below.

HIGHER REVENUE

Compared to fiscal 2024, there was an increase of revenue by RM10.4 million with the Group recording total revenue of RM280.9 million for fiscal 2025 compared to RM270.5 million for fiscal 2024. The revenue increase in fiscal 2025 compared to fiscal 2024 was mainly attributable to higher revenue recorded by the Property Development & Investment ("PDI") and Financial Services divisions partly offset by lower revenue recorded by Investment Holding, ICT, Travel & Tours and Others divisions.

The biggest contributor to the Group's revenue in fiscal 2025 was Travel & Tours division, which achieved revenue of RM138.4 million, albeit lower by RM17.2 million compared to fiscal 2024, mainly driven by continued high demand from travellers since fiscal 2024.

For ICT division, lower revenue was recorded at RM52.1 million in fiscal 2025 (2024: RM59.9

million) mainly due to lower revenue from both Unifiedcomms and GlobeOSS business units.

For PDI division, higher revenue was recorded at RM73.4 million in fiscal 2025 compared to the previous year of RM29.2 million.

Property development unit recorded higher revenue of RM46.3 million in fiscal 2025 (2024: RM2.3 million) as the development of Phase 2, Federal Park project is completed with more than 95% sold as at 31 December 2025.

Investment property, Synergy 9 in Temasya Glenmarie, continued to generate rental income. Synergy 9 houses the corporate office of Advance Synergy Berhad ("ASB") and operational headquarters of several subsidiaries of ASB with a small portion of the area rented to a third party. Thus rental income from Synergy 9 had minimal impact to the Group's revenue in fiscal 2025 and 2024.

HIGHER REVENUE (continued)

Another investment property of the division, YASH in Kuala Lumpur, recorded higher revenue in fiscal 2025 of RM5.6 million compared to revenue of RM4.9 million in fiscal 2024 with the bulk of the revenue contributed by the F&B business which recorded higher revenue in fiscal 2025 compared to fiscal 2024. Higher revenue was also recorded by the serviced office business in fiscal 2025 compared to fiscal 2024.

Overall, property investment business generated higher revenue of RM8.6 million in fiscal 2025 and RM7.8 million in fiscal 2024.

Our hospitality business recorded lower revenue of RM18.5 million in fiscal 2025 compared to RM19.1 million in fiscal 2024 mainly due to cessation of Shanghai hotel in August 2025 partly offset by higher revenue recorded by The Marloes, London in fiscal 2025.

The Financial Services division recorded higher revenue in fiscal 2025 mainly attributable to higher consumer financing and higher gross payment processing volume in fiscal 2025 resulting in higher revenue for the division of RM7.0 million compared to RM4.6 million in fiscal 2024.

The Others division recorded lower revenue of RM12.3 million in fiscal 2025 compared to fiscal 2024 of RM23.6 million as the bus-body fabrication unit faced a delay in chassis supply as the industry transitioned to Euro 6 standards for buses in Australian

market resulting in 65 buses being exported to Australia compared to the last year's 94 buses. Lower revenue was also recorded from the education unit in fiscal 2025 compared to the previous year as the unit experienced delay in obtaining the necessary licences/approvals from the relevant authorities for the recruitment of foreign students when it moved its learning institution to Kuala Lumpur in fiscal 2025. Hence, the unit experienced lower student enrolment in fiscal 2025.

HIGHER GROSS PROFIT AND GROSS PROFIT MARGIN

With the higher revenue in the current year, the Group recorded higher gross profit of RM66.8 million compared to RM62.6 million in fiscal 2024, an increase of RM4.2 million. The gross profit margin for the Group remained comparable at 23.8% this year to fiscal 2024 (2024: 23.1%). All divisions recorded higher gross profit margin except for PDI and Others divisions. The lower gross profit margin recorded in fiscal 2025 compared to the previous fiscal year was from the PDI division as there was a higher proportionate contribution from the property development unit in fiscal 2025 and the unit generated a lower gross profit margin compared to the other businesses within the PDI division. The bus-body fabrication unit under Others division also recorded a lower gross profit margin in fiscal 2025, mainly due to the unfavourable Australian Dollars exchange rate against the RM, which resulted in lower revenue when translated into RM, while the cost of sales was incurred and recorded in RM.

HIGHER OTHER OPERATING INCOME AND LOWER OTHER OPERATING EXPENSES

Higher other operating income for fiscal 2025 compared to fiscal 2024 (2025: RM19.4 million, 2024: RM13.7 million) was mainly due to the inclusion of reversal of lease liability for Shanghai hotel lease of RM12.5 million in fiscal 2025. For fiscal 2024, included in the other operating income were gain on disposal of City Villa Kuala Lumpur (“City Villa hotel”) of RM2.3 million, and reversal of impairment loss on receivables of RM1.8 million.

The Group recorded a substantially lower other operating expenses of RM40.1 million in fiscal 2025 compared to RM85.5 million in fiscal 2024. The main decrease of non-cash expenses arising from accounting rules were absence of impairment loss on goodwill (2025: NIL, 2024: RM15.0 million); lower fair value loss on venture investment portfolio (2025: RM13.8 million, 2024: RM22.2 million); absence of impairment loss on property, plant and equipment for Shanghai hotel (2025: NIL, 2024: RM11.9 million); absence of impairment loss on right-of-use asset relating to lease for Shanghai hotel (2025: NIL, 2024: RM2.2 million); absence of impairment loss on an unquoted investment (2025: NIL, 2024: RM1.7 million) and lower depreciation (2025: RM8.8 million, 2024: RM11.8 million).

MIXED FINANCIAL PERFORMANCE FOR THE DIVISIONS

In fiscal 2025, ICT and PDI divisions recorded improved results with ICT

division recording lower loss before tax and PDI division reporting profit before tax as opposed to loss before tax in fiscal 2024. Financial Services and Others divisions suffered higher loss before tax in fiscal 2025 compared to fiscal 2024 whilst the Travel & Tours division recorded lower profit before tax.

The strong revenue from Travel & Tours division resulted in a contribution of profit before tax of RM6.2 million to the Group in fiscal 2025 as well as profit before tax of RM7.0 million in the prior year.

The lower profit before tax recorded by Investment Holding division in fiscal 2025 compared fiscal 2024 was mainly due to lower dividend received from the subsidiaries, which had no impact to the Group’s results, partly offset by absence of impairment loss of goodwill on our investment in ICT division (2024: RM7.7 million) and lower fair value loss assessed on venture investment portfolio of RM49,000 (2024: RM1.0 million).

LOWER INCOME TAX

Group income tax expense was comparable to the prior year despite having a lower loss before tax in fiscal 2025 compared to the previous year as impairment loss on goodwill, and fair value and impairment losses on unquoted investment, property, plant & equipment and right-of-use asset recorded in the year under review and prior year are not deductible for taxation purpose. The bulk of Group’s income tax expense in fiscal 2025 was attributable to the income tax expenses of ICT (RM1.8 million) and Travel & Tours (RM1.1 million) divisions.

DECREASE IN TOTAL ASSETS

As at 31 December 2025, total assets of the Group decreased by 9.4% to RM538.9 million (2024: RM594.6 million) arising from the decrease in non-current assets (2025: RM313.8 million, 2024: RM333.8 million) as well as decrease in current assets (2025: RM225.1 million, 2024: RM260.8 million).

The major movements in the assets of the Group for fiscal 2025 can be summarised as follows:

- 1) The decrease in property, plant & equipment (“PPE”) by RM4.0 million attributable to depreciation charges during the year partly offset by addition to PPE in various divisions;
- 2) The decrease in right-of-use assets by RM1.9 million mainly due to the depreciation charges during the year;
- 3) The decrease in intangible assets by RM2.5 million mainly due to the impairment loss on an intangible asset recorded by Financial Services division during the year;
- 4) The decrease in investment securities (non-current) by RM19.5 million mainly due to impairment loss on unquoted venture investment portfolio recognised during the year by the ICT division and disposal of a quoted investment by the Investment Holding division; and
- 5) The decrease in inventories of RM34.9 million mainly due to the decrease in inventories for our property development unit.

DECREASE IN LIABILITIES

Total liabilities of the Group decreased from RM187.1 million in fiscal 2024 to RM154.3 million in fiscal 2025, a reduction of RM32.8 million.

The decrease in the total liabilities of the Group was mainly due to net repayment of borrowings (term loans and revolving credit) amounting to RM14.4 million, decrease in lease liabilities mainly resulting from termination of lease for Shanghai hotel of RM12.5 million, and decrease in trade and other payables and other liabilities of RM3.6 million, recorded mainly by the Travel & Tours division and bus-body fabrication unit.

DECREASE IN GROUP EQUITY AND DECREASE IN LOSS PER SHARE

The reduction in the Group’s equity was mainly due to the Group’s current year total comprehensive loss of RM22.1 million which was made up of loss after tax of RM27.4 million partly offset by other comprehensive income of RM5.3 million resulting in the Group’s total equity decreasing from RM407.5 million in fiscal 2024 to RM384.6 million in fiscal 2025.

In the current fiscal year, with the Group recording a lower loss after tax and non-controlling interest of RM16.0 million compared to the loss after tax and non-controlling interest of RM58.7 million in fiscal 2024, the Group reported a lower loss per share attributable to equity holders of the Company of 0.63 sen (2024: loss per share of 2.32 sen).

INFORMATION AND COMMUNICATIONS TECHNOLOGY DIVISION

Fiscal 2025 was a year of disciplined execution amidst a complex market landscape. While the division has not yet returned to overall profitability, the strategic focus on operational efficiency and fundamental strengthening is yielding tangible results. Despite the reported net loss, the underlying health of the core operations has improved significantly, providing a clearer path toward sustainable growth.

The division comprises three main segments: Unifiedcomms, GlobeOSS and Captii Ventures. Unifiedcomms continued to address mobile network operators and integrated telecoms service providers with application and platform software, turnkey solutions and systems and a variety of professional and managed services. In 2016 a unit within Unifiedcomms called PostPay was revitalised into a fresh start-up and given prominence as part of a wider reorganisation of the Unifiedcomms business. PostPay focuses mainly on providing advanced solutions for prepaid credit on a managed service model. GlobeOSS, meanwhile, has evolved into Malaysia's premier provider of data intelligence and AI solutions, serving diverse sectors - telecoms, financial services, healthcare, public services and manufacturing. Captii Ventures, the venture investment arm of the division, focuses primarily on the South East Asia market for start-up investment opportunities. The venture investment business regularly interacts with other venture capital management companies in the region and

participates in funding rounds as either lead investor or as a co-investor following the lead investor.

The division recorded consolidated revenue of RM52.1 million for the fiscal 2025, a decrease of 13.0% as compared to the RM59.9 million achieved in fiscal 2024. The reduction in revenue of the division is higher in RM compared to its revenue in Singapore Dollars ("SGD") due to the unfavourable foreign exchange for currency translation from SGD to RM in fiscal 2025 compared to fiscal 2024 (2025: SGD1.00 to RM3.2656, 2024: SGD1.00 to RM3.4074).

Both GlobeOSS and Unifiedcomms reported lower revenue relative to their fiscal 2024 performance. GlobeOSS recorded revenue of RM19.5 million in fiscal 2025, a decrease of 22.0% from RM25.0 million in the preceding year. Unifiedcomms registered a more moderate decline of 6.9%, with revenue of RM32.5 million compared to RM34.9 million in fiscal 2024.

The Others segment contributed RM0.1 million in rental income derived from the division's sole investment property in Malaysia, compared to nil in fiscal 2024.

Lower revenue at Unifiedcomms was mainly due to a decline in managed service contract revenues, which dropped to RM26.7 million in fiscal 2025, from RM29.9 million in fiscal 2024. Although system sales contract revenues of Unifiedcomms improved from RM5.0 million in fiscal 2024 to RM5.8 million in fiscal 2025, this growth was insufficient to offset the decline in managed service revenues.

**INFORMATION AND COMMUNICATIONS
TECHNOLOGY DIVISION** (continued)

GlobeOSS experienced a decline in both system sale and managed service contract revenues in fiscal 2025. System sale contract revenues declined to RM13.0 million in fiscal 2025 versus the RM16.2 million achieved in fiscal 2024. Managed service contract revenues declined to RM6.5 million in fiscal 2025 versus the RM8.8 million achieved in fiscal 2024.

Despite the division's lower revenue in fiscal 2025, gross profit achieved for the year was higher compared to fiscal 2024.

The division's gross profit for fiscal 2025 was RM33.2 million, up by RM1.2 million or 3.8% against what was recorded in fiscal 2024. The higher gross profit was primarily driven by an improved overall gross profit margin of 63.9% on the division's revenue, compared to 53.4% in the year before.

System sale gross profit rose to RM14.5 million in fiscal 2025 from RM13.7 million in fiscal 2024, while managed service gross profit increased to RM18.7 million from RM18.3 million. The improved margins on both system sale and managed service contracts more than offset the lower total revenue effect, driving the overall increase in the division's gross profit.

The average gross profit margin of system sale contracts improved to 76.9% in fiscal 2025 compared to 64.4% in fiscal 2024. This was primarily due to higher contribution from Unifiedcomms system sale contracts as well as an improved gross profit margin for GlobeOSS in fiscal 2025, driven by lower

third-party costs. Meanwhile, gross profit margin earned on managed service contract revenues increased from 47.4% recorded in fiscal 2024 to 56.5% this year, primarily due to lower third-party costs on certain Unifiedcomms managed service contracts.

The sales mix of the division in fiscal 2025 continues to show more than fifty percent of the division's revenue being generated from managed service contracts although there was a slight decline in this year's managed service contract revenues contribution to the division's revenue of 63.8% compared to 64.5% in fiscal 2024. This was primarily due to an overall decrease in managed service contract revenues of the division; declining by 14.0% from RM38.6 million in fiscal 2024 to RM33.2 million in fiscal 2025.

The division reported a loss before tax of RM13.8 million for fiscal 2025, an improvement of 52.9% from the RM29.3 million loss before tax in fiscal 2024. The lower loss in fiscal 2025 was largely due to a lower fair value loss on venture investment portfolio and the absence of impairment loss on assets, which together totalled RM13.8 million in fiscal 2025, compared to RM29.6 million in fiscal 2024. These exceptional losses had no cash impact on the business.

In fiscal 2024, the division recorded an impairment loss of approximately RM8.4 million on goodwill, intangible assets and plant and equipment. The impairment loss was related to Unifiedcomms where certain managed service contracts were assessed to produce lower-than-expected profitability and returns. The impairment loss has no cash impact.

INFORMATION AND COMMUNICATIONS TECHNOLOGY DIVISION (continued)

Excluding these non-cash exceptional losses, the underlying performance of Unifiedcomms and GlobeOSS is more apparent. Adjusted for these items, the division recorded an 'adjusted' net loss of RM1.8 million in fiscal 2025, in contrast with an 'adjusted' net profit of RM0.1 million in fiscal 2024. The decline in underlying business performance was primarily due to lower revenue and higher operating expenses.

PROPERTY DEVELOPMENT AND INVESTMENT DIVISION

PDI division recorded higher revenue of RM73.4 million compared to RM29.2 million in fiscal 2024. The bulk of the increase was from property development unit.

The division reported a profit before tax of RM6.9 million in fiscal 2025 compared to a loss before tax of RM21.7 million in fiscal 2024.

Property Development

Higher revenue recorded by our property development unit, represented by ASR, of RM46.3 million for fiscal 2025 (2024: RM2.3 million) as sales picked up with Phase 2 of the Federal Park project coupled with completion of construction in September 2025. Phase 2, Federal Park project comprises 88 units of double storey terrace houses and 28 units of single storey terrace houses with an estimated gross development value of RM55.4 million.

With the improved revenue, the property development unit recorded profit before tax of RM2.4 million in fiscal 2025 compared to loss before tax of RM1.9 million in fiscal 2024.

Property Investment

The property investment unit which comprises the hospitality business, investment properties, and F&B, event space and serviced office businesses housed under YASH, generated slightly higher revenue in the current year under review of RM27.1 million compared to fiscal 2024 of RM26.9 million and a profit before tax of RM4.6 million in fiscal 2025 compared to loss before tax of RM19.8 million in fiscal 2024.

Yap Ah Shak House

Our businesses housed under YASH, generated higher revenue in the current year under review of RM5.6 million compared to fiscal 2024 of RM4.9 million. The higher revenue was mainly due to the higher revenue from both F&B and the serviced office. Despite the higher revenue recorded in the current year compared to fiscal 2024, a higher loss before tax was recorded for the current year of RM4.1 million in fiscal 2025 compared to a loss of RM3.2 million in fiscal 2024, mainly due to higher losses from the newly opened F&B venues, as higher operating costs were incurred to ramp up their operations, coupled with higher loss from our existing restaurant, Osteria Gamberoni, due to the flow-down effect of lower revenue. The losses of the F&B business were however partly offset by the improved occupancy and financial performance of the serviced office business.

PROPERTY DEVELOPMENT AND INVESTMENT DIVISION (continued)

Investment properties

Our investment property, Synergy 9 in Temasya Glenmarie, Shah Alam, operated by Temasya House Sdn Bhd, is mainly used to house the corporate office of ASB and operations of several subsidiaries. The property recorded comparable rental revenue but rental income derived from Synergy 9 had no Group revenue impact except for a small area rented to a party not within the Group. Another investment property, a factory located at Jalan Subang 7, Subang Jaya, Selangor, is rented to a subsidiary of the Group, and recorded comparable rental income in fiscal 2025 and 2024 (no impact to the Group revenue).

Hospitality

With the cessation of operation of our Shanghai hotel in August 2025, lower revenue was recorded by this property for fiscal 2025. This was however offset by higher revenue from our aparthotel in London, The Marloes, which was fully operational in April 2024. The hospitality business recorded lower revenue of RM18.5 million compared to last year's revenue of RM19.1 million, a decrease of RM0.6 million. Cherating hotel recorded comparable revenue in fiscal 2025 and 2024.

In the current year under review, the hospitality unit recorded reversal of lease liability in relation to the Shanghai hotel lease following the termination of the lease and cessation of operation in August 2025 which

amounted to RM12.5 million partly offset by loss on disposal on Shanghai Holiday Villa Hotel Co. Ltd, which operated the Shanghai hotel. In fiscal 2024, the unit recorded impairment losses on PPE of RM11.9 million and right-of-use asset for the Shanghai hotel lease of RM2.2 million, partly offset by gain on disposal of City Villa hotel of RM2.3 million. These have resulted in the hospitality unit recording a profit before tax of RM9.7 million in fiscal 2025 compared to loss before tax of RM15.7 million in fiscal 2024.

TRAVEL AND TOURS DIVISION

Travel & Tours division has successfully positioned itself as a corporate ticketing provider in the travel industry to cater to the needs of corporate companies in Klang Valley and Kuantan. The division is also successful with its focus on group travel business.

The division recorded lower revenue in the current year of RM138.4 million compared to RM155.6 million in fiscal 2024, a decrease of RM17.2 million or approximately 11.1% with outbound business recording a decline in revenue of RM20.7 million compared to last year partly mitigated by inbound business revenue which improved by RM3.5 million compared to last year.

Despite the lower revenue, the division recorded a slightly lower profit before tax of RM6.2 million in fiscal 2025, a decrease of RM0.8 million, compared to profit before tax of RM7.0 million in fiscal 2024 mainly attributable to the higher gross profit margin in fiscal 2025.

FINANCIAL SERVICES DIVISION

The Financial Services Division comprises Paydee Sdn Bhd (“Paydee”) which is engaged in card and payment services; Paydee Nura which is engaged in the provision of solutions for cash flow management for both small and medium sized enterprises and individuals through Shariah-compliant financing; and Qurex Sdn Bhd (“Qurex”) which is involved in money services, namely currency exchange and international remittance services.

The division recorded higher revenue of RM7.0 million in fiscal 2025 compared to revenue of RM4.6 million in fiscal 2024. Paydee recorded higher revenue of RM4.6 million in fiscal 2025 compared to RM4.1 million in fiscal 2024. Paydee Nura also recorded higher revenue of RM2.3 million in fiscal 2025 compared to RM0.4 million in fiscal 2024.

Despite higher revenue, the division recorded higher loss before tax of RM10.1 million in fiscal 2025 compared to loss before tax of RM9.4 million in fiscal 2024 mainly attributable to an impairment loss on an intangible asset of RM2.1 million in fiscal 2025. Excluding the impairment loss, the division recorded lower loss before tax of RM8.0 million in fiscal 2025 compared to RM9.4 million in fiscal 2024 with Paydee recording lower loss before tax compared to fiscal 2024 while Paydee Nura recorded profit before tax of RM0.4 million as opposed to loss before tax of RM0.8 million in fiscal 2024. Fiscal 2025 is Paydee Nura’s first full year of operation. Qurex continued to report minimal revenue and loss in fiscal 2025, comparable to fiscal 2024 as its product roadmap and plans to synergise with Paydee for growth is pending.

OTHERS DIVISION

Others division comprises the bus-body fabrication and education businesses of the Group. Total revenue generated by this division was lower by RM11.3 million at RM12.3 million in fiscal 2025 compared to RM23.6 million in fiscal 2024. With the lower revenue achieved in fiscal 2025, the division recorded a higher loss before tax in fiscal 2025 compared to fiscal 2024 (2025: RM4.2 million, 2024: RM0.5 million).

Our bus-body fabrication unit recorded lower revenue of RM11.9 million in fiscal 2025 compared to RM22.8 million in fiscal 2024. In fiscal 2025, the unit completed and exported 65 buses to Australia compared to 94 units exported in fiscal 2024 mainly due to a delay in chassis supply as the industry transitioned to Euro 6 standards for buses in the Australian market. The flow down effect of lower revenue resulted in a higher loss before tax of RM3.4 million in the current year under review compared to loss before tax of RM6,000 in the prior year.

Our education unit, The Language House (“TLH”), reported gross revenue of RM0.5 million in fiscal 2025, reflecting a 37.5% decrease from RM0.8 million in fiscal 2024. Delay in obtaining approvals from the relevant authorities after TLH moved its institution from Petaling Jaya to Kuala Lumpur, attributed to the lower student enrollment and less number of summer camp workshops conducted in the year. With the lower revenue, TLH posted a higher loss before tax of RM0.8 million for fiscal 2025, compared to RM0.5 million in fiscal 2024.

The Year Ahead...

Malaysia's economy is widely expected to expand within the official forecast range of 4.0% to 4.5% in fiscal 2026, which is highly encouraging for our Group's businesses.

Against the backdrop of a promising economic outlook despite external headwinds such as uncertainties in US trade policies and global trade dynamics, conflict in the Middle East and geopolitical risks coupled with ongoing inflationary pressures and supply chain uncertainties, our Group remains steadfast and agile in adapting to the external environment. In fiscal 2026, we will build upon the revenue achieved in both fiscal 2024 and 2025. We remain resilient and focused on successfully executing our business development plans.

INFORMATION AND COMMUNICATIONS TECHNOLOGY

The outlook of Unifiedcomms and GlobeOSS continues to be challenging. The continued underperformance of certain major managed service contracts, intensified pricing pressures, and delays in securing new opportunities are expected to continue to impact the division's business in fiscal 2026. Notwithstanding these challenges, significant steps have been taken since fiscal 2024 to strengthen the division's operational and financial fundamentals.

On the business front, Unifiedcomms and GlobeOSS will continue to progress with contracts in hand, reinvest in product innovation and market diversification, and place emphasis on enhancing operational efficiencies and cost management.

At Captii Ventures, the division's venture investment business, broader market conditions remain unfavourable.

With continued fiscal discipline and initiatives aimed at strengthening the division's fundamentals, the division remains cautiously optimistic about its performance in fiscal 2026.

FINANCIAL SERVICES

Although the Financial Services division continued to record a loss in fiscal 2025, the loss has been substantially trimmed down with overall improvement in its core business where the division has grown its number of merchant base and GPV coupled with the full operations of its Syariah-compliant consumer lending business.

Within the Financial Services division, Paydee will continue to invest in technology renewal and the development of new capabilities to deliver innovative business-to-business (“B2B”) payment application services to address several high-potential SME business segments, as well as to be the non-bank partner of choice for payment facilitators addressing the growing e-commerce and social commerce markets. As part of the evolution of this division, Paydee continues to diversify its payment processing channels and seek for external financing facilities to support the expansion of its card issuing business, while Paydee Nura is currently seeking for external financing facilities to expand its Shariah-compliant financing business. By investing in the development of new payment application services that help to further digitise SME payments and aiding individuals and SMEs in cash flow management, the Financial Services division will be placed in a good position to capitalise on the expected growth in digital card transaction volumes in Malaysia especially in the area of B2B payments.

Qurex intends to synergise with Paydee for its growth plan and pending the full implementation of the new roadmap, Qurex does not anticipate its existing businesses to grow substantially in the near future.

TRAVEL AND TOURS

The challenging economic environment coupled with the ongoing geopolitical tension in the Middle East have put additional pressure on the international tourism, such as flight restriction to the Middle East, a surge in oil prices, increase in inflation, broader global economic uncertainty and continued disruption in supply chains. Against this backdrop of challenging headwinds, our Travel & Tours division remains cautious of its performance for fiscal 2026.

With its encouraging performance in the last three fiscal years, the division’s business plan will remain focused on building its corporate client base for the ticketing, group series tours and company incentive groups business and in exploring to develop more competitive inbound and outbound travel products and services.

To establish a strong market presence for both short-term and long-term growth and profitability, and to effectively respond to evolving trends and challenges, the division will not only focus on our existing market segments but also to develop competitive products and services and remain vigilant in closely monitoring challenges and market trends, and identifying key drivers of demand.

PROPERTY DEVELOPMENT AND INVESTMENT

(i) Development : Phase 2, Federal Park Project and Sejijak Project

Although the property market conditions in Kuching remain challenging amid rising cost of living and an elevated construction costs environment, the property development unit is cautiously optimistic about the prospects in fiscal 2026. The unit's Phase 2 of the Federal Park project is fully completed in September 2025 and has attracted encouraging responses from the public with 95% of the units sold to date. As such, the unit is confident that Phase 2 of the Federal Park project will be fully sold in first half of fiscal 2026.

The property development unit is well positioned to deliver positive financial performance in fiscal 2026 with Sejijak Project which is now ready for commencement of development works as all the relevant approvals have been obtained. Spanning over 17.31 acres, the Sejijak Project is a mixed development project comprising 88 units of double storey terrace houses, 80 units of townhouses and 40 units of single storey terrace houses with an estimated gross development value ("GDV") of RM75.0 million.

In terms of new property launches, the unit adopts a cautious approach considering external factors and how it can navigate by drawing on its experience to deliver properties that offer value for money in terms of quality and service, and to explore cost-effective and attractive new building designs to address rising construction costs and maintain market competitiveness. This strategy has established the unit as resilient niche property developer with a consistent track record of profitability.

(ii) Investment : Hospitality & Services

Malaysia's hospitality sector in fiscal 2026 is expected to expand significantly, primarily driven by the Visit Malaysia Year 2026 campaign. The government and industry stakeholders have aligned their strategies to reposition the country as a high-value, tech-forward, and sustainable destination. The government is targeting 47 million international tourist arrivals and a massive RM329 billion in tourism receipts (Source: Bernama 23 March 2026).

Expected growth in the hospitality industry may be challenged by external headwinds such as economic uncertainty due to the ongoing Iran and Russia/Ukraine wars, persisting inflation, and volatile oil prices.

In fiscal 2026, domestic tourism remains a key stabilizer, especially during global uncertainty. Cherating remains a well-known beach destination with resorts and eco-tourism appeal. Our Cherating hotel, a popular destination for local tourists, is expected to ride with the momentum of Visit Malaysia Year, with strong growth potential in eco-tourism and hospitality.

During the year, we continued to undertake improvement to Cherating hotel with a new halal restaurant and kitchen and 4 pickleball courts.

PROPERTY DEVELOPMENT AND INVESTMENT (continued)**(ii) Investment : Hospitality & Services** (continued)

Our aparthotel in Earls Court, London, The Marloes, has been fully operational from April 2024. While demand for premium short-term accommodation in Central London has rebounded significantly since fiscal 2023, continued growth in tourist arrivals remain uncertain due to external macroeconomic headwinds and the adverse effects on air travel due to the latest armed conflict in the Gulf. Coupled with persistent operational costs pressures and staffing shortages, the outlook for The Marloes remains positive but challenging in fiscal 2026. We are cautiously optimistic that with the progress being made in establishing The Marloes as a luxurious home-away-from-home for longer-stay visitors to London, we will continue to make progress in improving financial performance through better revenue management and strategies to lift operational efficiency.

YASH in Kuala Lumpur, a high-quality mixed-use property now features multiple F&B and event venues and has been developed into a destination for music, the arts and fine culinary experiences, complementing its existing serviced office business. With the full launch of all its F&B venues under the new business roadmap, the division anticipates improved income and financial performance in fiscal 2026.

BUS-BODY FABRICATION

Our bus-body fabrication unit, Aviva Master Coach Technology Sdn Bhd (“Aviva”), remains focused to ensure its production to be cost efficient and for timely delivery of buses. The unit will continue to focus on the Australia market as it anticipates a strong demand for the buses to Australia and with bus body orders in hand, there is a cautious optimism in the sale of the buses.

The market environment remains challenging with rising costs, Middle East conflict and continued supply chain disruptions coupled with the industry’s transition to Euro 6 standards for buses in the Australian market. Nevertheless, Aviva is confident to manage the risks in its normal course of business and shall focus in ensuring that its production is cost-and-delivery-efficient, and targets to gear up its production of bus-body fabrication in line with the expected increase in orders from the Australia market.

With the various measures put in place, our bus-body fabrication unit is cautiously optimistic that it is in a good position to manage the challenges.

EDUCATION

Our education unit, represented by TLH, will continue to focus on expanding its corporate training channels and agent networks to deepen market access in East Asia – particularly China and Korea, as well as in the Middle East. However, the recruitment of international students for English programmes remains temporarily delayed pending licensing approval from the Ministry of Education for the new premise in Kuala Lumpur.

Statement on Sustainability

The Group's Board together with Management take responsibility for the effective governance and management of sustainability initiatives and practices of the Group which may include setting the Group's sustainability strategies, priorities and targets. In connection therewith, they are committed to establish and maintain an effective Sustainability Management System which is supported by underlying internal controls, risk management practices, clear accountability and reporting process.

The Board takes into account sustainability considerations, the Economic, Environmental and Social ("EES") risks as well as opportunities and threat to the sustainability of the Group's activities, structure and operations arising from such EES risks when exercising its duties including among others, the development and implementation of the Group's strategies, business plans, performance measurements, major plans of action, risk management and decision-making process. The Group's EES and sustainability indicator measurement framework requires each division and subsidiary to establish targets aligned with the three sustainability pillars, supporting the Group's broader strategic objectives.

Progress and outcome of these indicators are continuously monitored and evaluated through defined targets set by the division annually, with consolidated updates presented quarterly to the Risk Management and Sustainability Committee. This enables effective oversight, supports informed decision-making, and ensures that the Group's sustainability priorities, targets, and performance are communicated to relevant stakeholders while reinforcing accountability at both Board and management levels.

STATEMENT OF ASSURANCE

In our commitment to sustainability and in compliance with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), YC Consulting Group has been engaged by the Group to perform an independent limited assurance on selected performance indicators and statements within the Statement on Sustainability. For more information, please refer to the Independent Limited Assurance Statement on pages 57 to 59.

REPORTING PRACTICE AND BOUNDARY

The Board is pleased to present this Statement on Sustainability (“Statement”) for the financial year ended 31 December 2025 (“FYE2025”) that has been prepared in compliance with the Listing Requirements of Bursa Malaysia and with reference to the Sustainability Reporting Guide (3rd Edition) under Bursa Malaysia. This Statement outlines the Group’s Sustainability Performance Management Framework to enhance the monitoring and reporting of our sustainability performance within the context of EES and also provides detailed disclosure of the management of our key sustainability matters for the FYE2025. This Statement is to be read alongside the other sections of this Annual Report, which highlights the Group’s corporate governance, risk management and internal controls, as well as other financial and non-financial details of our operations. The Advance Synergy Berhad (“ASB”) Group comprises operating subsidiaries that service business and consumer markets in a variety of industries. These operating companies are grouped under several Key Business Divisions of the ASB Group (See Exhibit 1), which include:



Exhibit 1 – Our Key Business Divisions/Units

1. As Captii Limited (“Captii”) under ICT division is a subsidiary listed on the Singapore Exchange Securities Trading Limited, it has produced a detailed 2025 sustainability

report that provides information on their sustainability performance. Please refer to Captii’s sustainability report in their 2025 annual report for further information.

2. Property Development and Investment division consists of Property Development unit and Property Investment unit (includes hospitality and investment property, Yap Ah Shak House, which houses the food and beverage (“F&B”), serviced office and event venue businesses).
3. Education and Bus-Body Fabrication units are grouped under the Others division.

SUSTAINABILITY GOVERNANCE AND STRUCTURE

The Board and Management shall continue to dedicate leadership and maintain a high standard of sustainability governance to drive continuous and long term growth for all of its stakeholders. As part of our commitment towards sustainability, we have established a clear governance structure to ensure compliance and performance of the Group’s sustainability.

The Group’s sustainability governance structure is as follows (see Exhibit 2):



Exhibit 2 – Group’s Sustainability Governance Structure

SUSTAINABILITY GOVERNANCE AND STRUCTURE (continued)

The Board is holding ultimate responsibility for the sustainability management of ASB Group. The sustainability matters of ASB Group had been placed under the purview of the Risk Management and Sustainability Committee (“RMSC”). The RMSC’s duties and responsibilities are as follows:

- recommend to the Board sustainability-related policies and/or framework for adoption;
- oversee the implementation of the Group’s sustainability policies and/or framework and processes including the identification, analysis, evaluation, management and reporting of the material sustainability matters related to the EES aspects of the Group and recommend to the Board for approval;
- oversee the management and performance of the Group’s sustainability strategies, priorities, and targets including reviewing steps to monitor, mitigate and/or prevent the EES risks, the performance against the target set on identified measurement indicators for each of the material/key sustainability matters and making the necessary recommendation of changes to the Board for approval;
- review the effectiveness of the sustainability framework and ongoing EES risks as well as the opportunities and threat to the sustainability of the Group’s activities, structure and operations arising from such EES risk, and any other related matters, and provide timely input to the Board as business condition changes, e.g. when new risks and opportunities arise;
- communicate the Group’s sustainability strategies, priorities and targets as well as performance against these targets to its internal and external stakeholders; and
- review and oversee the preparation of the statement on sustainability to be prepared in accordance with the Listing Requirements of Bursa Malaysia, Malaysian Code on Corporate Governance revision 2021 and any other applicable laws and regulations from time to time where appropriate.

Group Risk Management and Sustainability Unit (“GRMSU”) assists the RMSC to oversee the Enterprise Risk Management and Sustainability process and to maintain sound Enterprise Risk Management and Sustainability policies for the Group. GRMSU supports and provides necessary input while continuously evaluating and enhancing the effectiveness of the Group’s risk management and sustainability efforts to align with the overall goals/objectives of the Group. GRMSU is supported by 6 members, consisting of a Group Chief Risk Officer and 5 Group Risk Officers who oversee the processes and procedures in integrating and aligning the responsibilities of enterprise risk management with sustainability efforts in enhancing effectiveness of the Enterprise Risk and Sustainability Management System. The Risk Management and Sustainability Unit is established at the business unit level to ensure that the day-to-day activities of the business units are carried out within the established risk policies, procedures and limits as well as the established sustainability policies and/or framework, priorities and targets.

STAKEHOLDERS ENGAGEMENT

Stakeholders play an important role in our Group. We recognise that transparency fosters accountability and ensures that stakeholder issues are addressed in a timely manner. Stakeholders' perspectives are important to us and regular engagement helps us build trust and gain insights into emerging issues that are critical to both stakeholders and the business. Stakeholder communication methods are regularly assessed through information requests to ensure its transparency and effectiveness. Management has assessed and identified the following as key stakeholders for the Group:

Stakeholder	Methods of Engagement
Shareholders/Investors/Analysts	<ul style="list-style-type: none"> • Annual general meetings • Quarterly announcement of financial results • Company's website • E-mails/letters/meetings
Customers	<ul style="list-style-type: none"> • Customers' satisfaction survey • Company's website • Social media • 24 hours accessible Customer Services • Face-to-face interactions
Suppliers/Contractors	<ul style="list-style-type: none"> • Negotiations with suppliers • Face-to-face interactions
Channel/Distribution Partners	<ul style="list-style-type: none"> • Negotiations with partners • Face-to-face interactions
Employees	<ul style="list-style-type: none"> • Annual performance appraisal • Training and Development • Face-to-face interactions • Internal memorandum, letters and emails
Government & Regulators	<ul style="list-style-type: none"> • E-mails/letters/meetings • Workshops and trainings organised by the relevant regulatory authorities
Bankers/Lenders	<ul style="list-style-type: none"> • E-mails/letters • Face-to-face interactions
Media	<ul style="list-style-type: none"> • Social media • Advertisements • Company's website
Communities/Non-Governmental Organisations/Industry Group	<ul style="list-style-type: none"> • Corporate Social Responsibility activities • Donations and philanthropic activities • Community investment • Face-to-face interactions • E-mails/letters • Company's website

STAKEHOLDERS ENGAGEMENT (continued)

The following are the priority of stakeholders by business divisions/units for FYE2025:

ICT	1. Employees	2. Customers	3. Suppliers/ Contractors
	4. Channel/Distribution Partners	5. Government & Regulators	
Travel & Tours	1. Employees	2. Customers	3. Government & Regulators
	4. Shareholders/ Investors/Analysts	5. Media	
Financial Services	1. Government & Regulators	2. Shareholders/ Investors/ Analysts	3. Employees
	4. Channel/Distribution Partners	5. Customers	
Property Development & Investment – Property Development	1. Customers	2. Suppliers/ Contractors	3. Government & Regulators
	4. Bankers/Lenders	5. Employees	
Property Development & Investment – Hospitality	1. Customers	2. Shareholders/ Investors/ Analysts	3. Channel/ Distribution Partners
	4. Government & Regulators	5. Employees	
Property Development & Investment – F&B	1. Government & Regulators	2. Customers	3. Employees
	4. Suppliers/ Contractors	5. Shareholders/Investors/ Analysts	
Others – Education	1. Government & Regulators	2. Customers	3. Channel/ Distribution Partners
	4. Employees	5. Shareholders/ Investors/Analysts	
Others – Bus-Body Fabrication	1. Government & Regulators	2. Customers	3. Employees
	4. Suppliers/Contractors	5. Shareholders/Investors/Analysts	

STRATEGIC APPROACH FOR SUSTAINABILITY

Materiality Assessment

At ASB Group, we continue to refine our management approach to adapt to the changing business and sustainability landscape. Management identifies the type of relevant EES issues caused by its day-to-day operations. Management then determines the materiality of the EES issues based on the level of significance of impact and influence on stakeholder values, and the achievement of the Group’s strategic objectives. The Board supports and approves the identification and assessment parameters of material EES issues.

The key material EES issues for ASB Group have been identified and reviewed by ASB’s Board and Management and are deemed to remain relevant. These issues will be reviewed annually against the changing business environment, stakeholder opinions, and emerging global and local trends to keep abreast of critical issues. The Group will work towards ensuring comprehensive disclosures on the management and monitoring of our sustainability initiatives for continual improvement.

During FYE2025, ASB Group continued to carry out comprehensive materiality assessment process (See Exhibit 3) to identify, categorise and prioritise the Group’s materiality of EES issues based on the business strategy outlined in our plan. The assessment process involved stakeholder consultations, workshops for senior management, an assessment of long-term global trends and an internal review of our businesses. Our materiality assessment process was established based on the Bursa Malaysia’s Sustainability Reporting Guide (3rd Edition) and Bursa Malaysia’s Toolkit, including the Toolkit on Stakeholder Engagement and the Toolkit Materiality Assessment 2022, together with Global Reporting Initiative (“GRI”) Principles for Defining Report Content– stakeholder inclusiveness, sustainability context, materiality and completeness. Materiality with respect to sustainability reporting, as defined by GRI Standards, includes topics and indicators that reflect the organisation’s significant EES impacts, and would substantively influence the assessments and decisions of stakeholders.

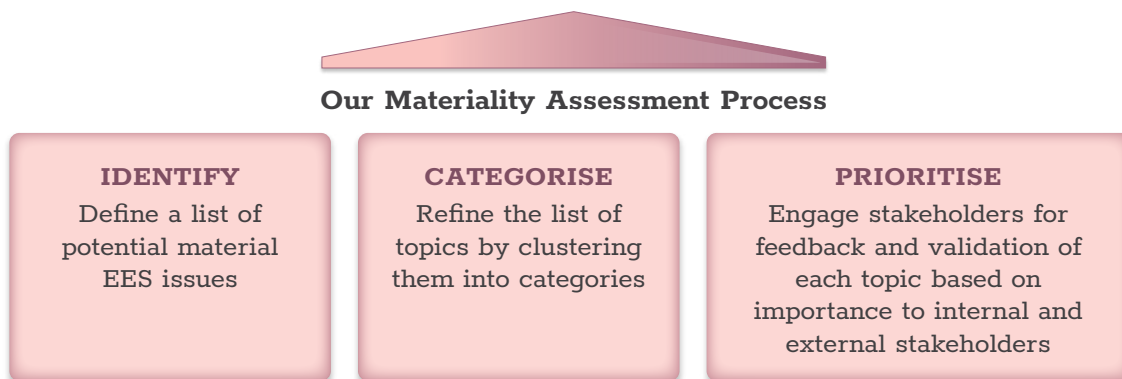


Exhibit 3 – ASB Materiality Assessment Process

STRATEGIC APPROACH FOR SUSTAINABILITY (continued)

Materiality Assessment (continued)

The Group has established the sustainability performance management framework (see Exhibit 4) to enhance the monitoring and reporting of our sustainability performance. Through the process of conducting workshops and consultations with senior management, the Group shortlisted and categorised thirteen (13) material sustainability matters into the three (3) pillars of our sustainability performance management framework.

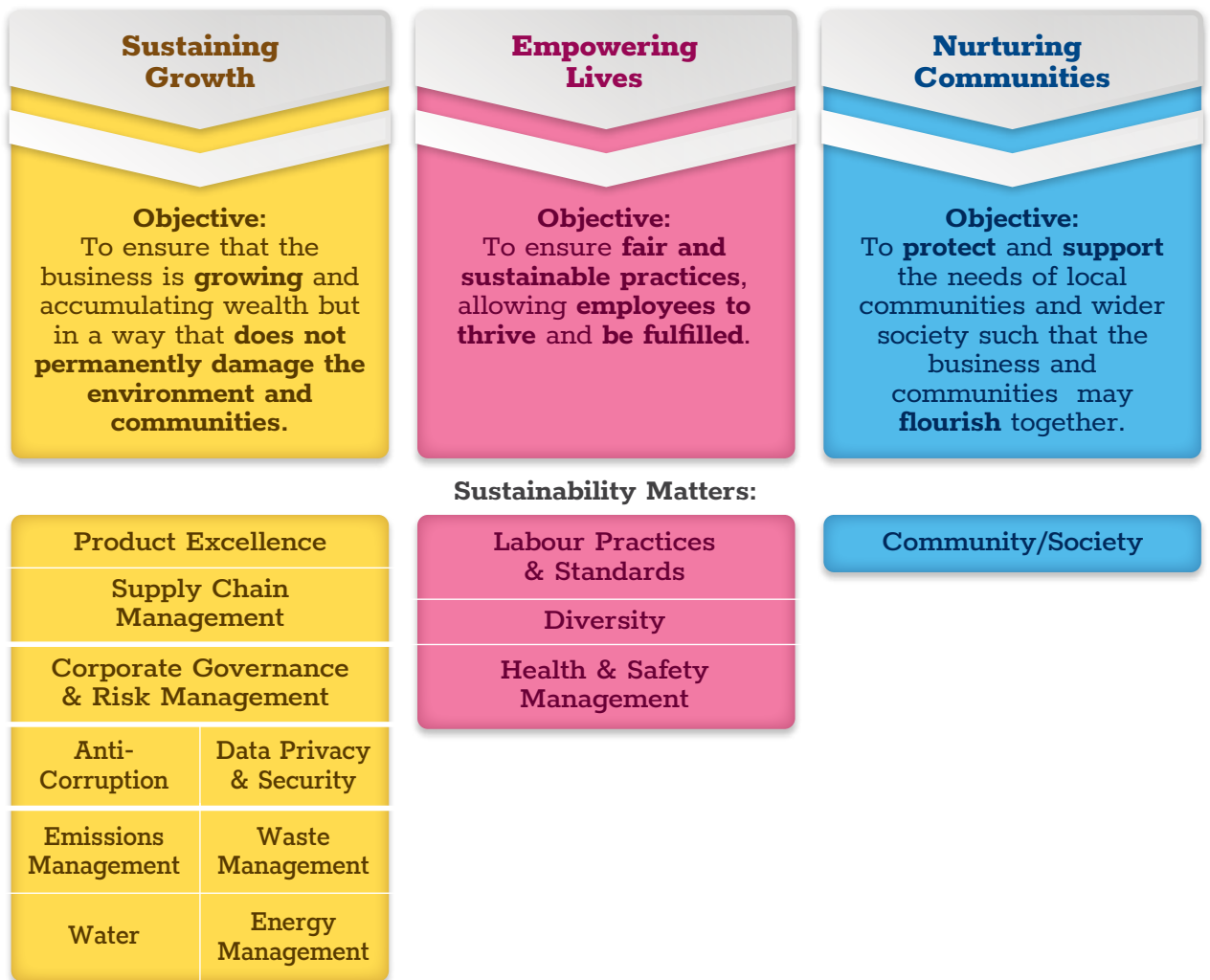


Exhibit 4 – ASB Group’s Sustainability Performance Management Framework

STRATEGIC APPROACH FOR SUSTAINABILITY (continued)**Materiality Assessment** (continued)

The sustainability matters identified are further described below:

Category	Sustainability Matters	Description
Economic	1. Product Excellence	Continual effort to improve product excellence through innovation and technology.
	2. Supply Chain Management	Resilience and significant economic and social impacts observed or assessed in our supply chain.
Environment	3. Emissions Management	Reduce the carbon footprint of our operations.
	4. Energy Management	Efficiency of energy usage (i.e. electricity consumption).
	5. Water	Water consumption and discharge management.
	6. Waste Management	Hazardous and non-hazardous waste disposal treatment.
Social	7. Labour Practices & Standards	Commitment to fair employment practices, upholding of human rights principles and upskill its human capital resources.
	8. Diversity	Equal opportunity employment across demographic of our community.
	9. Health & Safety Management	Maintain an injury-free working environment for all employees by following systematic approaches that prevent injuries and eliminate workplace health and safety risks.
	10. Community/Society	Responsibility to communities/societies where we operate in.
Corporate Governance	11. Corporate Governance & Risk Management	Delivering good and transparent corporate governance systems such as a balanced board composition, sound internal controls and a structured organisational framework. Managing business, product, supplier, stakeholder and brand risks across the value chain.
	12. Anti-Corruption	How we guard against corruption, bribery and fraud.
	13. Data Privacy & Security	Protect the company's information including confidential business data, employee information and customers' data.

STRATEGIC APPROACH FOR SUSTAINABILITY (continued)

Materiality Assessment (continued)

The sustainability matters identified are ranked as high, medium, low or no significance on the materiality matrix (See Exhibit 5). Our sustainability efforts and reporting are focused on issues that are of the most concern to our business and stakeholders based on the materiality matrix.

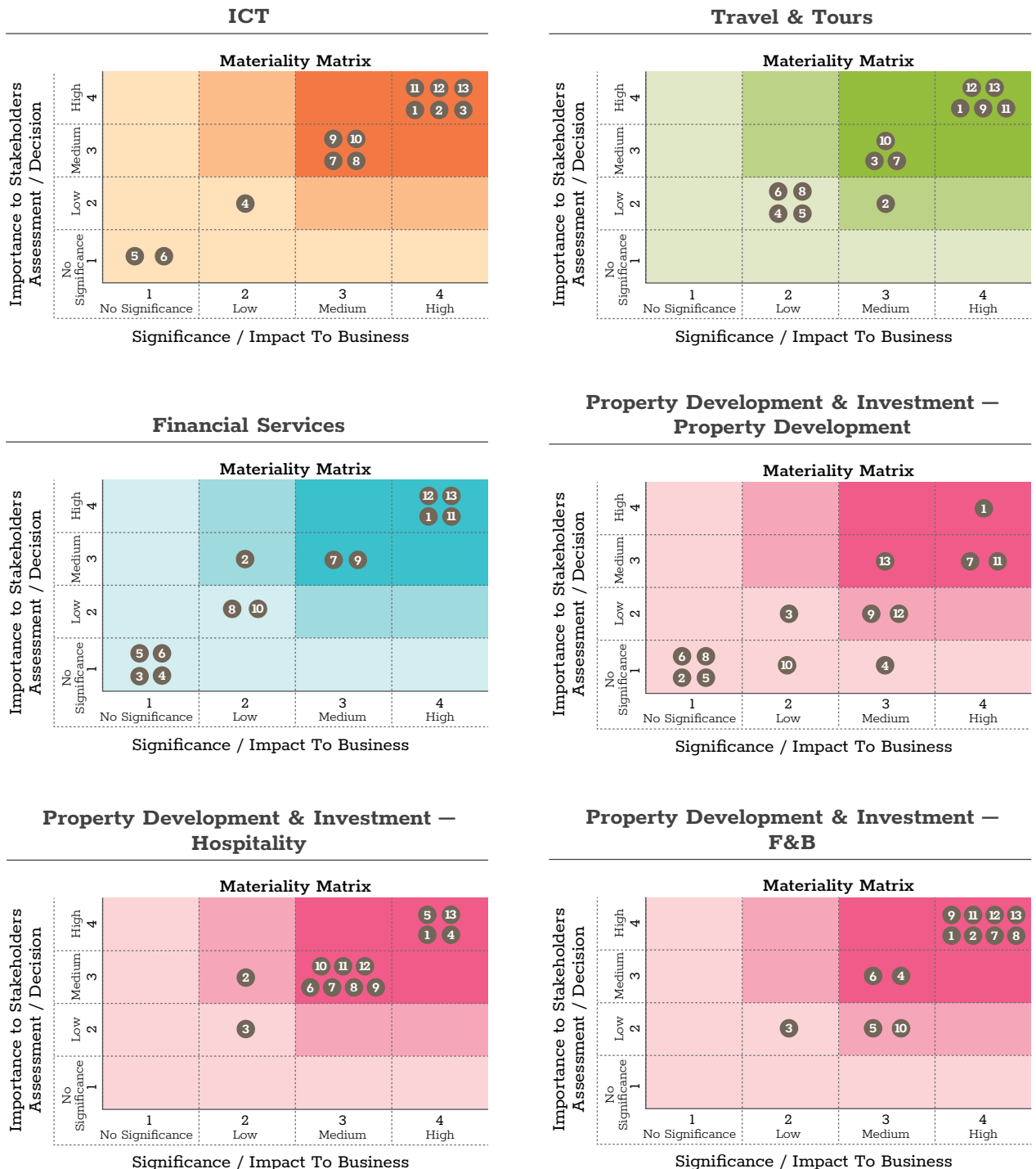


Exhibit 5 – ASB’s Materiality Matrix

STRATEGIC APPROACH FOR SUSTAINABILITY (continued)

Materiality Assessment (continued)

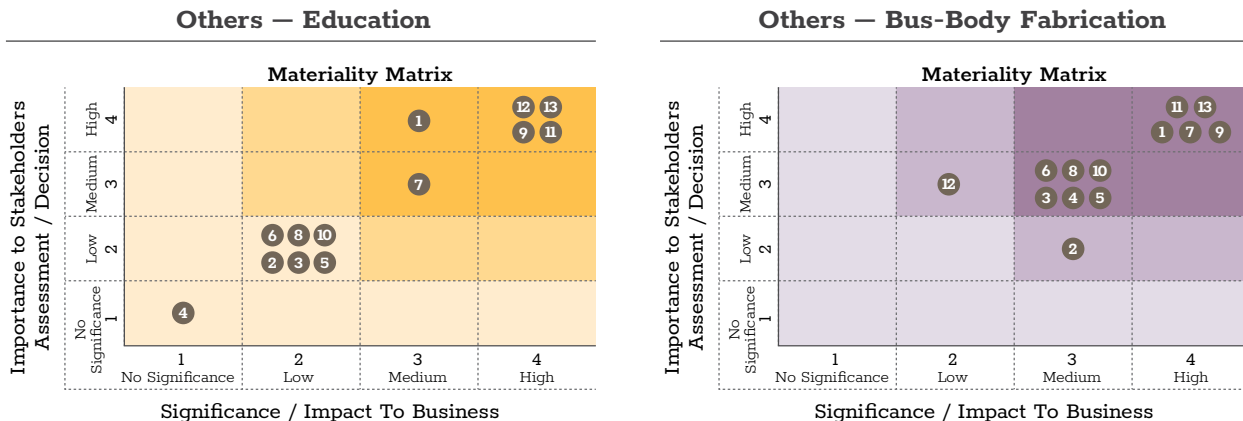


Exhibit 5 – ASB’s Materiality Matrix (continued)

SUSTAINING GROWTH

To ensure that the business is growing and accumulating wealth but in a way that does not permanently damage the environment and communities.

PRODUCT EXCELLENCE

We believe that our financial viability hinges on customer satisfaction and our ability to meet customer demand for our products and services. Our business divisions remain committed to execution excellence and building enduring relationships with not only our customers but key stakeholders in our value chain.

Group Commitments & Targets

- › Continue to improve product excellence through innovation and technology.
- › Continue to maintain a high level of customer satisfaction across our businesses.

Customers of our financial services division may lodge a complaint through a telephone call, email and company’s website and the division will act on such complaint within 3 working days. Merchants or customers will be notified immediately upon any transaction failures. Regular customer satisfaction survey will be conducted on selected merchants as part of its key initiatives undertaken to maintain/ improve customer service/ customer relationship. The division is also building its technology capabilities to provide customized, improved and value-added products and services to be more competitive in the digital era.

PRODUCT EXCELLENCE (continued)

Our ICT division has a 24-hour customer careline for customers to lodge feedbacks on service issue. Feedbacks from customers including complaints are documented for future improvement and development of products and services.

Our hospitality unit strives to be known for its good value hospitality and is committed to superior customer services and well-being of their guests.

The following are some of its existing commitments made:

In their quest to deliver superior quality products and services to their customers and comply with applicable legal requirements, the hospitality unit has in place a quality management system focusing on the service standards, work processes, job instructions and the standard operating procedure (“SOP”) for all aspects of the hotel operations. Besides, the unit also obtained accreditations such as “Clean & Safe Malaysian Hygiene and Safety Label” from Bureau Veritas and “COVID-19 SOP and Travel Quality Best Practices” from Tourism Malaysia, amongst others.

The hospitality, education and financial services businesses are also building their technology capabilities to provide customised, improved and value-added products and services to be more competitive in the digital era. Meanwhile, our F&B unit performs regular research and development (“R&D”), food-testing and review of supply chain in order to maintain commitment to quality.

Our bus-body fabrication unit is certified to the International Organization for Standardization (“ISO”) 9001:2015 standard, which specifies the requirements for a quality management system (QMS) and enables organizations to consistently deliver products and services that meet both customer expectations and applicable international standards. The unit remains committed to providing products and services that time and again meet customers’ needs, enhancing customer satisfaction through a process of continual improvement, and ensuring compliance with all applicable statutory and regulatory requirements.

We believe the Group’s long-term business is built mainly on the trust and confidence of customers. Therefore, feedbacks from customers such as customer satisfaction ratings and customer complaints are documented for future improvement on the development of products and services.

PRODUCT EXCELLENCE (continued)

The following table summarises our performance indicators on product excellence:

Indicator	Unit	2023	2024	2025
Average Customer/Client Satisfaction score				
- ICT	%	100%	100%	100%
- Travel & Tours	%	85%	90%	90%
- Property Development	%	100%	100%	100%
- Hospitality	%	86%	84%	83%
- F&B	%	86%	83%	92%
- Bus-Body Fabrication	%	83%	78%	80%
Total no. of incidents regarding products and services	Number	0	0	0

SUPPLY CHAIN MANAGEMENT**Group Commitments & Targets**

- › Continue to assess/review suppliers annually.
- › Continue to support local businesses.

The Group continues to support local businesses by procuring from suppliers and contracting services locally. We believe that a strong local supply chain through a productive partnership is vital to the growth of our business.

By such support, we believe that we can positively contribute to the local economy. We select partners who share our work ethics and values and who are willing to provide quality products and services in a responsible manner.

In cases where local suppliers are not suitable, we will source internationally. Where outsourcing is practised, we will ensure that the products conform to our sustainable policies and are labelled with “good manufacturing practices”. To mitigate supply chain disruption, our business divisions will have periodic review meetings with active suppliers/vendors besides having alternative and/or multiple suppliers/vendors.

For FYE2025, the financial services division continuously conduct an annual assessment/review of selective existing suppliers. And, all new suppliers are screened and evaluated by the division before the engagement. This was to prevent operation disruptions and ensure compliance with regulations. Meanwhile, the travel and tours division and the hospitality unit continue to perform spot checks on their key suppliers at least once in a year.

SUPPLY CHAIN MANAGEMENT (continued)

During the reporting period, there was no new supplier engaged by our ICT division. Our ICT division will ensure that all new suppliers will be screened and evaluated.

The ICT division focuses on supplier background and technical ability to provide the relevant service as the criteria/parameters used to assess and appoint suppliers. Meanwhile, for our F&B unit, the price and quality are their main criteria in assessing their suppliers.

Our F&B unit maintains a record of 100% procurement from local suppliers. Meanwhile, our Group has an average of 86% procurement spending on local suppliers in their respective country of operations depending on their nature of business.

Our indicators for supply chain management are summarised in the table below:

Indicator	Unit	2023	2024	2025
Audits (spot checks) made to key suppliers' offices/sites				
- Travel & Tours	Number	1	6	0
- Hospitality	Number	1	3	3
- Financial Services	%	100%	N/A	N/A
Percentage of suppliers assessed/reviewed annually				
- Travel & Tours	%	10%	21%	44%
- Financial Services	%	100%	N/A	N/A
- Hospitality	%	9.5%	7%	2%
- F&B	%	70%	80%	100%
Percentage of spending on local suppliers (within Malaysia)				
- Group average	%	97%	92%	86%
- Financial Services	%	95%	95%	88%
- Hospitality	%	95%	100%	99%
- F&B	%	100%	100%	100%

CORPORATE GOVERNANCE & RISK MANAGEMENT

Given the geographical diversity of our businesses, we closely monitor developments in the laws and regulations of countries where the Group operates to ensure that our businesses and operations comply with all relevant laws and regulations.

CORPORATE GOVERNANCE & RISK MANAGEMENT (continued)**Group Commitments & Targets**

- › We are fully committed to strengthening our regulatory compliance framework. Our emphasis is clear and consistently reiterated.
- › The Group continues to work towards a full compliant culture.

All our key employees affirm their understanding of the code of business conduct. We regularly engage with local government authorities and agencies to keep abreast of changes to laws and regulations.

We recognise that non-compliance with laws and regulations not only has a significant financial impact but potentially detrimental reputational impact on the Group. To manage and track compliance issues, the Group appoints key personnel at Group level and at subsidiary companies for compliance roles and conducts internal audits. The responsibilities of each of our appointed risk officers also embodied compliance with rules and regulations specific to their roles and functions in the business operations.

The Audit Committee, assisted by Internal Auditors, supports the Board in its oversight of regulatory compliance and is responsible for driving the Group's focus on implementing effective compliance and governance systems. At the operational level, the respective business divisions and departments are responsible to identify, self-assess the adequacy and effectiveness of mitigating measures, and manage their financial, operational, compliance and reputational related risks.

See Governance on pages 93 to 99 of the Annual Report.

See Risk Management and Sustainability on pages 60 to 72 of the Annual Report.

The following table shows the training received by our employees on corporate governance and risk management together with the summary of no incidences of or fines paid for environmental non-compliance:

Indicator	Unit	2023	2024	2025
Total Employees receiving Corporate Governance and Risk Management Training	Number/%	59/9%	96/16%	76/15%
Total number of incidences of environmental non-compliance	Number	0	0	0
Total amount of fines paid for the environmental non-compliance	RM	0	0	0

ANTI-CORRUPTION

Group Commitments & Targets

- › We have zero-tolerance for fraud, bribery, corruption and violation of laws and regulations.
- › The Group has a set of policies and guidelines that spells out the responsibilities of employees in observing and upholding the company's 'zero tolerance' position against any form of corruption, bribery and extortion. Periodic training/refresher sessions on anti-corruption, bribery, extortion, and money laundering shall be conducted for the Group staff.

To ensure that our internal practices and processes are in adherence and alignment with these latest developments, we took active steps to strengthen our internal processes and practices and adopts a 'zero-tolerance approach' towards any form of corruption including stepping up awareness, education and training programmes on anti-corruption, i.e. bribery, fraud, embezzlement and so forth. The Group Anti-Bribery and Anti-Corruption Framework and Policy ("ABAC Policy") and aligned with the Section 17A of the Malaysian Anti-Corruption Commission Act 2009 as well as the Group Directors Conflict of Interest Policy & Procedures and Group Governance Framework pursuant to the guidelines issued by the Securities Commission Malaysia apply to all directors and employees of the Group, and third parties dealing with the Group. The ABAC Policy has been designed to safeguard the Company, Board of Directors, Management and employees and to align with the requirements set out in the Group's direction of high integrity principles. It helps the Group staff to recognise and deal with corrupt gratification, as well as understand their responsibilities. In tandem, the Group has implemented a Group Whistleblowing Policy and Procedures ("Whistleblowing P&P") to provide an avenue and platform for all personnel, employees, agents and/or third parties to disclose any acts of bribery, corruption and/or irregularities in a confidential manner that protects the whistleblower from any risk of reprisal. The said ABAC Policy and Whistleblowing P&P are publicly available on the Group's website at www.asb.com.my.

We are pleased to report that none of our Board of Directors, Management or employees is involved in any suspected bribery and corruption practices or unethical behaviors in 2025.

ANTI-CORRUPTION (continued)

Our key performance indicators on anti-corruption are as follows:

Indicator	Unit	2023	2024	2025
Total Employees receiving Anti-Money Laundering and Anti-Corruption Training				
- Executive	Number/%	60/15%	53/13%*	21/6%**
- Non-Executive	Number/%	30/11%	3/2%*	1/1%**
Percentage of operations assessed for money laundering or corruption related risks				
- Group average	%	46.75%	67%	22%
- Financial Services	%	73.50%	67%	100%
- F&B	%	20%	0%	0%
Total no. of incidents involving money laundering, corruption and bribery	Number	0	0	0

(Notes:

* Figures for 2024 have been restated to be consistent with calculation methodology for 2023 and 2025.

** For 2025, the training received by the employees was pertaining to Anti-Money Laundering only.)

DATA PRIVACY & SECURITY

With increasing use of technology, the Group may be exposed to increased cyber risk such as risk relating to data breaches, and sabotage on information processing and information technology system. Such cyber risks can lead to the commercial losses and negative effect on the Group's businesses. Therefore, the Group strategises to be resilient against cyber risk by educating its staff on cyber risk and the importance of data privacy and security by creating a cyber security culture. Processes and systems are in place to identify, mitigate and report risks and we communicate best practices to the Group staff. Assessment of the cyber risk/threat landscape is followed by risk mitigation planning based on the Group's risk appetite and implementation of a proactive approach to manage any cyber breach before, during and after it occurs. This is to ensure that critical infrastructure is protected to a level that commensurate with the risks. During induction, new staff are briefed on the Personal Data Protection Policy.

The following are our key performance indicators on data privacy & security:

Indicator	Unit	2023	2024	2025
Total Employees trained/briefed/updated on Personal Data Protection Act and/or General Data Protection Regulation	Number	55	29	119
Total data protection and data security trainings conducted	Number	0	7	4
Total incidents involving data privacy & data security breaches	Number	0	0	0

ENVIRONMENTAL MANAGEMENT

Environmental sustainability forms an integral part of the Group's sustainability philosophy. We endeavour to integrate the best sustainability practices and compliance across business operations to reduce adverse environmental impact on the ecosystem. In our daily operations, the Group continues to be committed on recycling, energy-saving practices and undertaking measures to reduce wastages, pollution and harmful emissions.

ASB is committed and strive to improve resource efficiency and reduce our environmental impact. We continue to factor in environmental considerations in our businesses.

Group Commitments & Targets

- › Continue to improve the environmental management systems of key business units to meet the requirements of the ISO 14001 – Environmental Management Systems standard.
- › Continue to explore solutions that minimise environmental impact.
- › Install or maintain energy efficient equipment and devices at our facilities whenever possible, including LED lights and more energy-efficient cooling solutions.

The Going Green campaign by our hospitality unit aims to contribute to the preservation of natural resources and environment by focusing on energy conservation, waste management, responsible purchases and landscaping.

Our hospitality unit works with all stakeholders to promote and implement responsible environmental practices. To reduce environment impact, including climate change, we minimise the usage of plastic straws, cups, boxes, cutlery and other F&B materials by gradual introduction of paper or biodegradable options, unfinished toiletries are not replaced with the new ones in existing guest rooms, other bathroom amenities are provided only upon request by hotel guests. In addition, all guest rooms are provided with bottled reverse osmosis waters instead of individual plastic bottled waters. The hospitality unit also has its own environmental policy in place towards the improvement targets to monitor energy consumption, water consumption and waste production. The unit subscribes to products that are labelled as complying with “good manufacturing practices” and recognises that resource conservation, biodiversity and pollution prevention are key to a sustainable environment, and will continue to effectively integrate these concepts into their business decision-making.

Our bus-body fabrication unit has a designated area for waste deposit and disposal. In January 2024, our bus-body fabrication unit registered with the Department of Environment (“DOE”) and keeps track of waste management via DOE's Electronic Scheduled Waste Management Information System. The Group ensures that waste materials are deposited at designated environmentally safe areas and disposed of periodically by licensed waste disposal contractors.

ENVIRONMENTAL MANAGEMENT (continued)

As for our F&B unit, we ensure used cooking oils are stored in non-flammable containers before disposing them to the recognised oil waste disposal vendor regularly.

For businesses with operations that are concentrated in offices such as our ICT and travel and tours divisions, the impact on the environment is relatively limited and confined largely to resource and energy efficiency such as encouraging staff to be environmentally-conscious by promoting paperless administration and operational practices to reduce paper usage, and be committed to recycling and energy saving practices.

Emission Management

Since 2022, the Group started to monitor carbon emissions from our business activities. We report our greenhouse gas (“GHG”) emissions according to the GHG Protocol Corporate Standard. The intensity of operational GHG emissions is measured and disclosed as follows:

Scope	Emission Type	Definition	Status
Scope 1	Direct emissions	GHG emissions in activities from the Group’s fuel combustion in vehicles and machineries including natural gas used for heating.	Measured and disclosed
Scope 2	Indirect emissions	GHG emissions generated from the consumption of purchased electricity.	Measured and disclosed
Scope 3	Indirect emissions	GHG emissions that are a consequence of the activities of the company but occur from sources not owned or controlled by the company, i.e. employees’ commute.	Measured and disclosed

Presently, GHG emissions under Scope 1 are measured by our bus-body fabrication unit based on diesel consumption in its operations and natural gas heating by our hospitality unit in London. Overall diesel consumption recorded a reduction compared to the previous year, and continuous efforts are being undertaken to further reduce GHG emissions. Scope 2 emissions are measured based on electricity consumption, using the relevant grid emission factor methodology applicable in the respective countries, namely: Malaysia – Grid Emission Factor from MyEnergyStats; Singapore – Energy Market Authority; Pakistan – Pakistan Grid Emission (NEPRA); and London – Department for Environment, Food & Rural Affairs (DEFRA). Scope 3 emissions are measured based on estimates of the distance travelled by employees between their homes and workplace, and since 2022, we have measured indirect emissions arising from the Group employees’ commute. The calculation methodology for Scope 1 and Scope 3 emissions is based on the DEFRA standard.

ENVIRONMENTAL MANAGEMENT (continued)**Emission Management** (continued)

The following table represents the Group's performance on GHG emissions:

Indicator	Unit	2023	2024	2025
Scope 1 - CO ₂ e produced by company vehicles and machineries including natural gas used for heating.	Tonnes	1.072	2.030	28.01*
Scope 2 - CO ₂ e produced by electricity consumption	Tonnes	3,476	2,023	2,110.54
Scope 3 - CO ₂ e produced by employees' commute	Tonnes	313	325	576.93**

(Notes:

* Data includes gas heating consumption at The Marloes, London. For 2023 & 2024 only diesel consumption by bus-body fabrication unit was reported.

** Data includes employees in ICT division. For 2025, this is the first time ICT division reported on employees' commute.)

Waste Management

Apart from carbon emission control, the Group also takes stringent measures in waste management. All the wastes generated were carefully handled. There was no hazardous waste spillage incident recorded during the year. We will also continue to maintain our stringent control and commitments to protect the environment moving forward. The following table summarises the type of waste generated by our ICT division as well as F&B and bus-body fabrication units:

Indicator	Unit	2023	2024	2025
Total Recycled Waste	Tonnes	7	3	27.75
Total Non-Recycled Waste	Tonnes	196.40	229.89	232.47
Total Hazardous Waste	Tonnes	1.70	3.54	2.01

Water

Water is a precious resource. The Group continues to strengthen its water conservation efforts through initiatives like promoting water-saving practices, adopting water-efficient technologies and equipment as well as implementing process improvements.

ENVIRONMENTAL MANAGEMENT (continued)**Water** (continued)

Given that the business operations of most of our divisions/units are concentrated in normal office spaces, the level of water consumption is relatively limited, except for hospitality unit. The hospitality unit is committed to water conservation through various measures, including:

1. Going Green @ Skip the Housekeeping Program where hotel guests are encouraged to participate in our no-change of in-room bed linens or towels whilst during their stay in exchange for a hi-tea set consumable at our hotel F&B outlets;
2. Regular inspection of piping systems and fittings to ensure that functionality and efficiency are maintained;
3. Repair and replace of old pipes, fittings and other equipment where necessary; and
4. Proposed installation or replacement of conventional water fittings with water efficient fittings.

The Group's total water consumption from 2023 to 2025 are as tabled below. In 2025, the total consumption by our Group was approximately 49.73 Megalitres of water as compared to approximately 49.43 Megalitres in 2024.

Indicator	Unit	2023	2024	2025
Total Water Consumption	Megalitres	116.72	49.43	49.73

Energy Management

The Group's energy demand comprises a mix of direct and indirect sources of energy. In 2025, the Group consumed about 2,967 Megawatt hour (MWh) of energy.

Our approach in energy management at our properties include:

1. Installation or replacement of conventional lighting with energy savings lighting, e.g. LED lighting;
2. Regular inspection of existing equipment to ensure they remain in good working condition; and
3. Our property and facility team is responsible for the continuous drive in energy conservation via improvement plans for the properties.

ENVIRONMENTAL MANAGEMENT (continued)**Energy Management** (continued)

The following table represents our energy consumption within the Group for past three financial years:

Business Division/Unit	2023 (kWh)	2024 (kWh)	2025 (kWh)
Investment Holding	54,729	62,220	96,876
ICT	236,931	221,596	251,814
Financial Services	70,770	59,605	92,618
Travel & Tours	43,806	45,687	41,100
Property Development & Investment			
- Property Development	42,110	35,957	34,917
- Hospitality	3,894,985	1,205,477	1,264,976
- Property Investment	492,599	600,003	823,174*
<i>* Yap Ah Shak House Group comprising F&B outlets, serviced offices and event venues with F&B outlets being fully operational in 2025</i>			
Education	43,907	60,278	41,899
Bus-Body Fabrication	329,780	378,155	319,534
Total (kWh)	4,717,018	2,668,978	2,966,911
Total (MWh)	4,717	2,669	2,967

Our goal is to meet the electricity consumption targets set by the respective business units by closely monitoring the electricity usage.

Environmental Compliance

ASB Group remains committed to comply with all applicable legal requirements enforced by local governing authorities and relevant enforcers which may include among others, the requirements as set out in the table below. The Group's operations continue to conform to local environmental laws and regulations. All employees of the Group and that of contractors and consultants are encouraged to be proactive and forthcoming in managing and reporting environmental related issues and complaints.

ENVIRONMENTAL MANAGEMENT (continued)**Environmental Compliance** (continued)**Environmental Compliance Requirements in Malaysia****Compliance**

Environmental Quality Act 1974 (and its Amendments)
 Environmental Quality (Scheduled Wastes) Regulations 2005
 Environmental Quality (Sewage) Regulations 2009
 Environmental Quality (Clean Air) Regulations 2014
 Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 2015
 Guidelines from Natural Resources and Environment Board (Sarawak)
 Land Conservation Act 1960

During the reporting period, there was no incident of non-compliance and penalties pertaining to environmental-related issues. To maintain the highest standard of environmental compliance and to prevent future occurrence of incidents, Management will continue to review and improve the current environmental management system and practices and ensure that all our activities and operations comply with existing regulatory requirements.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (“TCFD”)

The Group is committed to enhancing its climate reporting by aligning with the TCFD framework. We plan to adopt a phased approach to address climate-related impacts on our business operations. This includes strengthening our governance oversight, refining our strategy for climate resilience, integrating climate into our risk management processes, and establishing relevant metrics and targets to track our progress.

EMPOWERING LIVES

To ensure fair and sustainable practices, allowing employees to thrive and be fulfilled.

LABOUR PRACTICES AND STANDARDS

Our employees are one of our most valuable assets. We are committed to fair employment practices, uphold human rights principles and invest in developing and training our people. At the Group, we strive to foster an inclusive and performance-driven work environment to attract, retain and develop our talents. We are an equal opportunity employer and have instituted a fair system to ensure equal opportunities and non-preferential treatment for all employees. There is no preference or prejudice towards religion, age, ethnicity, race, physical disability or gender. Employees are required to observe and adhere to all relevant Group policies and practices. As at 31 December 2025, the Group has a total number of 522 employees.

LABOUR PRACTICES AND STANDARDS (continued)**Group Commitments & Targets**

- › Continue to promote diversity and equal opportunity in the workplace.
- › Further develop our workforce through tech-enabled and self-paced training programmes.

We continue to engage our workforce and implement initiatives to achieve our long-term goal of improving collaboration and workplace innovation. Employee engagement initiatives are organised throughout the year to forge stronger bonds among employees and enhance communication between management and staff.

Learning & Development

In a rapidly evolving industry, continuous learning is essential to ensure our Group implements the latest practices and technologies and to address key gaps in employees' behaviour, and technical and functional skills/knowledge. To encourage and support our employees to develop their fullest potential and have a fulfilling career, the Group places priority on learning and development programmes. Our learning and development roadmap also accounts for future skills required to improve the efficiency of the business. We customise and design training and development activities based on employees' training needs and work requirements.

Over the past year, we have also invested in strengthening internal capabilities through training on climate disclosure, enhancing data governance framework, and establishing clearer ownership, accountability, and controls over sustainability data. These efforts are intended to better position the Group to meet the evolving disclosure and assurance expectations under Bursa Malaysia's Listing Requirements, Malaysian Financial Reporting Standards (MFRS) and the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards, particularly in relation to the quality, consistency and reliability of sustainability-related information.

During the financial year ended 31 December 2025, the Group spent RM308,155 on training. Total amount invested in employee learning and development from 2023 to 2025 is set out on page 47 of this Annual Report.

Our Group is committed to ensure that our employees are receiving proper training and equipped with the most up-to-date knowledge.

LABOUR PRACTICES AND STANDARDS (continued)**Learning & Development** (continued)

The Board takes appropriate action such as attending training to ensure they stay abreast with and understand the sustainability issues relevant to the Group and its business which may include topics relating to climate-related risks and opportunities. During 2025, the training attended by the Senior Management and/or employees of the Group are included in the list below, while the list of training attended by the Board of Directors is disclosed in the Nomination and Remuneration Committee Report on pages 104 to 111.

- Sustainability/Risk-Related Workshops: TCFD Part 1 – Introduction to TCFD and ESG Governance
- Sustainability/Risk-Related Workshops: TCFD Part 2 – Climate Scenario Analysis and IFRS S2
- Sustainability/Risk-Related Workshops: TCFD Part 3 – Target Setting and Science-Based Targets Initiative (SBTi) with IFRS S2
- Team Building – Finish Strong
- Strengthening Mental Toughness and Resilience
- Sexual Harassment, Workplace Discrimination and Mental Health Resilience Awareness
- Essentials of Anti Money Laundering, Anti-Terrorism Financing and Anti Proliferation Financing
- Understanding and Complying with the Personal Data Protection (Amendment) Act 2024
- Data Protection and Data Security
- Crisis Management
- Managing Suspicious Transactions
- Understanding and Application of Risk Based Approach
- ISO 9001, ISO 14001, ISO 45001 (QESH) Internal Audit Training
- Certified Halal Executive
- Effective Document Control and Record Management
- Cloud Based Accounting System (IFCA AccountX)
- Crowe Malaysia Budget 2026 Conference
- Contract of Employment
- Consultative Sales Negotiation Skills
- Cybersecurity
- Generative AI for Business and Workplace
- AI for productivity
- AI Sales and Marketing Masterclass
- Bett Asia 2025
- Emergency Response Team
- Resort Fire Safety Management System
- Occupational Safety and Health Coordinator
- Knowledge about Fire Prevention

LABOUR PRACTICES AND STANDARDS (continued)**Total hours of training attended by the Employees**

The following indicates the total hours of training attended by employees of the Group:

Employee Category	Total hours of Training
Executive	8,047
Non-Executive	1,904

The following summarises the type of training attended by employees for FYE2025:

Type of Training	No. of attendees for the training(s)
Sustainability	38
Health & Safety	285
Anti Money Laundering & Anti-Corruption	22
Code of Conduct/Ethics	26
Corporate Governance & Risk Management	66
Personal Data Protection Act	129
Others	255

The following table indicates our performance on labour practices and standards:

Indicator	Unit	2023	2024	2025
Total amount spent on training	RM	306,831	199,082	308,155
Percentage of employees receiving training and development by types of training				
- Corporate Governance & Risk Management	%	9%	16%	14%
- Personal Data Protection Act	%	8%	5%	23%
- Anti Money Laundering & Anti-Corruption	%	13%	10%	4%
- Code of Conduct	%	4%	1%	5%
- Discrimination & Harassment	%	30%	0%	11%
- Health & Safety	%	22%	10%	23%
- Mental Health & Wellness	%	25%	0%	51%
- Sustainability	%	1%	19%	21%
- Others	%	37%	40%	31%

LABOUR PRACTICES AND STANDARDS (continued)**DIVERSITY**

We believe that people should have access to the same opportunities regardless of their ethnicity, religion, gender, marital status or age. We value diversity and inclusion and are committed to the principle of equal employment opportunity. Our hiring policies ensure equal employment opportunities for all. New hires are considered based on individual competencies as well as organisational requirements and job fit. The following employment statistics illustrate the diversity of our workforce:

Indicator	Unit	2023	2024	2025
Employee Diversity				
Total Employees	Number	667	559	522
<u>EMPLOYEES BY CONTRACT</u>				
Full time employees	Number/%	660/99%	553/99%	476/91%
Contract Workers	Number/%	7/1%	6/1%	46/9%
<u>EMPLOYEES BY NATIONALITY AND ETHNICITY</u>				
Malaysian	Number/%	603/90%	496/89%	479/92%
Foreigner	Number/%	64/10%	63/11%	43/8%
<u>EMPLOYEES BY GENDER</u>				
Male	Number/%	410/62%	340/61%	336/64%
Female	Number/%	257/39%	219/39%	186/36%
<u>EMPLOYEES BY AGE</u>				
Below 40	Number/%	364/55%	312/56%	284/54%
40-59	Number/%	275/41%	215/38%	211/40%
60 and above	Number/%	28/4%	32/6%	27/5%
<u>EMPLOYEES BY CATEGORY</u>				
Executive: Male	Number/%	236/35%	241/43%	229/44%
Executive: Female	Number/%	151/23%	158/28%	150/29%
Non-Executive: Male	Number/%	174/26%	99/18%	83/16%
Non-Executive: Female	Number/%	106/16%	61/11%	60/11%

LABOUR PRACTICES AND STANDARDS (continued)**DIVERSITY** (continued)

Indicator	Unit	2023	2024	2025
<u>EMPLOYEES BY CATEGORY AND AGE</u>				
Executive: under 40 years	Number/%	206/31%	218/39%	215/41%
Executive: 40-59 years	Number/%	161/24%	155/27%	147/29%
Executive: 60 years and above	Number/%	21/3%	27/5%	17/3%
Non-Executive: under 40 years	Number/%	158/24%	94/17%	75/14%
Non-Executive: 40-59 years	Number/%	114/17%	60/11%	59/11%
Non-Executive: 60 years and above	Number/%	7/1%	5/1%	9/1%
<u>PERCENTAGE OF STAFF TURNOVER</u>				
- Executive	%	57/8%	53/9%	112/21%
- Non-Executive	%	73/11%	39/7%	65/12%

The Directors diversity by gender and age are as follows:

Indicator	Unit	2023	2024	2025
Total Directors	Number	8	9	9
<u>DIRECTORS BY GENDER</u>				
Male	Number/%	4/50%	4/44%	4/44%
Female	Number/%	4/50%	5/56%	5/56%
<u>DIRECTORS BY AGE</u>				
Below 40	Number/%	NIL	NIL	NIL
40-59	Number/%	2/25%	4/44%	4/44%
60 and above	Number/%	6/75%	5/56%	5/56%

For the year 2025, the total number of Group employees decreased to 522 from the previous year of 559. The number of female employees has reduced to 36% of the total employed. Most of our employees, executives and non-executives, are under the age of 40 years. Since the bulk of our operations are in Malaysia, 92% of our employees are Malaysian.

The Group believes that hiring from local communities enhances our ability to understand local needs and strengthen our capabilities on the ground.

LABOUR PRACTICES AND STANDARDS (continued)**DIVERSITY** (continued)**Code of Business Conduct and Ethics**

We maintain zero-tolerance for unethical labour practices such as child labour, forced labour, slavery and human trafficking in all our operations. All employees are required to conduct business dealings in line with our Code of Business Conduct and Ethics Policy. We encourage declaration of conflict of interest on an annual basis for staff and on quarterly basis for our Board and key management as a preventive safeguard for fair dealings and transparent business relationships.

Indicator	Unit	2023	2024	2025
Substantiated complaints concerning human rights violations	Number	0	0	0

Compliance with Applicable Employment Laws & Regulations

During the year under review, the applicable employment laws and legislations include among others the requirements as set out in table below:

Employment Compliance Requirements in Malaysia

Compliance
Employment Act (Amendment) 2022
Industrial Relations Act 1967
Code of Industrial Harmony, Malaysia 1975
Minimum Wages Order 2022
Personal Data Protection Act 2010
Pembangunan Sumber Manusia Berhad Act 2001

The Group strives to continuously cultivate a transparent and inclusive environment for all employees, as well as to ensure a top-down approach to promote fair and ethical business dealings. We also have an open-door policy whereby employees are encouraged to speak up or report grievances directly to their superior, head of department, Human Resource department, CEO of their business unit and/or executive directors or independent directors of the Company. This is to reinforce our commitment to our employees to provide them with a workplace that is healthy, safe and secure.

HEALTH & SAFETY MANAGEMENT

The Group remains committed to maintaining a safe and productive environment, free from harassment in which all individuals are treated with respect and dignity and we expect all our employees and individuals who work at our sites/businesses to follow our health and safety policies and procedures and be free from substance abuse at all times.

Group Commitments & Targets

- › Strive to raise awareness, maintain vigilance and foster a strong health and safety environment centric culture across the Group and particularly at the ground level.
- › Maintain zero-tolerance to unhealthy and unsafe practices.
- › Leverage technology to drive improvements in safety performance.

The Group provides a safe working environment for its employees and partners through the health and safety policies and procedures adopted by the respective divisions. These policies serve as an important reference framework, supplemented by additional initiatives undertaken by the divisions to foster a safety-first culture.

In addition, processes and systems have been established to identify, mitigate and report risks, and to communicate best practices across the divisions. The divisions also engage with contractors and subcontractors to ensure that they understand the relevant requirements and expected standards.

To safeguard the health and safety of our employees, the Group regularly conducts fogging and housekeeping activities and fire drills at its premises. In 2025, both the Lost Time Injury and Lost Time Accident Incidents at Group level were zero.

The following table summarises indicators measured to assess our commitments/performance towards health and safety:

Indicator	Unit	2023	2024	2025
Number of work-related fatalities	Number	0	0	0
Total reportable Health and Safety incidents	Number	0	0	0
Total Health & Safety trainings	Number	12	12	13
Employees being trained on Health & Safety trainings	Number/%	150/22%	58/10%	121/23%

NURTURING COMMUNITIES

To protect and support the needs of local communities and wider society such that the business and communities may flourish together.

COMMUNITY/SOCIETY

Support initiatives to promote the social development of local communities where we operate through the corporate social responsibility

ASB is committed to uphold and to honour our social obligations by contributing to the economic and social wellbeing of every community in which we operate. We also believe in the importance of providing opportunities especially to the younger generation, for the betterment of our society.

The Group participates in the ACHIEVE Corporate Social Responsibility (“CSR”) Programme (“ACHIEVE”) which aims to pool and focus the efforts and resources of the Group with likeminded corporations that share the common desire to support and implement meaningful CSR activities. The ACHIEVE Committee was formed with representatives from various divisions of our Group participating as committee members, to spearhead CSR activities via synergy collaboration with identified organisations.

The Group continues to enhance its social and environmental efforts through various initiatives including healthcare support programme. These efforts involved organising blood donation campaign at Synergy 9, Shah Alam which was successfully participated by 32 employees and health check for our employees. For stress reliever, we have a book corner prepared at Synergy 9 and at Aviva to inspire a shared learning and conversation environment, and to reduce stress and improve emotional well-being.

Our hospitality division is committed to fostering strong and meaningful collaborations with schools, colleges, and polytechnics by providing 22 students with valuable internship opportunities at Holiday Villa Beach Resort & Spa, Cherating.

Through these partnerships, we aim to support the development of future hospitality professionals by offering practical, hands-on experience within a structured and supportive working environment. We believe that such initiatives not only enhance students’ industry readiness but also contribute to the overall growth and sustainability of the hospitality sector. We look forward to strengthening these collaborations and continuing to play an active role in nurturing emerging talent.

Additionally, our hospitality division also takes pride in actively engaging with the local community and fostering meaningful relationships with key stakeholders in the areas where we operate. In this spirit, our resort extends invitations to 100 members of the local community on 6 March 2025 — including Bomba, Polis, masjid committee members and selected corporate supporters, to join us for buka puasa during the holy month of Ramadan.

COMMUNITY/SOCIETY (continued)**Support initiatives to promote the social development of local communities where we operate through the corporate social responsibility** (continued)

This initiative reflects our commitment to social responsibility and our appreciation for the contributions and support of these groups within the community. By welcoming them to share in this important and meaningful occasion, we aim to create a warm and inclusive environment that embodies the true spirit of togetherness, compassion, and gratitude. Through such engagements, we seek not only to give back to the community but also to strengthen bonds, promote goodwill, and reinforce our role as a responsible and caring member of the community in which we operate.

Yap Ah Shak House supports social sustainability through venue sponsorships for arts and cultural initiatives, as well as the engagement of local artists for internal events and content creation, thereby fostering community participation, supporting the livelihoods of creative practitioners, and contributing to the preservation and promotion of cultural heritage.

The Language House supports social inclusion and youth development by providing sponsored English education and internship opportunities to students from Fugee School in Kuala Lumpur, thereby enhancing language proficiency, building practical workplace exposure, and improving longer-term education and employability outcomes for underserved communities.

Remaining eco-friendly in our daily operations

We recognise the importance of good environmental management or preservation practices to minimise disruption to the environment in the communities we operate in to sustain growth. In our daily operations, the Group continues to be committed on recycling, energy-saving practices and undertaking measures to reduce wastages, pollution and harmful emissions. We shall continue to expand and adopt our sustainable environment management practices and efforts in our business operations and strive to influence that of stakeholders in our value chain.

Internship

The Group offers an internship program to build a future generation of leaders and fight youth unemployment. Such programme also provides the Group with the opportunity to train young talent. The number of interns accepted in our internship programme is illustrated in the table below:

Indicator	Unit	2023	2024	2025
Total interns accepted in the internship programme				
- ICT	Number	37	0	32
- Financial Services	Number	8	3	5
- Hospitality	Number	19	1	22
Total interns turned permanent employee from the internship programme				
- ICT	Number	4	0	3
- Financial Services	Number	2	1	0
- Hospitality	Number	1	0	0

PRESCRIBED TABLE

Advance Synergy Berhad
BMLR Transition Period

Date & Time: 2026-04-15_10:38:38
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Anti Corruption	Total Number Confirmed incidents of corruption and action taken	Number	0	—	External (Limited)
Diversity	Total Percentage of employees by Age Group by Employee Category - Executive Under 40	Percentage	41	—	External (Limited)
Diversity	Total Percentage of employees by Age Group by Employee Category - Executive Between 40 - 59	Percentage	29	—	External (Limited)
Diversity	Total Percentage of employees by Age Group by Employee Category - Executive Above 60	Percentage	3	—	External (Limited)
Diversity	Total Percentage of employees by Age Group by Employee Category - Non Executive Under 40	Percentage	14	—	External (Limited)
Diversity	Total Percentage of employees by Age Group by Employee Category - Non Executive Between 40 - 59	Percentage	11	—	External (Limited)
Diversity	Total Percentage of employees by Age Group by Employee Category - Non Executive Above 60	Percentage	1	—	External (Limited)
Diversity	Total Percentage of employees by Gender Group by Employee Category - Executive Male	Percentage	44	—	External (Limited)
Diversity	Total Percentage of employees by Gender Group by Employee Category - Executive Female	Percentage	29	—	External (Limited)
Diversity	Total Percentage of employees by Gender Group by Employee Category - Non Executive Male	Percentage	16	—	External (Limited)
Diversity	Total Percentage of employees by Gender Group by Employee Category - Non Executive Female	Percentage	11	—	External (Limited)

PRESCRIBED TABLE (continued)

Date & Time: 2026-04-15_10:38:38
FYE 31/12/2025

Advance Synergy Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity	Total Percentage of directors by gender - Male	Percentage	44	—	External (Limited)
Diversity	Total Percentage of directors by gender - Female	Percentage	56	—	External (Limited)
Diversity	Total Percentage of directors by age group - Under 40	Percentage	0	—	External (Limited)
Diversity	Total Percentage of directors by age group - Beretweeen 40-59	Percentage	44	—	External (Limited)
Diversity	Total Percentage of directors by age group - Above 60	Percentage	56	—	External (Limited)
Energy Management	Total energy consumption	Megawatt	2966.91	—	External (Limited)
Health & Safety	Total Number of work-related fatalities	Number	0	—	External (Limited)
Health & Safety	Lost time incident rate	Rate	0	—	External (Limited)
Labour Practices & Standards	Total hours of training by employee category (Executive)	Hours	8047	—	External (Limited)
Labour Practices & Standards	Total hours of training by employee category (Non-Executive)	Hours	1904	—	External (Limited)
Labour Practices & Standards	Total Percentage of employees that are contractors or temporary staff	Percentage	9	—	External (Limited)
Labour Practices & Standards	Total number of employee turnover by employee category (Executive)	Number	112	—	External (Limited)
Labour Practices & Standards	Total number of employee turnover by employee category (Non Executive)	Number	65	—	External (Limited)
Labour Practices & Standards	Number of substantiated complaints concerning human rights violations	Number	0	—	External (Limited)

PRESCRIBED TABLE (continued)

Advance Synergy Berhad
BMLR Transition Period

Date & Time: 2026-04-15_10:38:38
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Supply Chain Management	Percentage of spending on local suppliers	Percentage	86.3	—	External (Limited)
Data Privacy & Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	—	External (Limited)
Water	Total volume of water used	Megaliters	49.73	—	External (Limited)
Emission management	Scope 1 Emission in tonnes of CO2e	tCO2e	28.01	—	External (Limited)
Emission management	Scope 2 Emission in tonnes of CO2e	tCO2e	2110.54	—	External (Limited)
Emission management	Scope 3 Emission in tonnes of CO2e (at least for the categories of business travel and employee commuting)	tCO2e	576.93	—	External (Limited)

INDEPENDENT LIMITED ASSURANCE STATEMENT



YC Consultancy
Chartered Accountants

Group of Companies

YC Consultancy (NF 2438)
YC Consultancy (1460934-H)

- Sustainability Reporting, Consultancy & Data Verification
- ISO Trainings & Consultancy
- Sarbanes-Oxley (SOX) Compliance
- Internal Audit & Risk Advisory
- Operational Due Diligence
- Franchising

Private & Confidential

INDEPENDENT LIMITED ASSURANCE STATEMENT – ADVANCE SYNERGY BERHAD'S SUSTAINABILITY STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

To the Board of Directors and Stakeholders of Advance Synergy Berhad

We have been engaged by Advance Synergy Berhad (the "Company") to perform a limited assurance engagement on selected sustainability information disclosed in the Company's Sustainability Statement for the financial year ended 31 December 2025 (the "Statement").

Scope of Assurance

The scope of our engagement covers the indicators listed in **Appendix A**. Our assurance procedures were conducted at the Group level, unless otherwise specified in the reporting boundary.

Criteria

The selected sustainability information was evaluated against the following criteria:

- Bursa Malaysia Sustainability Reporting Framework, including applicable Main Market Listing Requirements
- Global Reporting Initiative (GRI) Standards
- Task Force on Climate-related Financial Disclosures (TCFD) recommendations
- The Company's internal sustainability policies, definitions, methodologies, and reporting procedures

Our Responsibility & Methodology

Our responsibility is to express a limited assurance conclusion in accordance with ISAE 3000 (Revised). Our methodology involved a hybrid approach to data validation:

- **Detailed Verification:** For critical environmental and governance indicators, we performed detailed verification procedures, which included an examination of the full population of available records where applicable.
- **Sampling-Based Review:** For high-volume social and labor metrics, procedures were performed on a sample basis to verify the accuracy of the reported figures against representative source documentation.

Source of Information

The information subject to our assurance procedures was derived from the Company's Sustainability Statement for the financial year ended 31 December 2025.



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INDEPENDENT LIMITED ASSURANCE STATEMENT (continued)

- Sustainability Reporting, Consultancy & Data Verification
- ISO Trainings & Consultancy
- Sarbanes-Oxley (SOX) Compliance
- Internal Audit & Risk Advisory
- Operational Due Diligence
- Franchising

Summary of Work Performed

Our procedures were designed to obtain limited assurance and included, among others:

- Inquiries with management and relevant personnel responsible for sustainability reporting and data preparation
- Review of governance structures, policies, procedures, and sustainability reporting methodologies
- Walkthroughs of selected data collection, consolidation, and reporting processes
- Review of supporting documentation for full-population tested areas
- Sample testing of selected transactions, records, and supporting evidence for defined indicators
- Analytical review procedures and consistency checks across reporting periods

We believe that the evidence obtained provides an appropriate basis for our limited assurance conclusion.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the selected sustainability information for the financial year ended 31 December 2025 has not been prepared, in all material respects, in accordance with the applicable criteria.

Independence and Competence

We are independent of the Company in accordance with the relevant ethical requirements applicable to assurance engagements and have fulfilled our other ethical responsibilities in accordance with these requirements, and our engagement team has the appropriate competencies and experience to perform this assurance engagement.

Restriction on Use and Distribution

This Independent Limited Assurance Statement has been prepared solely for Advance Synergy Berhad in accordance with the terms of our engagement. It was not prepared for any other purpose. We accept no responsibility or liability to any third party for the contents of this statement.

For and on behalf of

YC Consultancy Group

Yvonne Ching

Petaling Jaya, Selangor

06 April 2026

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INDEPENDENT LIMITED ASSURANCE STATEMENT (continued)



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Appendix A – Selected Sustainability Information Subject to Limited Assurance

This appendix presents the selected sustainability information that was subject to our limited assurance procedures as described in this statement.

The information presented below is based on data provided by management and has been extracted from the Company's Sustainability Statement for the financial year ended 31 December 2025. Our assurance procedures were performed in accordance with the scope described in this statement, and do not constitute a comprehensive audit of all sustainability information.

Sustainability Matter	Unit	Reported Value (FY2025)	Scope / Boundary	Assurance
Governance – Policies & Frameworks	Qualitative	As disclosed in Sustainability Statement	Group Level	Limited Assurance
Governance - Integration of Sustainability and Climate-Related Risks into Risk Management Processes	Qualitative	As disclosed in Sustainability Statement	Group Level	Limited Assurance
Scope 1 Ghg Emissions	tCO ₂ e	28.01	Group level	Limited Assurance
Scope 2 Ghg Emissions	tCO ₂ e	2,110.54	Group level	Limited Assurance
Scope 3 Ghg Emissions (Logistics)	tCO ₂ e	576.93	Selected operations	Limited Assurance
Total Electricity Consumption	MWh	2,966.91	Group level	Limited Assurance
Total Water Consumption	ML	49.73	Group level	Limited Assurance
Total Number of Work-Related Fatalities	Number	0	Group Level	Limited Assurance
Lost Time Incident Rate	Hours	0	Group Level	Limited Assurance
Total Number of Substantiated Complaints Concerning Human Rights Violations	Number	0	Group Level	Limited Assurance
Data Privacy and Information Protection Governance and Controls	Qualitative	As disclosed in Sustainability Statement	Group Level	Limited Assurance
Number of Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	Number	0	Group Level	Limited Assurance
Total Number of Confirmed Incidents of Corruption and Action Taken	Number	0	Group Level	Limited Assurance
Percentage of Spending on Local Suppliers	%	86.30	Group Level	Limited Assurance

The level of procedures performed varied by indicator in accordance with the scope described in this assurance statement. The nature and extent of procedures varied by indicator in accordance with the engagement scope and risk assessment applied.



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Risk Management and Sustainability

The Board is **responsible for establishing a formal structure** for the Group's Risk Management and Sustainability Committee ("RMSC") and ensuring that a sound system, policy and/or framework is in place for risk management and internal control, and effective governance and management of sustainability initiatives and practices for the Group.

Under RMSC, there is a clear structure for the oversight of sustainability initiatives and adoption of indicators with specific measurements identified in tandem with the materiality matrix of the key sustainability matters so that our resources and efforts may be prioritised accordingly towards achieving our sustainability goals. The Group's sustainability framework, strategies, material sustainability matters, measures/indicators and targets, risks and opportunities are set out in the Sustainability Statement on pages 23 to 59 of this Annual Report.

For the purpose of this Statement, the Group means the Company and its subsidiaries, excluding its joint ventures and associate companies. This Statement does not cover the joint ventures and associate companies as the Company does not have full control over the operations, management and internal control system of these companies. However, we may have board representation on the boards of these companies.

IDENTIFYING AND MANAGING RISK

Risk management is rooted in our culture, and it is the responsibility of each employee

to ensure that this culture is built into our working practices. Specifically, day-to-day management of risk is delegated by the Board to senior executives across each subsidiary, through appropriate committees, systems and controls. However, the Board provides direction by determining and setting the risk appetite.

Whilst encouraging an entrepreneurial and commercial culture that is focused on generating value for our clients, the Board actively seeks to ensure all relevant risk exposures are managed and mitigated.

We are subjected to the same general risks as many other businesses; for example, changes in general economic conditions, currency exchange and interest rate fluctuations, changes in taxation legislation, cybersecurity breaches, cost fluctuations of raw materials, impact of competition, political instability, pandemic and natural disasters.

The Board receives input from other key committees along with the framework employed by the Group to effectively manage risks.

OUR RISK STRATEGY

The established risk management framework includes risk assessment, response, communication and governance as key components to provide a comprehensive and proactive approach in managing risks. The Board is also responsible for ensuring that appropriate and proportionate resources are allocated to risk management activities.

OUR RISK MANAGEMENT FRAMEWORK

Under the RMSC, there is a structured risk management framework throughout the Group which is guided by the ISO 31000 – Risk Management Principles and Guidelines and set in place to identify the optimum operating condition to achieve the Group’s strategic objective as well as to provide reasonable assurance that internal controls are adequate and effective in mitigating risks arising from business operations. This framework includes a standard set of risk categories, generic risk descriptions and scoring methodology, together with a process to analyse and manage risk. All our subsidiaries use this framework to identify and document their specific risks.

The risk management framework covers 6 broad processes as illustrated in Diagram 1 with corporate risk reporting tool, oversight and accountability and compliance assurance. Among others, the risk management process includes risk assessment that aids in appropriately identifying and analysing the risk at hand for better understanding. By this, an applicable response can be devised in order to mitigate the consequence and for continuous monitoring of the identified risk.

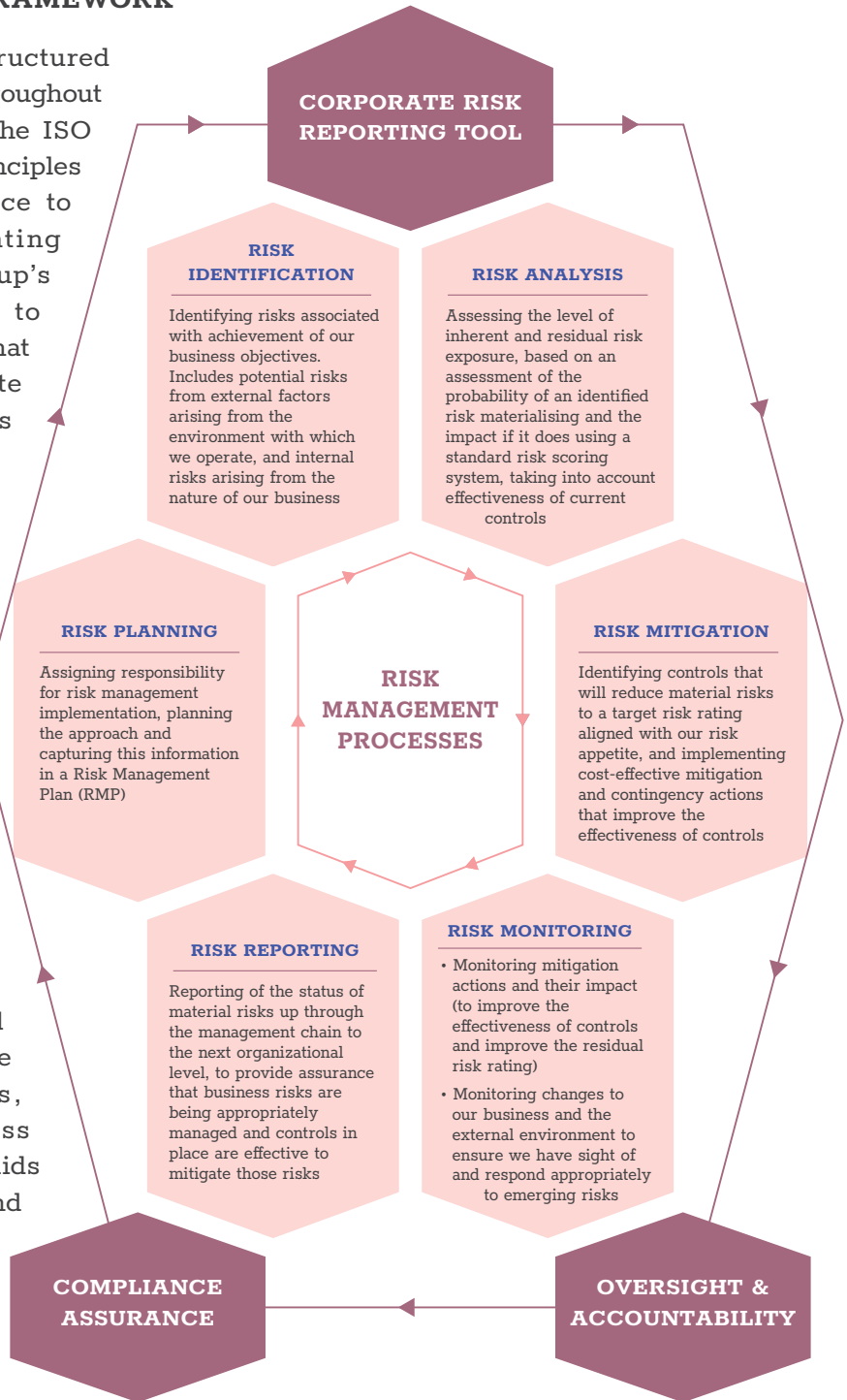


Diagram 1: Risk Management Process

OUR RISK MANAGEMENT FRAMEWORK (continued)

By having a well-defined process according to the framework, there will be a more effective and concise method to communicate across the Group so that the management will have a clearer picture in order to have a structured plan and sound governance as key components for providing a comprehensive and proactive approach in managing risks. At the Group level, this process becomes a complete reporting tool which provides an oversight of all related matters with a clear accountability structure that finally becomes a basis of transparency and ultimately providing assurance for best practices of risk management.

Risks are ranked in a risk register by combining their economic, operational or environmental impact and the likelihood that they may occur. This is done both before and after the identification of the controls in place as part of a continuous monitoring process to mitigate each risk. Those risks that pose the greatest threat to our business and score the highest are identified as key risks. All our people are responsible for managing risk. By using a common framework, we are able to view risk from both a top-down and bottom-up perspective and so ensure it is considered and managed at every level of our business.

Guided by this framework, the management of subsidiary companies will include related arising matters in their respective industry during regular risk management meetings and integrate points of concern in order to be vigilant in sustaining business and taking proactive measures in managing their business risk.

On a quarterly basis, the Group Risk Management Unit would meet each subsidiary management for a risk review meeting to discuss and review previously identified risks and verify whether any possible crystallisation of risk arising from day-to-day operational activities are addressed accordingly. This exercise, which is done periodically, is a valuable exchange on ideas both ways; understanding the requirements from subsidiary management and at the same time communicating the direction of the Group with regard to risk management.

SUSTAINABILITY AND ECONOMIC, ENVIRONMENTAL AND SOCIAL ("EES") INITIATIVES

With a revitalized market outlook and emerging business opportunities, the Group remains committed to evolving in response to the dynamic business and sustainability landscape. We strive to stay ahead by embracing social responsibility and aligning our strategies with a value-driven ecosystem, one that fosters growth not only for the Group but also for our people, local communities, and stakeholders. By integrating sustainability into our core approach, we aim to create lasting positive impact across our entire sphere of influence.

We will continue to use a comprehensive materiality assessment to identify priority areas and set forth initiatives to advance our development in the EES areas to drive our efforts ahead in a more integrated and holistic manner where EES/Sustainability risks and considerations are integrated to the Group's risk registers and overall risk management framework.

SUSTAINABILITY AND ECONOMIC, ENVIRONMENTAL AND SOCIAL (“EES”) INITIATIVES (continued)

Going forward, we will enhance our risk management approach by aligning subsidiary-level risk registers related to EES focus areas with the Group’s materiality assessment process. This integration will ensure a more strategic and cohesive evaluation of risks, further refining our approach to achieving the Group’s sustainability goals. With this in place, we aim to establish a comprehensive and practical approach to managing risk at the operational level equipped with specific mitigation controls, while simultaneously driving to achieve the strategic sustainability objectives set at the Group level.

OUR KEY RISKS

Risks affect every area of our business. Their nature and potential impact changes constantly but through our regular reviews, we identify risks that could impact our strategy and allow us to setup controls to mitigate their effects.

We categorise our risks into the following areas:

- **Strategic** risks that could prevent us from achieving our strategic objectives.
- **Operational** risks which, if not successfully managed, would threaten our viability. These relate to our ability to operate a sustainable and safe business.
- **Financial** risks relating to the funding and fiscal security of the Group.
- **Compliance** risks which could affect our compliance with regulations and law and/or our licences to operate the business.
- **EES/Sustainability** risks which are described as an uncertain economic, environmental or social event or condition that, if it occurs, can cause significant negative impact on the Group. Successfully managing this area could see the Group being able to explore opportunities that may be available in changing economic, environmental or social factors to remain sustainable in our operations.

We have listed below the key risks that may affect our business, although there are other risks that may occur and impact the Group’s performance.

Strategic risks	Strategy for risk management
Conditions in the global economy, economic fluctuations, volatility and cyclicity of market and outbreak of diseases or pandemic may adversely affect the results of the Group.	The Group maintains a balanced portfolio of products serving a wide range of end markets around the globe. Segment performance at the business unit level is closely monitored and corrective actions are taken as necessary. For external factor risks which are beyond the control of management, the focus will be on identification, close monitoring and action plans to mitigate the impact. With continuous and steadfast risk management practices, we are confident in gearing our Group towards more sustainable solutions and growth.

OUR KEY RISKS (continued)

Strategic risks (continued)	Strategy for risk management (continued)
<p>The markets in which the Group operates are highly competitive and the Group may lose market share to other competitors.</p>	<p>The Group continues to invest in existing and new products through research and development (“R&D”).</p> <p>The Group continues to invest in new facilities to allow the Group to maintain its key market positions.</p> <p>The Group strengthens its regional position and growth through alliances and collaborations.</p> <p>The Group operates by the International Organisation for Standardisation (“ISO”), the ISO 9001:2015 Quality Management Systems and the Australian Design Rules (“ADRs”) conforming to the Australian Road Vehicle Standards Act 2018 (RVSA), for our bus-body fabrication unit, to ensure products meet customers’ agreed standards.</p> <p>The Group maintains a strong and good working relationship with our suppliers and customers to ensure support and regular customer feedback to enhance our products and services.</p>
<p>The Group’s strategic plan involves significant change management including cost-effective reforms, joint ventures and tie up with foreign parties to enhance market positions and provide new technologies.</p>	<p>Strategic projects are managed in a structured framework which includes formal identification of risks. The Group has extensive experience in change management and making use of external specialist advice as required.</p>
<p>The ability of the Group to compete is highly dependent on its ability to develop technological innovations, introduce new products and protect its intellectual property, trade secrets and know-how.</p>	<p>The Group continues to invest in existing and new technologies and know-how through R&D.</p>
<p>The ongoing success of the Group is dependent on attracting and retaining high quality senior management and staff who can effectively manage the Group’s operations.</p>	<p>The Group offers competitive compensation packages with annual bonus and long-term incentive arrangements for key employees including granting of shares as a long-term incentive plan to reward eligible employees and to align their interest with the corporate goals and objectives of the Group. Appropriate notice periods and non-compete clauses are used to mitigate short-term risk for key positions.</p>
<p>The Group could suffer losses of intellectual property and other assets through theft or fraud which could be significant.</p>	<p>The Group maintains controls both to detect and prevent theft and fraud as appropriate to the nature of the risk.</p>

OUR KEY RISKS (continued)

Operational risks	Strategy for risk management
<p>Occupational Safety and Health (“OSH”) risk is the failure in ensuring the safety, health and welfare of people at work as well as protecting other people from the safety and health hazards arising from business activities.</p>	<p>The Group has in place Occupational Safety and Health Act (OSHA) standards applicable to the bus-body fabrication and hospitality units as our uncompromising pledge towards excellence and industry recognition.</p> <p>The Group has in place a Group-wide operational assessment on the safety and health at the workplace. This plays a crucial role in ensuring a safe working environment to protect the employees.</p> <p>The Group has identified OSH coordinators for our business units and the relevant training has been provided to ensure compliance to the revised Department of Occupational Safety and Health (“DOSH”) Occupational Safety and Health Act (Amendment) 2022 (“OSHA 2022”) Section 29A.</p>
<p>The failure of the Group to procure key raw materials may lead to production interruptions and volatility in the prices of such raw materials including energy prices which may adversely affect the profitability of the Group and its working capital position.</p>	<p>Sourcing strategies are in place Group-wide to access multiple sources for key raw materials and the Group works closely with key suppliers to ensure availability. The Group looks to identify alternative raw materials where possible.</p> <p>The Group actively manages margins and may recover input cost increases from customers. The Group implements measures for proactive cost management, streamlining of production process and high impact cost, and efficiency awareness for all its employees.</p>
<p>The failure or loss of a key production asset, manpower, process, information or communication system, whether temporarily or permanently could occur, directly or otherwise, through natural disasters, epidemic, industrial action, sabotage or the like, and would have an adverse impact on operations.</p>	<p>Crisis management and internal controls are in place for the Group. These are reviewed and updated regularly.</p> <p>The Group invests in its infrastructure to ensure appropriate levels of resilience in the event of temporary failures in information technology (“IT”) systems. Backups and disaster recovery plans are in place for critical systems and processes.</p>
<p>With increasing use of technology, the Group may be exposed to increased cyber risk such as risk relating to data breaches, and sabotage on information processing and IT system. Such cyber risks can lead to the commercial losses and negative effect on the Group’s businesses.</p>	<p>The Group strategises to be resilient against cyber risk by educating its staff on cyber risk and creating a cyber security culture. Assessment of the cyber risk/threat landscape is followed by risk mitigation planning based on the Group’s risk appetite and implementation of a proactive approach to manage any cyber breach before, during and after it occurs. This is to ensure that critical infrastructure is protected to a level that commensurate with the risks.</p>

OUR KEY RISKS (continued)

Compliance risks	Strategy for risk management
<p>The Group may be liable for damages based on product liability claims brought against its customers in end-use markets.</p>	<p>Technically qualified personnel and control systems are in place to ensure products meet certification standards.</p>
<p>Compliance with extensive environmental, health and safety laws and regulations could require material expenditure, changes in the operations of the Group or site remediation.</p>	<p>Detailed safety, health and environmental processes are documented in operating guidance which is updated and communicated to staff on a regular basis.</p> <p>Our safety, health and environmental risks are reviewed and considered in our risk management meetings by our respective Risk Management Unit.</p>
<p>The Group could suffer substantial penalties, damage to reputation and other sanctions for any failure to control anticompetitive behaviour, such as bribery and corruption, or ineffective compliance with local and national legislation.</p>	<p>All employees affirm their understanding of the code of business conduct covering corrupt and anticompetitive business practices. The Group has in place the Group Anti-Bribery and Anti-Corruption Framework and Policy. Malpractice reporting is similarly covered in the Group Whistleblowing Policy and Procedures on protecting our reputation. Training is provided periodically.</p> <p>Our Group constantly monitors new laws and regulations and assesses the impact on our Group businesses. To manage and track compliance issues, the Group appoints key personnel at Group level and at subsidiary companies for compliance roles and conducts internal audits. The responsibilities of each of our appointed risk officers also embodied compliance with rules and regulations specific to their roles and functions in the business operations.</p>
Financial risks	Strategy for risk management
<p>A proportion of the Group's turnover and assets are in currencies other than Ringgit Malaysia and fluctuations in currency exchange rates may significantly impact the results of the Group and may significantly affect the comparability of financial results between financial periods.</p>	<p>There is a natural hedging process at operating subsidiaries as they source their resources locally, whenever possible, in countries where they operate.</p>
<p>The Group's balance sheet and cash flow, and also credit market conditions and credit ratings, may restrict the ability of the Group to obtain credit facilities or to refinance its existing debt facilities in the longer term. In addition, interest rate fluctuations and increases in bank lending margins may increase the Group's costs of borrowing.</p>	<p>The Group closely monitors its operating cash flow and capital expenditure on a monthly basis and regularly reviews covenant compliance.</p> <p>The Group also closely monitors the leverage limits and has adequate headroom on a twelve-month forecast basis.</p> <p>Interest rate risk is managed through the use of interest rate hedging by a combination of loans with fixed and variable interest rates and the tenure of the loans.</p>

OUR KEY RISKS (continued)

EES/Sustainability risks	Strategy for risk management
EES/sustainability risks could have a material impact to the Group's operations and investments and/or result in loss in opportunities.	The Group has established a sustainability performance framework and identified three (3) key pillars to enhance the monitoring and reporting of our sustainability performance: Sustaining Growth, Empowering Lives and Nurturing Communities. By these main pillars, we are able to further identify specific important areas of interest to be emphasised for its importance towards achieving the Group's sustainable goals. They are among others, Product Excellence, Supply Chain Management, Environment Management (energy, waste and water), Regulatory Compliance, Corporate Governance and Risk Management, Labour Practices and Standards, Diversity, Health and Safety Management and Community/Society.

Below are some key areas which are being monitored continuously by the Group in 2025:

1. Product Excellence

The Group has continued to ensure our product offerings are well accepted and fit well with the demands and needs of our target market and consumers. All our business units operate in their respective specialty, are most proficient in their offerings and are well recognised and have an excellent track record of delivering our solutions and products to our client base.

2. Corporate Governance and Anti-Corruption

We are committed to achieving the highest standards of business integrity, ethics and professionalism across all of the Group's activities. All our business units affirm their practices and business dealings are in accordance with the Anti-

Bribery and Anti-Corruption framework and the Group's Whistleblowing Policy and Procedure is in place and we work together to ensure no unwanted incidents are to happen.

3. Sustainable Practices

We recognise that sustainable practices begin within our own operations. As such, we are committed to embedding sustainability considerations into our day-to-day activities and decision-making processes. We prioritise the long-term resilience of our business while striving to minimise our environmental footprint across all operations. This includes the systematic tracking of key environmental metrics such as employee commuting, electricity and water consumption, and waste generation. Where practicable, mitigation measures are implemented at the business unit level to enhance resource efficiency and support more sustainable operations.

OUR KEY RISKS (continued)**3. Sustainable Practices** (continued)

In line with evolving regulatory expectations and best practices, the Group is progressively aligning its sustainability approach with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures. We have also implemented initiatives to strengthen responsible resource management, including recycling programmes, waste segregation practices, and designated collection of electronic waste (e-waste) to ensure proper disposal. The Group remains committed to complying with all applicable requirements under the Malaysian Environmental Quality Act and maintains a transparent approach in reporting any environmental incidents, where applicable, in accordance with regulatory expectations.

4. Community and Society Contribution

We are a strong proponent of a strong bond between our business and the community that supports us. We believe no business can succeed on its own and will have to play a role in bringing economic value to the community and have an inherent responsibility to preserve the well-being of the community it operates. Our various business units offer internship programmes to higher learning institutions and identify talent to be absorbed as permanent staff. We

are aware of the need to do more and will continuously identify any possible community development projects that the Group can undertake.

5. Business Strategy Gap

Monitoring our business strategy remained the key focus of the Group. During the year, the Group reviewed the management and deployment of capital and resources to ensure efficiency, existing and/or new products and services to ensure that the Group is able to meet future demands, and internal controls to navigate future shocks. Maintaining close relationship with all our business partners remains prominent in this turbulent and uncertain economy.

6. Supply Chain Management, Increased Costs and Inefficiencies

During the year, increasing costs, uncertainties in supply chain and manpower shortages continued to weigh heavily on the Group's operations. Accordingly, the Group continued to regularly review the Group's operations to address any inefficiency that may exist in pockets of the operations and to redeploy resources, re-engineer business processes and/or reorganise the workforce. With operations spanning multiple countries, the Group continues to monitor and manage our assets and liabilities denominated in foreign currencies to mitigate the risk of losses arising from foreign exchange fluctuations.

OUR KEY RISKS (continued)**7. Revenue Gap**

The Group is continuously looking into reshaping the businesses and possibilities to further capitalise by enhancing existing products and/or deploying new products to stay relevant. The Group also continued to review factors which may affect the risk of revenue gap such as competition, economic slowdown and dependence on a few key customers and ensured that the controls put in place within the Group are effective. The assessment included whether to terminate the risk through cessation of business or discontinuation of non-performing product lines or market segments.

8. Non-Compliance

Non-compliance is another key risk area reviewed as the Group operates in many countries and in regulated industries. During the year, the Group ensured compliance with all related regulations governing its various businesses in their respective industries.

9. Human Capital Gap

Reviewing the risk of capacity and competency gaps to meet the Group's human capital requirements is an ongoing focus of the Group to minimise disruption in the operations and to ensure that the Group gets the best person for the job.

OTHER FOCUS OF THE GROUP DURING THE YEAR

During the year, we have persistently tracked each business units' key EES measurements for each quarter reporting. With this, we will be able to strengthen our Sustainability Performance Management Framework by guiding the Group towards a well-defined target and with clear and concise direction from the RMSC.

The Group continues to recognise the importance of compliance with laws, rules, regulations and guidelines particularly in corporate governance and corporate liability and set a high expectation on its personnel to conduct themselves with high standards of honesty, integrity and accountability at all times in the performance of their duties and ensure that all activities or services are conducted in compliance with the applicable laws, rules, regulations and guidelines. Our staff had attended training related to regulatory requirements such as - the "*Anti-Money Laundering, Countering the Financing of Terrorism, Countering Proliferation Financing*", "*Understanding and Complying with the Personal Data Protection (Amendment) Act 2024*" and "*Sexual Harassment, Workplace Discrimination & Mental Health Resilience*". These training are meant to reemphasise our internal policies and procedures set out in ASB Group Anti-Bribery and Anti-Corruption Policy. The Group also closely monitors the ASB Group Whistleblowing Policy and Procedures which provide the necessary avenues and reporting channels for internal staff and external parties to raise concerns about possible improprieties, fraudulent acts or any irregularities. A summary of the incident report was tabled at every quarterly review meeting of the RMSC. During the year under review, there was no such incident report.

OTHER FOCUS OF THE GROUP DURING THE YEAR (continued)

The above policies and procedures provide a bird's-eye view of the Group corporate governance in place, thereby providing additional assurance to our shareholders and stakeholders knowing that the Group has sound governance and operates with integrity and transparency.

INTERNAL CONTROL SYSTEM

The internal control system focuses on key financial reporting, operational and compliance controls. The system encompasses the policies, processes and activities that contribute to the reliability of financial reporting, the effectiveness and efficiency of operations and compliance with laws and regulations.

The processes applied in reviewing the adequacy and effectiveness of the Group's system of internal control includes:

- The presence of the internal audit function that operated independently and reporting to the Audit Committee. Each year, improvements are implemented to the internal audit reviews including its objectives, scope and procedures to enhance effectiveness;
- Rigorous review of the quarterly financial results and reports and evaluating the reasons for unusual variances noted thereof by the Board and Audit Committee;

- The Group Managing Director closely monitors the business and operations of the Group and reports to the Board on significant changes in the business and external environment which affect the operations of the Group at large; and
- The Board has in place an organisational structure with defined lines of responsibility, proper segregation of duties and delegation of authority. A process of hierarchical reporting has been established which provides for a documented and auditable trail of accountability. The Group's system of internal controls includes the establishment of an appropriate control environment and framework as well as reviewing its integrity and adequacy on a regular basis in mitigating the risk of failure to achieve corporate objectives.

INTERNAL AUDIT FUNCTION

The internal audit adopts a risk-based approach in developing its audit plan based on the Group's key risks profile. Internal audit plan and the scope of the internal audit are presented and approved by the Audit Committee on a yearly basis. The Group's internal audit function is performed by the Internal Auditors (outsourced) who are independent of the activities audited by them. The principal role of the internal audit function is to review the Group's operations, evaluating their efficiency, effectiveness and compliance with corporate policies, procedures, laws and regulations.

INTERNAL AUDIT FUNCTION (continued)

In 2025, the Internal Auditors executed the approved audit plan and performed the following:

- Internal control reviews were conducted across most of the Group's operating units to assess the adequacy and effectiveness of the processes, controls and policies relating to capital allocation, business planning, corporate strategy formulation, and the management of investments, investees and partnerships; the safeguarding of customer information and management of outsourced service providers; project management; and processes to ensure product quality and the timely renewal of licenses.
- Compliance and adequacy review on operating units which are required to comply with guidelines and acts issued by external regulatory bodies, including but not limited to Guidelines on Anti-Money Laundering Act, Personal Data Protection (Amendment) Bill 2024 and OSHA 2022.
- Reviewed the control procedures taken by management on recurrent related party transactions.
- Followed-up on the implementation of corrective action plans agreed by management.
- Issued reports on the results of the internal reviews, identifying weaknesses with recommendations for improvements.
- Tabled internal audit reports at the Audit Committee meeting on a quarterly basis.

The internal audit function provides assurance of the effectiveness of the internal control system within the Group.

Internal Auditors perform risk assessment, operational and system review as part of the audit activities. The areas of audit coverage are based on areas of high risk that are independently assessed. All audit findings are deliberated and resolved with management of the subsidiaries. Follow-up reviews will subsequently be performed to ascertain the effectiveness of the recommended mitigation efforts.

The Audit Committee reviews the internal audit issues identified and recommendations made by the Internal Auditors on a regular basis, in addition to the recommendations from the external auditors during the annual statutory audit.

REVIEW OF ADEQUACY AND EFFECTIVENESS

The RMSC had reviewed and reported to the Board the adequacy and effectiveness of the Group's risk management system, including the Group's risk tolerance and the enterprise-wide risk governance framework. The Audit Committee had reviewed and reported to the Board the adequacy and effectiveness of the system of internal controls operated by the Group for fiscal 2025 and till its last meeting prior to the date of the Annual Report. The Board considers the system of internal controls described in this Statement to be satisfactory and the risks to be at an acceptable level within the context of the Group's business environment. The Board had received assurance from the Group Managing Director, Senior Accounts Manager and Group Risk Management Officer of the Company that the Group's risk management and internal control system for the current Group's business environment is operating adequately and effectively, in all material aspects, based on the risk management framework adopted by the Group.

REVIEW OF ADEQUACY AND EFFECTIVENESS (continued)

The Board and the management of the Group will continuously take measures to strengthen and monitor the internal control framework and environment of the Group. For the financial year under review, the Board is satisfied that the system of internal controls is satisfactory and there are no material losses incurred during the current financial year as a result of weaknesses in internal control.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors had reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report for the financial year ended 31 December 2025 in accordance with paragraph 15.23 of the Listing Requirements of Bursa Malaysia Securities Berhad and reported to the Board that nothing has come to their attention that caused them to believe that

this Statement is not prepared in all material aspects in accordance with the disclosures required by section 7 of the Statement on Risk Management and Internal Control (Guidelines for Directors of Listed Issuers) nor is it factually inaccurate.

Audit and Assurance Practice Guide 3, guidance for Auditors on the Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants, does not require the external auditors to consider whether the Directors' statement on risk management and internal controls covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control procedures including the assessment and opinion by the Board and management thereon. They are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will in fact remedy the problems.

Our Corporate Information

BOARD OF DIRECTORS

Yong Teck Ming
Group Chair

Anton Syazi Dato' Ahmad Sebi
Group Executive Deputy Chair

Lee Su Nie
Group Managing Director

Aryati Sasya Dato' Ahmad Sebi
Non-Independent Non-Executive Director

Chew Lee Fong
Non-Independent Non-Executive Director

Cheah Ping Huey
Non-Independent Non-Executive Director

Chim Wai Khuan
Independent Non-Executive Director

Loo Pak Soon
Independent Non-Executive Director

Karen Khoo Kah Mei
Independent Non-Executive Director

GROUP ADVISOR

Dato' Ahmad Sebi Bakar

AUDIT COMMITTEE

Chim Wai Khuan
Chair

Loo Pak Soon
Member

Karen Khoo Kah Mei
Member

RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

Loo Pak Soon
Chair

Aryati Sasya Dato' Ahmad Sebi
Member

Karen Khoo Kah Mei
Member

NOMINATION AND REMUNERATION COMMITTEE

Karen Khoo Kah Mei
Chair

Chew Lee Fong
Member

Loo Pak Soon
Member

COMPANY SECRETARY

Ngian Yoke Fung (MAICSA 7049093) (SSM PC No.: 201908002393)

REGISTERED OFFICE

Ground Floor, Synergy 9
9 Jalan Kajibumi U1/70
Temasya Glenmarie
40150 Shah Alam
Selangor
Tel : 03-5192 8822
Fax : 03-5192 8811
Email : investor_relations@asb.com.my

SHARE REGISTRAR

Sectrars Management Sdn Bhd
Lot 9-7 Menara Sentral Vista
No. 150 Jalan Sultan Abdul Samad
Brickfields
50470 Kuala Lumpur
Tel : 03-2276 6138 / 6139 / 6130
Fax : 03-2276 6131
Email : sectrarsmg@gmail.com

AUDITORS

Baker Tilly Monteiro Heng PLT
Chartered Accountants
Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Tel : 03-2297 1000
Fax : 03-2282 9980

PRINCIPAL BANKER

CIMB Bank Berhad Hong Leong Bank Berhad Affin Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

WEBSITE

www.asb.com.my

Our Board

Yong Teck Ming

Group Chair (Age 72, Male, Malaysian)

Mr Yong Teck Ming was appointed to the Board as an Independent Non-Executive Director and as Chair of the Audit Committee on 9 July 2007 until 7 April 2023. From 7 April 2023 he was re-designated as a Non-Independent Non-Executive Director and as a member of the Audit Committee. He also served as Chair of the Risk Management Committee from 1 October 2007 until 1 August 2021. On 31 October 2023, he was appointed as the Group Chair and ceased to be a member of the Audit Committee.

He holds a Bachelor of Commerce Degree from the University of Auckland, New Zealand. He is a member of Chartered Accountants Australia, New Zealand and a member of the Chartered Governance Institute (previously known as Institute of Chartered Secretaries and Administrators, United Kingdom).

Teck Ming started his career in New Zealand in 1973 and worked in several accounting positions before returning to Malaysia in February 1979. From March 1979 to January 1995, he served in various positions in the Berjaya Group of Companies including as Group Executive Director from February 1988 until January 1995. He has also been a non-executive director of SJ Securities Sdn Bhd and its subsidiaries since 2 May 2002 and has been appointed as its Chairman since 19 January 2017. He does not hold any directorship in public companies.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. He has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Anton Syazi Dato' Ahmad Sebi

Group Executive Deputy Chair (Age 48, Male, Malaysian)

Mr Anton Syazi Dato' Ahmad Sebi was appointed to the Board on 27 February 2017 and was subsequently redesignated as Group Executive Deputy Chair on 1 September 2017.

Anton graduated from the London School of Economics, University of London, with a Bachelor of Science in Economics. He has a Master of Arts in Finance and holds an Investment Management Certificate awarded by the UK Society of Investment Professionals.

Anton is also Group Executive Director of Captii Limited ("Captii"), a 58.3%-owned subsidiary of Advance Synergy Berhad and Chair of Captii Ventures Pte Ltd and Postpay Sdn Bhd, both Captii subsidiaries. He has been a member of the Captii Board since 22 June 2006 and was previously Group Chief Executive Officer of Captii from 10 August 2010 to 31 August 2017 and Group Deputy Chief Executive Officer from December 2005 to 9 August 2010.

Anton is Chair of Paydee Sdn Bhd, Paydee Nura Sdn Bhd and Qurex Sdn Bhd, the fintech subsidiaries of Advance Synergy Berhad, and sits on the board of various other subsidiaries within the Group including subsidiaries under the Group's property investment unit. He has also been a Non-Executive Director of SJ Securities Sdn Bhd since 20 September 2005 and a Director of SJ Capital Berhad, a non-listed public company since 2 March 2020.

Prior to joining Advance Synergy Berhad in June 2001, Anton was with the South East Asia Investment Banking Division of Credit Suisse First Boston.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad, except that his father, Dato' Ahmad Sebi, is the Advisor of the Group and substantial shareholder of Advance Synergy Berhad. Anton is a director of Bright Existence Sdn Bhd and Suasana Dinamik Sdn Bhd, substantial shareholders of Advance Synergy Berhad. His father, Dato' Ahmad Sebi, is also a substantial shareholder and director of Bright Existence Sdn Bhd and Suasana Dinamik Sdn Bhd. His sister, Sasya, is a Non-Independent Non-Executive Director of Advance Synergy Berhad. Anton has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Lee Su Nie

Group Managing Director (Age 65, Female, Malaysian)

Ms Lee Su Nie is a Non-Independent Director and the Group Managing Director of Advance Synergy Berhad. She was appointed to the Board on 9 July 2007 and redesignated from Executive Director/Chief Executive Officer to Group Managing Director on 28 September 2012.

Su Nie holds a Bachelor of Commerce (Accounting) degree from the University of Birmingham, United Kingdom and a Master of Science (Business Administration) from the University of Bath, United Kingdom. She is also a Fellow Member of The Association of Chartered Certified Accountants, United Kingdom.

In 1985, she joined Kassim Chan Management Consultants Sdn Bhd, where she provided management consultancy services. She joined the Corporate Finance Department of Rakyat Merchant Bankers Berhad in 1989. In 1991, she left Rakyat Merchant Bankers Berhad to join Perdana Merchant Bankers Berhad. She subsequently left her position as First Vice President, Corporate Finance of the Bank to join Advance Synergy Berhad in 1995 as Assistant General Manager, Corporate Planning & Finance. She was subsequently appointed the Group General Manager, Operations of Advance Synergy Berhad prior to her appointment as Chief Executive Officer on 22 April 2004.

She is a Non-Independent Non-Executive Director of Captii Limited, an indirect subsidiary of Advance Synergy Berhad, which is listed on the Singapore Exchange Securities Trading Limited. Su Nie has been a member of the Captii Limited Board since 18 December 2003 and was the Non-Executive Chairman of Captii Limited from 22 June 2006 to 10 August 2010. She also sits on the board of other subsidiaries of Advance Synergy Berhad including Cherating Holiday Villa Berhad, a non-listed public company.

She does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does she have any conflict of interest with Advance Synergy Berhad. She has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Aryati Sasya Dato' Ahmad Sebi

Non-Independent Non-Executive Director (Age 51, Female, Malaysian)

Ms Aryati Sasya Dato' Ahmad Sebi is a Non-Independent Non-Executive Director of Advance Synergy Berhad. She was appointed to the Board on 7 March 2013.

Sasya holds a Bachelor of Commerce from Deakin University, Australia, a Diploma in Economics from La Trobe University, Melbourne and a Master of Finance from RMIT University, Melbourne.

Her early career included working as a Research Analyst at SJ Securities Sdn Bhd, a well-established stockbroking company in Malaysia. Her time there allowed her to develop her analytical skills, which she later applied in her work in the retailing and mining industries. In 2002, Sasya transitioned into the retail industry and took on a consulting position with a local specialised men's retailer in Melbourne. As part of her role, she was responsible for the day-to-day management of the company and prepared sales and market forecasts for the board of directors. This experience gave her valuable insights into the operations of a retail business, honed her management skills, and provided her an appreciation for the importance of understanding customer behaviour and market trends.

Within the same period, Sasya was appointed as a Director of Tantalum Australia NL, now known as Prodigy Gold NL, a public listed company in Australia. During her time on the board, she gained considerable knowledge of the mining sector and expanded her financial analysis skills to include some technical analysis of the commodities sector. Her experience in this role has given her a deep understanding of the intricacies and challenges of the mining industry. She resigned from the board in 2006.

In addition to her experience in corporate management and the mining industry, Sasya has gained valuable experience in events management and brand consultancy through her own company, which she founded in 2013. As the founder and CEO of this company, she was responsible for conceptualising and executing various events and marketing campaigns, and honed her skills in project management, marketing and brand strategy.

Throughout her 20-year career, Sasya has demonstrated a proven track record of effectively managing diverse teams, fostering a positive company culture, implementing successful brand engagement programmes and providing a unique perspective on business operations.

Presently, she sits on the board of various companies incorporated in Malaysia (including Cherating Holiday Villa Berhad, a non-listed public company and subsidiary of Advance Synergy Berhad) and overseas. She continues to remain active in the corporate industry and also participates in various cultural arts engagement projects in a consulting capacity.

Aryati Sasya Dato' Ahmad Sebi (continued)

Sasya is the Chief Executive Officer of Metroprime Corporation Sdn Bhd (an education subsidiary of Advance Synergy Berhad) and a member of the Risk Management and Sustainability Committee of Advance Synergy Berhad.

She does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does she have any conflict of interest with Advance Synergy Berhad, except that her father, Dato' Ahmad Sebi, is the Advisor of the Group and substantial shareholder of Advance Synergy Berhad. Her brother, Anton, is the Group Executive Deputy Chair and a director of Bright Existence Sdn Bhd and Suasana Dinamik Sdn Bhd, both companies are substantial shareholders of Advance Synergy Berhad. Her father, Dato' Ahmad Sebi, is also a substantial shareholder and director of Bright Existence Sdn Bhd and Suasana Dinamik Sdn Bhd. She has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Chim Wai Khuan

Independent Non-Executive Director (Age 75, Male, Malaysian)

Mr Chim Wai Khuan is an Independent Non-Executive Director of Advance Synergy Berhad. He was appointed to the Board on 7 April 2023.

Wai Khuan is a member of the Malaysian Institute of Accountants. He has vast experience in the areas of accounting, audit, tax and corporate secretarial as well as consultancy matters, having served in various capacities both in the United Kingdom and in Malaysia since 1975. Currently, he practices as a Corporate and Management Consultant and also manages his own audit practice under the name of WKC & Co.

Wai Khuan is the Chair of the Audit Committee. He was formerly an Independent Non-Executive Director and member of the Audit Committee of Advance Synergy Berhad from December 2001 to March 2013.

Wai Khuan is also a non-independent non-executive director of United U-Li Corporation Berhad. He also sits on the board of several private limited companies.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. He has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Loo Pak Soon

Independent Non-Executive Director (Age 63, Male, Malaysian)

Mr Loo Pak Soon is an Independent Non-Executive Director of Advance Synergy Berhad. He was appointed to the Board on 22 March 2024.

Pak Soon graduated with a Bachelor of Commerce (Hons) with major in Finance from the University of Windsor Canada in 1984. He started his career as a banker in 1984 and has 8 years of commercial and merchant banking experience working with various banks. In 1992, he joined NCK Corporation Berhad and was involved in the restructuring and listing exercise of NCK Corporation Berhad on to the Main Board of the Kuala Lumpur Stock Exchange (“KLSE”).

Pak Soon joined Powernet Industries Sdn Bhd as a Financial Controller in 1993. While there, he was also a Director of Ken Holdings Berhad from 1996 to 2006. At Powernet Industries Sdn Bhd, he successfully assisted in turning the company around from a loss-making concern and got it listed on to the Second Board of the KLSE as Kumpulan Powernet Berhad in 2002. He was the Executive Director and Special Assistant to the Chairman cum Managing Director from 2002 to 2015. From October 2015 to February 2016, he remained in Kumpulan Powernet Berhad to handover outstanding matters to the new owners and management team. He was principally involved in the financial operations and strategic planning of Kumpulan Powernet Berhad. With his vast experience in various industries, finance background and corporate experience, he joined MTS Fibromat (M) Sdn Bhd as the Chief Operating Officer in 2016. In May 2019, Fibromat (M) Berhad, through a restructuring exercise, acquired MTS Fibromat (M) Sdn Bhd and was listed on the LEAP Market of Bursa Malaysia Securities Berhad. On 22 August 2019, he was appointed as an Executive Director of Fibromat (M) Berhad and on 31 March 2021, he left the Group and remained as Non-Executive Director and subsequently as Independent Non-Executive Director on 31 March 2024. Pak Soon is also a Non-Independent Non-Executive Director of Ken Holdings Berhad and Independent Non-Executive Director of Malpac Holdings Berhad.

Pak Soon is a member of the Audit Committee and Nomination and Remuneration Committee, and the Chair of the Risk Management and Sustainability Committee of Advance Synergy Berhad.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. He has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Chew Lee Fong

Non-Independent Non-Executive Director (Age 65, Female, Malaysian)

Ms Chew Lee Fong is a Non-Independent Non-Executive Director of Advance Synergy Berhad. She was appointed to the Board on 31 October 2023.

Lee Fong holds a Bachelor of Science in Marketing from Southern Illinois University at Carbondale, USA.

She joined Advance Synergy Berhad in 1991 as the Personal Assistant to the former Group Chair, Dato' Ahmad Sebi Bakar, and was promoted to Executive Assistant in 2000.

She also sits on the board of several subsidiaries of Advance Synergy Berhad. She does not hold any directorship in public companies.

Lee Fong is a member of the Nomination and Remuneration Committee of Advance Synergy Berhad.

She does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does she have any conflict of interest with Advance Synergy Berhad. She has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Cheah Ping Huey

Non-Independent Non-Executive Director (Age 54, Female, Malaysian)

Ms Cheah Ping Huey (Agnes) is a Non-Independent Non-Executive Director of Advance Synergy Berhad. She was appointed to the Board on 19 July 2024.

Upon graduating from Stamford College with a Diploma in Business Administration in early 1990's, she began her career as a Banquet Sales Secretary in Istana Hotel. She accumulated her experience in sales as a Sales Executive and worked her way up the corporate ladder while studying Hotel Management Diploma Course. With over 20 years' working experience, Agnes has served at management level in various international hotels including Guoman Hotels Group and Nikko Hotel and was awarded the Youngest Director of Sales, Corporate Division by Nikko Hotel in 2000 and Most Outstanding Sales Achievement in 2001. Her other accomplishments include spearheading the hotel pre-opening sales & marketing team of Guoman Hotels Group in Port Dickson and Hanoi.

In 2002, Agnes took on a new challenge and joined the travel industry where she subsequently assumed the role as General Manager in a Japanese-owned travel agency, Intersect Travel and Tour Sdn Bhd. Her acute insight and quick execution was quickly noted and in 2004, she was appointed the General Manager of Orient Escape Travel Sdn Bhd, a subsidiary of Advance Synergy Berhad, and has since grown the company into one of the leading travel agencies in Malaysia. In 2007, she was promoted to her current position as the Executive Director of Orient Escape Travel Sdn Bhd. Agnes was appointed the Chief Executive Officer of Synergy Tours Sdn Bhd on 1 January 2016. She does not hold any directorship in public companies.

Agnes does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does she have any conflict of interest with Advance Synergy Berhad. She has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Karen Khoo Kah Mei

Independent Non-Executive Director (Age 47, Female, Malaysian)

Karen Khoo Kah Mei is an Independent Non-Executive Director of Advance Synergy Berhad. She was appointed to the Board on 16 December 2024.

Karen holds a Bachelor of Business Management (Hons) in International Marketing from Oxford Brookes University, United Kingdom.

Karen has extensive experience in corporate sales across the hotel and advertising industries, managing projects involving over 100 multinational corporations in Malaysia, Singapore, and Dubai. She began her career at Eastin Hotel, Petaling Jaya and progressed through roles at Hilton Kuala Lumpur, GHM Hotels, Sunway Resort Hotel and Spa, Novotel Kuala Lumpur, and Thinkscape AMPS Sdn Bhd from 2001 to 2011. In 2012, she founded Kalex Enterprise, a creative agency, followed by Racing Creatures Sdn Bhd, now a holistic marketing agency specializing in brand development, place making, and community building.

She is also a Director and Co-Founder of Coffee Art Fringe Festival Asia Sdn Bhd and Kakao Ventures Sdn Bhd. Additionally, she serves on the board of Osteria Gamberoni Sdn Bhd, a subsidiary of Advance Synergy Berhad. She does not hold any directorship in public companies.

Karen is a member of the Audit Committee and Risk Management and Sustainability Committee, and Chair of the Nomination and Remuneration Committee of Advance Synergy Berhad.

She does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does she have any conflict of interest with Advance Synergy Berhad. She has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Our Key Management

CORPORATE OFFICE

Dato' Ahmad Sebi Bakar
Group Advisor

Anton Syazi Dato' Ahmad Sebi
Group Executive Deputy Chair

Lee Su Nie
Group Managing Director

Sng Ngiap Koon
Chief Operating Officer – Asset Development

Yap Chee Kong
General Manager – Corporate Services

Aaron Wong Ching Ping
Senior Accounts Manager

Ngian Yoke Fung
Group Secretary

HEADS OF GROUP DIVISIONS

INFORMATION & COMMUNICATIONS TECHNOLOGY

• CAPTII LIMITED

Wong Tze Leng
Group Executive Chair

Anton Syazi Dato' Ahmad Sebi
Group Executive Director

TRAVEL & TOURS

• ORIENT ESCAPE TRAVEL SDN BHD

Cheah Ping Huey
Executive Director

• SYNERGY TOURS SDN BHD

Cheah Ping Huey
Chief Executive Officer

FINANCIAL SERVICES

• PAYDEE SDN BHD

Cheah Foo Choong
Executive Director & Chief Executive Officer

• PAYDEE NURA SDN BHD

Nicholas Ho Wei Kiat
Executive Director & Chief Executive Officer

• QUREX SDN BHD

Cheah Foo Choong
Executive Director

BUS-BODY FABRICATION

• AVIVA MASTER COACH TECHNOLOGY SDN BHD

Yap Chee Kong
Managing Director

PROPERTY DEVELOPMENT & INVESTMENT

PROPERTY DEVELOPMENT

• ADVANCE SYNERGY REALTY SDN BHD

Sng Ngiap Koon
Executive Director & Chief Operating Officer

PROPERTY INVESTMENT

• CHERATING HOLIDAY VILLA BERHAD

(Assets managed by Holiday Villa)

Sng Ngiap Koon
Director

• 57-59 PHILBEACH GARDENS LIMITED

Anton Syazi Dato' Ahmad Sebi
Director

Angelo Grossi
General Manager

• YAP AH SHAK HOUSE GROUP

Anton Syazi Dato' Ahmad Sebi
Director

Aryati Sasya Dato' Ahmad Sebi
Director

EDUCATION

• METROPRIME CORPORATION SDN BHD

Aryati Sasya Dato' Ahmad Sebi
Chief Executive Officer

• THE LANGUAGE HOUSE

Patricia Mary Jayasuriya @ Cecilia
Principal

Our Group Senior Management

Dato' Ahmad Sebi Bakar *(Age 78, Male, Malaysian)*

• *Group Advisor*

Dato' Ahmad Sebi Bakar assumed the role of Group Advisor after he resigned as Non-Independent Non-Executive Director and Group Chair of Advance Synergy Berhad on 31 October 2023. He was appointed to the Board on 9 April 1991 and re-designated from Executive Chair to Group Executive Chair on 28 September 2012. On 1 September 2017, he was re-designated to Non-Executive Group Chair.

Dato' Ahmad Sebi holds a Bachelor of Arts (Hons) from the University of Malaya, Kuala Lumpur, a Diploma in Journalism from the Thomson Foundation, United Kingdom and a Master of Arts from Michigan State University, United States of America.

He was also the Non-Executive Chair of Unified Communications Holdings Limited (now known as Captii Limited), an indirect subsidiary of Advance Synergy Berhad which is listed on the Singapore Exchange Securities Trading Limited, from December 2003 to June 2006. Besides, he had held both the positions as Executive Chair and Managing Director of Kumpulan Powernet Berhad from 12 January 2002 to 28 August 2015.

He was conferred the Ahli Mangku Negara (A.M.N.) by the Yang Di-Pertuan Agong, DYMM Tuanku Haji Ahmad Shah Al-Mustain Billah Ibni Almarhum Sultan Abu Bakar in 1983, the Justice of Peace (J.P.) by DYMM Sultan Azlan Muhibbuddin Shah Ibni Almarhum Sultan Yusoff Izzuddin Shah Ghafarullah, Sultan of Perak, in 1986 and the Dato' Setia Diraja Kedah (D.S.D.K.) by DYMM Tuanku Alhaj Abdul Halim Mu'adzam Shah Ibni Almarhum Sultan Badlishah, Sultan of Kedah, in 1988.

He also sits on the board of various subsidiaries of Advance Synergy Berhad. He does not hold any directorship in public companies.

Dato' Ahmad Sebi is a substantial shareholder of Advance Synergy Berhad. He is also a substantial shareholder and a Director of Suasana Dinamik Sdn Bhd and Bright Existence Sdn Bhd, companies that are also substantial shareholders of Advance Synergy Berhad.

Except for his daughter, Sasya, who is a Non-Independent Non-Executive Director and his son, Anton, who is the Group Executive Deputy Chair, Dato' Ahmad Sebi does not have any family relationship with any other director or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad.

Dato' Ahmad Sebi has not been convicted for any offences within the past 5 years and no public sanction or penalty has been imposed by the relevant regulatory bodies during the financial year.

Wong Tze Leng *(Age 61, Male, Malaysian)*

• *Group Executive Chair of Captii Limited*

Mr Wong Tze Leng was appointed the Group Executive Chair of Captii Limited, a 58.3%-owned subsidiary of Advance Synergy Berhad which is listed on the Singapore Exchange Securities Trading Limited, on 10 August 2010. He previously served as Group Chief Executive Officer of Captii Limited, a position he held since 22 December 2002 until his appointment as Executive Chair.

Tze Leng has over 30 years' experience in the information technology industry, with specific expertise in the telecommunications sector. He started his career in 1988 as an Engineer in the Singapore Institute of Standards & Industrial Research's design and development centre. He gained specialised expertise in computer telephony technology when he joined Federal Computer Services Pte Ltd in 1990 as a Software Engineer and later progressed to the position of Software Manager.

In 1993, he joined Dialogic as an Applications Engineer and was later promoted to the position of Business Development Director for the Asia Pacific region. During his career with Dialogic, he established a close rapport and working relationship with numerous IT companies and telcos in the Asia Pacific region. In 1998, he left Dialogic and founded the Captii Limited Group.

Tze Leng graduated from Monash University, Victoria, Australia, with a Bachelor's degree in Computer Science in 1985 and subsequently obtained a Bachelor's degree in Electrical and Electronic Engineering in 1987 from the same university.

Tze Leng also sits on the Board of various private limited companies including subsidiaries of Advance Synergy Berhad. He does not hold any directorship in other public companies.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad, save for his substantial shareholding in Captii Limited. He has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Sng Ngiap Koon *(Age 78, Male, Malaysian)*

- *Chief Operating Officer – Asset Development of Advance Synergy Berhad*
 - *Executive Director/Chief Operating Officer of Advance Synergy Realty Sdn Bhd*
-

Mr Sng Ngiap Koon was appointed the Executive Director/Chief Operating Officer of Advance Synergy Realty Sdn Bhd on 14 July 2007 and the Chief Operating Officer – Asset Development of Advance Synergy Berhad on 28 September 2012.

Ngiap Koon is an Associate Member of the Institute of Chartered Accountants in England and Wales.

Prior to 1984, he was working in London, England. Between 1984 to 1985, he was the Group Accountant of Innovest Berhad. He joined Advance Synergy Berhad in 1986 as the Group Accountant. In 1987, he was appointed the Group Financial Controller of Advance Synergy Berhad. Prior to his appointment as the Executive Director of Advance Synergy Berhad in 2003 till 2006, he held the positions of Senior Group General Manager and Company Secretary. He was also a Director of Advance Synergy Berhad from 1988 to early 1991.

Ngiap Koon currently sits on the board of various subsidiaries of Advance Synergy Berhad including Cherating Holiday Villa Berhad, a non-listed public company.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. He has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Yap Chee Kong *(Age 58, Male, Malaysian)*

- *General Manager – Corporate Services of Advance Synergy Berhad*
 - *Financial Controller of Advance Synergy Capital Sdn Bhd*
 - *Managing Director of Aviva Master Coach Technology Sdn Bhd*
-

Mr Yap Chee Kong was appointed as a Financial Controller of Advance Synergy Capital Sdn Bhd in October 2001 and General Manager – Corporate Services of Advance Synergy Berhad on 28 September 2012. He was appointed as the Managing Director of Aviva Master Coach Technology Sdn Bhd on 27 March 2017.

He is a qualified accountant by training and prior to joining Advance Synergy Capital Sdn Bhd, he was an audit manager with PricewaterhouseCoopers. During his time with PricewaterhouseCoopers, he gained extensive experience in auditing where he held a portfolio of public listed companies involved in diverse range of industries, which included financial institutions and stock broking companies. He also has experience in financial advisory work and was actively involved in due diligence review, technical research, training and recruitment. He was also involved in special audit and special business approval certification of stock broking companies.

He sits on the board of various subsidiaries and an associate company of Advance Synergy Berhad. He does not hold any directorship in public companies.

Chee Kong is a member of the Malaysian Institute of Accountants.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. He has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Cheah Foo Choong *(Age 52, Male, Malaysian)*

- Executive Director and Chief Executive Officer of Paydee Sdn Bhd
- Executive Director of Qurex Sdn Bhd

Mr Cheah Foo Choong (Darren) joined Qurex Sdn Bhd (“Qurex”) in August 2018 as General Manager of Business Development. He was also serving as Head of Merchant Business for Paydee Sdn Bhd (“Paydee”) since August 2018. In August 2019, he was appointed as Executive Director of Qurex and in December 2019 as Director of Paydee. Subsequently he was re-designated as Executive Director of Paydee in October 2020 and then as Executive Director and Chief Executive Officer of Paydee in December 2020.

Darren started his career in 1996 in the advertising and promotions department of The Store and progressed to the position of Assistant Manager of loyalty rewards programme. In 2004, he joined Unrealmind Interactive Berhad, a pioneer in the premium SMS business in Malaysia as Manager in the Advertising & Promotions department where he led and managed the advertising and promotion activities of the company’s core products. In 2006, Darren was with R&D Media Malaysia Sdn Bhd, a Dutch premium SMS business, as their Regional Manager-Marketing and Content. He then progressed to the position of General Manager in 2008, reporting to the Group CEO based in Amsterdam before joining the Captii Limited Group in June 2010 as General Manager for Mobilization Sdn Bhd (now known as Postpay Sdn Bhd) and was responsible for the overall business operations.

On 1 June 2017, Darren was appointed as the General Manager of Service Management under Unified Communications Sdn Bhd (“UC”) and was promoted to the position of Deputy Head of Business Development, and subsequently redesignated as Head of Business Development of UC and also the Country Head as well as Chief Executive Officer for UC Pakistan.

Darren holds a Masters in Business Administration (MBA) degree from Nottingham Trent University, United Kingdom.

Darren does not hold any directorship in public companies.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. Darren has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Nicholas Ho Wei Kiat *(Age 37, Male, Malaysian)*

- Executive Director and Chief Executive Officer of Paydee Nura Sdn Bhd
 - Senior Manager – Investments & Innovation of Paydee Sdn Bhd
-

Mr Nicholas Ho Wei Kiat joined the Financial Services Division of Advance Synergy Berhad in October 2021 and was appointed the Executive Director and Chief Executive Officer of Paydee Nura Sdn Bhd (“MyNura”) in February 2024. Within the Financial Services Division, his responsibility includes strategy planning and execution, corporate developments and strategic mergers and acquisition (“M&A”) activities for the Division. Since joining, he has also assisted in establishing MyNura’s consumer lending operations.

Nicholas has more than fourteen years of professional experience in strategy, M&A and corporate finance. Nicholas started his career in 2011 with KPMG Deal Advisory. At KPMG, he was a Manager that specialised in M&A and buy-side financial due diligence for various multinational clients on local and cross-border M&A deals, in the consumer market, manufacturing, automotive and insurance sectors.

In 2016, he was recruited by Photobook Worldwide Sdn Bhd (“Photobook”), a leading business-to-consumer technology personalization company in South East Asia, as the Head of Strategy and Investment. At Photobook, Nicholas was responsible for strategy planning and execution, and fund raising activities.

After leaving Photobook and prior to joining the Group, he had a brief stint with UEM Edgenta Berhad’s Group Strategy Office, supporting the organisation on its ESG strategy planning and its goal of being included in the FTSE4Good Bursa Malaysia Index.

Nicholas holds a Bachelor of Commerce (Accounting & Finance) degree from University of Queensland, Australia. He is also a Certified Practising Accountant with CPA Australia.

Nicholas does not hold any directorship in public companies.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. Nicholas has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Angelo Grossi *(Age 43, Male, Italian)*

• *General Manager of 57-59 Philbeach Gardens Limited*

Mr. Angelo Grossi joined the Property Development and Investment Division on 5 December 2022 as the General Manager of The Marloes, an aparthotel owned by Philbeach Gardens Limited. In this role, he is tasked with managing the full spectrum of The Marloes's operations.

Angelo brings over two decades of hotel operations and management experience, having served in various roles including Front Office Manager, Night Duty Manager, Guest Services Manager, Revenue Manager, as well as in Director-level positions overseeing General Management and Operations. His experience spans boutique hotels, short-let serviced apartments, and five-star hotels across London and Italy. He has also remotely supported hotel operations in the United States ("USA"), the United Kingdom ("UK"), and other European countries, particularly during the COVID-19 pandemic.

Angelo began his career as Guest Relations and Duty Manager at the Crowne Plaza London – The City in the Financial District in March 2006. In March 2010, he moved to The Ritz, London, as Night Manager, where he was responsible for the overall night operations of a five-star hotel with four F&B outlets and 134 rooms. In June 2012, Angelo returned to Crowne Plaza London – The City (IHG) as Front Office Manager of a 203-bedroom hotel with five F&B outlets.

In June 2013, he joined Armani Hotel, Milano as Director of Lifestyle, managing 30 staff and 95 luxury hotel rooms with two F&B outlets, reporting to the Regional General Manager in Dubai. As part of his development program, he also spent a month at Armani Hotel Dubai (160 luxury rooms and 144 luxury apartments). In June 2014, Angelo left to launch his own company, AG Hotels, on the Italian Riviera in Italy, managing two hotel properties, each with 80 rooms.

In June 2020, through his company AG Business Services Management, he worked as a Property Manager during the COVID-19 pandemic and remotely partnered with UK, Europe, and USA businesses, overseeing contracted services in property management and digital marketing for various companies. In July 2022, he joined the Emotion Hotel Group as a Booking and Revenue Manager, managing 20 staff and four properties on the Italian Riviera, overseeing reservations, sales, customer service, and maintenance operations.

Angelo holds a Bachelor of Arts (BA) in Tourism and Hospitality from London South Bank University, UK, awarded in 2010. He also received a Hotel Revenue Management certificate from Cornell University, New York, USA, in 2020.

Angelo does not hold any directorship in public companies.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. Angelo has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Patricia Mary Jayasuriya @ Cecilia *(Age 69, Female, Malaysian)*

• *Principal of The Language House*

Ms Patricia Mary Jayasuriya is the Principal of The Language House (“TLH”), the education unit of Advance Synergy Berhad.

Patricia brings almost four decades of experience in education both in Malaysia and Hong Kong to TLH.

A psychology graduate of the University of Manchester, United Kingdom (“UK”), Patricia went on to take a postgraduate qualification in business administration from Cranfield University, UK. She has both professional and academic qualifications in Teaching of English as a Second Language and has successfully completed the American Hotel and Lodging Institute’s Certified Hospitality Educator programme.

Patricia takes a hands-on approach in management and is passionate about maintaining quality in education especially in teaching standards and curricular.

Patricia does not hold any directorship in public companies.

She does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does she have any conflict of interest with Advance Synergy Berhad. She has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Note:

The profiles of the following key senior management, who are also Directors of Advance Synergy Berhad, are set out in the Directors’ Profile section:

- 1. Mr Anton Syazi Dato’ Ahmad Sebi**
- 2. Ms Lee Su Nie**
- 3. Ms Aryati Sasya Dato’ Ahmad Sebi**
- 4. Ms Cheah Ping Huey**

Governance

The Board has included **gender balance** as one of the main criteria for appointment of new directors to promote the representation of women in the composition of the Board. Currently, we have five (5) women directors representing 55.6% of the Board of nine (9) members.

COMMITTED TO THE HIGHEST STANDARDS

Responsibility for good governance lies with the Board. The Board is accountable to shareholders and is committed to the highest standards of corporate governance as set out in the Malaysian Code on Corporate Governance 2021 (“Code”). This Corporate Governance Overview Statement describes how the Board has applied the main practices of good governance, as set out in the Code, during the year under review.

HOW WE GOVERN THE COMPANY

The Board leads the Group’s governance framework; it is responsible for setting the strategic targets for the Group, monitoring progress made, approving proposed actions and for ensuring that the appropriate internal controls are in place and that they are operating effectively.

The Board is assisted by three (3) principal committees (Audit, Nomination and Remuneration, and Risk Management and Sustainability), each of which is responsible for reviewing and dealing with matters within its own terms of reference (“TOR”). At scheduled Board meetings, the minutes of all committee meetings are circulated. All the non-executive directors are members of all principal committees. The Chair of the Board is not a member of the Audit Committee, Nomination and Remuneration Committee or Risk Management and Sustainability Committee. Individual reports from each principal committee can be found on pages 60 to 72 and pages 100 to 111 of this Annual Report.

The roles and responsibilities of the Board and the Board Committees as well as the relationship with management are clearly set out and with clear accountability.

BOARD COMPOSITION AND SUCCESSION

The Board is made up of nine (9) members, comprising the Group Chair, Group Executive Deputy Chair, Group Managing Director, three (3) Non-Independent Non-Executive Directors and three (3) Independent Non-Executive Directors. The age of our Board members ranges from 47 to 75 years. The current Directors bring a wide range of business and financial experience, skills and knowledge necessary for the effective stewardship of the Group. Profiles of the Directors are set out on pages 74 to 83 of this Annual Report.

Each of the Independent Non-Executive Directors is considered independent of management and free of any relationship that could materially interfere with the exercise of their independent judgment. The Board considers that each Independent Non-Executive Director brings their own senior level of experience, gained within their field.

Succession planning for the Board is an on-going process to ensure the Board's continued effective performance through leadership continuity. The Board assesses the competencies and composition of the Board taking into consideration the challenges faced by the businesses of the Group and also assesses the competencies of each existing director. Succession planning at executive management level is also being reviewed on an on-going process basis and at present is stable.

Diversity and gender balance

The Board recognises diversity in the boardroom as a critical element for efficient functioning of the Board and good governance practices. The Board also believes that diversity leads to the consideration of all facets of an issue and consequently, better

decisions and performance. Hence, the appointment of Board members and senior management not only takes into consideration the objective criteria and merit but also gives due regard for diversity in skills, experience, age, cultural background and gender.

The Board has included gender balance as one of the main criteria for appointment of new directors to promote the representation of women in the composition of the Board. Currently, we have five (5) women directors representing 55.6% of the Board of nine (9) members.

The remuneration for all Directors including Executive Directors is determined at levels so as to ensure that the Company attracts and retains the right calibre of Directors needed for the successful performance of the Group. The Nomination and Remuneration Committee Report is set out on pages 104 to 111 of this Annual Report.

LEADERSHIP AND RESPONSIBILITIES

The Board is committed to ensure that it provides leadership to the business as a whole, having regards to the interests and views of its shareholders and other stakeholders. It is also responsible for setting the Group's strategy, value and standards.

The Board has a formal schedule of matters reserved for its decision which includes:

- Strategy setting, implementation and supervisory
- Board membership
- Financial reporting and controls
- Corporate governance
- Contracts/acquisitions/disposals
- Dividend policy
- Capital structure
- Sustainability
- Risk management and internal controls

LEADERSHIP AND RESPONSIBILITIES

(continued)

The Board together with Management take responsibility for the effective governance and management of sustainability initiatives and practices of the Group which may include setting the Group's sustainability strategies, priorities and targets. Material sustainability issues, considerations, risks and opportunities of the Group are set out in the Sustainability Statement on pages 23 to 59 of this Annual Report.

The Board also acknowledges its overall responsibility for maintaining a sound risk management and sustainability framework and internal control system to safeguard shareholders' investments and the Company's assets. The Board through the Risk Management and Sustainability Committee and Audit Committee will review the adequacy, integrity and effectiveness of the Group's risk management and sustainability framework and internal control system periodically. The Risk Management and Sustainability Committee and Audit Committee reports can be found on pages 60 to 72 and pages 100 to 103 respectively of this Annual Report.

The presence of three (3) Independent Non-Executive Directors making up at least one-third (1/3) of the total number of Directors fulfills a pivotal role in ensuring that there is balance of power and authority. Although all the Directors have an equal responsibility for the Group's operations, the role of the Independent Non-Executive Directors is particularly important in ensuring that the strategies proposed by the executive management are fully deliberated upon, and takes into account the long-term interests of the shareholders, employees, customers,

suppliers and the communities in which the Group conducts its business. Together, their representations on the Board fairly reflect the investment of the minority shareholders of the Company and in addition carry sufficient weight for decision making.

INDEPENDENCE OF DIRECTORS

The Board, through the Nomination and Remuneration Committee, evaluates the independence of its independent directors annually in accordance with the criteria as prescribed by the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Independent Directors are required to affirm their commitment to bring independent and objective judgment upon their appointments and annually thereafter.

During the financial year ended 31 December 2025, the Board, through the Nomination and Remuneration Committee, conducted such assessment on all the Independent Directors and each Independent Director confirmed his/her independence to the Nomination and Remuneration Committee. Based on the said assessment, the Board is satisfied with the level of independence demonstrated by all the Independent Directors and their ability to act in the best interest of the Company during deliberation at meetings of the Board and Board Committees.

The Nomination and Remuneration Committee also reviewed the composition of the Board and reported to the Board its view that the current Board has the appropriate mix of skills, experience, qualifications and other qualities required to meet the Group's needs. There were no changes to the composition of the Board and Board Committees during the reporting year.

SUFFICIENT PROVISIONS

The Company recognises that its Directors may be invited to become directors of other companies and the Directors are therefore at liberty to accept other Board appointments so long as such appointments are not in conflict with the business of the Group and do not adversely affect the Directors' performance as a member of the Board. In maintaining and monitoring the limitation on directorship as required by the Listing Requirements of Bursa Securities, the Directors upon appointment, and from time to time during their tenure, will notify the Company Secretary of their directorship in other companies for disclosure to the Board at Board meetings.

The Board is of the opinion that the provisions of the Companies Act 2016 ("Act") and Listing Requirements of Bursa Securities are sufficient to ensure adequate commitment given by the Directors to perform their duties without it being formally regulated.

To facilitate the Directors' time planning, a planned annual meetings calendar is prepared and circulated to them before the beginning of each year. It provides the scheduled dates for meetings of the Board and Board Committees as well as the Annual General Meeting ("AGM").

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities and this is demonstrated by the attendance record of the Directors at the meetings of the Board and Board Committees for the financial year ended 31 December 2025 as set out below:

Name of Directors	Board	Audit Committee	Nomination & Remuneration Committee	Risk Management & Sustainability Committee
Mr Yong Teck Ming (Group Chair)	7 / 7	-	-	-
Mr Anton Syazi Dato' Ahmad Sebi	7 / 7	-	-	-
Ms Lee Su Nie	7 / 7	* 5 / 5	-	* 4 / 4
Ms Aryati Sasya Dato' Ahmad Sebi	7 / 7	* 5 / 5	-	4 / 4
Ms Chew Lee Fong	7 / 7	-	2 / 2	-
Mr Loo Pak Soon	7 / 7	5 / 5	2 / 2	4 / 4
Mr Chim Wai Khuan	6 / 7	4 / 5	-	-
Ms Cheah Ping Huey	7 / 7	-	-	-
Ms Karen Khoo Kah Mei	7 / 7	5 / 5	2 / 2	4 / 4

* Attended the meeting(s) by invitation.

CONTINUAL TRAINING FOR DIRECTORS

The Board acknowledges the importance of continual education and training to enhance its competencies, to broaden its perspectives, skills and knowledge, and to keep abreast of the relevant changes in law, regulations and the business environment.

The Directors have been regularly updated on developments in corporate governance, relevant laws, regulations and business practices and attended relevant courses/seminar as a continuing effort to train and equip themselves to effectively discharge their duties. The Board also evaluates the training needs of its members on a continuous basis pursuant to the Listing Requirements of Bursa Securities and is updated on quarterly basis on the training programmes/courses/seminars attended by Directors.

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

For corporate reporting to our shareholders and stakeholders, our Board ensures that information is complete and accurate and are disseminated in a timely manner. The Company has established a dedicated section for investor on its website. This section provides information relating to corporate governance, annual reports, announcements to Bursa Securities and Board Charter. Contact details are provided on the Company's website to address queries from its shareholders and stakeholders.

The Board acknowledges the importance of establishing a direct line of communication with shareholders and investors through timely dissemination of information on the Group's performance and operations via distribution of annual reports and relevant circulars, and release of quarterly financial results, press releases and announcements.

The AGM is the principal forum for dialogue with shareholders. There is a 'question and answer' session in which shareholders may pose questions regarding the resolutions being proposed at the meeting and also on matters relating to the Group's businesses and affairs.

The Board members are in attendance at general meetings to provide explanations to all shareholders' queries and shareholders are encouraged to participate in discussions and to give their views to the Directors. The Chair of the Audit, Nomination and Remuneration and Risk Management and Sustainability Committees are also in attendance to provide meaningful response to questions.

All resolutions tabled at the 101st AGM were carried out by way of poll through electronic voting. The Scrutineers, Mega Corporate Services Sdn Bhd, verified the poll results for each resolution, upon which the Chairman of the AGM declared that all resolutions were carried. The poll results were announced to Bursa Securities on the same day for the benefit of all shareholders.

ACTIVITIES AND FOCUS OF THE BOARD DURING THE YEAR AND FOR THE COMING YEAR

During the financial year ended 31 December 2025, seven (7) Board meetings were held where the Board deliberated upon and considered a variety of matters including the Group's corporate developments, financial results, investments, performance of various business units, short and long term plans of the Group, frameworks, policies and procedures to enhance good governance systems and business behaviour, and reports on risk management and internal audits of the Group. For Board meetings, the Directors received complete meeting materials within a reasonable period prior to the meeting. All proceedings from the Board meetings were minuted and signed by the Chair of the meeting.

All the Directors have attended the Mandatory Accreditation Programme Part II. The Board, through the Nomination and Remuneration Committee, also reviewed the training programmes/courses/seminars attended by the Directors to keep abreast with the current developments in laws, regulations, corporate governance and business practices to aid the Directors in discharging their duties and re-election of Directors.

The Nomination and Remuneration Committee met to review the annual fixed fee structure of members of the Board taking into consideration the increasing responsibilities and time commitment expected from the Directors and the remuneration packages of the Group Executive Deputy Chair, Group Managing Director and senior management of the Company to ensure that the Executive Directors and senior management are fairly remunerated or rewarded for their contributions or individual roles and level of responsibilities and advised the Board accordingly as set out in the Nomination and Remuneration Committee Report on pages 104 to 111 of this Annual Report.

The Audit Committee met with the external auditors twice during the financial year ended 31 December 2025, without the presence of the Executive Directors, to discuss the Directors' statement on risk management and internal control, audit plan, audit findings, auditing and accounting issues, fraud related matters, adequacy of management's response and/or other key matters arising from the statutory audit for the financial year ended 31 December 2025, and the Company's consolidated audited financial statements.

The Risk Management and Sustainability Committee assisted the Board in assessing the risks including risks with economic, environmental and social ("EES") aspects, key risk areas and internal controls to ensure that the Group Risk Management and Sustainability Framework was sufficiently robust in addressing and mitigating various risks of the Group and reviewing the risk registers to ensure the controls in place as stated in the risk registers are executed accordingly by management. Besides, the Risk Management and Sustainability Committee also assisted the Board in the assessment of anti-bribery and anti-corruption risk as well as whistleblowing incidents to ensure adequate processes are in place for monitoring of such risk as part of the Group risk management and sustainability exercise.

ACTIVITIES AND FOCUS OF THE BOARD DURING THE YEAR AND FOR THE COMING YEAR (continued)

For the coming year, the Board will continue with assessment, implementation and monitoring of strategies and plans that are in place for the turnaround and growth of the Group businesses. This includes on-going assessment of the business risks, adequacy and effectiveness of the governance, risk management and sustainability framework and internal control system as well as the material EES issues against the changing business environment, stakeholder opinions, and emerging global and local trends in order to keep abreast of critical issues.

This report is to be read together with the Corporate Governance Report 2025 of the Company which is available on the Company's website. The Corporate Governance Report 2025 provides the details on how the Company has applied each practice as set out in the Code during the financial year 2025.

Audit Committee Report

Key objectives are the provision of effective governance over the appropriateness of the Group's financial reporting, including the adequacy of related disclosures, the performance of both the internal and external audit functions, and the management of the Group's systems of internal control, business risks and related compliance activities.

COMPOSITION

For the financial year ended 31 December 2025, the Audit Committee comprises a Chair, and two (2) members as follows, all of whom are independent non-executive directors duly appointed by the Board following recommendations by the Nomination and Remuneration Committee after evaluation of their calibre and fit and proper:

Chim Wai Khuan

Chair

Loo Pak Soon

Member

Karen Khoo Kah Mei

Member

Each member of the Audit Committee brings an appropriate balance of senior level financial and commercial experience combined with a good understanding of the Group's business and is therefore considered by the Board to be competent. Members of the Audit Committee also undertake ongoing training as required.

OBJECTIVES

The Audit Committee's key objectives are the provision of effective governance over the appropriateness of the Group's financial reporting, including the adequacy of related disclosures, the performance of both the internal and external audit functions, and the management of the Group's systems of internal control, business risks and related compliance activities.

TERMS OF REFERENCE (“TOR”) OF AUDIT COMMITTEE

The duties and functions of the Audit Committee are set out in its TOR under Schedule 1 of the Board Charter. The Board Charter is accessible via the Company’s website at www.asb.com.my by referring to the ‘Corporate Governance’ section.

MEETINGS AND ATTENDANCE

The Audit Committee met five (5) times during the financial year under review and members’ attendance at the meetings is set out in the table below:

Name of Directors	Attended
Chim Wai Khuan <i>Chair</i>	4 / 5
Loo Pak Soon <i>Member</i>	5 / 5
Karen Khoo Kah Mei <i>Member</i>	5 / 5

SUMMARY OF ACTIVITIES

During the financial year ended 31 December 2025, the principal activities of the Audit Committee comprised:

(a) Financial Reporting

- (i) Reviewed the quarterly unaudited financial results and turnaround plan for non-performing subsidiaries prior to tabling of the same to the Board for approval.
- (ii) Reviewed the draft announcements on quarterly and yearly unaudited

financial results of the Group prior to tabling the same to the Board for approval.

- (iii) Reviewed the annual audited financial statements for the financial year ended 31 December 2024 prior to submission to the Board for approval.
- (iv) Reviewed the applicability of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board.

(b) Internal Audit

- (i) Reviewed and approved the objectives, adequacy and coverage of the internal audit (“IA”) activities of the IA Plan for 2025 after taking into consideration the risk based approach based on the Group businesses and activities. A total of twenty-three (23) IA assignments were completed in 2025.
- (ii) Reviewed on a quarterly basis the IA reports and follow-up audits presented by the Internal Auditor (outsourced).
- (iii) Reviewed the resource requirements of the IA function, including the service provider for the Group’s outsourced IA function. During the reporting period, a new outsourced IA service provider was appointed.
- (iv) Reviewed the results arising from the evaluation/performance of the Internal Audit functions for the financial year ended 31 December 2024.

SUMMARY OF ACTIVITIES (continued)**(c) External Audit**

- (i) Convened meetings with the external auditors on 26 February 2025 and 27 March 2025 without the presence of the management to review and deliberate on various matters including Directors' statement on risk management and internal control, audit planning memorandum and audit review memorandum. These audit memorandums included significant audit findings, auditing and accounting issues, fraud related matters, adequacy of management's response and/or other key matters arising from the statutory audit for the financial year ended 31 December 2024.
- (ii) Reviewed the audit fees payable to the external auditors.
- (iii) Considered and recommended to the Board the re-appointment of external auditors.
- (iv) Reviewed the results arising from the evaluation/performance of the External Auditors for the financial year ended 31 December 2024.

(d) Related Party Transactions and Recurrent Related Party Transactions

Reviewed the Group's related party transactions and recurrent related party transactions as well as conflict of interest situations that may arise within the

Company or the Group and to ensure that the transactions are conducted in the best interest of the Company, on fair, reasonable and normal commercial terms and are not detrimental to the interest of the minority shareholders.

(e) Conflict of Interest

Reviewed and monitored the conflict of interest declaration/confirmation received from the Directors and key senior management of the Group on a quarterly basis and the proposed measures taken to resolve, eliminate or mitigate such conflict, and report the same to the Board.

(f) Risk Management

Reviewed the matters arising from the Risk Management and Sustainability Committee meetings relating to the adequacy of the risk management policies and procedures implemented within the Company and the Group.

(g) Audit Committee Report

Reviewed the Audit Committee Report and recommended to the Board for inclusion in the Annual Report for the financial year ended 31 December 2024.

(h) Audit Committee Members' Self and Peer Evaluation

Reviewed the results arising from the Audit Committee Members' Self and Peer Evaluation/Performance for the financial year ended 31 December 2024.

INTERNAL AUDIT FUNCTION

The Audit Committee has adopted a top-down, risk-based approach in the implementation and monitoring of internal controls of the Group. This approach was achieved through critical in-depth review and deliberation of the reports and relevant issues presented during the Audit Committee meetings. This top-down, risk-based approach has enabled the Audit Committee to identify any major weaknesses in the risk management and internal controls of the Group and any major areas for improvement, and to make the necessary recommendations to address the issues.

The Audit Committee is assisted by the Internal Auditor (outsourced) to provide an independent appraisal and assurance to ensure the maintaining of a sound system of internal control to safeguard shareholders' investment. The Internal Auditor conducts regular systematic reviews of the system of controls in accordance with the IA Plan approved by the Audit Committee and independently reports directly to the Audit Committee.

During the financial year ended 31 December 2025, the Internal Auditor carried out various operational, system and risk assessment reviews to review and appraise the adequacy and effectiveness of the risk management and internal control processes within the Group. Follow-up audits were also performed by the Internal Auditor to ensure that audit recommendations and corrective action plans were implemented accordingly. A total of twenty-three (23) assignments were completed in 2025 and presented to the Audit Committee during the financial year ended 31 December 2025, of which seven (7) assignments were carried forward from 2024, fourteen (14) were assignments approved under the IA Plan for 2025 and two (2) assignments were added during the financial year. The Internal Auditor also reviewed the related party transactions and recurrent related party transactions entered into by the Company and its subsidiaries to ensure that the transactions were carried out on an arm's length basis.

The costs incurred for the internal audit function of the Group in respect of the financial year ended 31 December 2025 was RM140,440.97.

Nomination and Remuneration Committee Report

The primary function of the Nomination and Remuneration Committee (“NRC”) is to review the structure, size and composition of the Board, considers succession planning, and makes recommendations to the Board for approval on suitably qualified candidates for new appointment and/or re-appointment/re-election of director(s) and/or senior management, as well as setting the remuneration policy framework for directors and senior management and ensures that the Directors and senior management are fairly remunerated or rewarded for the contributions or individual roles and level of responsibilities.

COMPOSITION AND OBJECTIVE

The composition of the NRC Report at the end of the financial year 31 December 2025 was as follows:

Karen Khoo Kah Mei

Chair, Independent Non-Executive Director

Chew Lee Fong

Member, Non-Independent Non-Executive Director

Loo Pak Soon

Member, Independent Non-Executive Director

The key objective of NRC is to ensure that the Board comprises individuals with the necessary character, skills, experience, expertise, knowledge, professionalism,

integrity, competencies, time commitment, and other qualities including diversity in gender, age, cultural background and ethnicity and meeting the fit and proper criteria as set out in Schedule 7 of the Board Charter to ensure that the Board is effective in discharging its responsibilities. The NRC also assists to assess the independence of all the independent directors, and the contribution of each Director on an on-going basis. Additionally, the NRC is responsible for determining the overall remuneration policy framework applied to the Group, including the quantum of variable remuneration and the method of delivery. In carrying out its delegated responsibilities, the NRC receives advice when they consider it to be appropriate, on remuneration, tax, accounting and regulatory issues from external advisers and internally from the Human Resources, Compliance, Risk and Finance departments.

COMPOSITION AND OBJECTIVE

(continued)

The Chair of NRC is an Independent Non-Executive Director. The Board believes that the Chair of the NRC is competent to chair the NRC by virtue of her vast experience and is capable to lead the NRC in ensuring that the Board composition meets the needs of the Company.

With the establishment of the NRC, a formal transparent procedure is in place for the appointment of new directors to the Board. The NRC is responsible for making recommendations on any nomination to the Board and to Committees of the Board. The NRC considers candidates for directorship proposed by existing Board members, management or major shareholders, and when appropriate, utilises independent sources to identify suitable candidates. This procedure involves identification of candidates for directorship, evaluation of suitability of candidates, deliberation by the NRC and recommendation to the Board.

DUTIES AND FUNCTIONS

The duties and functions of the NRC are set out in its Terms of Reference (“TOR”) which is reviewed by the NRC to comply with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and any other applicable laws and regulations from time to time where appropriate, and the same be approved by the Board before uploading to the Company’s website under Schedule 1 of the Board Charter.

The NRC will assess annually, the effectiveness of the Board as a whole, the

Committees of the Board and the contribution of each individual director.

The Board, through the NRC, reviews annually its required mix of skills, knowledge, experience, independent element and other qualities, including core competencies, which directors should bring to the Board.

The NRC will also review the term of office and performance of the Audit Committee and each of its members annually to ensure that the Audit Committee has carried out their duties in accordance with their TOR.

REMUNERATION POLICY FRAMEWORK FOR EXECUTIVES

The NRC believes strongly that total remuneration should take into account the competition for talent in an industry where successful people are rewarded and mobile. The Group compensates employees through both fixed and variable compensation.

Fixed compensation comprises principally base salaries and the base salaries takes into account the performance of the individual, comparisons with peer group companies within the industry, the experience of the individual and their roles and level of responsibilities.

The policy framework for variable compensation is to recognise corporate performance and individual achievement of objectives through discretionary bonus. Discretionary variable compensation can be delivered in two main forms:

- Annual cash bonus; and
- Long-term incentive award.

REMUNERATION POLICY FRAMEWORK FOR EXECUTIVES (continued)

The executive directors and other senior management assess individual performance through clearly defined objectives and structured process of review and feedback. The aggregate fixed and variable remuneration by individual is determined with regard to the complexity of the business performance in managing material sustainability risks and opportunities, performance of the individual, performance of the area or function of the business in which the individual works or for which the individual is responsible, the profitability of the Group and levels of reward for comparable roles in the external market.

The remuneration of Directors (Executive and Non-Executive) and top five (5) senior management of the Group which includes fees, allowance, salary, bonus, benefits-in-kind and other emoluments for the financial year ended 31 December 2025 are as follows:

(a) Remuneration of Directors received from the Company

Name of Director	Fees RM	Allowance RM	Salary RM	Bonus RM	Benefits- in-kind RM	Other Emoluments RM	Total RM
Executive							
Anton Syazi Dato' Ahmad Sebi	-	96,000	594,000	70,500	-	91,260	851,760
Lee Su Nie	-	96,000	690,000	82,500	52,200	124,220	1,044,920
Sub-total	-	192,000	1,284,000	153,000	52,200	215,480	1,896,680
Non-Executive							
Yong Teck Ming	75,000	-	-	-	-	-	75,000
Aryati Sasya Dato' Ahmad Sebi	30,000	-	-	-	-	-	30,000
Chim Wai Khuan	42,000	-	-	-	-	-	42,000
Loo Pak Soon	43,000	-	-	-	-	-	43,000
Chew Lee Fong	30,000	-	330,000	37,500	25,000	44,100	466,600
Cheah Ping Huey	30,000	-	-	-	-	-	30,000
Karen Khoo Kah Mei	43,000	-	-	-	-	-	43,000
Sub-total	293,000	-	330,000	37,500	25,000	44,100	729,600
Grand total	293,000	192,000	1,614,000	190,500	77,200	259,580	2,626,280

REMUNERATION POLICY FRAMEWORK FOR EXECUTIVES (continued)**(b) Remuneration of Directors received from the Group**

Name of Director	Fees RM	Allowance RM	Salary RM	Bonus RM	Benefits- in-kind RM	Other Emoluments RM	Total RM
Executive							
Anton Syazi Dato' Ahmad Sebi	-	138,000	594,000	70,500	-	96,720	899,220
Lee Su Nie	*	96,000	690,000	82,500	52,200	124,220	1,044,920
Sub-total	-	234,000	1,284,000	153,000	52,200	220,940	1,944,140
Non-Executive							
Yong Teck Ming	75,000	-	-	-	-	-	75,000
Aryati Sasya Dato' Ahmad Sebi	30,000	-	60,000	-	-	7,800	97,800
Chim Wai Khuan	42,000	-	-	-	-	-	42,000
Loo Pak Soon	43,000	-	-	-	-	-	43,000
Chew Lee Fong	30,000	-	330,000	37,500	25,000	44,100	466,600
Cheah Ping Huey	30,000	-	498,560	204,780	-	96,356	829,696
Karen Khoo Kah Mei	43,000	-	-	-	-	36,000	79,000
Sub-total	293,000	-	888,560	242,280	25,000	184,256	1,633,096
Grand total	293,000	234,000	2,172,560	395,280	77,200	405,196	3,577,236

Note:

* Director's fee of SGD24,200 (equivalent to RM79,028) is to be paid by Captii Limited to the Company in respect of Ms Lee Su Nie's directorship in Captii Limited

(c) Remuneration of top five (5) senior management:

In view of the competitive nature of the human resource market, the remuneration of the top five (5) senior management which includes salary, bonus, benefits-in-kind and other emoluments for the financial year ended 31 December 2025 is disclosed in bands of RM50,000:

Remuneration Range	Number of Senior Management staff
Between RM350,001 - RM400,000	1
Between RM450,001 - RM500,000	1
Between RM500,001 - RM550,000	1
Between RM600,001 - RM650,000	1
Between RM950,001 - RM1,000,000	1

SUMMARY OF ACTIVITIES

During the financial year ended 31 December 2025, the NRC assisted the Board to carry out the following principal activities:

- (i) Reviewed the term of office and performance of the Audit Committee and each of its members to ensure that the Audit Committee carried out their duties in accordance with their TOR.
- (ii) Reviewed the structure, size and composition of the Board to ensure that the Board comprises individuals with necessary skills, experience, expertise, knowledge, professionalism, integrity, competencies, time commitment, and other quality including diversity in gender, age, cultural background and ethnicity.
- (iii) Assessed the effectiveness of the Board, Board Committees, and individual directors including the directors standing for election and re-election and recommended to the Board for approval of the retiring directors to be re-elected as they met the criteria of character, experience, integrity, competency and time commitment that will enable them to discharge their respective role as director of the Company effectively.
- (iv) Reviewed the Nomination and Remuneration Committee Report and recommended to the Board for approval be included in the Company's 2024 Annual Report.
- (v) Assessed the independence of independent directors taking into consideration their tenure as independent directors, the Bursa Securities' requirement applicable to an independent director after serving nine (9) years and the affirmation received from the independent directors on their independence.
- (vi) Reviewed the fees and other benefit proposed for the Directors according to the Directors' Fees and Benefit Framework and recommended to the Board for approval.
- (vii) Reviewed the annual Group Advisor fee and recommended to the Board for approval.

The NRC also reviewed the following training programmes/courses/seminars attended by directors and concluded that all directors have attended programmes/courses/seminars to keep abreast with the current developments in laws, regulations, corporate governance and business practices to aid them in discharging their duties:

No.	Directors	Date	Programmes/courses/seminars/ conferences attended	Organiser
1.	Yong Teck Ming	08.04.2025	The Future of Platform Lending: Opportunities, Risks, and Innovations	Chartered Accountants Australia and New Zealand
		11.08.2025	Webinar on The ICJ's Climate Opinion: What It Means for Business	Kiu & Co
		15.10.2025	The Relationship between Ethics and Trust	Chartered Accountants Australia and New Zealand

SUMMARY OF ACTIVITIES (continued)

No.	Directors	Date	Programmes/courses/seminars/ conferences attended	Organiser
2.	Anton Syazi Dato' Ahmad Sebi	14.01.2025	Anti-Money Laundering, Countering the Financing of Terrorism, Countering Proliferation Financing	Nature of Life Trading Sdn Bhd
		09.12.2025	Sexual Harassment, Workplace Discrimination and Mental Health Resilience	CAYS Group PLT
3.	Lee Su Nie	16.04.2025	Bursa PLCs Investor Relations Series 4/2025 – Leopard in the Grass – Global Economic, FX & Rates Outlook 2025	Bursa Malaysia Berhad
		24.09.2025	Transfer Pricing: Knowing Better – Intercompany Financial Transactions	Crowe Horwath First Trust Management Services
		08.10.2025	Understanding and Complying with the Personal Data Protection (Amendment) Act 2024	Trantor Yongchi Sdn Bhd
		17.10.2025	Sustainability/Risk-Related Workshops: Task Force on Climate-related Financial Disclosures (“TCFD”) Part 1 – Introduction to TCFD and ESG Governance	YC Consultancy
		31.10.2025	Sustainability/Risk-Related Workshops: TCFD Part 2 – Climate Scenario Analysis and IFRS S2	YC Consultancy
		04.11.2025	ACCA Virtual Seminar – Post Budget 2026	ACCA Malaysia
		07.11.2025	Sustainability/Risk-Related Workshops: TCFD Part 3 – Target Setting and Science-Based Targets Initiative (SBTi) with IFRS S2	YC Consultancy
		19.11.2025	TechInsights Series: Navigating the AI Frontier – Urgent Ethical Challenges for ACCA Professionals	ACCA Malaysia
		09.12.2025	Sexual Harassment, Workplace Discrimination and Mental Health Resilience	CAYS Group PLT
4.	Aryati Sasya Dato' Ahmad Sebi	06 - 07.01.2025	AI Training Programme – AI for Productivity	Wealthy Inheritance Tech Sdn Bhd
		08 - 09.01.2025	AI Training Programme – AI for Sales & Marketing	Novella Academy Sdn Bhd
		01 - 02.10.2025	Bett Asia 2025	Bett Asia

SUMMARY OF ACTIVITIES (continued)

No.	Directors	Date	Programmes/courses/seminars/ conferences attended	Organiser
5.	Chim Wai Khuan	13.02.2025	Taklimat dan Garis Panduan Terbaru Berhubung Pelaksanaan E-Invois	Malaysian Association of Tax Accountants
		12.03.2025	Bursa PLCs Investor Relations Series 3/2025 – Implications of Trump 2.0	Bursa Malaysia Berhad
		24.09.2025	Share Buy-Back: A Regulatory Perspective	CKM Advisory Sdn Bhd
		26.11.2025	2026 Budget Seminar	Chartered Tax Institute of Malaysia (CTIM)
		10.12.2025	Empowering Accountants for a Sustainable Future	Malaysian Institute of Accountants (MIA)
		18 - 19.12.2025	Auditing of Construction Contracts and Property Developments Activities	Malaysian Institute of Accountants (MIA)
6.	Loo Pak Soon	12 - 13.02.2025	Mandatory Accreditation Program (MAP) – Part II	Bursa Malaysia Berhad
		06.05.2025	US Tariff Hike and its Impact on Businesses in Asia-Pacific	Baker Tilly's Asia-Pacific Tax
		25.11.2025	Audit Oversight Conversation with Audit Committee	Securities Commission Malaysia
7.	Chew Lee Fong	25.07.2025	Bursa BR Capital Sdn Bhd Investor's Day – Demystifying Family Office in Malaysia	Bursa Malaysia Berhad
		31.10.2025	Sustainability/Risk-Related Workshops: TCFD Part 2 – Climate Scenario Analysis and IFRS S2	YC Consultancy
8.	Cheah Ping Huey	09.12.2025	Sexual Harassment, Workplace Discrimination and Mental Health Resilience	CAYS Group PLT
9.	Karen Khoo Kah Mei	12.03.2025	Bursa PLCs Investor Relations Series 3/2025 – Implications of Trump 2.0	Bursa Malaysia Berhad
		24 - 26.03.2025	Mandatory Accreditation Program (MAP) – Part I	Bursa Malaysia Berhad
		15.05.2025	Kenanga Banking Sector Outlook	Kenanga Investment Bank Berhad
		21.05.2025	How Currency Exchange Impacts Stock Market?	Bursa Malaysia Berhad
		22.05.2025	ChatGPT – Training and Skill Development	Coursiv

SUMMARY OF ACTIVITIES (continued)

No. Directors	Date	Programmes/courses/seminars/ conferences attended	Organiser
9. Karen Khoo Kah Mei (continued)	26.05.2025	MidJourney	Coursiv
	28.05.2025	Malaysia's Second Take Off: Exploring Policy-Driven Investment Opportunities Confirmation	Bursa Malaysia Berhad
	04.06.2025	Spotting Market Anomalies: How Behavioral Economics Impacts Investment Decisions	Bursa Malaysia Berhad
	18.06.2025	Accelerate Business Growth with Alternative Capital	Bursa Malaysia Berhad
	05.09.2025	DeepSeek	Coursiv
	08.09.2025	Dall-E	Coursiv
	09.09.2025	Stable Diffusion	Coursiv
	12.09.2025	Claude 3.7	Coursiv
	17.09.2025	Jasper AI courses	Coursiv
	08.12.2025	Master of Gemini	Coursiv
	09.12.2025	Sexual Harassment, Workplace Discrimination and Mental Health Resilience	CAYS Group PLT
	11.12.2025	Seminar Placemaking Exchange	The Japan Foundation, Kuala Lumpur (JFKL)
	15.12.2025	Master of Jasper AI	Coursiv
	15.12.2025	Master of DALL-E	Coursiv
	16.12.2025	Master of ChatGPT 2.0	Coursiv
16.12.2025	Master of Lovable	Coursiv	

DIVERSITY

The NRC and the Board have sought to ensure that the best and suitable candidates are appointed to the Board and the appointments are based on objective criteria and merit, and with due regard for diversity in skills, experience, age, cultural background and gender for the benefits of the Group.

Further information regarding Board diversity can be found on page 49 and gender diversity in the Group as a whole on pages 48 to 49.

LOOKING AHEAD

In the year ahead, the NRC will continue to assess the Board composition and how it may enhance integrity, compliance and promote ethical practices within the Group, and the effectiveness of the Board in discharging its responsibilities.

Directors' responsibility statement

in respect of the audited financial statements

In presenting the annual financial statements and quarterly announcement of results, the Board aims to present a balanced and understandable assessment of the Group's position and prospects. This also applies to other price sensitive public reports and reports to regulators. The Audit Committee assists the Board in scrutinising such reports to ensure accuracy and adequacy. The Audit Committee meets on a quarterly basis to review the integrity and reliability of the quarterly announcement of results. At least twice a year, the Audit Committee will meet to review the integrity and reliability of the Group's annual financial results in the presence of the external auditors without the management, prior to recommending them for the Board's approval and issuance to shareholders.

As part of the Directors' responsibility for preparing financial statements, the Directors are required by the Companies Act 2016 ("Act") to prepare the financial statements for each financial year which have been made out in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Act so as to give a true and fair view of the financial position of the Group and the Company as at the end of the financial year and the financial performance and cash flows of the Group and the Company for the financial year. The Directors have the responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Group and the Company and which enable them to ensure that the financial statements comply with the Act.

In preparing the financial statements, the Directors have:

- Selected suitable accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Ensured that all applicable financial reporting standards have been followed; and
- Prepared financial statements on a going concern basis as the Directors have a reasonable expectation, having made enquiries that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

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

Additional Compliance Information

1. UTILISATION OF PROCEEDS

- a. As at 31 December 2025, the status of utilisation of proceeds raised from the disposal of a property, Wisma Synergy, by AESBI Power Systems Sdn Bhd, an indirect wholly-owned subsidiary of the Company is as follows:

	Proposed Utilisation RM'000	Utilisation to-date RM'000	Balance Unutilised RM'000	Intended timeframe for Utilisation from 08.11.2019	Extended timeframe for Utilisation from 31.12.2024
Repayment of borrowings	61,340	*61,336	-	Within 3 months	-
Working capital of the Group	51,900	*51,904	-	Within 12 months	Within 12 months
Expenses for the disposal	10,760	10,760	-	Within 3 months	-
	124,000	124,000	-		

* The remaining amount of RM4,000 which was not utilised for repayment of borrowing was utilised for working capital of the Group.

- b. As at 31 December 2025, the status of utilisation of proceeds raised from the Rights Issue is as follows:

	Proposed Utilisation RM'000	Utilisation to-date RM'000	Balance Unutilised RM'000	Intended timeframe for Utilisation from 04.11.2022
Investment in existing businesses and/or future business expansion/ new strategic investment	53,200	53,200	-	Within 36 months
Working capital	25,600	*25,618	-	Within 36 months
Expenses for the Rights Issue	1,200	*1,182	-	Immediately
	80,000	80,000	-	

* The remaining amount of RM18,000 which was not utilised for expenses in relation to the Rights Issue was utilised for working capital of the Group.

2. AUDIT AND NON-AUDIT FEES PAID OR PAYABLE TO EXTERNAL AUDITORS

For the financial year ended 31 December 2025, the following audit and non-audit fees are paid or payable by the Company and the Group:

Description	Company	Group
Audit Fees paid or payable to the external auditors, Messrs Baker Tilly Monteiro Heng PLT (“BTMH”)	RM151,500	RM501,700
Non-Audit Fees paid or payable to BTMH, or a firm or corporation affiliated to BTMH (Note 1)	RM6,500	RM109,710

Note 1 The amount disclosed included non-audit fees incurred for reviewing the statement on risk management and internal control, agreed upon procedures and tax filing.

3. MATERIAL CONTRACTS INVOLVING THE INTERESTS OF THE DIRECTORS, CHIEF EXECUTIVE WHO IS NOT A DIRECTOR OR MAJOR SHAREHOLDERS

At the date of this report, the Group is not aware of any material contracts involving the interests of directors, the Chief Executive who is not a director, or major shareholders, that were either still subsisting at the end of the financial year ended 31 December 2025 or, if not subsisting, were entered into after the previous financial year-end.

4. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

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

a. Group Total Income and Total Assets

	Group	
	2025 RM'000	2024 RM'000
Total Income		
Revenue	280,930	270,507
Other operating income	19,385	13,675
Finance income	825	2,368
Share of profit of associates	33	38
Total Income	301,173	286,588
Total Assets	538,888	594,606

4. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (continued)**b. Business Activities**

	Group	
	2025 RM'000	2024 RM'000
Shariah non-compliant activities		
Food and beverage	4,991	5,088
Spa	165	156
Financial services	4,687	4,202
Interest income	833	2,649
Dividend income	20	840
Fair value gain on investment	-	66
Total	10,696	13,001

c. Component of Financial Position**(i) Cash component**

	Group	
	2025 RM'000	2024 RM'000
Islamic account		
Cash and bank balances (exclude cash in hand)	28	223
Fixed deposits	1,541	1,504
Total Cash	1,569	1,727
Conventional account		
Cash and bank balances (exclude cash in hand)	64,614	64,877
Fixed deposits	34,430	32,013
Total Cash	99,044	96,890

4. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (continued)**c. Component of Financial Position** (continued)**(ii) Debt component**

	Group	
	2025	2024
	RM'000	RM'000
Islamic financing	-	-
Conventional financing		
Non-current		
Term loans	66,367	74,952
Current		
Term loans	6,978	9,679
Revolving credits	7,000	10,000
Sub-total	13,978	19,679
Total Debt	80,345	94,631



FINANCIAL STATEMENTS

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Directors' Report

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and the provision of full corporate and financial support to its subsidiaries. The principal activities of the Company's subsidiaries are disclosed in Note 10 to the financial statements.

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

RESULTS

	Group RM'000	Company RM'000
Loss for the financial year, net of tax	<u>(27,427)</u>	<u>(6,845)</u>
Attributable to:		
Owners of the Company	(16,010)	(6,845)
Non-controlling interests	<u>(11,417)</u>	<u>-</u>
	<u>(27,427)</u>	<u>(6,845)</u>

DIVIDENDS

Since the end of the previous financial year, a first and final single tier dividend of 0.05 sen per ordinary share totalling RM1,264,604 in respect of the financial year ended 31 December 2024 was paid on 15 August 2025.

At the forthcoming Annual General Meeting, a first and final single tier dividend of 0.05 sen per ordinary share in respect of the financial year ended 31 December 2025 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the next financial year ending 31 December 2026.

RESERVES AND PROVISIONS

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

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

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

VALUATION METHODS

At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

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

CONTINGENT AND OTHER LIABILITIES (CONTINUED)

At the date of this report, there does not exist: (continued)

- (ii) any contingent liabilities in respect of the Group or of the Company which has arisen since the end of the financial year.

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

CHANGE OF CIRCUMSTANCES

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

AUDITORS' REMUNERATION AND INDEMNITY

The auditors' remuneration of the Group and the Company during the financial year are RM1.20 million and RM0.15 million respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the Directors,

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) 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 financial year in which this report is made.

ISSUE OF SHARES AND DEBENTURES

During the financial year, no new issue of shares or debentures were made by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

DIRECTORS

The Directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Yong Teck Ming
Anton Syazi Dato' Ahmad Sebi
Lee Su Nie
Aryati Sasya Dato' Ahmad Sebi
Chew Lee Fong
Chim Wai Khuan
Loo Pak Soon
Cheah Ping Huey
Karen Khoo Kah Mei

The Directors of the Company's subsidiaries in office during the financial year and during the period from the end of the financial year to the date of this report are:

Afdal Dasina Dato' Ahmad Sebi
Alain Cheseaux
Ann Wan Kuan
Anton Syazi Dato' Ahmad Sebi
Aryati Sasya Dato' Ahmad Sebi
Cheah Foo Choong
Chee Chong Fatt
Chew Lee Fong
Chin Wei Li
Dato' Ahmad Sebi Bakar
Datuk Hardew Kaur a/p Hazar Singh
Frank Michael Turrisi
Ho Ting Sai
Karen Khoo Kah Mei
Lee Buck Chye
Lee Chien Siong
Lee Chin Leng

DIRECTORS (CONTINUED)

The Directors of the Company's subsidiaries in office during the financial year and during the period from the end of the financial year to the date of this report are: (continued)

Lee Su Nie	
Ng Sai Kit	
Nicholas Ho Wei Kiat	
Norsusilawati Binti Haji Abd. Mutalip	
Phang Deng Sheng	
Puan Sri Datin Masri Khaw Abdullah	
Sng Ngiap Koon	
Tan Sri Dato' Azman Shah Haron	
Tiong Yee Kou	
Wong Tze Leng	
Yap Chee Kong	
Yong Choon Vooi	
Yong Kam Fei	
Yow Lee Phin	(Appointed on 18 August 2025)
Nina Karina Tan Sri Dato' Azman Shah	(Resigned on 21 October 2025)
Ir. Haji Mansor Salleh @ Md Salleh	(Ceased on 10 February 2026)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of the Directors in office at the end of the financial year in the shares of the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			At 31.12.2025
	At 1.1.2025	Bought	Sold	
The Company:				
Direct Interests				
Aryati Sasya Dato'				
Ahmad Sebi	66,924,000	-	-	66,924,000
Chew Lee Fong	42,481	30,500	-	72,981
Deemed Interests				
Anton Syazi Dato'				
Ahmad Sebi	*191,401,000	-	-	*191,401,000
Lee Su Nie	*21,095,000	-	-	*21,095,000
Loo Pak Soon	*191,401,000	-	-	*191,401,000

DIRECTORS' INTERESTS (CONTINUED)

	Number of ordinary shares			At 31.12.2025
	At 1.1.2025	Bought	Sold	
Subsidiaries:				
Captii Limited ("Captii")				
Direct Interests				
Anton Syazi Dato'	517,600	-	-	517,600
Ahmad Sebi				
Lee Su Nie	20,000	-	-	20,000
Segi Koleksi Sdn. Bhd. ("SKSB")				
Deemed Interests				
Anton Syazi Dato'				
Ahmad Sebi	* ³ 1,670,796	* ³ 487,786	-	* ³ 2,158,582
Aryati Sasya Dato'	* ³ 1,670,796	* ³ 487,786	-	* ³ 2,158,582
Ahmad Sebi				
Metroprime Corporation Sdn. Bhd. ("MCSB")				
Deemed Interests				
Anton Syazi Dato'				
Ahmad Sebi	* ⁴ 6,675,227	* ⁴ 1,602,555	-	* ⁴ 8,277,782
Aryati Sasya Dato'	* ⁴ 6,675,227	* ⁴ 1,602,555	-	* ⁴ 8,277,782
Ahmad Sebi				
Temasya House Sdn. Bhd. ("Temasya")				
Deemed Interests				
Anton Syazi Dato'				
Ahmad Sebi	* ⁵ 150,000	-	-	* ⁵ 150,000
Aryati Sasya Dato'	* ⁵ 150,000	-	-	* ⁵ 150,000
Ahmad Sebi				
Yap Ah Shak House Sdn. Bhd. ("YASH")				
Deemed Interests				
Anton Syazi Dato'	* ⁵ 1,273,565	-	-	* ⁵ 1,273,565
Ahmad Sebi				
Aryati Sasya Dato'	* ⁵ 1,273,565	-	-	* ⁵ 1,273,565
Ahmad Sebi				

DIRECTORS' INTERESTS (CONTINUED)

	Number of ordinary shares			At 31.12.2025
	At 1.1.2025	Bought	Sold	
Subsidiaries (continued)				
Primo Espresso Sdn. Bhd. ("Primo")				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*5671,687	-	-	*5671,687
Aryati Sasya Dato' Ahmad Sebi	*5671,687	-	-	*5671,687
Osteria Gamberoni Sdn. Bhd. ("Osteria")				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*51,022,964	-	-	*51,022,964
Aryati Sasya Dato' Ahmad Sebi	*51,022,964	-	-	*51,022,964
Alma Dining Sdn. Bhd. ("ADSB")				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*530	-	-	*530
Aryati Sasya Dato' Ahmad Sebi	*530	-	-	*530
Aras Tiga Sdn. Bhd. ("ATSB")				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*530	-	-	*530
Aryati Sasya Dato' Ahmad Sebi	*530	-	-	*530
Jiwa Baru Sdn. Bhd. ("Jiwa Baru")				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*6800,040	-	-	*6800,040
Aryati Sasya Dato' Ahmad Sebi	*6800,040	-	-	*6800,040

DIRECTORS' INTERESTS (CONTINUED)

	Number of ordinary shares			At 31.12.2025
	At 1.1.2025	Bought	Sold	
Subsidiaries: (continued)				
Acrylic Synergy Sdn. Bhd.				
Direct Interests				
Anton Syazi Dato' Ahmad Sebi	1	-	-	1

	Number of ordinary shares of CHF500.00 each			At 31.12.2025
	At 1.1.2025	Bought	Sold	
Posthotel Arosa AG ("Arosa")				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	* ⁵ 3,150	-	-	* ⁵ 3,150
Aryati Sasya Dato' Ahmad Sebi	* ⁵ 3,150	-	-	* ⁵ 3,150

	Number of ordinary shares of GBP1.00 each			At 31.12.2025
	At 1.1.2025	Bought	Sold	
57-59 Philbeach Gardens Limited ("PGL")				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	* ⁷ 100	-	-	* ⁷ 100
Aryati Sasya Dato' Ahmad Sebi	* ⁷ 100	-	-	* ⁷ 100

*1 By virtue of their interest in Eighth Review (M) Sdn. Bhd. ("ERSB"), Mr Anton Syazi Dato' Ahmad Sebi and Mr Loo Pak Soon are deemed to be interested in the ordinary shares of the Company to the extent that ERSB has an interest.

*2 This is her spouse's interest in the ordinary shares of the Company which shall be treated as her interest in the ordinary shares of the Company pursuant to Section 59(1)(c) of the Companies Act 2016 in Malaysia.

DIRECTORS' INTERESTS (CONTINUED)

- *3 By virtue of their interest in Pacific Existence Sdn. Bhd. ("PESB"), Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that PESB has an interest in SKSB.
- *4 By virtue of their interest in SKSB via PESB, Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that SKSB has an interest in MCSB.
- *5 By virtue of their interest in Kibar Konsep Sdn. Bhd. ("KKSB"), Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that KKSB has an interest in Temasya, YASH, Primo, Osteria, ADSB, ATSB and Arosa.
- *6 By virtue of their interest in Campbell House Sdn. Bhd. ("CHSB"), Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that CHSB has an interest in Jiwa Baru.
- *7 By virtue of their interest in Arosa via KKSB, Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that Arosa has an interest in PGL.

Other than as disclosed above, none of the other Directors in office at the end of the financial year had any interest in the securities of the Company and shares of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year or at any time during the financial year, no Director of the Company has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors as shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than any deemed benefit which may arise from transactions as disclosed in Note 34 to the financial statements.

DIRECTORS' BENEFITS (CONTINUED)

The Directors' benefits of the Company are as follows:

	Group RM'000	Company RM'000
Directors of the Company		
Executive directors		
- Other emoluments	1,944	1,897
	<hr/>	<hr/>
Non-executive directors		
- Fees	293	293
- Other emoluments	1,340	436
	<hr/>	<hr/>
	1,633	729
	<hr/>	<hr/>
	3,577	2,626
	<hr/>	<hr/>

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

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity insurance coverage and insurance premium paid for the Directors and officers of the Company were RM30 million and RM42,909 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 10 to the financial statements.

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

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Details of the significant event during the financial year are disclosed in Note 38 to the financial statements.

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the Directors.

ANTON SYAZI DATO' AHMAD SEBI

Director

LEE SU NIE

Director

Selangor

Date: 9 April 2026

Statements of Financial Position

as at 31 December 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	191,554	195,558	41	47
Right-of-use assets	6	34,355	36,270	2,156	2,730
Investment properties	7	14,460	14,500	-	-
Intangible assets	8	30,418	32,936	-	-
Investment in subsidiaries	10	-	-	520,831	516,483
Investment in associates	11	3,579	3,546	-	-
Investment in a joint venture	12	-	-	-	-
Inventories	15	4,732	4,701	-	-
Deferred tax assets	14	2,334	2,573	-	-
Investment securities	13	24,193	43,676	-	-
Trade and other receivables	16	8,166	-	-	-
Total non-current assets		313,791	333,760	523,028	519,260
Current assets					
Inventories	15	28,477	63,444	-	-
Trade and other receivables	16	57,605	75,868	14	20
Other assets	17	34,606	18,545	-	-
Current tax assets		1,493	1,590	-	123
Investment securities	13	2,044	2,501	352	541
Financial assets held for trading	18	23	25	-	-
Cash and fixed deposits	19	100,849	98,873	5,161	1,770
Total current assets		225,097	260,846	5,527	2,454
TOTAL ASSETS		538,888	594,606	528,555	521,714

as at 31 December 2025 (continued)

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	20	461,377	461,377	461,377	461,377
Other reserves	21	22,905	17,287	-	-
(Accumulated losses)/ Retained earnings	21	(141,091)	(123,997)	26,532	34,642
Shareholders' funds		343,191	354,667	487,909	496,019
Non-controlling interests	10(f)	41,434	52,848	-	-
Total equity		384,625	407,515	487,909	496,019
Non-current liabilities					
Borrowings	22	66,367	74,952	-	-
Lease liabilities	23	3,368	16,711	1,761	2,359
Deferred tax liabilities	14	3,467	3,660	-	-
Trade and other payables	24	4,289	5,412	-	-
Total non-current liabilities		77,491	100,735	1,761	2,359
Current liabilities					
Borrowings	22	13,978	19,679	-	-
Lease liabilities	23	1,047	2,951	598	577
Current tax liabilities		556	60	-	-
Trade and other payables	24	58,760	60,124	38,287	22,759
Other liabilities	17	2,431	3,542	-	-
Total current liabilities		76,772	86,356	38,885	23,336
Total liabilities		154,263	187,091	40,646	25,695
TOTAL EQUITY AND LIABILITIES		538,888	594,606	528,555	521,714

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

Statements of Comprehensive Income

for the financial year ended 31 December 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	25	280,930	270,507	9,145	34,739
Cost of sales	26	(214,082)	(207,912)	-	-
Gross profit		66,848	62,595	9,145	34,739
Other operating income		19,385	13,675	-	128
Distribution costs		(4,882)	(4,018)	-	-
Administrative expenses		(59,362)	(51,399)	(6,082)	(5,654)
(Impairment losses)/Reversal of Impairment losses on financial instruments and contract assets		(380)	551	248	(312)
Other operating expenses		(40,116)	(85,480)	(9,516)	(7,905)
Operating (loss)/profit	27	(18,507)	(64,076)	(6,205)	20,996
Finance income	28	825	2,368	-	-
Finance costs	29	(6,869)	(10,544)	(591)	(2,342)
Share of results of associates		33	38	-	-
(Loss)/Profit before tax		(24,518)	(72,214)	(6,796)	18,654
Income tax expense	30	(2,909)	(3,418)	(49)	(18)
(Loss)/Profit for the financial year		(27,427)	(75,632)	(6,845)	18,636
Other comprehensive					
(loss)/income, net of tax					
Items that will not be reclassified					
subsequently to profit or loss:					
Fair value loss on equity instruments designated at fair value through other comprehensive income		(820)	(1,286)	-	-
Disposal of investment securities recognised at fair value through other comprehensive income		1,755	-	-	-

for the financial year ended 31 December 2025 (continued)

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations		4,379	(1,552)	-	-
Total comprehensive (loss)/income for the financial year		(22,113)	(78,470)	(6,845)	18,636
(Loss)/Profit attributable to:					
Owners of the Company		(16,010)	(58,728)	(6,845)	18,636
Non-controlling interests		(11,417)	(16,904)	-	-
		(27,427)	(75,632)	(6,845)	18,636
Total comprehensive (loss)/income attributable to:					
Owners of the Company		(10,211)	(64,707)	(6,845)	18,636
Non-controlling interests		(11,902)	(13,763)	-	-
		(22,113)	(78,470)	(6,845)	18,636
Loss per ordinary share attributable to ordinary equity holders of the Company (sen)					
- Basic	31	(0.63)	(2.32)		
- Diluted	31	(0.63)	(2.32)		

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

Statements of Changes In Equity

for the financial year ended 31 December 2025

Group	Share Capital RM'000	Foreign Currency Translation Reserve		Fair Value Reserve RM'000	Accumulated Losses RM'000	Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
		Revaluation Reserve RM'000	Reserve RM'000					
At 1 January 2025	461,377	16,325	3,202	(2,240)	(123,997)	354,667	52,848	407,515
Loss for the financial year	-	-	-	-	(16,010)	(16,010)	(11,417)	(27,427)
Fair value of equity instruments through other comprehensive income	-	-	-	(820)	-	(820)	-	(820)
Crystallisation of revaluation reserve	-	(181)	-	-	181	-	-	-
Disposal of investment securities recognised at fair value through other comprehensive income	-	-	-	1,755	-	1,755	-	1,755
Exchange differences on translation of foreign operations	-	-	4,864	-	-	4,864	(485)	4,379
Total comprehensive loss for the financial year	-	(181)	4,864	935	(15,829)	(10,211)	(11,902)	(22,113)
Transactions with owners:								
Dividends paid (Note 32)	-	-	-	-	(1,265)	(1,265)	-	(1,265)
Changes in ownership interest in a subsidiary	-	-	-	-	-	-	488	488
Total transactions with owners	-	-	-	-	(1,265)	(1,265)	488	(777)
At 31 December 2025	461,377	16,144	8,066	(1,305)	(141,091)	343,191	41,434	384,625

for the financial year ended 31 December 2025 (continued)

Group	Share Capital RM'000	Revaluation Reserve RM'000	Foreign Currency Translation Reserve RM'000	Fair Value Reserve RM'000	Accumulated Losses RM'000	Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
At 1 January 2024	461,377	16,413	7,895	(954)	(64,092)	420,639	67,593	488,232
Loss for the financial year	-	-	-	-	(58,728)	(58,728)	(16,904)	(75,632)
Fair value of equity instruments through other comprehensive income	-	-	-	(1,286)	-	(1,286)	-	(1,286)
Crystallisation of revaluation reserve	-	(362)	-	-	362	-	-	-
Realisation of revaluation reserve	-	274	-	-	(274)	-	-	-
Exchange differences on translation of foreign operations	-	-	(4,693)	-	-	(4,693)	3,141	(1,552)
Total comprehensive loss for the financial year	-	(88)	(4,693)	(1,286)	(58,640)	(64,707)	(13,763)	(78,470)
Transactions with owners:								
Dividends paid (Note 32)	-	-	-	-	(1,265)	(1,265)	-	(1,265)
Dividends paid to non-controlling interest of a subsidiary	-	-	-	-	-	-	(982)	(982)
Total transactions with owners	-	-	-	-	(1,265)	(1,265)	(982)	(2,247)
At 31 December 2024	461,377	16,325	3,202	(2,240)	(123,997)	354,667	52,848	407,515

for the financial year ended 31 December 2025 (continued)

Company	Share Capital RM'000	Retained Earnings RM'000	Total RM'000
At 1 January 2024	461,377	17,271	478,648
Total comprehensive income for the financial year	-	18,636	18,636
<u>Transaction with owners:</u>			
Dividends paid (Note 32)	-	(1,265)	(1,265)
At 31 December 2024	461,377	34,642	496,019
Total comprehensive loss for the financial year	-	(6,845)	(6,845)
<u>Transaction with owners:</u>			
Dividends paid (Note 32)	-	(1,265)	(1,265)
At 31 December 2025	461,377	26,532	487,909

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

Statements of Cash Flows

for the financial year ended 31 December 2025

	Group		Company		
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash flows from operating activities:					
(Loss)/Profit before tax		(24,518)	(72,214)	(6,796)	18,654
Adjustments for:					
Amortisation of intangible assets		1,338	846	-	-
Depreciation of property, plant and equipment		6,700	8,135	13	12
Depreciation of right-of-use assets		2,129	3,647	574	575
Dividends from quoted investment securities		(20)	(840)	(5)	(10)
Effect of modification to lease terms		-	(2,354)	-	-
Fair value loss/(gain) in:					
- investment properties		40	(700)	-	-
- quoted investment securities		327	(66)	189	(126)
- unquoted investment securities		13,805	22,247	-	-
Loss on deregistration of subsidiary		-	32	-	-
Gain on dissolution of subsidiary		(5)	-	-	-
(Gain)/Loss on disposal of:					
- property, plant and equipment		-	(2,275)	-	-
- quoted investment securities		1,260	(80)	-	-
- investment properties		-	185	-	-
- investment in subsidiary		1,210	(37)	-	-
Impairment losses/(Reversal of impairment losses) on:					
- amount owing from associates		-	254	-	-
- goodwill		-	15,035	-	-
- investment in unquoted shares		-	1,693	-	-
- right-of-use assets		-	2,174	-	-
- intangible assets		2,120	705	-	-
- investment in associates		-	25	-	-
- investment in subsidiaries		-	-	8,732	7,265
- property, plant and equipment		-	12,236	-	-
- trade and other receivables		380	(805)	(248)	312

for the financial year ended 31 December 2025 (continued)

	Group		Company	
	2025	2024	2025	2024
Note	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities:				
(continued)				
Interest expenses	6,869	10,544	591	2,342
Interest income	(871)	(2,698)	(45)	(329)
Net unrealised loss/(gain) on foreign exchange	1,373	(735)	-	42
Property, plant and equipment written off	85	3	-	-
Gain on termination of lease	(12,493)	-	-	-
Share of results in associates	(33)	(38)	-	-
Operating (loss)/profit before working capital changes	(304)	(5,081)	3,005	28,737
Changes in working capital:				
Inventories	34,303	(18,430)	-	-
Receivables	9,231	52,039	(12,823)	(26,521)
Contract assets	(16,061)	9,786	-	-
Financial assets at fair value through profit or loss	3	21	-	-
Payables	(2,491)	(18,755)	15,526	(12,805)
Contract liabilities	(1,111)	(696)	-	-
Net cash generated from/(used in) operations	23,570	18,884	5,708	(10,589)
Tax (paid)/refunded	(2,339)	(3,507)	73	(143)
Net cash from/(used in) operating activities	21,231	15,377	5,781	(10,732)

for the financial year ended 31 December 2025 (continued)

	Group		Company	
	2025	2024	2025	2024
Note	RM'000	RM'000	RM'000	RM'000
Cash flows from investing activities:				
Acquisition of:				
- intangible assets	(938)	(2,637)	-	-
- unquoted investment securities	-	(577)	-	-
Change in deposit placed with licensed banks	(12)	2,640	-	-
Dividend income received	20	1,240	5	10
Interest received	871	2,698	45	329
Placement of pledged deposits	(125)	(1,084)	-	-
Proceeds from disposal of:				
- investment property	-	2,315	-	-
- property, plant and equipment	-	23,880	-	-
- quoted investments securities	4,200	16	-	16
- unquoted investment securities	-	1,193	-	-
Net cash outflow on disposal of subsidiary	(26)	-	-	-
Purchase of property, plant and equipment	(4,990)	(7,147)	(7)	(5)
Net cash (used in)/from investing activities	(1,000)	22,537	43	350
Cash flows from financing activities: (a)				
Dividends paid	(1,265)	(1,265)	(1,265)	(1,265)
Dividends paid to non-controlling interests of a subsidiary	-	(982)	-	-
Repayment of term loans	(11,393)	(9,764)	-	-
Interest paid	(6,869)	(10,544)	(591)	(2,342)
Payments of lease liabilities	(2,266)	(2,879)	(577)	(556)
Repayment of revolving credit	(3,000)	(29,000)	-	-
Net cash used in financing activities	(24,793)	(54,434)	(2,433)	(4,163)
Effects of exchange rate changes	6,042	3,303	-	-
Net change in cash and cash equivalents	1,480	(13,217)	3,391	(14,545)

for the financial year ended 31 December 2025 (continued)

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and cash equivalents at the beginning of the financial year					
As previously reported		74,246	88,084	1,770	16,315
Effect of exchange rate changes		360	(621)	-	-
		74,606	87,463	1,770	16,315
Cash and cash equivalents at the end of the financial year					
	19	76,086	74,246	5,161	1,770

(a) Reconciliation of liabilities arising from financial liabilities:

Group

	At 1 January RM'000	Cash flows RM'000	Lease modific- ation RM'000	Exchange differ- ence RM'000	At 31 December RM'000
2025					
Revolving credit	10,000	(3,000)	-	-	7,000
Term loans	84,631	(11,393)	-	107	73,345
Lease liabilities	19,662	(2,266)	(12,493)	(488)	4,415
	114,293	(16,659)	(12,493)	(381)	84,760
2024					
Revolving credit	39,000	(29,000)	-	-	10,000
Term loans	95,934	(9,764)	-	(1,539)	84,631
Lease liabilities	30,482	(2,879)	(7,540)	(401)	19,662
	165,416	(41,643)	(7,540)	(1,940)	114,293

for the financial year ended 31 December 2025 (continued)

(a) Reconciliation of liabilities arising from financial liabilities: (continued)

Company

	At 1 January RM'000	Cash flows RM'000	At 31 December RM'000
2025			
Lease liabilities	2,936	(577)	2,359
	<hr/>	<hr/>	<hr/>
2024			
Lease liabilities	3,492	(556)	2,936
	<hr/>	<hr/>	<hr/>

- (b) During the financial year, the Group and the Company had total cash outflows for leases of RM3,034,000 and RM682,000 (2024: RM4,669,000 and RM683,000) respectively.

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

Notes to the Financial Statements

31 December 2025

1. GENERAL INFORMATION

The principal activities of the Company are that of investment holding and the provision of full corporate and financial support to its subsidiaries. The principal activities of the Company's subsidiaries are disclosed in Note 10 to the financial statements. There have been no significant changes in the nature of these principal activities during the financial year.

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

The registered office of the Company is located at Ground Floor, Synergy 9, 9 Jalan Kajibumi U1/70, Temasya Glenmarie, 40150 Shah Alam, Selangor.

The principal place of business of the Company is located at Synergy 9, 9 Jalan Kajibumi U1/70, Temasya Glenmarie, 40150 Shah Alam, Selangor.

The financial statements were approved and authorised for issue by the Board of Directors in accordance with a resolution of the directors on 9 April 2026.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Adoption of amendments to MFRS

The Group and the Company have adopted the following applicable amendments to MFRS for the current financial year:

MFRS 121	The Effects of Changes in Foreign Exchange Rates
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The adoption of the above amendments to MFRS did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective

- (a) The Group and the Company have not adopted the following new MFRS and amendments to MFRSs that have been issued, but yet to be effective:

<u>New MFRS</u>	Effective for financial periods beginning on or after
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
 <u>Amendments to MFRSs</u>	
MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
MFRS 7 Financial Instruments: Disclosures	1 January 2026
MFRS 9 Financial Instruments	1 January 2026
MFRS 10 Consolidated Financial Statements	1 January 2026/ Deferred
MFRS 107 Statement of Cash Flows	1 January 2026
MFRS 121 The Effects of Changes in Foreign Exchange Rates	1 January 2027
MFRS 128 Investments in Associates and Joint Ventures	Deferred

- (b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below.

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including “operating profit”, which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

31 December 2025 (continued)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective (continued)

- (b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below. (continued)

MFRS 18 Presentation and Disclosure in Financial Statements (continued)

MFRS 18 requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures ("MPMs"). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communicates about the entity's financial performance, and any changes made to the MPMs in the year.

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the "operating" category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as "other" to be labelled and/or described in as faithfully representative and precise a way as possible.

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures

These narrow scope amendments to MFRS 9 clarify the classification and measurement requirements, including:

- clarify how the contractual cash flows on financial assets with environmental, social and corporate governance and similar features should be assessed, specifically the assessment of interest focuses on what an entity is being compensated for, rather than how much compensation it receives. Nonetheless, the amount of compensation the entity receives may indicate that it is being compensated for something other than basic lending risks and costs.

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective (continued)

- (b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below. (continued)

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures (continued)

These narrow scope amendments to MFRS 9 clarify the classification and measurement requirements, including: (continued)

- clarify the date on which a financial asset or a financial liability settled via electronic payment systems is derecognised. The Amendments permit an entity to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.

Amendments to MFRS 7 introduces new disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates

Amendments to MFRS 121 clarifies how entities should translate financial statements from a non-hyperinflationary currency into a hyperinflationary presentation currency.

- When an entity's functional currency is the currency of a non-hyperinflationary economy but its presentation currency is the currency of a hyperinflationary economy, the results and financial position of the entity shall be translated into the presentation currency by translating all amounts (ie assets, liabilities, equity items, income and expenses, including comparatives) at the closing rate at the date of the most recent statement of financial position.

31 December 2025 (continued)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective (continued)

- (b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below. (continued)

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates (continued)

Amendments to MFRS 121 clarifies how entities should translate financial statements from a non-hyperinflationary currency into a hyperinflationary presentation currency. (continued)

- When an entity's functional currency and presentation currency are the currency of a hyperinflationary economy (or are the currencies of different hyperinflationary economies) and the entity translates the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy, the entity shall restate the comparative amounts of that foreign operation included in the entity's previously issued financial statements by applying the general price index it applies to corresponding figures for the previous reporting period in accordance with paragraph 34 of MFRS 129 Financial Reporting in Hyperinflationary Economies.

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency, and has been rounded to the nearest thousand, unless otherwise stated.

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

(a) Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date.

Acquisition of entities under reorganisation scheme does not result in any change in economic substance. Accordingly, the consolidated financial statements of the Company are continuation of the acquired entity and is accounted for as follows:

- the assets and liabilities of the acquired entity are recognised and measured in the consolidated financial statements as the pre-combination carrying amounts, without restatement to fair value;
- the retained earnings and other equity balances of acquired entity immediately before the business combination are those of the Group; and
- the equity structure, however, reflects the equity structure of the Company and the differences arising from the change in equity structure of the Group will be accounted for in other reserves.

(b) Non-controlling interests

At the acquisition date, components of non-controlling interest of the Group are measured at the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

(c) Associates

Investment in associates is accounted for in the consolidated financial statements of the Group using the equity method.

(d) Joint arrangements

The Group classifies its joint arrangements as disclosed in Note 12 "joint venture" for Unified Telecom Private Limited and accounts its interests using the equity method as the Group has rights to the net assets of the arrangements.

31 December 2025 (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.1 Basis of consolidation (continued)

(e) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries, joint ventures and associates are measured at cost less any accumulated impairment losses.

Contributions to subsidiaries are amounts which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

3.3 Financial instruments

Financial assets – subsequent measurement and gains and losses

Financial assets at fair value through profit or loss

The Group and the Company subsequently measure these assets at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss.

Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.3 Financial instruments (continued)

Financial assets – subsequent measurement and gains and losses (continued)

Equity instruments at fair value through other comprehensive income

The Group and the Company subsequently measure all equity investments at fair value. Upon initial recognition, the Group and the Company have made an irrevocable election to classify its equity investments as disclosed in Note 13 to the financial statements that are not held for trading as equity instruments designated at fair value through other comprehensive income. The classification is determined on an instruments-by-instrument basis.

Gain and losses on these financial assets are not recycled to profit or loss. Dividends are recognised as other income in the profit or loss when the right of payment has been established, except when the Group and the Company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial liabilities – subsequent measurement and gains and losses

The Group and the Company subsequently measure other financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3.4 Property, plant and equipment

Property, plant and equipment (other than certain freehold land and buildings and right-of-use assets) are measured at cost less accumulated depreciation and any accumulated impairment losses.

Certain freehold lands and buildings are measured at fair value, based on valuations by external independent valuers, less accumulated depreciation on buildings and any impairment losses recognised after the date of revaluation. Valuations are performed with sufficient regularity to ensure that the fair value of the freehold lands and buildings does not differ materially from the carrying amount. Any accumulated depreciation as at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

31 December 2025 (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.4 Property, plant and equipment (continued)

The revaluation reserve is transferred to retained earnings as the assets are used. The amount of revaluation reserve transferred is the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Freehold land has an unlimited useful life and therefore is not depreciated. Assets under construction included in property, plant and equipment are not depreciated as these assets are not available for use.

All other property, plant and equipment (other than right-of-use assets as disclosed in Note 3.5 to the financial statements) are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

Hotel properties (buildings)	50 years
Buildings	2%-5%
Plant and machinery	10%-20%
Motor vehicles	20%
Furniture, fittings and equipment	10%-25%
Renovation	10%-20%
Computer equipment and software	20%-33.33%
Crockeries, glassware, cutleries, linen and kitchen utensils	10%
Telecommunications, research and development equipment	20%-33.33%

3.5 Leases

(a) Lessee accounting

The Group and the Company present right-of-use assets and lease liabilities as separate lines in the statements of financial position.

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognised right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Leases (continued)

(a) Lessee accounting (continued)

Right-of-use assets

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payment that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(b) Lessor accounting

The Group recognises lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of revenue. Rental income from sublease properties which recognised as other income.

3.6 Investment properties

Investment properties are measured at fair value with gains and losses arising from changes in the fair values of investment properties in profit or loss for the period in which they arise.

3.7 Intangible assets

Intangible assets, other than goodwill, that are acquired by the Group and the Company, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

31 December 2025 (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**3.7 Intangible assets (continued)**

The amortisation methods used and the estimated useful lives are as follows:

	Method	Useful lives (year)
Deferred development costs	Straight-line	5
Licenses	Straight-line	5

3.8 Inventories

Inventories are measured at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- raw materials: purchase costs on a first-in first-out basis.
- finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average cost basis.

Property under development and completed properties

The cost of property under development recognised in profit or loss is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative sale value of the property sold.

The cost of unsold completed properties is determined on a specific identification basis.

3.9 Revenue and other income

Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints), net of any related taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income (continued)

(a) Sales of goods

Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

The credit terms offered by the Group range from 30 to 90 days (2024: 30 to 90 days).

(b) Rendering of services

Revenue from service orders and term projects is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs. For services that are not material transactions revenue is recognised as the services are provided.

Distinct goods or services created over time

For distinct goods or services in a series such as routine or recurring service contracts where the promise under the contract is for a specified quantity of goods or services that meets the over-time criteria or is a stand-ready or single continuous service and if the nature of each good or service is distinct, substantially the same and has the same pattern of transfer or each time increment is distinct, then revenue is recognised at the amount that the entity has the right to bill a fixed amount for each unit of goods or service provided.

31 December 2025 (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**3.9 Revenue and other income (continued)****(b) Rendering of services (continued)**Distinct goods or services created over time (continued)

For long-term service contracts and projects for constructing, manufacturing or developing an asset the value to the customer is created over time during the contract period and it is accounted for as a single performance obligation that is satisfied over time. This is because the customer simultaneously receives and consumes the benefits of the entity's performance in processing each transaction as and when each transaction is processed; the performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or the performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date. The revenue is recognised over time by using the input method. For the input method the revenue is recognised on the basis of the efforts or inputs to the satisfaction of a performance obligation such as costs incurred relative to the total expected inputs to the satisfaction of that performance obligation.

Sale of tickets

The Group is also involved in retail and wholesale of airline tickets to their leisure travel customers and travel agents. The Groups sells the airlines tickets to their leisure travel customers as part of their travel packages, while their travel agents customers act as a form of distribution channel to other retail customers. Principal and agent relationship have been taken into consideration and the Group is acting as a principal in this regard.

The price of the sale of ticketing is based on an actual cost incurred plus a pre-determined mark-up rate.

Ticket refund occurs when there is a cancellation of flight or a change of date on the flight tickets, mainly referring to refund of airport taxes.

Revenue from sale of ticketing is recognised at a point in time upon issuance of the tickets.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income (continued)

(b) Rendering of services (continued)

Sale of tour packages

Sale of tour packages consist of inbound and outbound tour packages. The inbound tour is the tour packages within Malaysia, whereas outbound tour is the tour packages to foreign countries. Accordingly, contracts for sale of tour package comprises multiple deliverables which includes significant integration service and are therefore recognised as a single performance obligation. Principal and agent relationship have been taken into consideration and the Group is acting as a principal in this regard.

Revenue from the sale of tour package is recognised based on the fixed price specified in the contract. Agent companies are entitled for corporate discounts and revenue derived from agent companies represent tour charges and sales of air tickets less discounts and refunds.

Tour refund refers to cancellation of tour due to several reasons. For example, travel alert, terrorism, not meeting minimum number of pax of travellers, and also customers' personal reasons. Sales vouchers will be given to customers under the circumstances when the customers intend to cancel or change the tour date to a later date.

Revenue from sale of tour package is recognised point in time based on the commencement of the tour.

Consistent with market practise, the Group collects deposits from customers for the sale of tour packages. A contract liability is recognised for the customer deposits as the Group has an obligation to render service to the customer in respect of deposit received which is presented in the statement of financial position within other payables as contract liabilities. Customer deposits would be recognised as revenue when the related services are rendered.

31 December 2025 (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income (continued)

(c) Property development

The Group develops and sells residential and commercial properties.

For practical expediency, the Group and the Company applies revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics in the property development business if the Group reasonably expect that the effects on the financial statements would not differ materially from recognising revenue on each individual contracts (or performance obligations) within that portfolio.

Revenue from the sale of residential properties are recognised as and when the control of the asset is transferred to the customer. Based on the terms of the contract and the laws that apply to the contract, control of the asset is transferred over time as the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of property development costs incurred for work performed to date bear to the estimated total property development costs (an input method).

The consideration is due based on the scheduled payments in the contract, therefore, no element of financing is deemed present. When a particular milestone is reached in excess of the scheduled payments, a contract asset will be recognised for the excess of revenue recognised to date under the input method over the progress billings to-date and include deposits or advances received from customers. When the progress billings to-date and include deposits or advances received from customers exceeds revenue recognised to date then the Group recognise a contract liability for the difference.

Consistent with market practice, the Group collects deposit from customers for sale of properties. A contract liability is recognised for the customer deposits as the Group has obligations to transfer the goods or services to the customer in respect of deposits received. Customer deposits would be recognised as revenue upon transfer of goods or services to the customer.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**3.9 Revenue and other income (continued)****(c) Property development (continued)**

For residential properties, as part of the statutory requirements, the Group's obligations is to rectify any defects that become apparent within the defect liability period 24 months after the customer takes vacant possession of the building. No provision for rectification costs has been made as the end of the financial year as there has been no known material defect reported and only minimal costs have been incurred in the past.

(d) Hotel revenue

The Group recognised the revenue received from guests on the services rendered including room sales, food and beverage and other ancillary services. These are distinct performances obligations, for which prices invoiced to the guests are representative of their stand-alone selling price. These obligations are fulfilled over time when they relate to room sales, along the stay in the hotel, and at a point in time for other goods or services, when they have been delivered or rendered.

(e) Bus-body fabrication

The Group manufactures bus bodies and assembles buses. Contract with customer is highly integrated, it is recognised as a single performance obligation. Revenue is recognised progressively based on the progress towards complete satisfaction of the performance obligation.

Revenue is recognised over time when control of the asset is transferred over time when the Group's performance:

- creates and enhances an asset that the customer controls as the services are being performed; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

31 December 2025 (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income (continued)

(f) Rental income

Rental income from investment property is recognised on a straight-line basis over the term of the lease. Lease incentive granted is recognised as an integral part of the total rental income, over the term of the lease.

3.10 Deferred tax

When investment properties are carried at fair value in accordance with the material accounting policy information as disclosed in Note 3.6 to the financial statements, the amount of deferred tax recognised is measured using tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within the business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

3.11 Contract costs

The Group has applied the practical expedient to recognise the incremental costs of obtaining contracts as an expense when incurred if the amortisation periods of the asset that the Group otherwise would have recognised are one year or less.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

4.1 Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of CGU to which the goodwill is allocated. Estimating a value-in-use amount requires management to make an estimation of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amounts of the Group's goodwill key assumptions used to determine the recoverable amount for different cash-generating units, including sensitivity analysis, are disclosed in Note 9 to the financial statements.

4.2 Valuation of investment properties

The Group has investment properties carried at fair value. Valuation of these assets is based on valuation performed by independent professional property valuers. The valuation method adopted by the valuers was comparison method for similar assets and comparison of current prices in an active market for similar properties in the same location and condition and where necessary, adjusting for location, size, tenure, title restrictions, neighbourhood, and other relevant factors. Significant judgement is made in determining the appropriate valuation methods and the key assumptions used in the valuations. Any changes in these assumptions will have an impact on the carrying amounts of the investment properties.

The carrying amounts of the Group's investment properties are disclosed in Note 7 to the financial statements.

31 December 2025 (continued)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTION (CONTINUED)

4.3 Fair value of unquoted investments

The Group has significant balances of financial instruments that are not traded in an active market, the fair value is established by using valuation techniques that are appropriate in circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The fair value measurement requires the selection among a range of different valuation methodologies, making estimates about expected future cash flows and discounted rates. The models are tested for validity by calibrating to prices from any observable current market transactions in the same instrument when available. Where cost is used as an estimate of fair value, significant judgement is required where management considers various indicators where cost might not be representative of fair value.

The carrying amount of the Group's fair value of unquoted investments are disclosed in Note 13 to the financial statements.

4.4 Impairment in investment in subsidiaries

The Company determines whether there is any indication of impairment in investment in subsidiaries. If any of such indication exists, the Company makes an estimate of the recoverable amount of the investment in subsidiaries.

The recoverable amount of investment in subsidiaries was determined based on value-in-use which involves exercise of significant judgement on the discount rates applied and the assumption supporting the underlying cash flow projections which include future revenue, gross profit margin and operating expenses.

The carrying amount of the Company's investment in subsidiaries are disclosed in Note 10 to the financial statements.

31 December 2025 (continued)

5. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land	Buildings	Hotel properties -Freehold lands	Hotel properties -Buildings	Plant and machinery	Furniture, fittings and equipment	Renovation	Motor vehicles	Computer equipment and software	Crockeries, glassware, cutlery, linen and kitchen utensils	Telecom- munications and research and development equipment	Total
2025	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost/Valuation												
At 1 January 2025	2,301	63,856	75,255	65,381	4,865	14,593	24,182	1,231	11,490	1,094	32,597	296,845
Additions	-	-	-	145	208	671	1,646	-	1,040	50	1,230	4,990
Disposals	-	-	-	-	-	(8)	-	(80)	-	-	(162)	(250)
Disposal of a subsidiary	-	-	-	-	-	-	(1,339)	-	-	-	-	(1,339)
Written off	-	-	-	-	-	(214)	(15,572)	-	(408)	-	(7,098)	(23,292)
Reclassification	-	-	30	(1,712)	-	-	1,650	30	-	-	2	-
Exchange differences	-	(241)	(1,224)	(296)	(1)	(123)	(1,070)	(5)	(16)	(2)	(535)	(3,513)
At 31 December 2025	2,301	63,615	74,061	63,518	5,072	14,919	9,497	1,176	12,106	1,142	26,034	273,441
Accumulated Depreciation												
At 1 January 2025	-	6,891	-	1,319	2,453	10,331	8,069	1,231	10,043	647	23,072	64,056
Depreciation for the financial year	-	1,283	-	697	468	1,389	1,048	22	956	366	471	6,700
Disposals	-	-	-	-	-	(8)	-	(80)	-	-	(162)	(250)
Disposal of a subsidiary	-	-	-	-	-	-	(903)	-	-	-	-	(903)
Written off	-	-	-	-	-	(214)	(4,130)	-	(404)	-	(6,648)	(11,396)
Exchange differences	-	(141)	-	(7)	-	(135)	(96)	(5)	(12)	(1)	(166)	(563)
At 31 December 2025	-	8,033	-	2,009	2,921	11,363	3,988	1,168	10,583	1,012	16,567	57,644

31 December 2025 (continued)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land	Buildings	Hotel properties -Freehold lands	Hotel properties -Buildings	Plant and machinery	Furniture, fittings and equipment	Renovation	Motor vehicles	Computer equipment and software	Crockeries, glassware, cutlery, linen and kitchen utensils	Telecom- munications and research and development equipment	Total
2025	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Accumulated Impairment Loss												
At 1 January 2025	-	-	7,574	7,910	-	352	13,303	-	-	-	8,092	37,231
Disposal of a subsidiary	-	-	-	-	-	-	(467)	-	-	-	-	(467)
Written off	-	-	-	-	-	-	(11,409)	-	-	-	(402)	(11,811)
Exchange differences	-	-	(200)	(209)	-	-	-	-	-	-	(301)	(710)
At 31 December 2025	-	-	7,374	7,701	-	352	1,427	-	-	-	7,389	24,243
Carrying Amount at 31 December 2025												
2,301	55,582	66,687	53,808	53,808	2,151	3,204	4,082	8	1,523	130	2,078	191,554
Representing:												
Cost	2,301	55,582	-	-	2,151	3,204	4,082	8	1,523	130	2,078	71,059
Valuation	-	-	66,687	53,808	-	-	-	-	-	-	-	120,495
Total	2,301	55,582	66,687	53,808	2,151	3,204	4,082	8	1,523	130	2,078	191,554

31 December 2025 (continued)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land	Buildings	Hotel properties -Freehold lands	Hotel properties -Buildings	Plant and machinery	Furniture, fittings and equipment	Renovation	Motor vehicles	Computer equipment and software	Crockeries, glassware, cutlery, linen and kitchen utensils	Telecom- munications and research and development equipment	Total
2024	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost/Valuation												
At 1 January 2024	407	63,912	89,275	78,449	4,207	13,198	25,561	1,239	10,937	888	33,349	321,422
Additions	1,894	6	-	189	485	1,972	1,435	-	589	100	477	7,147
Disposals	-	-	(12,025)	(11,683)	-	-	-	-	-	-	-	(23,708)
Written off	-	-	-	-	-	(18)	(1,417)	-	(12)	-	(505)	(1,952)
Reclassification	-	-	-	-	174	(284)	-	-	-	110	-	-
Exchange differences	-	(62)	(1,995)	(1,574)	(1)	(275)	(1,397)	(8)	(24)	(4)	(724)	(6,064)
At 31 December 2024	2,301	63,856	75,255	65,381	4,865	14,593	24,182	1,231	11,490	1,094	32,597	296,845
Accumulated Depreciation												
At 1 January 2024	-	5,639	-	2,141	2,035	9,788	8,474	1,208	9,109	363	22,763	61,520
Depreciation for the financial year	-	1,288	-	1,316	333	865	2,267	31	977	269	789	8,135
Disposals	-	-	-	(2,103)	-	-	-	-	-	-	-	(2,103)
Written off	-	-	-	-	-	(18)	(1,633)	-	(12)	-	(286)	(1,949)
Reclassification	-	-	-	-	85	(100)	-	-	-	15	-	-
Exchange differences	-	(36)	-	(35)	-	(204)	(1,039)	(8)	(31)	-	(194)	(1,547)
At 31 December 2024	-	6,891	-	1,319	2,453	10,331	8,069	1,231	10,043	647	23,072	64,056

31 December 2025 (continued)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land	Buildings	Hotel properties - Freehold lands	Hotel properties - Buildings	Plant and machinery	Furniture, fittings and equipment	Renovation	Motor vehicles	Computer equipment and software	Crockeries, glassware, cutlery and kitchen utensils	Telecom- munications and research and development equipment	Total
2024	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Accumulated Impairment Loss												
At 1 January 2024	-	-	7,683	8,024	-	352	1,225	-	-	-	8,425	25,709
Impairment loss for the financial year	-	-	-	-	-	-	12,078	-	-	-	158	12,236
Exchange differences	-	-	(109)	(114)	-	-	-	-	-	-	(491)	(714)
At 31 December 2024	-	-	7,574	7,910	-	352	13,303	-	-	-	8,092	37,231
Carrying Amount at 31 December 2024												
2,301	56,965	67,681	56,152	56,152	2,412	3,910	2,810	-	1,447	447	1,433	195,558
Representing:												
Cost	2,301	56,965	-	-	2,412	3,910	2,810	-	1,447	447	1,433	71,725
Valuation	-	-	67,681	56,152	-	-	-	-	-	-	-	123,833
Total	2,301	56,965	67,681	56,152	2,412	3,910	2,810	-	1,447	447	1,433	195,558

31 December 2025 (continued)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Computer	Furniture,	Renovations	Total
2025	equipment	fittings and	RM'000	RM'000
	RM'000	equipment	RM'000	RM'000
		RM'000		
Cost				
At 1 January 2025	99	118	46	263
Additions	7	-	-	7
At 31 December 2025	106	118	46	270
Accumulated Depreciation				
At 1 January 2025	94	105	17	216
Depreciation for the financial year	7	2	4	13
At 31 December 2025	101	107	21	229
Carrying Amount at 31 December 2025	5	11	25	41
Company				
2024				
Cost				
At 1 January 2024	97	115	46	258
Additions	2	3	-	5
At 31 December 2024	99	118	46	263
Accumulated Depreciation				
At 1 January 2024	88	103	13	204
Depreciation for the financial year	6	2	4	12
At 31 December 2024	94	105	17	216
Carrying Amount at 31 December 2024	5	13	29	47

- (a) Included in property, plant and equipment of the Group are assets pledged to the licensed banks to secure credit facilities granted to the Company and its subsidiaries as disclosed in Note 22 to the financial statements with the following carrying amounts:

	Group	
	2025	2024
	RM'000	RM'000
Hotel properties	72,977	76,193
Buildings	53,686	54,524
	126,663	130,717

31 December 2025 (continued)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (b) Had the revalued assets been carried at cost less accumulated depreciation, the carrying amounts would have been as follows:

Group	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
2025			
Hotel properties			
- lands	48,499	-	48,499
- buildings	49,717	(7,392)	42,325
	<u>98,216</u>	<u>(7,392)</u>	<u>90,824</u>
2024			
Hotel properties			
- lands	49,523	-	49,523
- buildings	50,749	(6,014)	44,735
	<u>100,272</u>	<u>(6,014)</u>	<u>94,258</u>

- (c) Fair value information

Fair values of revalued properties are categorised as follows:

Group	Level 3 RM'000
2025	
Hotel properties	
- lands	66,687
- buildings	53,808
	<u>120,495</u>
2024	
Hotel properties	
- lands	67,681
- buildings	56,152
	<u>123,833</u>

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(c) Fair value information (continued)

Valuation techniques and significant other observable inputs**Hotel property 1**

Valuation technique for recurring fair value measurements	Comparison with market evidence of recent transaction prices for similar properties
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Significant unobservable inputs	Price per square feet: RM73 (2024:RM73)
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Relationship of unobservable inputs to fair value	The higher the price per square feet, the higher the fair value
---	---

Hotel property 2

Valuation technique for recurring fair value measurements	Comparison with market evidence of recent transaction prices for similar properties
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Significant unobservable inputs	Price per square feet: RM6,719 (2024:RM6,719)
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Relationship of unobservable inputs to fair value	The higher the price per square feet, the higher the fair value
---	---

Valuation processes applied by the Group

The Group's finance department reporting to the senior accounts manager evaluates the valuation of land and buildings required for financial reporting purposes including Level 3 fair value.

The fair value of revalued hotel property 1 and hotel property 2 have been determined based on the valuation report dated in February 2022 and December 2023, carried out by Suleiman & Co and Anderson Wilde & Harris respectively, a firm of independent professional valuer, with recognised and relevant qualification and recent experience in the location and assets being valued. The valuation method used was Comparison Method that makes reference to recent transactions and sales evidences involving other similar properties in the vicinity. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input to this valuation approach is the price per square feet of comparable properties.

31 December 2025 (continued)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**(c) Fair value information (continued)****Policy on transfer between levels**

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Transfer between levels of fair value hierarchy

There is no transfer between levels of fair values hierarchy during the financial year.

Highest and best use

In estimating the fair value of the hotel properties – freehold land and buildings, the highest and best use of the land and buildings is their current use.

(d) Impairment loss

In the previous financial year, an impairment loss of RM12,078,000 was recognised in profit or loss under other operating expenses due to adverse business conditions affecting the hotel in China.

(e) The legal title for a freehold land under hotel property has yet to be transferred to the Group.

31 December 2025 (continued)

6. RIGHT-OF-USE ASSETS

Group	Leasehold land RM'000	Buildings RM'000	Hotel properties RM'000	Total RM'000
2025				
Cost				
At 1 January 2025	24,000	18,582	11,700	54,282
Additions	-	118	-	118
Derecognition	-	-	(11,354)	(11,354)
Exchange difference	-	560	(346)	214
At 31 December 2025	24,000	19,260	-	43,260
Accumulated Depreciation and Impairment Loss				
At 1 January 2025	2,142	4,516	11,354	18,012
Depreciation for the financial year	-	2,129	-	2,129
Derecognition	-	-	(11,354)	(11,354)
Exchange difference	-	118	-	118
At 31 December 2025	2,142	6,763	-	8,905
Carrying Amount at 31 December 2025	21,858	12,497	-	34,355
2024				
Cost				
At 1 January 2024	24,000	18,209	18,713	60,922
Additions	-	373	-	373
Derecognition	-	-	(5,933)	(5,933)
Exchange difference	-	-	(1,080)	(1,080)
At 31 December 2024	24,000	18,582	11,700	54,282
Accumulated Depreciation and Impairment Loss				
At 1 January 2024	1,417	3,185	8,579	13,181
Depreciation for the financial year	725	1,331	1,591	3,647
Impairment loss	-	-	2,174	2,174
Derecognition	-	-	(371)	(371)
Exchange difference	-	-	(619)	(619)
At 31 December 2024	2,142	4,516	11,354	18,012
Carrying Amount at 31 December 2024	21,858	14,066	346	36,270

31 December 2025 (continued)

6. RIGHT-OF-USE ASSETS (CONTINUED)

Company	Building
2025	RM'000
Cost	
At 1 January 2025/31 December 2025	5,174
Accumulated Depreciation	
At 1 January 2025	2,444
Depreciation for the financial year	574
At 31 December 2025	3,018
Carrying Amount at 31 December 2025	2,156
2024	
Cost	
At 1 January 2024/31 December 2024	5,174
Accumulated Depreciation	
At 1 January 2024	1,869
Depreciation for the financial year	575
At 31 December 2024	2,444
Carrying Amount at 31 December 2024	2,730

(a) Lease terms

The Group and the Company's lease buildings and hotel properties with lease terms are as follows:

Buildings	over the lease period from 4 to 36 years
Hotel properties	over the lease period from 8 to 16 years
Leasehold land	over 43 years

(b) Impairment loss

In the previous financial year, an impairment loss of RM2.2 million was recognised in profit or loss under other operating expenses due to adverse business conditions affecting the hotel in China.

7. INVESTMENT PROPERTIES

	Group	
	2025	2024
	RM'000	RM'000
At fair value:		
At 1 January	14,500	16,300
Disposal of investment property	-	(2,500)
Fair value change	(40)	700
At 31 December	<u>14,460</u>	<u>14,500</u>

Strata title of the shop office has not been issued by Department of Director General of Lands and Mines in Malaysia as at 31 December 2025.

Details of the Group's investment properties are as follows:

<u>Descriptions</u>	<u>Location</u>	<u>Existing use</u>
Shop office	Lot 3A-5-1, 5th Floor, Block 3A, Plaza Sentral, Kuala Lumpur, Malaysia	Generate rental income
Residential house 1	No.9, Jalan SS3/39, 47300 Petaling Jaya, Selangor, Malaysia	Generate rental income
Residential house 2	17, Jalan CH 5C, Canary Residensi, Taman Cheras Hartamas, Cheras, Selangor, Malaysia	Generate rental income
Commercial bungalow	16, Jalan Othman, 46000 Petaling Jaya, Malaysia	Generate rental income
Residential condominium	39-5, Residensi Pantai Sentral 2, Secoya Residences, Jalan Pantai Murni 7, Kuala Lumpur, Malaysia	Generate rental income

The following amounts are recognised in the profit or loss:

	Group	
	2025	2024
	RM'000	RM'000
Rental income	245	232
Direct operating expenses arising from investment properties that generate rental income	(166)	(218)
	<u> </u>	<u> </u>

31 December 2025 (continued)

7. INVESTMENT PROPERTIES (CONTINUED)

Included in investment properties of the Group are assets pledged to the licensed banks to secure credit facilities granted to the Company and its subsidiaries as disclosed in Note 22 to the financial statements with the following carrying amounts:

	Group	
	2025	2024
	RM'000	RM'000
Land and buildings		
- Shop office	7,000	7,000
- Commercial bungalow	4,861	4,901
	11,861	11,901

Valuation processes applied by the Group

The Group's finance department reporting to the senior accounts manager evaluates the valuation of investment properties required for financial reporting purposes including Level 3 fair value.

The fair value of the shop office was measured based on the highest and best use method to reflect the actual market state and circumstances as of the end of the reporting year. The fair value was based on a valuation made by CBRE WTW Valuation & Advisory Sdn. Bhd., a firm of independent professional valuers, which hold a recognised and relevant professional qualification with sufficient recent experience in the location and category of the investment property being valued. There has been no change to the valuation technique during the year. Management determined that the highest and best use of the assets is the current use and that it would provide maximum value to market participants principally through its use in combination with other assets.

The fair value of the commercial bungalow, residential houses 1 and 2 and residential condominium were measured based on the sales comparison prices of comparable buildings in close proximity adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable buildings. The fair value was based on a valuation made by SMY Valuers & Consultants Sdn. Bhd., a firm of independent professional valuers, which hold a recognised and relevant professional qualification with sufficient recent experience in the location and category of the investment property being valued.

7. INVESTMENT PROPERTIES (CONTINUED)**Valuation techniques and significant other observable inputs****Shop office**

Valuation technique for recurring fair value measurements:

Comparison with market evidence of recent transaction prices for similar properties

Significant observable inputs:

Price per square foot of RM792 (2024: RM792)

Sensitivity on management's estimates – 10% variation from estimate:

Impact-lower by RM700,000 (2024: RM700,000); higher by RM700,000 (2024: RM700,000)

Residential house 1

Valuation technique for recurring fair value measurements:

Comparison with market evidence of recent transaction prices for similar properties

Significant observable inputs:

Price per square foot of RM1,100 (2024: RM1,100)

Sensitivity on management's estimates – 10% variation from estimate:

Impact-lower by RM300,000 (2024: RM300,000); higher by RM300,000 (2024: RM300,000)

Residential house 2

Valuation technique for recurring fair value measurements:

Comparison with market evidence of recent transaction prices for similar properties

Significant observable inputs:

Price per square foot of RM501 (2024: RM501)

Sensitivity on management's estimates – 10% variation from estimate:

Impact-lower by RM160,000 (2024: RM160,000); higher by RM160,000 (2024: RM160,000)

31 December 2025 (continued)

7. INVESTMENT PROPERTIES (CONTINUED)**Valuation techniques and significant other observable inputs (continued)****Commercial bungalow**

Valuation technique for recurring fair value measurements:

Comparison with market evidence of recent transaction prices for similar properties

Significant observable inputs:

Price per square foot of RM322 (2024: RM329)

Sensitivity on management's estimates – 10% variation from estimate:

Impact-lower by RM186,000 (2024: RM190,000); higher by RM186,000 (2024: RM190,000)

Residential condominium

Valuation technique for recurring fair value measurements:

Comparison with market evidence of recent transaction prices for similar properties

Significant observable inputs:

Price per square foot of RM948 (2024: RM948)

Sensitivity on management's estimates – 10% variation from estimate:

Impact-lower by RM100,000 (2024: RM100,000); higher by RM100,000 (2024: RM100,000)

Fair value information

Fair value of investment properties is categorised as level 3.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Transfer between levels of fair value hierarchy

There is no transfer between levels of fair values hierarchy during the financial year.

31 December 2025 (continued)

8. INTANGIBLE ASSETS

Group	Goodwill on consolidation	Intellectual property	Deferred	Deferred	Licenses	Total
			development costs (completed)	development costs (under development)		
2025	RM'000 (Note 9)	RM'000 (Note a)	RM'000 (Note b)	RM'000	RM'000 (Note c)	RM'000
Cost						
At 1 January 2025	99,016	5,876	27,293	1,801	844	134,830
Additions	-	63	875	-	-	938
Reclassification	-	-	591	(591)	-	-
Exchange differences	-	-	3	-	-	3
At 31 December 2025	99,016	5,939	28,762	1,210	844	135,771
Accumulated Amortisation and Impairment losses						
At 1 January 2025	74,859	154	26,038	-	843	101,894
Amortisation for the financial year	-	751	587	-	-	1,338
Impairment for the financial year	-	2,120	-	-	-	2,120
Exchange differences	-	-	1	-	-	1
At 31 December 2025	74,859	3,025	26,626	-	843	105,353
Carrying Amount at 31 December 2025	24,157	2,914	2,136	1,210	1	30,418
2024						
Cost						
At 1 January 2024	99,016	4,973	25,785	1,595	844	132,213
Additions	-	903	-	1,734	-	2,637
Reclassification	-	-	1,528	(1,528)	-	-
Exchange differences	-	-	(20)	-	-	(20)
At 31 December 2024	99,016	5,876	27,293	1,801	844	134,830
Accumulated Amortisation and Impairment losses						
At 1 January 2024	59,824	52	24,590	-	843	85,309
Amortisation for the financial year	-	102	744	-	-	846
Impairment for the financial year	15,035	-	705	-	-	15,740
Exchange differences	-	-	(1)	-	-	(1)
At 31 December 2024	74,859	154	26,038	-	843	101,894
Carrying Amount at 31 December 2024	24,157	5,722	1,255	1,801	1	32,936

31 December 2025 (continued)

8. INTANGIBLE ASSETS (CONTINUED)**(a) Intellectual property**

Intellectual property comprises rights and titles relating to mobile software.

(b) Deferred development costs

The deferred development costs mainly comprise staff costs, operating expenses and depreciation expenses for the development of the Captii Group's proprietary mobile software and cost of development of card issuing services and has an average remaining amortisation period of 5 years (2024: 5 years).

(c) Licenses

The licenses comprise compliance and testing costs of bus models and have an average amortisation period of 5 years (2024: 5 years).

9. GOODWILL ON CONSOLIDATION

Management reviews the business performance based on the type of products and services of the strategic business units which represent its reportable operating segments. For the purpose of impairment testing, goodwill acquired through business combinations is allocated to the following Group's CGUs which are also reportable operating segments, which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The carrying amounts of goodwill allocated to the Group's CGUs are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Information and communications technology - CGU 1	20,222	20,222
Travel and tours - CGU 2	3,659	3,659
Others	276	276
	24,157	24,157

9. GOODWILL ON CONSOLIDATION (CONTINUED)

CGU 1

The recoverable amount of the CGU was determined based on its value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets and forecasts approved by management covering a five-year period using a discount rate of 13.90% (2024: 13.90%). The forecasted growth rate used to extrapolate cash flow projections beyond the five-year period is 2.0% (2024: 2.0%).

The discount rate applied to the cash flow projections is pre-tax and reflects management's estimate of the risks specific to the CGU at the date of assessment. Management determined the forecasted growth rate and budgeted gross margin based on past performance and its expectations of market developments.

In the previous financial year, the Group estimated that the carrying amount of CGU 1 was higher than its recoverable amount and impairment loss of RM15.04 million was recognised. The impairment loss was fully allocated to goodwill and is recorded in statement of comprehensive income of the Group.

The value in use was determined by management using the discounted cash flow valuation technique. The key assumptions used for value in use calculations are as stated above.

CGU 2

The recoverable amount of the CGUs was determined based on its value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets and forecasts approved by management covering a five-year period using a discount rate of 10.46% (2024: 8.84%). The forecasted growth rate used to extrapolate cash flow projections beyond the five-year period is 0% (2024: 0%).

The discount rate applied to the cash flow projections is pre-tax and reflects management's estimate of the risks specific to the CGUs at the date of assessment. Management determined the forecasted growth rate and budgeted gross margin based on past performance and its expectations of market developments.

Based on the sensitivity analysis performed, management believes that no reasonably possible change in key assumptions would cause the carrying values of the CGU 2 to exceed its recoverable amounts.

The value in use was determined by management using the discounted cash flow valuation technique. The key assumptions used for value in use calculations are as stated above.

31 December 2025 (continued)

9. GOODWILL ON CONSOLIDATION (CONTINUED)**Other**

Based on the sensitivity analysis performed, management believes that no reasonably possible change in key assumptions would cause the carrying values of the CGU to exceed its recoverable amounts.

10. INVESTMENT IN SUBSIDIARIES

	Company	
	2025	2024
	RM'000	RM'000
Unquoted shares - at cost	674,113	619,348
Less: Impairment loss	(156,001)	(163,419)
	<u>518,112</u>	<u>455,929</u>
Loans that are part of net investments		
At cost	5,013	64,607
Less: Impairment loss	(2,294)	(4,053)
	<u>520,831</u>	<u>516,483</u>

Loans that are part of net investments represent amount owing by a subsidiary which is non-trade in nature, unsecured and non-interest bearing. The settlement of the amount is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as a long-term source of capital to the subsidiary. As the amount is, in substance, a part of the Company's net investment in the subsidiary, it is stated at cost less accumulated impairment loss, if any.

(a) Disposal of subsidiary

On 21 October 2025, Shanghai Holiday Villa Hotel Co. Ltd. ("Shanghai hotel subsidiary"), an indirect wholly-owned subsidiary of the Company, was entirely disposed upon the termination of the lease for Shanghai Holiday Villa Hotel & Residence Jiading P.R.C..

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Disposal of subsidiary (continued)

(i) Summary of the effects of disposal of Shanghai Holiday Villa Hotel Co. Ltd.:

	RM'000	RM'000
Recognised:		
Cash consideration received		*
Derecognised:		
Fair value of identifiable net assets at disposal date		
Property, plant and equipment	31	
Inventories	635	
Trade and other receivables	470	
Cash and cash equivalents	26	
Tax recoverable	68	
Trade and other payables	(20)	1,210
		<u>1,210</u>
Gain on disposal of Shanghai Holiday Villa Hotel Co. Ltd.		<u>1,210</u>

(ii) Effects of disposal on cash flows:

	RM'000
Fair value consideration received	*
Less: Cash and cash equivalents of subsidiary disposal	<u>(26)</u>
Net cash outflows on disposal	<u>(26)</u>

* Amount less than RM1,000.

(b) Incorporation of 9 Evesham House Limited ("9EVE")

On 15 July 2025, 9EVE was incorporated with an issued and paid-up ordinary share capital of GBP1. 9EVE is a wholly owned subsidiary of the Company.

31 December 2025 (continued)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

- (c) Strike-off/ Dissolution of subsidiaries
- (i) On 10 March 2025, Ausborn Sawmill Sdn. Bhd., a direct wholly owned subsidiary of the Company, was struck off from the register under Section 551(3) of the Companies Act 2016 and henceforth dissolved following the publication of the notice of striking off in the Gazette on 10 March 2025.
 - (ii) On 24 March 2025, Simpang Tiga Realty Sdn. Bhd. an indirect 95%-owned subsidiary of the Company, was struck off from the register under Section 551(3) of the Companies Act 2016 and henceforth dissolved following the publication of the notice of striking off in the Gazette on 24 March 2025.
 - (iii) On 21 April 2025, Dama TCM Sdn. Bhd. an indirect wholly owned subsidiary of the Company, was struck off from the register under Section 551(3) of the Companies Act 2016 and henceforth dissolved following the publication of the notice of striking off in the Gazette on 21 April 2025.
 - (iv) On 10 October 2025, Orient Escape Travel (Penang) Sdn. Bhd., an indirect wholly owned subsidiary of the Company, was struck off from the register under Section 551(3) of the Companies Act 2016 and henceforth dissolved following the publication of the notice of striking off in the Gazette on 10 October 2025.
- (d) Certain shares of subsidiaries in the Group have been charged to financial institutions for credit facilities granted to the Group as disclosed in Note 22 to the financial statements.

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(e) The details of the subsidiaries are as follows :

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest		Principal Activities
		2025 %	2024 %	
Direct subsidiaries				
Advance Synergy Capital Sdn. Bhd. ^	Malaysia	100	100	Investment holding
Advance Synergy Properties Sdn. Bhd.	Malaysia	100	100	Investment holding
Advance Synergy Realty Sdn. Bhd. *	Malaysia	100	100	Property development and investment
Alam Samudera Corporation Sdn. Bhd.	Malaysia	100	100	Inactive
Alangka-Suka Hotels & Resorts Sdn. Bhd.	Malaysia	100	100	Investment holding
Ausborn Sawmill Sdn. Bhd. @	Malaysia	-	100	Dissolved on 10 March 2025
Calmford Incorporated #	British Virgin Islands	100	100	Inactive
Datakey Sdn. Bhd.	Malaysia	100	100	To carry out computer facilities management activities, computer consultancy and other management consultancy activities
Diversified Gain Sdn. Bhd.	Malaysia	100	100	Investment holding
Excellent Arch Sdn. Bhd.	Malaysia	100	100	Investment holding
Excellent Display Sdn. Bhd.	Malaysia	100	100	Property investment, management and rental of properties
iSynergy Sdn. Bhd.	Malaysia	100	100	Inactive
Nagapura Management Corporation Sdn. Bhd.	Malaysia	100	100	Investment holding
Sadong Development Sdn. Bhd.	Malaysia	100	100	Investment holding
Segi Koleksi Sdn. Bhd.	Malaysia	70	70	Investment holding
Strategic Research & Consultancy Sdn. Bhd.	Malaysia	100	100	Investment holding
Synergy Gold Incorporated #	British Virgin Islands	100	100	Inactive
Synergy Petroleum Incorporated #	British Virgin Islands	100	100	Investment holding
Worldwide Matrix Sdn. Bhd.	Malaysia	100	100	Investment holding
9 Evesham House Limited	England and Wales	100	-	Inactive

31 December 2025 (continued)

10 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(e) The details of the subsidiaries are as follows: (continued)

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest		Principal Activities
		2025 %	2024 %	
Indirect subsidiaries held through Advance Synergy Capital Sdn. Bhd.				
AESBI Power Systems Sdn. Bhd.	Malaysia	100	100	Provision of management services
Aviva Master Coach Technology Sdn. Bhd.	Malaysia	100	100	Designing, building and fabrication of coaches
Paydee Sdn. Bhd.	Malaysia	100	100	Provision of payment card issuing and acquiring services
Paydee Capital Sdn. Bhd.	Malaysia	100	100	Inactive
Paydee Nura Sdn. Bhd.	Malaysia	100	100	Provision of credit and other financial service activities
Paydee Ventures Sdn. Bhd.	Malaysia	100	100	Inactive
Triton-K Sdn. Bhd.	Malaysia	100	100	Provision of management services
Indirect subsidiary held through Aviva Master Coach Technology Sdn. Bhd.				
Quality Bus & Coach Pty. Ltd. #	Australia	100	100	Designing, building and fabrication of coaches and coach certification and testing
Indirect subsidiary held through Quality Bus & Coach Pty. Ltd.				
Motorcoach Australia Pty. Ltd. #	Australia	100	100	Designing, building and fabrication of coaches and coach certification and testing
Indirect subsidiaries held through Alangka-Suka Hotels & Resorts Sdn. Bhd.				
Alangka-Suka International Limited #	British Virgin Islands	100	100	Investment holding
Alor Setar Holiday Villa Sdn. Bhd.	Malaysia	100	100	Inactive
Antara Holiday Villas Sdn. Bhd.	Malaysia	100	100	Investment holding
Asbina Hotel & Property Sdn. Bhd.	Malaysia	100	100	Investment holding
Cherating Holiday Villa Berhad	Malaysia	100	100	Operates Holiday Villa Beach Resort & Spa Cherating
Grand Hotel Sudan Limited # ^^	British Virgin Islands	100	100	In liquidation
Holiday Villa Assets Sdn. Bhd.	Malaysia	100	100	Investment holding

31 December 2025 (continued)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(e) The details of the subsidiaries are as follows: (continued)

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest		Principal Activities
		2025 %	2024 %	
Indirect subsidiaries held through Alangka-Suka Hotels & Resorts Sdn. Bhd. (continued)				
Holiday Villas International Limited #	British Virgin Islands	100	100	Investment holding
Langkawi Holiday Villa Sdn. Bhd.	Malaysia	100	100	Inactive
Mayor Hotels Sdn. Bhd.	Malaysia	100	100	Inactive
P.T. Diwangkara Holiday Villa Bali #	Republic of Indonesia	100	100	Inactive
Super Leisure Sdn. Bhd.	Malaysia	100	100	Investment holding
Indirect subsidiaries held through Alangka-Suka International Limited				
Asbina Shenzhen Limited #	British Virgin Islands	90	90	Dormant
Holiday Villa Makkah Limited # ^^	British Virgin Islands	100	100	In liquidation
Larkwood Assets Limited #	British Virgin Islands	100	100	Investment holding
Indirect subsidiary held through Asbina Hotel & Property Sdn. Bhd.				
Asbina Hotel & Property (Cambodia) Pte. Ltd. #	Kingdom of Cambodia	100	100	Inactive
Indirect subsidiary held through Holiday Villa Assets Sdn. Bhd.				
Posthotel Arosa AG #	Switzerland	65	65	Investment holding
Indirect subsidiary held through Posthotel Arosa AG				
57-59 Philbeach Gardens Limited *	England and Wales	65	65	Owns and operates The Marloes
Indirect subsidiaries held through Holiday Villas International Limited				
Holiday Villa China International Limited #	British Virgin Islands	100	100	Investment holding
Holiday Villa Middle East Limited # ^^	British Virgin Islands	100	100	In liquidation
Holiday Villa (UK) Ltd. #	England and Wales	100	100	Inactive
Indirect subsidiaries held through Holiday Villa China International Limited				
Changshu Holiday Villa Hotel Management Co. Ltd. *	People's Republic of China	100	100	Investment holding
Holiday Villa Hong Kong Company Limited #	Hong Kong	100	100	Inactive

31 December 2025 (continued)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(e) The details of the subsidiaries are as follows: (continued)

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest		Principal Activities
		2025 %	2024 %	
Indirect subsidiary held through Holiday Villa Hong Kong Company Limited				
上海豪立纬酒店有限公司 (Shanghai Holiday Villa Hotel Co. Ltd.) \$	People's Republic of China	-	100	Operate Holiday Villa Hotel & Residence Shanghai Jiading P.R.C.
Indirect subsidiary held through Advance Synergy Properties Sdn. Bhd.				
Synergy Realty Incorporated #	British Virgin Islands	100	100	Inactive
Indirect subsidiary held through Segi Koleksi Sdn. Bhd.				
Metroprime Corporation Sdn. Bhd.	Malaysia	70	70	Managing and operating The Language House and provision of educational products and services
Indirect subsidiary held through Diversified Gain Sdn. Bhd.				
Orient Escape Travel Sdn. Bhd.	Malaysia	100	100	Travel and tour agent and the provision of travel related services
Indirect subsidiaries held through Orient Escape Travel Sdn. Bhd.				
OET Services Sdn. Bhd.	Malaysia	100	100	Inactive
Orient Escape Travel (Penang) Sdn. Bhd. @	Malaysia	-	100	Dissolved on 10 October 2025
Qurex Sdn. Bhd.	Malaysia	100	100	Money services business
Synergy Tours Sdn. Bhd.	Malaysia	100	100	Tour operator
Indirect subsidiary held through Excellent Arch Sdn. Bhd.				
Advance Synergy Furniture Sdn. Bhd. ^^	Malaysia	100	100	In liquidation
Indirect subsidiary held through Excellent Display Sdn. Bhd.				
Dama TCM Sdn. Bhd. @	Malaysia	-	100	Dissolved on 21 April 2025
Indirect subsidiaries held through Nagapura Management Corporation Sdn. Bhd.				
Acrylic Synergy Sdn. Bhd.	Malaysia	93.72	93.72	In the process of striking-off
Syarikat Fit and Weld Engineering (M) Sdn. Bhd. ^^	Malaysia	70	70	In liquidation
Xgo Teknik Sdn. Bhd.	Malaysia	100	100	Provision of management services

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(e) The details of the subsidiaries are as follows: (continued)

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest		Principal Activities
		2025 %	2024 %	
Indirect subsidiaries held through Advance Synergy Realty Sdn. Bhd.				
Alma Dining Sdn. Bhd.	Malaysia	70	70	To run, operate and manage food & beverage business and related services
Aras Tiga Sdn. Bhd.	Malaysia	70	70	Operates and manages food & beverage business and related business
Harta Sinergi Sdn. Bhd.	Malaysia	100	100	Investment holding
Jiwa Baru Sdn. Bhd.	Malaysia	60	60	Property investment, management and rental of properties and investment holding
Osteria Gamberoni Sdn. Bhd.	Malaysia	70	70	Operates and manages food & beverage business and related business
Primo Espresso Sdn. Bhd. *	Malaysia	70	70	Operates and manages food & beverage business and its related business
Temasya House Sdn. Bhd.	Malaysia	70	70	Property management and rental of property and related services
Yap Ah Shak House Sdn. Bhd.	Malaysia	70	70	Operation and management of serviced office, property management, rental of property and other related businesses/services
Indirect subsidiary held through Sadong Development Sdn. Bhd.				
Hotel Golden Dragon Sdn. Bhd.	Malaysia	95	95	Inactive
Indirect subsidiary held through Hotel Golden Dragon Sdn. Bhd.				
Simpang Tiga Realty Sdn. Bhd. @	Malaysia	-	95	Dissolved on 24 March 2025
Indirect subsidiary held through Worldwide Matrix Sdn. Bhd.				
Captii Limited *^	Singapore	58.30	58.30	Investment holding and the provision of management services
Indirect subsidiaries held through Captii Limited				
Captii Ventures Pte. Ltd. *	Singapore	58.30	58.30	Undertake investment in technology companies
Postpay Asia Sdn. Bhd. *	Malaysia	58.30	58.30	Investment holding

31 December 2025 (continued)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(e) The details of the subsidiaries are as follows: (continued)

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest		Principal Activities
		2025 %	2024 %	
Indirect subsidiaries held through Captii Limited (continued)				
Unified Assets Sdn. Bhd. *	Malaysia	58.30	58.30	Investment holding
Unified Communications (OHQ) Sdn. Bhd. *	Malaysia	58.30	58.30	Provisions of management and operational headquarters (“OHQ”) services to its related companies
Unified Communications (OSS) Sdn. Bhd. *	Malaysia	58.30	58.30	Investment holding
Unified Communications Pte. Ltd. *	Singapore	58.30	58.30	Distribution of telecommunications products, the design and development of telecommunications solutions, project management, and maintenance and support services for the telecommunications industry
Unified Communications Sdn. Bhd. *	Malaysia	58.30	58.30	Research and development, software engineering, system integration, project management, and maintenance and support services for the telecommunications industry
Indirect subsidiary held through Captii Ventures Pte. Ltd.				
OOPA Pte. Ltd. *	Singapore	37.64	37.64	Investment holding
Indirect subsidiary held through Unified Communications (OSS) Sdn. Bhd.				
GlobeOSS Sdn. Bhd. *	Malaysia	29.73	29.73	Provision of global roaming quality of service management solutions
Indirect subsidiary held through GlobeOSS Sdn. Bhd.				
GlobeOSS Pte. Ltd. *	Singapore	29.73	29.73	Provision of global roaming quality of service management solutions
Indirect subsidiary held through GlobeOSS Pte. Ltd.				
GlobeOSS (Brunei) Sdn. Bhd. *	Brunei Darussalam	29.73	29.73	Provision of global roaming quality of service management solutions
Indirect subsidiaries held through Unified Communications Pte. Ltd.				
Adzentrum Sdn. Bhd. *	Malaysia	58.30	58.30	Dormant
Unified Communications (Private) Limited *	Pakistan	58.30	58.30	Provision of telecommunications products, technology and customised solutions to telecommunications operators, service providers and enterprises

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(e) The details of the subsidiaries are as follows: (continued)

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest		Principal Activities
		2025 %	2024 %	
Indirect subsidiaries held through Unified Communications Sdn. Bhd.				
Ahead Mobile Sdn. Bhd. *	Malaysia	58.30	58.30	Software engineering, system integration, project management, and maintenance and support services for the telecommunications industry
Unified Communications (Tech) Pte. Ltd. *	Singapore	58.30	58.30	Distribution of information technology and telecommunications products
Indirect subsidiaries held through Postpay Asia Sdn. Bhd.				
Postpay Sdn. Bhd. *	Malaysia	58.30	58.30	Providing credit profiling, pay-later solutions and/or other incidental/relevant businesses to any telecommunications operators, service providers, enterprises, or entities of any descriptions
Postpay Technology Sdn. Bhd. *	Malaysia	58.30	58.30	Provision of telecommunications products, technology and customised solutions to telecommunications operators, service providers and enterprises

* Audited by auditors other than Baker Tilly Monteiro Heng PLT.

\$ Disposed during the financial year.

@ Dissolved during the financial year.

Not required to be audited in their countries of incorporation. The financial statements have been reviewed for consolidation purposes.

^ Shares have been charged to financial institutions for credit facilities granted as disclosed in Note 22 to the financial statements.

^^ In liquidation.

31 December 2025 (continued)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

- (f) The Group's subsidiaries that have material non-controlling interest ("NCI") are as follows:

	Captii Limited RM'000	Posthotel Arosa AG RM'000	Other individually immaterial subsidiaries RM'000	Total RM'000
2025				
NCI percentage of ownership interest and voting interest				
	41.7%	35%		
Carrying amount of NCI	41,360	2,997	(2,923)	41,434
Loss allocated to NCI	(6,553)	(3,564)	(1,300)	(11,417)
Summarised financial information before intra-group elimination				
Summarised statements of financial position				
As at 31 December 2025				
Non-current assets	37,183	1		
Current assets	74,195	40,523		
Non-current liabilities	(802)	-		
Current liabilities	(11,393)	(26,226)		
Net assets	99,183	14,298		
Summarised statements of comprehensive income				
Financial year ended 31 December 2025				
Revenue	52,063	-		
Loss for the financial year	(15,577)	(64,572)		
Total comprehensive loss	(12,775)	(64,572)		
Summarised cash flow information				
Financial year ended 31 December 2025				
Cash flows generated from/ (used in) operating activities	17,036	(5,170)		
Cash flows used in investing activities	(1,874)	-		
Cash flows used in financing activities	(4,653)	-		
Net increase/(decrease) in cash and cash equivalents	10,509	(5,170)		
Dividends paid to NCI	-	-		

31 December 2025 (continued)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

- (f) The Group's subsidiaries that have material non-controlling interest ("NCI") are as follows: (continued)

	Captii Limited RM'000	Posthotel Arosa AG RM'000	Other individually immaterial subsidiaries RM'000	Total RM'000
2024				
NCI percentage of ownership interest and voting interest	41.7%	35%		
Carrying amount of NCI	48,398	6,560	(2,110)	52,848
Loss allocated to NCI	(15,718)	(74)	(1,112)	(16,904)
Summarised financial information before intra-group elimination				
Summarised statements of financial position				
As at 31 December 2024				
Non-current assets	52,520	1		
Current assets	79,598	94,609		
Non-current liabilities	(1,753)	-		
Current liabilities	(14,302)	(20,936)		
Net assets	116,063	73,674		
Summarised statements of comprehensive income				
Financial year ended 31 December 2024				
Revenue	59,856	-		
(Loss)/Profit for the financial year	(29,515)	913		
Total comprehensive (loss)/income	(25,061)	913		
Summarised cash flow information				
Financial year ended 31 December 2024				
Cash flows (used in)/generated from operating activities	(1,959)	5,653		
Cash flows used in investing activities	(1,251)	-		
Cash flows used in financing activities	(1,458)	-		
Net decrease in cash and cash equivalents	(4,668)	5,653		
Dividends paid to NCI	982	-		

31 December 2025 (continued)

11. INVESTMENT IN ASSOCIATES

	Group	
	2025	2024
	RM'000	RM'000
Unquoted shares, at cost	6,538	6,538
Less: Impairment loss	(345)	(345)
	6,193	6,193
Share of post-acquisition reserve, net of dividends received	(2,614)	(2,647)
	<u>3,579</u>	<u>3,546</u>

(a) The details of the associates are as follows:

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest		Principal Activities
		2025 %	2024 %	
Indirect associate held through Advance Synergy Capital Sdn. Bhd.				
SIBB Berhad *	Malaysia	20	20	Investment dealings
Indirect associate held through Langkawi Holiday Villa Sdn. Bhd.				
M OOD Perfumes Sdn. Bhd. *#	Malaysia	30	30	Inactive
Indirect associate held through Super Leisure Sdn. Bhd.				
Smile Integrated Solution Sdn. Bhd. *	Malaysia	49	49	Inactive
Indirect associate held through Synergy Tours Sdn. Bhd.				
P.T. Panorama Synergy Indonesia *	Republic of Indonesia	49	49	Inactive
Indirect associate held through Strategic Research & Consultancy Sdn. Bhd.				
Kopistop Sdn. Bhd. *#	Malaysia	40	40	Investment holding and the business of food & beverage

* Audited by another firm of auditors other than Baker Tilly Monteiro Heng PLT.

The Group has discontinued recognising its share of losses as the share of accumulated losses of the associate has exceeded the Group's investment in that associate.

11. INVESTMENT IN ASSOCIATES (CONTINUED)

- (b) The following table summarises the information of the Group's material associates, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associates:

Group 2025	SIBB Berhad RM'000		
Assets and liabilities:			
Non-current assets	15,650		
Current assets	10,693		
Current liabilities	(55)		
Net assets	<u>26,288</u>		
Results:			
Total comprehensive income	<u>228</u>		
Included in the total comprehensive income is:			
Revenue	<u>296</u>		
	SIBB	Other individually immaterial associates	Total
	Berhad	RM'000	RM'000
	RM'000	RM'000	RM'000
Reconciliation of net assets to carrying amount			
Group's share of net assets/(liabilities)	5,258	(1,679)	3,579
Carrying amount in the statements of financial position	<u>5,258</u>	<u>(1,679)</u>	<u>3,579</u>
Group's share of results			
Group's share of profit/(loss)	<u>46</u>	<u>(13)</u>	<u>33</u>

31 December 2025 (continued)

11. INVESTMENT IN ASSOCIATES (CONTINUED)

- (b) The following table summarises the information of the Group's material associates, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associates: (continued)

Group 2024	SIBB Berhad RM'000		
Assets and liabilities:			
Non-current assets	14,830		
Current assets	10,423		
Current liabilities	(13)		
Net assets	<u>25,240</u>		
Results:			
Total comprehensive loss	<u>(1,732)</u>		
Included in the total comprehensive income is:			
Revenue	<u>319</u>		
	SIBB	Other individually immaterial	Total
	Berhad	associates	RM'000
	RM'000	RM'000	RM'000
Reconciliation of net assets to carrying amount			
Group's share of net assets/(liabilities)	5,048	(1,502)	3,546
Carrying amount in the statements of financial position	<u>5,048</u>	<u>(1,502)</u>	<u>3,546</u>
Group's share of results			
Group's share of profit/(loss)	45	(7)	38

11. INVESTMENT IN ASSOCIATES (CONTINUED)

- (b) The following table summarises the information of the Group's material associates, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associates: (continued)

The summarised financial information of the associates is as follows:

	Group	
	2025	2024
	RM'000	RM'000
Results		
Revenue	296	319
Profit/(Loss) for the financial year	168	(1,754)
	<hr/>	<hr/>
Assets and Liabilities		
Total assets	28,233	32,207
Total liabilities	884	5,709
	<hr/>	<hr/>

- (c) The Group has not recognised its share of losses of associates amounting to RM0.026 million (2024: RM0.010 million) because the Group's cumulative share of losses has exceeded its interest in that associate and the Group has no obligation in respect of these losses. The Group's cumulative accumulated losses not recognised were RM0.13 million (2024: RM0.11 million).

12. INVESTMENT IN A JOINT VENTURE

	Group	
	2025	2024
	RM'000	RM'000
Carrying amount:		
Unquoted shares at cost	1,927	1,927
Allowances for impairment	(767)	(767)
Share of post-acquisition reserve, net of dividends received	(1,160)	(1,160)
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

31 December 2025 (continued)

12. INVESTMENT IN A JOINT VENTURE (CONTINUED)

The details of the joint venture are as follows:

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest		Principal Activities
		2025 %	2024 %	
Indirect joint venture held through Unified Communications Pte. Ltd.				
Unified Telecom Private Limited *	India	29.15	29.15	Provision of telecommunications products, services and customised solutions

* Audited by another firm of auditors other than Baker Tilly Monteiro Heng PLT.

The statutory reporting year end of the joint venture is 31 March. The unaudited management financial statements for the period from 1 January 2025 to 31 December 2025 of the joint venture have been used for equity accounting since it is not significant to the Group. The financial statement of the joint venture is not material to the Group.

13. INVESTMENT SECURITIES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-Current:				
Financial asset:				
Designated at fair value through other comprehensive income				
At fair value				
Quoted securities				
Equity instruments				
- in Malaysia	2,547	6,832	-	-
Unquoted securities				
Equity instruments				
- in Malaysia	253	253	-	-
- outside Malaysia	-	10	-	-
	253	263	-	-

31 December 2025 (continued)

13. INVESTMENT SECURITIES (CONTINUED)

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Designated at fair value through profit or loss				
At fair value				
Unquoted securities				
Convertible preference shares				
- outside Malaysia	2,093	4,380	-	-
Convertible loan notes				
- outside Malaysia	19,300	32,201	-	-
	21,393	36,581	-	-
Total non-current investment securities	24,193	43,676	-	-
Current:				
Financial assets at fair value through profit or loss:				
At fair value				
Quoted securities				
Equity instruments				
- in Malaysia	670	950	352	541
- outside Malaysia	1,374	1,551	-	-
Total current investment securities	2,044	2,501	352	541
Total investment securities	26,237	46,177	352	541

31 December 2025 (continued)

13. INVESTMENT SECURITIES (CONTINUED)**Fair value information**

Fair value of investment securities is categorised as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Level 1				
Quoted securities	4,591	9,333	352	541
Level 3				
Unquoted securities	21,646	36,844	-	-
	<u>26,237</u>	<u>46,177</u>	<u>352</u>	<u>541</u>

Reconciliation of fair value measurements in Level 3 of the fair value hierarchy

	Group	
	2025 RM'000	2024 RM'000
Movements during the year:		
Fair value at beginning of the year	36,844	62,597
Additions	-	578
Disposal	-	(1,196)
Decrease in fair value included under other losses	(13,805)	(21,283)
Foreign exchange adjustments	(1,393)	(3,852)
Fair value at end of the year	<u>21,646</u>	<u>36,844</u>

Valuation processes, technique and significant other observable input applied by the Group

The Group adopted the following valuation methodologies in estimating the fair values of the investments:

- (a) Cost approach: This is applied to estimated fair value of companies in very preliminary development stages where revenue forecasts are difficult to estimate with any degree of certainty and assumes the book value or cost of an asset approximates its fair value. Adjustments, such as impairment allowance, are made to assets on a case-by-case basis if this assumption does not hold true.

31 December 2025 (continued)

13. INVESTMENT SECURITIES (CONTINUED)**Valuation processes, technique and significant other observable input applied by the Group (continued)**

The Group adopted the following valuation methodologies in estimating the fair values of the investments: (continued)

- (b) Option Pricing Model (“OPM”): The OPM, which applies the Black-Scholes formula for option pricing, is a generally accepted valuation methodology used in estimating fair values of early-stage companies, in particular those with different classes of shares. In applying the OPM to determine the fair value of an investee, management considers terms such as level of seniority among the securities, dividend policy, conversion ratios, and cash allocations of the various stockholders’ agreements with the investee that would affect the distributions to each class of equity upon a liquidity event. In addition, the method implicitly considers the effect of the liquidation preference as of the future liquidation date, not as of the valuation date.
- (c) Market approach via calibration: This model estimates the enterprise value (“EV”) based on a relevant liquidity event (e.g. the recent funding round), adjusted for observable movements in comparable companies over the period up to the valuation date, to derive an adjusted implied EV/Revenue multiple on which the OPM model is applied to allocate the estimated enterprise value to various classes of shares. In the absence of a relevant recent funding round, the EV is determined via a direct comparison to comparable companies in the market as of the valuation date, prior to application of the OPM model.

The key assumptions used in applying the OPM and implied EV models which are unobservable inputs, were as follows:

<u>Unobservable inputs</u>	<u>2025</u>	<u>2024</u>	<u>Sensitivity of inputs to fair value</u>
Asset volatility (range)	26%–84%	36%–95%	Increase (decrease) of the inputs would result in decrease (increase) in fair values
Expected terms (years)	1.2 to 2.2	1 to 2.1	
Comparable companies’ multiples (range)	1.6x–20.2x	1.4x–38.5x	

The Group has the policy to assess annually and evaluate the appropriate valuation methodologies in ascertaining the fair value of the investments.

31 December 2025 (continued)

14. DEFERRED TAX (ASSETS)/LIABILITIES

- (a) 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 taxes relate to the same tax authority. The amounts of deferred tax assets and liabilities, after appropriate offsetting, are as follows:

	Group	
	2025	2024
	RM'000	RM'000
At 1 January	1,087	138
Recognised in profit or loss (Note 30)	(48)	779
Recognised in equity	94	170
At 31 December	<u>1,133</u>	<u>1,087</u>
Presented after appropriate offsetting:		
Deferred tax assets, net	(2,334)	(2,573)
Deferred tax liabilities, net	3,467	3,660
	<u>1,133</u>	<u>1,087</u>

- (b) The component and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred tax liabilities

Group	Property, Plant and Equipment	Others	Total
	RM'000	RM'000	RM'000
At 1 January 2024	4,345	23	4,368
Recognised in profit or loss	(708)	-	(708)
At 31 December 2024	<u>3,637</u>	23	<u>3,660</u>
Recognised in profit or loss	(193)	-	(193)
At 31 December 2025	<u>3,444</u>	23	<u>3,467</u>

31 December 2025 (continued)

14. DEFERRED TAX (ASSETS)/LIABILITIES (CONTINUED)

- (b) The component and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows: (continued)

Deferred tax assets

Group	Unutilised tax losses and unabsorbed capital allowances		
	RM'000	Others RM'000	Total RM'000
At 1 January 2024	3,876	354	4,230
Recognised in profit or loss	(1,102)	(381)	(1,483)
Recognised in equity	-	(174)	(174)
At 31 December 2024	2,774	(201)	2,573
Recognised in profit or loss	787	(931)	(144)
Recognised in equity	-	(95)	(95)
At 31 December 2025	3,561	(1,227)	2,334

- (c) The amount of temporary differences for which no deferred tax assets have been recognised are as follows:

	Group	
	2025 RM'000	2024 RM'000
Unutilised tax losses	279,499	259,872
Unabsorbed capital allowances	35,314	33,838
Right-of-use assets	759	557
Other deductible temporary differences	1,065	9,987
	<u>316,637</u>	<u>304,254</u>

31 December 2025 (continued)

14. DEFERRED TAX (ASSETS)/LIABILITIES (CONTINUED)

- (d) The unused tax losses are available indefinitely for offset against future taxable profits of the Group except for certain unused tax losses which will expire in the following financial years:

	Group	
	2025	2024
	RM'000	RM'000
Unused tax losses arising from local subsidiaries		
2028	144,610	152,226
2029	15,593	14,271
2030	15,918	13,645
2031	13,415	13,732
2032	11,184	11,032
2033	16,396	14,627
2034	13,903	9,239
2035	15,175	-
	246,194	228,772

15. INVENTORIES

	Group	
	2025	2024
	RM'000	RM'000
Non-current		
At cost or net realisable value:		
Leasehold land held for development	4,732	4,701
Current		
At cost or net realisable value:		
Finished goods	249	235
Food and beverages	312	970
Operating supplies	1,566	2,436
Completed properties	9,985	12,301
Properties under development	16,365	47,502
	28,477	63,444
	33,209	68,145

The cost of inventories of the Group recognised as an expense in cost of sales during the financial year was RM65.44 million (2024: RM24.80 million).

15. INVENTORIES (CONTINUED)

Completed properties and properties under development:

	Group	
	2025	2024
	RM'000	RM'000
Non-current assets		
Leasehold land held for development	4,732	4,701
Current assets		
Leasehold land held under development	2,109	3,637
Development costs	14,256	43,865
Completed properties	9,985	12,301
	26,350	59,803
	<u>31,082</u>	<u>64,504</u>

Certain leasehold land held for development and completed properties with carrying amount of RM4.73 million (2024: RM4.70 million) has been charged to financial institutions for credit facilities granted to a subsidiary as disclosed in Note 22 to the financial statements.

16. TRADE AND OTHER RECEIVABLES

		Group		Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
Non-Current:					
Trade					
Financing receivables	(b)	8,166	-	-	-
Current:					
Trade					
Trade receivables		46,326	54,687	-	-
Financing receivables	(b)	721	156	-	-
		<u>47,047</u>	<u>54,843</u>	<u>-</u>	<u>-</u>

31 December 2025 (continued)

16. TRADE AND OTHER RECEIVABLES (CONTINUED)

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current: (continued)					
Less : Impairment losses					
Trade receivables		(2,184)	(2,249)	-	-
Financing receivables	(b)	(87)	(25)	-	-
		<u>(2,271)</u>	<u>(2,274)</u>	<u>-</u>	<u>-</u>
Total trade receivables					
- current	(a)	<u>44,776</u>	<u>52,569</u>	<u>-</u>	<u>-</u>
Total trade receivables		<u>52,942</u>	<u>52,569</u>	<u>-</u>	<u>-</u>
Non-Trade					
Other receivables		16,914	22,977	-	-
Deposits		2,492	6,516	5	5
Amounts owing by associates	(c)	2,362	2,362	-	-
Amounts owing by subsidiaries	(d)	-	-	73	327
		<u>21,768</u>	<u>31,855</u>	<u>78</u>	<u>332</u>
Less : Impairment losses					
Other receivables		(6,577)	(6,194)	-	-
Amounts owing by associates	(c)	(2,362)	(2,362)	-	-
Amounts owing by subsidiaries	(d)	-	-	(64)	(312)
		<u>(8,939)</u>	<u>(8,556)</u>	<u>(64)</u>	<u>(312)</u>
		<u>12,829</u>	<u>23,299</u>	<u>14</u>	<u>20</u>
Total current receivables		<u>57,605</u>	<u>75,868</u>	<u>14</u>	<u>20</u>
Total trade and other receivables		<u>65,771</u>	<u>75,868</u>	<u>14</u>	<u>20</u>

16. TRADE AND OTHER RECEIVABLES (CONTINUED)**(a) Trade receivables**

Trade receivables are unsecured, non-interest bearing and normal credit terms offered by the Group range from 2 to 120 days (2024: 2 to 120 days). Other credit terms are assessed and approved on a case-by-case basis.

Trade receivables that are individually determined to be credit impaired at the reporting date relate to receivables that have defaulted on payments.

The information about the credit exposures is disclosed in the Note 36(b)(i) to the financial statements.

(b) Financing receivables

Financing receivables are unsecured, bearing interest ranging between 7.99% to 9.99% (2024: 7.99% to 9.99%) and tenure offered by the Group ranges from three years to ten years (2024: three years to ten years). Other credit terms are assessed and approved on a case-by-case basis.

Included in the financing receivables are personal financing schemes based on Islamic principles amounting to RM8.81 million under financing period expiring from three to ten years.

Gross investment under financing receivables together with the present value of minimum payments receivable are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Carrying Amount of Finance Receivables:		
Not later than one year	1,963	156
Later than one year and not later than 5 years	7,223	-
more than 5 years	6,337	-
Minimum lease payments receivable	15,523	156
Less: Amount representing unearned finance income	(6,636)	-
Present value of minimum lease payments receivable	8,887	156
Less: Accumulated impairment losses	(87)	(25)
Present value of minimum lease payments receivable	8,800	131

31 December 2025 (continued)

16. TRADE AND OTHER RECEIVABLES (CONTINUED)**(b) Financing receivables (continued)**

Gross investment under financing receivables together with the present value of minimum payments receivable are as follows: (continued)

	Group	
	2025	2024
	RM'000	RM'000
Present value of minimum lease payments receivable:		
Not later than one year	721	156
Later than one year and not later than 5 years	3,458	-
More than 5 years	4,708	-
	<hr/> 8,887	<hr/> 156
Less: Amount due within 12 months	(721)	(156)
Amount due after 12 months	<hr/> 8,166	<hr/> -

(c) Amount owing by associates

The amount owing by associates are unsecured, interest-free and are repayable on demand by cash.

(d) Amount owing by subsidiaries

The amount owing by subsidiaries are unsecured, interest-free and are repayable on demand by cash.

17. OTHER ASSETS/(LIABILITIES)

	Group	
	2025	2024
	RM'000	RM'000
Other assets		
<i>Contract assets</i>		
Contract assets relating to property development contracts	26,029	2,032
Contract assets relating to information technology contracts	4,898	8,239
Contract assets relating to bus-body fabrication	506	1,632
	<hr/> 31,433	<hr/> 11,903

17. OTHER ASSETS/(LIABILITIES) (CONTINUED)

	Group	
	2025	2024
	RM'000	RM'000
Other assets (continued)		
<i>Contract costs</i>		
Costs incurred to obtain or fulfill a contract relating to information technology	802	1,775
	<hr/>	<hr/>
<i>Prepayments</i>	2,371	4,867
	<hr/>	<hr/>
	34,606	18,545
	<hr/>	<hr/>
Other liabilities		
<i>Contract liabilities</i>		
Contract liabilities relating to information technology contracts	(1,045)	(1,062)
Contract liabilities relating to travel & tour sales	(1,301)	(2,327)
Contract liabilities relating to education	(85)	(153)
	<hr/>	<hr/>
	(2,431)	(3,542)
	<hr/>	<hr/>

The movement in contract costs are as follows:

	Group	
	2025	2024
	RM'000	RM'000
At 1 January	1,775	2,967
Additions	3,285	4,174
Recognised as cost for performance obligation satisfied	(4,254)	(5,360)
Exchange differences	(4)	(6)
	<hr/>	<hr/>
At 31 December	802	1,775
	<hr/>	<hr/>

31 December 2025 (continued)

17. OTHER ASSETS/(LIABILITIES) (CONTINUED)

	Group			
	2025		2024	
	Contract assets Increase/ (decrease) RM'000	Contract liabilities (Increase) /decrease RM'000	Contract assets Increase/ (decrease) RM'000	Contract liabilities (Increase) /decrease RM'000
Revenue recognised that was included in contract liability at the beginning of the financial year	-	4,324	-	5,172
Increase due to consideration received from customers, but revenue not recognised	-	(3,213)	-	(4,324)
Increase due to revenue recognised for unbilled goods or services transferred to customers	35,309	-	15,779	-
Transfer from contract assets recognised at the beginning of the period to receivables	(15,779)	-	(19,015)	-

18. FINANCIAL ASSETS HELD FOR TRADING

	Group	
	2025 RM'000	2024 RM'000
Financial assets held for trading designated at fair value through profit or loss:		
Foreign currencies held for sale	23	25

19. CASH AND FIXED DEPOSITS

For the purpose of the statements of cash flows, cash and cash equivalents comprise of the following:

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and bank balances		64,878	65,356	5,161	1,770
Fixed deposits	(a)	35,971	33,517	-	-
As reported in the statements of financial position		100,849	98,873	5,161	1,770
Less:					
Deposits pledged to licensed banks	(b)	(24,210)	(24,086)	-	-
Deposit with maturity more than three months		(553)	(541)	-	-
Cash and cash equivalents included in the statements of cash flows		76,086	74,246	5,161	1,770

Included in the fixed deposits of the Group are:

- (a) fixed deposits are made for varying period of between 1 month to 12 months (2024: 7 days to 12 months).
- (b) an amount of RM24.2 million (2024: RM24.1 million) charged to licensed banks as security for banking facilities granted to certain subsidiaries as disclosed in Note 22(a) and 22(b)(iv) to the financial statements;
- (c) the Group has an amount of RM1.21 million (2024: RM1.36 million) deposited with a bank in Pakistan. In accordance with the requirement of Pakistan Foreign Exchange Regulations, the Group requires the approval from the State Bank of Pakistan on any foreign remittance.

The weighted average effective interest rate of the short-term deposits is disclosed in Note 36(b)(iii) to the financial statements.

31 December 2025 (continued)

20. SHARE CAPITAL

	Group and Company			
	2025		2024	
	Number of		Number of	
	Shares	Amount	Shares	Amount
	'000	RM'000	'000	RM'000
Issued and fully paid up				
(no par value):				
Ordinary shares				
At 1 January / 31 December	2,529,195	461,377	2,529,195	461,377

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one (1) vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual interest.

The Company's share grant scheme ("SGS") was approved by the shareholders on 29 July 2022 and administered by the SGS Committee which was appointed by the Board on 10 November 2022 in accordance with the SGS By-Laws. The SGS shall continue to be in force for a period of five (5) years from 17 November 2022 (Effective Date) to 16 November 2027 and may be extended or renewed (as the case may be) for a further period of five (5) years or such shorter period, at the sole and absolute discretion of the Board upon the recommendation by the SGS Committee, provided always that the aforesaid initial SGS period and such extension of the SGS period made pursuant to the SGS By-Laws shall not in aggregate exceed a duration of ten (10) years from the Effective Date.

No SGS Shares has been granted or vested by the Company to any Eligible Persons during the financial year.

21. RESERVES

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-distributable					
Fair value reserve	(a)	(1,305)	(2,240)	-	-
Foreign currency translation reserve	(b)	8,066	3,202	-	-
Revaluation reserve	(c)	16,144	16,325	-	-
		<u>22,905</u>	<u>17,287</u>	<u>-</u>	<u>-</u>
(Accumulated losses)/ Retained earnings		<u>(141,091)</u>	<u>(123,997)</u>	<u>26,532</u>	<u>34,642</u>
		<u>(118,186)</u>	<u>(106,710)</u>	<u>26,532</u>	<u>34,642</u>

(a) Fair Value Reserve

The fair value reserve includes the cumulative net change in the fair value through other comprehensive income investment held until the investment is derecognised.

(b) Foreign Currency Translation Reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the foreign currency differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation or another currency.

(c) Revaluation Reserve

The revaluation reserve represents the surplus on the revaluation of hotel properties of the Group.

31 December 2025 (continued)

22. BORROWINGS

	Note	Group	
		2025 RM'000	2024 RM'000
Non-current liabilities			
Term loans		66,367	74,952
Current liabilities			
Revolving credit		7,000	10,000
Term loans		6,978	9,679
		13,978	19,679
		80,345	94,631
Total liabilities			
Revolving credit	(a)	7,000	10,000
Term loans	(b)	73,345	84,631
		80,345	94,631

(a) Revolving Credit

The revolving credit is secured by way of:

- (i) a pledge of short-term deposits as disclosed in Note 19(b) to the financial statements;
- (ii) fixed charges over certain hotel properties and buildings of the Group as disclosed in Note 5(a) to the financial statements;
- (iii) certain shares of subsidiaries at carrying amounts of RM72.22 million (2024: RM72.22 million) as disclosed in Note 10(d) to the financial statements; and
- (iv) a guarantee and an indemnity from the Company.

The weighted average effective interest rate of the revolving credit is disclosed in Note 36(b)(iii) to the financial statements.

22. BORROWINGS (CONTINUED)**(b) Term Loans**

	Group	
	2025	2024
	RM'000	RM'000
Term loans		
- secured	73,345	84,631
	<u>73,345</u>	<u>84,631</u>
Represented by:		
Current		
- not later than one (1) year	6,978	9,679
	<u>6,978</u>	<u>9,679</u>
Non-current		
- later than one (1) year but not later five (5) years	28,193	28,840
- later than five (5) years	38,174	46,112
	<u>66,367</u>	<u>74,952</u>
	<u>73,345</u>	<u>84,631</u>

The term loans are secured by way of:

- (i) fixed charges over certain hotel properties and buildings and investment properties of the Group as disclosed in Note 5(a) and 7 to the financial statements;
- (ii) the entire issued and paid up share capital of certain subsidiaries;
- (iii) certain shares of subsidiaries at carrying amounts of RM72.22 million (2024: RM72.22 million) as disclosed in Note 10(d) to the financial statements;
- (iv) fixed and floating charges over the assets of certain subsidiaries as disclosed in Note 15 and 19(b) to the financial statements; and
- (v) a corporate guarantee by the Company and its subsidiaries.

The weighted average effective interest rate of the term loans is disclosed in Note 36(b)(iii) to the financial statements.

31 December 2025 (continued)

23. LEASE LIABILITIES

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Minimum lease payments:				
- not later than one (1) year	1,287	3,988	683	683
- later than one (1) year but not later than five (5) years	3,667	14,727	1,877	2,560
- later than five (5) years	-	4,922	-	-
	<u>4,954</u>	<u>23,637</u>	<u>2,560</u>	<u>3,243</u>
Less: Future lease interest	(539)	(3,975)	(201)	(307)
Present value of lease liabilities	<u>4,415</u>	<u>19,662</u>	<u>2,359</u>	<u>2,936</u>
Represented by:				
Current				
- not later than one (1) year	1,047	2,951	598	577
Non-current				
- later than one (1) year but not later than five (5) years	3,368	12,165	1,761	2,359
- later than five (5) years	-	4,546	-	-
	<u>3,368</u>	<u>16,711</u>	<u>1,761</u>	<u>2,359</u>
	<u>4,415</u>	<u>19,662</u>	<u>2,359</u>	<u>2,936</u>

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the Group's incremental borrowing rate of 3.6% to 6.65% (2024: 3.6% to 5.5%) and Company's incremental borrowing rate of 3.6% (2024: 3.6%).

The Group determines the lease term of a lease as the non-cancellable period of the lease, together with periods covered by an option to extend or to terminate the lease if the Group is reasonably certain to exercise the relevant options. Management has considered the relevant facts and circumstances that create an economic incentive for the Group to either exercise the option to extend the lease, or to exercise the option to terminate the lease. Any differences in expectations from the original estimates would impact the carrying amounts of the lease liabilities of the Group.

The Group has recognised the lease payments associated with short term leases and low value assets on a straight-line basis over the lease terms and recognised as rental expenses as disclosed in Note 27 to the financial statements.

24. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-Current:					
Non-Trade					
Other payables	(d)	4,289	5,412	-	-
Current:					
Trade					
Trade payables	(a)	14,585	18,661	-	-
Non-Trade					
Accruals		13,246	19,364	626	657
Amount owing to associates	(b)	-	16	-	-
Amount owing to subsidiaries	(c)	-	-	37,659	22,100
Deposits received		1,136	971	-	-
Other payables	(d)	29,793	21,112	2	2
		44,175	41,463	38,287	22,759
Total current payables		58,760	60,124	38,287	22,759
Total trade and other payables		63,049	65,536	38,287	22,759

(a) Trade payables

Trade payables are non-interest bearing and the normal credit terms granted to the Group range from 30 to 90 days (2024: 30 to 90 days).

(b) Amount owing to associates

The amount owing to associates are unsecured, interest-free and are repayable on demand by cash.

(c) Amount owing to subsidiaries

The amount owing to subsidiaries are unsecured, interest-free and are repayable on demand by cash.

(d) Other payables

The other payables included an amount of RM5,474,447 (2024: RM6,582,553) owing to a company that bears interest of 5.50% (2024: 5.50%) per annum.

31 December 2025 (continued)

25. REVENUE

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Revenue from contract customers				
Travel and tours	138,393	155,475	-	-
Information and communications technology	52,063	59,856	-	-
Property development and investment	70,589	26,386	-	-
Bus-body fabrication	11,864	22,772	-	-
Financial services	6,952	4,598	-	-
Education services	482	841	-	-
Revenue from other sources				
Interest income	45	330	45	329
Rental income	53	132	-	-
Dividend income	5	9	9,100	34,410
Others	484	108	-	-
	<u>280,930</u>	<u>270,507</u>	<u>9,145</u>	<u>34,739</u>

The Group and the Company report the following major segments: investment holding, property development and investment, information and communications technology, travel and tours, financial services and others in accordance with MFRS 8 *Operating Segments*. For the purpose of disclosure, it disaggregates revenue into primary geographical markets, and timing of revenue recognition (i.e. goods transferred at a point in time or services transferred over time).

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Timing of revenue recognition:				
At a point in time	170,720	185,612	9,145	34,739
Over time	110,210	84,895	-	-
	<u>280,930</u>	<u>270,507</u>	<u>9,145</u>	<u>34,739</u>

The information on disaggregation of revenue into primary geographical markets is disclosed in Note 35 to the financial statements.

26. COST OF SALES

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Travel and tours	126,563	143,676	-	-
Information and communications technology	18,821	27,862	-	-
Property development and investment	54,161	16,196	-	-
Bus-body fabrication	9,054	16,070	-	-
Financial services	5,203	3,666	-	-
Education services	280	442	-	-
	214,082	207,912	-	-

27. OPERATING (LOSS)/PROFIT

Operating (loss)/profit has been arrived at after charging/(crediting):

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Amortisation of intangible assets	1,338	846	-	-
Auditors' remuneration				
- statutory audit services:				
- Baker Tilly Monteiro Heng PLT	502	502	152	152
- Member firms of Baker Tilly International	-	109	-	-
- Other auditors	693	612	-	-
Other services				
- Baker Tilly Monteiro Heng PLT	12	12	7	6
- Member firms of Baker Tilly International	98	89	-	-
Depreciation of property, plant and equipment	6,700	8,135	13	12
Depreciation of right-of-use assets	2,129	3,647	574	575

31 December 2025 (continued)

27. OPERATING (LOSS)/PROFIT (CONTINUED)

Operating (loss)/profit has been arrived at after charging/(crediting): (continued)

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Directors' remuneration:				
- fees	293	277	293	277
- other emoluments	2,868	2,734	2,017	1,915
- contributions to defined contributions plan	339	317	240	227
Effect of modification to lease term	-	(2,354)	-	-
Expense relating to short-term lease	422	421	-	-
Dividend income:				
- quoted investment securities	(20)	(840)	(5)	(10)
Fair value loss/(gain) in:				
- investment properties	40	(700)	-	-
- quoted investment securities	327	(66)	189	(126)
- unquoted investment securities	13,805	22,247	-	-
Gain on dissolution of subsidiary	(5)	-	-	-
Impairment losses/(Reversal of impairment losses) on:				
- amount owing by associate	-	254	-	-
- goodwill	-	15,035	-	-
- intangible assets	2,120	705	-	-
- investment in associates	-	25	-	-
- investment in unquoted securities	-	1,693	-	-
- investment in subsidiaries	-	-	8,732	7,265
- property, plant and equipment	-	12,236	-	-
- right-of-use assets	-	2,174	-	-
- trade and other receivables	380	(805)	(248)	312
Loss on deregistration of subsidiary	-	32	-	-
Loss/(Gain) on disposal of:				
- property plant and equipment	-	(2,275)	-	-
- quoted investment securities	1,260	(80)	-	-
- investment in subsidiary	1,210	(37)	-	-
- investment property	-	185	-	-
Net gain on termination of lease	(12,493)	-	-	-

31 December 2025 (continued)

27. OPERATING (LOSS)/PROFIT (CONTINUED)

Operating (loss)/profit has been arrived at after charging/(crediting): (continued)

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Net loss/(gain) on foreign exchange:				
- realised	(1,683)	1,045	14	1
- unrealised	1,373	(735)	-	42
Property, plant and equipment				
written off	85	3	-	-
Rental income	(498)	(630)	-	-
Staff cost:				
- salaries and wages	42,541	43,831	4,250	3,730
- defined contribution plan	5,232	5,870	464	401
- other employee benefits	4,862	4,300	52	56

28. FINANCE INCOME

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Interest income:				
- short term deposits	825	2,128	-	-
- other investment	-	240	-	-
	825	2,368	-	-

29. FINANCE COSTS

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Interest expenses				
- term loans	6,101	8,753	486	2,217
- lease liabilities	768	1,791	105	125
	6,869	10,544	591	2,342

31 December 2025 (continued)

30. INCOME TAX EXPENSE

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Income tax				
Current year				
- In Malaysia	2,677	3,388	49	143
- Outside Malaysia	294	(150)	-	-
Prior years	(14)	(640)	-	(125)
	2,957	2,598	49	18
Real property gain tax				
Prior years	-	41	-	-
Deferred tax (Note 14)				
Current year	48	1,399	-	-
Prior years	(96)	(620)	-	-
	(48)	779	-	-
	2,909	3,418	49	18

The income tax is calculated at the statutory rate of 24% (2024: 24%) of the estimated assessable profit for the year.

A reconciliation of income tax expense applicable to (loss)/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:

	Group		Company	
	2025	2024	2025	2024
	%	%	%	%
Applicable tax rate	(24)	(24)	(24)	24
Tax effects arising from				
- Non allowable expenses	42	41	52	15
- Non taxable income	(29)	(17)	(35)	(39)
- Utilisation of previously unrecognised tax losses and capital allowances	-	(2)	-	-
- Deferred tax assets not recognised in the year	19	4	8	-
- Different tax rate in foreign jurisdiction	4	3	-	-
Average effective tax rate	12	5	1	-

31. LOSS PER ORDINARY SHARE**(a) Loss per ordinary share**

Basic loss per ordinary share are based on the loss attributable to the ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the financial year, calculated as follows:

	Group	
	2025	2024
	RM'000	RM'000
Loss attributable to ordinary equity holders of the Company	(16,010)	(58,728)
	'000	'000
	Units	Units
Weighted average number of ordinary shares in issue	2,529,195	2,529,195
	Sen	Sen
Basic loss per share	(0.63)	(2.32)

(b) Diluted loss per ordinary share

The basic and diluted loss per share are reported to be the same for the current year and last year as the Company has no dilutive potential shares.

32. DIVIDENDS

	Company	
	2025	2024
	RM'000	RM'000
Final single tier dividend of 0.05 sen per share in respect of financial year ended 31 December 2024, paid on 15 August 2025	1,265	-
Final single tier dividend of 0.05 sen per share in respect of financial year ended 31 December 2023, paid on 19 August 2024	-	1,265

31 December 2025 (continued)

32. DIVIDENDS (CONTINUED)

In addition, the Directors have recommended a final single tier dividend of 0.05 sen per ordinary share in respect of the financial year ended 31 December 2025 and payable upon approval by shareholders at the forthcoming Annual General Meeting.

The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the next financial year ending 31 December 2026.

33. CONTINGENT LIABILITIES

	Group	
	2025	2024
	RM'000	RM'000
Litigation	129	131

On 19 November 2013, Unified Telecom Private Limited (“UTPL”), a joint venture of Unified Communications Pte Ltd (“UCPL”), filed a petition to the High Court of Delhi, New Delhi in India under Section 9 of India Arbitration and Conciliation Act, 1996 to obtain interim relief on the protection of assets currently under the custody of a former customer, a mobile telecoms network operator and service provider in India (the “Telco”), and to deny the penalty claims by the Telco against UTPL.

The Telco had via a letter issued in July 2013 alleged that UTPL is liable for a sum of INR 11.3 crore (approximately RM 6.9 million) for damages and expenditure incurred in connection with the contract during its currency.

Legal advice has been sought from reputable law firms in both India and Singapore with good credentials in handling contract litigation and dispute resolution, to review and advice on the merit of this claim by the Telco on UTPL. Based on the legal opinions obtained from the law firm concerned, management is of the view that UTPL has full rights and title to the assets and should be entitled to demand their return, and that the Telco’s claim against UTPL has no legal merit. Accordingly, external legal counsels in Singapore and India have been appointed to advise and represent UCPL and UTPL to pursue legal recourse.

33. CONTINGENT LIABILITIES (CONTINUED)

As announced by the company on 16 January 2015, the hearing on the petition filed by UTPL which was originally scheduled to be heard on 23 April 2014, having been adjourned on several occasions, was dismissed by the High Court, as the Telco had initiated the arbitration proceedings before a tribunal. The High Court was of the view that the matter should be resolved through arbitration proceedings since the tribunal had already been constituted.

Since 2015, a number of procedural hearings have been held by the Arbitrator in relation to the matter. During the year, the provision of evidence by all witnesses and the subsequent cross examination of these witnesses was completed by all parties. Following these, UTPL and the Telco filed their final written submission on 10 February 2024.

On 3 May 2024, the company announced that UTPL has received the Arbitration Award, issued by the Arbitrator in the arbitration, with the conclusion as follows:

- a) The Arbitrator dismissed the majority of the Telco's claims, only allowing the Telco to claim 33.1% of the gratification costs in the sum of INR11 Lakh (approximately RM0.056 million), along with simple interest at 12% per annum accrued from 15 July 2013 until the date of actual payment;
- b) The Arbitrator granted a declaration that the hardware remains the property of UTPL and the Telco is to return the hardware to UTPL;
- c) The Arbitration award was made and pronounced at New Delhi, India on 25 April 2024; and
- d) The application of UTPL's counter claim under Section 17 of Arbitration and Conciliation Act, 1996 and the petition of the Telco on claim were disposed off.

In the opinion of management, no material losses nor material gains are expected to arise pertaining to the conclusion or the aforesaid matter.

31 December 2025 (continued)

34. SIGNIFICANT RELATED PARTY DISCLOSURES**(a) Identification of related parties**

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) subsidiaries;
- (ii) associates;
- (iii) joint venture;
- (iv) entities in which the directors have a substantial financial interest; and
- (v) key management personnel of the Group and the Company, comprising persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions and balances

Significant related party transactions other than those disclosed elsewhere in the financial statements are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Income				
(i) Dividends receivable from subsidiaries				
- Advance Synergy Realty Sdn. Bhd.	-	-	2,300	-
- Alangka-Suka Hotels & Resorts Sdn. Bhd.	-	-	-	34,400
- Diversified Gain Sdn. Bhd.	-	-	6,800	-
	<hr/>	<hr/>	<hr/>	<hr/>

34. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)**(c) Remuneration of key management personnel**

The remuneration of Directors and other key management personnel during the financial year are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Fees	293	277	293	277
Emoluments and benefits	6,371	5,738	2,705	2,566
Contributions to defined contribution plan	555	523	240	228
	<u>7,219</u>	<u>6,538</u>	<u>3,238</u>	<u>3,071</u>
Benefit-in-kind	<u>207</u>	<u>207</u>	<u>162</u>	<u>154</u>

Included in the employee benefits of the Group and Company are Executive Directors' remuneration amounting to RM1,891,940 (2024: RM1,816,340) and RM1,844,480 (2024: RM1,768,880) respectively.

35. SEGMENT INFORMATION

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* and on the basis of internal reports on the Group's strategic business units which are regularly reviewed by the Group Managing Director in order to allocate resources to the segments and to assess their performances.

The Group's operating and reportable segments are business units engaged in providing different products or services and business units operating in different geographical locations. These businesses are managed and assessed separately as each requires a differentiated strategy focused on the specific products and services. The Group Managing Director reviews the internal management reports on a quarterly basis in order to assess their performance.

There are varying levels of integration among Investment Holding segment and Travel and Tours segment with the other segments. This integration includes rental of properties, corporate support and provision of travel-related service. Inter-segment pricing is determined on a negotiated basis.

31 December 2025 (continued)

35. SEGMENT INFORMATION (CONTINUED)**Segment results**

Segment performance is used to measure performance as Group Managing Director believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements.

Segment assets

The total segment asset is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the Group Managing Director. Segment total asset is used to measure the return on assets of each segment.

Segment liabilities

The total segment liability is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the Group Managing Director.

The Group's operating segments are as follows:

Investment holding	: Investment holding and providing full corporate and financial support to the Group.
Property development & investment	: Development of residential and commercial properties, property management and rental of property and operation and management of serviced office and other related services. Operate hotels and resorts, food and beverages and other related services.
Information and communications technology	: Design and development of telecommunications software applications and systems and the provision of solutions and services for the telecommunications industry.
Travel and tours	: Travel and tour agent and provision of travel related services.
Financial services	: Payment card issuing and acquiring and related services and money services business.
Others	: Businesses involving design, building and fabrication of coaches and bus maintenance and related services and owns and operates language centre and related services.

31 December 2025 (continued)

35. SEGMENT INFORMATION (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment: (continued)

2025	Invest- ment holding RM'000	Property Information			Travel and tours RM'000	Financial services RM'000	Others RM'000	Elimi- nation Notes RM'000	Total RM'000
		develop- ment and investment RM'000	and commu- nications technology RM'000						
Other information									
Segment assets	13,947	325,570	121,991	24,224	31,808	13,942	-	531,482	
Investment in associates and a joint venture	3,522	57	-	-	-	-	-	3,579	
Unallocated corporate assets								3,827	
Total assets								538,888	
Segment liabilities	3,683	121,721	8,871	4,470	7,219	4,276	-	150,240	
Unallocated corporate liabilities								4,023	
Total liabilities								154,263	
Additions to non-current assets (other than financial instruments and deferred tax assets)									
- Property, plant and equipment	7	3,035	1,476	7	249	216	-	4,990	
- Software development expenditure	-	-	875	-	63	-	-	938	
- Right of use assets	-	-	-	76	-	42	-	118	

31 December 2025 (continued)

35. SEGMENT INFORMATION (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment:
(continued)

	Invest- ment holding RM'000	Property develop- ment and investment RM'000	Information and commu- nications technology RM'000	Travel and tours RM'000	Financial services RM'000	Others RM'000	Elimi- nation Notes RM'000	Total RM'000
2025								
Other information (continued)								
Expense: (continued)								
Fair value loss in:								
- investment properties	40	-	-	-	-	-	-	40
- quoted investment securities	280	7	40	-	-	-	-	327
- unquoted investment securities	49	-	13,756	-	-	-	-	13,805
Loss on disposal of:								
- investment in subsidiary	-	1,210	-	-	-	-	-	1,210
- quoted investment securities	1,260	-	-	-	-	-	-	1,260
Impairment/(reversal) loss on:								
- intangible assets	-	-	-	-	2,120	-	-	2,120
- trade and other receivables	-	383	(3)	-	-	-	-	380
Property, plant and equipment written off	-	-	85	-	-	-	-	85
Staff costs:								
- salaries and wages	5,778	7,790	21,596	3,523	780	3,074	-	42,541
- defined contribution plan	657	823	2,819	491	107	335	-	5,232
- other employee benefits	323	1,030	2,317	885	114	193	-	4,862

31 December 2025 (continued)

35. SEGMENT INFORMATION (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment:
(continued)

2024	Invest- ment holding RM'000	Property develop- ment and investment RM'000	Information and commu- nications technology RM'000	Travel and tours RM'000	Financial services RM'000	Others RM'000	Elimi- nation RM'000	Notes RM'000	Total RM'000
Other information									
Segment assets	13,831	350,548	148,391	30,167	21,498	22,462	-	-	586,897
Investment in associates and a joint venture	3,476	70	-	-	-	-	-	-	3,546
Unallocated corporate assets									4,163
Total assets									594,606
Segment liabilities	3,616	142,222	13,242	9,738	4,288	10,265	-	-	183,371
Unallocated corporate liabilities									3,720
Total liabilities									187,091
Additions to non-current assets (other than financial instruments and deferred tax assets)									
- Property, plant and equipment	17	5,599	621	37	436	437	-	-	7,147
- Software development expenditure	-	-	1,734	-	903	-	-	-	2,637
- Right of use assets	-	(139)	(380)	88	-	804	-	-	373

31 December 2025 (continued)

35. SEGMENT INFORMATION (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment:
(continued)

	Invest- ment holding RM'000	Property develop- ment and investment RM'000		Information and commu- nications technology RM'000	Travel and tours RM'000	Financial services RM'000	Others RM'000	Elimi- nation RM'000	Total Notes RM'000	
		RM'000	RM'000							
2024										
Other information (continued)										
Income:										
Interest income	(329)	(1,621)	(476)		(266)	(6)	-	-	(2,698)	
Dividend income	(813)	(16)	-	-	-	-	(11)	-	(840)	
Expense:										
Amortisation of intangible assets	-	-	744	-	-	102	-	-	846	
Depreciation on property, plant and equipment	149	5,972	1,000		23	771	220	-	8,135	
Depreciation on right-of-use assets	-	2,855	495		148	-	149	-	3,647	
Finance cost	2,297	8,160	40		13	-	34	-	10,544	
Fair value loss/(gain) in:										
- investment properties	(50)	(250)	(400)		-	-	-	-	(700)	
- quoted investment securities	(126)	-	60		-	-	-	-	(66)	
- unquoted investment securities	1,008	-	21,217		-	-	22	-	22,247	
Loss/(Gain) on disposal of:										
- investment in subsidiary	-	(37)	-		-	-	-	-	(37)	
- investment property	185	-	-		-	-	-	-	185	
- property, plant and equipment	-	(2,275)	-		-	-	-	-	(2,275)	
- quoted investment securities	-	(10)	-		-	-	(70)	-	(80)	

31 December 2025 (continued)

35. SEGMENT INFORMATION (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment:
(continued)

	Invest- ment holding RM'000	Property develop- ment and investment RM'000	Information and commu- nications technology RM'000	Travel and tours RM'000	Financial services RM'000	Others RM'000	Elimi- nation Notes RM'000	Total RM'000
2024								
Other information (continued)								
Expense: (continued)								
Loss on deregistration of subsidiary	-	32	-	-	-	-	-	32
Impairment loss on:								
- amount owing by associate	254	-	-	-	-	-	-	254
- goodwill	7,740	-	7,295	-	-	-	-	15,035
- intangible assets	-	-	705	-	-	-	-	705
- investment in associate	-	25	-	-	-	-	-	25
- investment in unquoted shares	-	1,693	-	-	-	-	-	1,693
- property, plant and equipment	-	11,860	376	-	-	-	-	12,236
- right-of-use assets	-	2,174	-	-	-	-	-	2,174
- trade and other receivables	-	(881)	39	-	-	37	-	(805)
Property, plant and equipment written off	-	-	1	-	-	2	-	3
Staff costs:								
- salaries and wages	7,885	8,244	20,155	3,400	826	3,321	-	43,831
- defined contribution plan	952	1,368	2,633	443	107	367	-	5,870
- other employee benefits	165	1,007	2,256	661	78	133	-	4,300

35. SEGMENT INFORMATION (CONTINUED)

Notes Nature of elimination to arrive at amounts reported in the consolidated financial statements:

- (a) Inter-segment revenues are eliminated on consolidation; and
- (b) Inter-segment expenses are eliminated on consolidation.

Geographical Information

The Group operates mainly in Malaysia, Singapore, Africa and Middle East, Europe and others. In determining the geographical segments of the Group, revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets. The composition of each geographical segment is as follows:

- Malaysia : Investment holding and providing full corporate and financial support to the Group, property development and investment, property management and rental of property, operation and management of serviced office and other related services, owner and operator of hotels and resorts, food and beverages and other related services, travel and tours and related services, money services, payment card issuing and acquiring and related services, design and development of telecommunications software applications and systems and the provision of solutions and services for the telecommunications industry, design, building and fabrication of coaches, and bus maintenance and related services and owns and operates language centre.
- Singapore : Design and development of telecommunications software applications and systems and the provision of solutions and services for the telecommunications industry, provision of management and investment holdings.
- Africa and Middle East : Design and development of telecommunications software applications and systems and the provision of solutions and services for the telecommunications industry.
- Europe : Operate and manage hotels and resorts.
- Others : Design and development of telecommunications software applications and systems and the provision of solutions and services for the telecommunications industry.

31 December 2025 (continued)

35. SEGMENT INFORMATION (CONTINUED)**Geographical segments**

The following table provides an analysis of the Group's revenue, segment assets and additions to non-current assets (other than financial instruments and deferred tax assets) by geographical segment:

	Revenue		Non-current assets		Additions to non-current assets (other than financial instruments and deferred tax assets)	
	2025	2024	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Malaysia	264,129	254,078	194,197	196,192	5,923	7,631
Singapore	2,129	2,208	27,824	40,111	-	1,734
Africa & Middle East	578	848	540	444	-	-
Europe	6,711	5,226	73,699	77,667	5	393
Others	7,383	8,147	11,618	13,227	-	26
	280,930	270,507	307,878	327,641	5,928	9,784

Major customers

For the information and technology communications division, revenue from two customers represented RM14.10 million (2024: RM13.82 million) and RM4.71 million (2024: RM12.22 million) respectively of the Group's total revenue.

36. FINANCIAL INSTRUMENTS**(a) Categories of financial instruments**

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

- (i) fair value through profit or loss ("FVPL");
- (ii) designated fair value through profit or loss ("DFVPL");
- (iii) amortised cost; and
- (iv) designated fair value through other comprehensive income ("DFVOCI").

36. FINANCIAL INSTRUMENTS (CONTINUED)**(a) Categories of financial instruments (continued)**

	Carrying amount		Amortised cost	FVPL	DFVPL	DFVOCI
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2025						
Group						
Financial assets						
Investment securities	26,237	-	2,044	21,393	2,800	
Trade and other receivables	65,771	65,771	-	-	-	
Financial assets held for trading	23	-	-	23	-	
Cash and fixed deposits	100,849	100,849	-	-	-	
	192,880	166,620	2,044	21,416	2,800	
Financial liabilities						
Borrowings	80,345	80,345	-	-	-	
Trade and other payables	63,049	63,049	-	-	-	
	143,394	143,394	-	-	-	
Company						
Financial assets						
Investment securities	352	-	352	-	-	
Trade and other receivables	14	14	-	-	-	
Cash and fixed deposits	5,161	5,161	-	-	-	
	5,527	5,175	352	-	-	
Financial liabilities						
Trade and other payables	38,287	38,287	-	-	-	

31 December 2025 (continued)

36. FINANCIAL INSTRUMENTS (CONTINUED)**(a) Categories of financial instruments (continued)**

	Carrying Amortised				
	amount	cost	FVPL	DFVPL	DFVOCI
	RM'000	RM'000	RM'000	RM'000	RM'000
2024					
Group					
Financial assets					
Investment securities	46,177	-	2,501	36,581	7,095
Trade and other receivables	75,868	75,868	-	-	-
Financial assets held for trading	25	-	-	25	-
Cash and fixed deposits	98,873	98,873	-	-	-
	220,943	174,741	2,501	36,606	7,095
Financial liabilities					
Borrowings	94,631	94,631	-	-	-
Trade and other payables	65,536	65,536	-	-	-
	160,167	160,167	-	-	-
Company					
Financial assets					
Investment securities	541	-	541	-	-
Trade and other receivables	20	20	-	-	-
Cash and fixed deposits	1,770	1,770	-	-	-
	2,331	1,790	541	-	-
Financial liabilities					
Trade and other payables	22,759	22,759	-	-	-

36. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management**

The operations of the Group and of the Company are exposed to a variety of financial risks, including credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk. The Group and the Company have formulated a financial risk management framework whose principal objective is to minimise the Group's and the Company's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group and of the Company.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of financial loss that may arise on outstanding financial instruments should a counter party default on its obligation. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. It is the Group's and the Company's policy to monitor the financial standing of these receivables on an ongoing basis to ensure that the Group and the Company are exposed to minimal credit risk.

Cash deposits and trade receivables may give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted.

Trade and other receivables

As at the end of the financial year, the Group has no significant concentration of credit risk other than an amount owing from a debtor of RM10.65 million (2024: RM11.68 million). The Group does not anticipate the carrying amounts as at the end of the financial year to be significantly different from the values that would eventually be received.

The maximum exposures to credit risk are represented by the carrying amounts of the financial assets in the statements of financial position.

31 December 2025 (continued)

36. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (continued)****(i) Credit risk (continued)****Trade and other receivables (continued)****Credit risk concentration profile**

The Group determines concentrations of credit risk by industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

	Group			
	2025		2024	
	RM'000	% of total	RM'000	% of total
By industry sectors:				
Financial services	16,380	30.9%	4,262	8.1%
Investment holding	53	0.1%	21	0.0%
Information and communications technology	23,940	45.2%	28,610	54.4%
Property development & Investment	663	1.3%	408	0.8%
Travel and tours	8,829	16.7%	10,968	20.9%
Others	3,077	5.8%	8,300	15.8%
	<u>52,942</u>	<u>100.0%</u>	<u>52,569</u>	<u>100.0%</u>

The Group applies the simplified approach to trade receivables and general approach to other receivables to providing for impairment losses prescribed by MFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables and other receivables. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward looking information. The Group also assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable.

36. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (continued)****(i) Credit risk (continued)****Trade and other receivables (continued)**

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	2025	2024
	RM'000	RM'000
Neither past due nor impaired	22,323	24,197
Past due 0 to 3 months	9,428	18,088
Past due 3 to 9 months	15,959	9,111
Past due over 9 months	7,503	3,447
	32,890	30,646
Credit impaired (individually assessed)	(2,271)	(2,274)
	52,942	52,569

31 December 2025 (continued)

36. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (continued)****(i) Credit risk (continued)****Receivables that are impaired**

The receivables of the Group's that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

Group	Trade receivables		Financing receivables		Other receivables		Amount owing by subsidiaries		Amount owing by associates	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January	2,249	4,075	25	-	6,194	5,198	-	-	2,362	2,108
Charge for the financial year	-	12	62	25	383	996	-	-	-	254
- individually assessed	-	-	-	-	-	-	-	-	-	-
Reversal of impairment loss	(65)	(1,838)	-	-	-	-	-	-	-	-
At 31 December	2,184	2,249	87	25	6,577	6,194	-	-	2,362	2,362
Company										
At 1 January	-	-	-	-	-	267	312	-	-	-
Charge for the financial year	-	-	-	-	-	-	-	312	-	-
- individually assessed	-	-	-	-	-	-	-	-	-	-
Reversal of impairment loss	-	-	-	-	-	(267)	(248)	-	-	-
At 31 December	-	-	-	-	-	-	64	312	-	-

36. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (continued)****(i) Credit risk (continued)****Other receivables and inter-company loans and advances**

For other receivables, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Regardless of the analysis above, a significant increase in credit risk is presented if a debtor is more than 30 days past due in the making of a contractual payment.

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

Other than the credit impaired other receivables, the Group and the Company consider those financial assets to have low credit risk.

31 December 2025 (continued)

36. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (continued)****(i) Credit risk (continued)****Financial guarantees**

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

The maximum exposure to credit risk amounts to RM53.57 million (2024: RM61.05 million) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

As at the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantee.

The financial guarantees have not been recognised since the fair value on initial recognition was not material as the guarantees are provided as credit enhancement to the subsidiaries' secured borrowings.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

As at 31 December 2025, the Company's current liabilities exceeded its current assets by RM33.4 million (2024: RM20.9 million). Despite this, the Group's financial position, including dividend income from the subsidiaries, provides adequate resources to enable the Company in meeting its obligations and continue its operations of at least 12 months from the end of the financial year.

36. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (continued)****(ii) Liquidity risk (continued)****Maturity analysis**

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations:

	Carrying Amount RM'000	interest rate %	← Contractual cash flows →			Total RM'000
			Contractual or within 1 Year RM'000	On demand 1 - 5 Years RM'000	Between More than 5 Years RM'000	
2025						
Group						
Financial liabilities						
Trade and other payables	63,049	5.50	58,760	4,289	-	63,049
Revolving credit	7,000	5.38-5.54	7,000	-	-	7,000
Term loans	73,345	4.25-7.51	11,636	42,491	41,204	95,331
Lease liabilities	4,415	3.60-6.65	1,287	3,667	-	4,954
Company						
Financial liabilities						
Other payables	38,287	-	38,287	-	-	38,287
Lease liabilities	2,359	3.60	683	1,877	-	2,560
Financial guarantee contracts	-	-	53,567	-	-	53,567

31 December 2025 (continued)

36. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (continued)****(ii) Liquidity risk (continued)****Maturity analysis (continued)**

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations: (continued)

	Carrying Amount RM'000	interest rate %	← Contractual cash flows →			Total RM'000
			Contractual or within 1 Year RM'000	On demand Between 1 - 5 Years RM'000	More than 5 Years RM'000	
2024						
Group						
Financial liabilities						
Trade and other payables	65,536	5.50	60,124	5,076	336	65,536
Revolving credit	10,000	5.64-5.90	10,000	-	-	10,000
Term loans	84,631	4.75-8.22	15,405	45,547	51,132	112,084
Lease liabilities	19,662	3.60-5.50	3,988	14,727	4,922	23,637
Company						
Financial liabilities						
Other payables	22,759	-	22,759	-	-	22,759
Lease liabilities	2,936	3.60	683	2,560	-	3,243
Financial guarantee contracts	-	-	61,052	-	-	61,052

36. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (continued)****(iii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises from the Group's borrowings and is managed through the use of fixed and floating rate debts and tenure of the loans. The Group does not use derivative financial instruments to hedge its risk.

The Company manages the net exposure to interest rate risks by maintaining sufficient lines of credit to obtain acceptable lending costs and by monitoring the exposure to such risks on an ongoing basis. Management does not enter into interest rate hedging transactions since it considers that the cost of such instruments outweighs the potential risk of interest rate fluctuation.

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments based on carrying amounts as at the end of the reporting period were:

		2025		2024	
		Weighted average effective interest rate	Carrying amount	Weighted average effective interest rate	Carrying amount
	Note	%	RM'000	%	RM'000
Fixed rate					
Group					
Financial assets					
Fixed deposits	19	2.44	35,971	2.28	33,517
Floating rate					
Group					
Financial liabilities					
Revolving credit	22(a)	5.38-5.54	7,000	5.64-5.90	10,000
Term loans	22(b)	5.13	73,345	5.16	84,631
			80,345		94,631

31 December 2025 (continued)

36. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (continued)****(iii) Interest rate risk (continued)****Sensitivity analysis for interest rate risk****(a) Fair value sensitivity analysis for fixed rate instruments**

The Group and the Company do not account for any fixed rate financial assets at fair value through profit or loss and equity. Therefore, a change in interest rates at the reporting date would not affect profit or loss and equity.

(b) Cash flow sensitivity analysis for variable rate instruments

At the reporting date, if interest rates had been 100 basis points lower/higher, with all other variables held constant, the Group's profit net of tax would have been RM0.8 million lower/higher respectively, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings and higher/lower interest income from fixed rate fixed deposits. The assumed movement in basis points for interest rate sensitivity analysis is based on a prudent estimate of the current market environment.

(iv) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's and the Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's and the Company's operating activities (when sales, purchases and borrowings that are denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The Group and the Company ensure that the net exposure to this risk is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances. Management does not enter into currency hedging transactions since it considers that the cost of such instruments outweighs the potential risk of exchange rate fluctuations.

36. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (continued)****(iv) Foreign currency risk (continued)**

The unhedged financial assets and liabilities of the Group that are not denominated in their functional currencies are as follows:

Group	← Functional currencies →			Total
	Ringgit	US	Singapore	
2025	Malaysia	Dollar	Dollar	RM'000
	RM'000	RM'000	RM'000	RM'000
Financial assets and liabilities not held in functional currencies				
<u>Trade receivables</u>				
US Dollar	-	-	557	557
Australia Dollar	420	-	-	420
Brunei Dollar	740	-	-	740
	1,160	-	557	1,717
<u>Other receivables</u>				
US Dollar	-	-	29	29
<u>Cash and bank balances</u>				
Australia Dollar	11	-	-	11
Euro	191	-	-	191
Pound Sterling	340	27	-	367
Singapore Dollar	2	273	-	275
US Dollar	3,015	-	1,377	4,392
Others	4	-	-	4
	3,563	300	1,377	5,240
<u>Trade payables</u>				
US Dollar	494	-	667	1,161
Others	236	-	2	238
	730	-	669	1,399

31 December 2025 (continued)

36. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (continued)****(iv) Foreign currency risk (continued)**

The unhedged financial assets and liabilities of the Group that are not denominated in their functional currencies are as follows: (continued)

Group	← Functional currencies →			Total
	Ringgit Malaysia RM'000	US Dollar RM'000	Singapore Dollar RM'000	
2024				RM'000
Financial assets and liabilities not held in functional currencies				
<u>Investment securities</u>				
Renminbi	-	1,693	-	1,693
<u>Trade receivables</u>				
US Dollar	-	-	849	849
Australia Dollar	520	-	-	520
Brunei Dollar	1,985	-	-	1,985
	2,505	-	849	3,354
<u>Other receivables</u>				
US Dollar	-	-	32	32
<u>Cash and bank balances</u>				
Australia Dollar	14	-	-	14
Euro	129	1	-	130
Pound Sterling	498	7	-	505
Singapore Dollar	2	298	-	300
US Dollar	3,129	-	1,081	4,210
Others	4	-	-	4
	3,776	306	1,081	5,163
<u>Trade payables</u>				
US Dollar	881	-	422	1,303
Others	457	-	2	459
	1,338	-	424	1,762

36. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (continued)****(iv) Foreign currency risk (continued)****Sensitivity analysis for foreign currency risk**

The following table demonstrates the sensitivity of the Group's total profit to a reasonably possible change in the USD, RMB, BND and SGD exchange rate against the respective functional currencies of the Group entities, with all other variables held constant.

Group	Effect on
2025	profit for the
	financial year
	RM'000
USD/SGD - strengthened 10%	(125)
- weakened 10%	125
RM/BND - strengthened 10%	(50)
- weakened 10%	50
USD/RM - strengthened 10%	(257)
- weakened 10%	257
	<hr/>
Group	
2024	
RM/BND - strengthened 10%	(153)
- weakened 10%	153
RMB/RM - strengthened 10%	(169)
- weakened 10%	169
USD/RM - strengthened 10%	(231)
- weakened 10%	231
	<hr/>

31 December 2025 (continued)

36. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (continued)****(v) Market price risk**

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risk arising from its investment in quoted equity instruments. Equity price risk arises from unfavourable movements in share price of quoted investments that adversely affect the valuation on equity instruments. There is a direct correlation between movements in share price of quoted equity investments and movements in stock market index. These instruments are classified as held for trading or available-for-sale financial assets. The Group does not have exposure to commodity price risk.

Sensitivity analysis for equity price risk

This analysis assumes that all other variables remain constant and the Group's equity investments moved in correlation with stock market index.

A 5 percent higher in equity prices at the end of the reporting period would have increased the Group's and the Company's equity by RM0.23 million (2024: RM0.47 million) and RM0.02 million (2024: RM0.03 million) respectively. A 5 percent lower in equity prices would have had equal but opposite effect on equity.

(c) Fair value measurement**(i) Financial instruments that are not carried at fair value and whose carrying amounts are reasonably approximated to fair value**

The carrying amount of these financial assets and liabilities is reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The carrying amount of the current portion of borrowings is reasonable approximation of fair values due to the insignificant impact of discounting.

36. FINANCIAL INSTRUMENTS (CONTINUED)**(c) Fair value measurement (continued)****(i) Financial instruments that are not carried at fair value and whose carrying amounts are reasonably approximated to fair value (continued)**

The carrying amount of long term floating rate loans approximate their fair value as the loans to be repaid to market interest rate on or near report date.

(ii) Fair value hierarchy

The following are classes of financial instruments that are carried at fair value, by valuation method. The different levels have been defined as follows:

- (i) Level 1 - Unadjusted quoted prices in an active market for identical financial instruments
- (ii) Level 2 - Inputs other than quoted prices included within Level 1 that are observable either directly or indirectly
- (iii) Level 3 - Inputs that are not based on observable market data

31 December 2025 (continued)

36. FINANCIAL INSTRUMENTS (CONTINUED)**(c) Fair value measurement (continued)****(ii) Fair value hierarchy (continued)**

The following table provides fair value measurement hierarchy of the Group's financial instruments:

Group	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Fair carrying amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
2025	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Financial assets							
Investment securities:							
- Fair value through other comprehensive income financial assets	2,547	-	253	2,800	-	-	2,800
- Fair value through profit or loss financial assets	2,044	-	21,393	23,437	-	-	23,437
Trade receivables (non-current)	-	-	8,166	8,166	-	-	8,166
Financial liabilities							
Borrowings - Term loans	-	-	-	-	-	66,367	66,367
Other payables	-	-	-	-	-	4,289	4,289

36. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurement (continued)

(ii) Fair value hierarchy (continued)

The following table provides fair value measurement hierarchy of the Group's financial instruments: (continued)

Group	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Fair value amount	Carrying amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
2024	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Financial assets								
Investment securities:								
- Fair value through other comprehensive income financial assets	6,832	-	263	7,095	-	-	-	7,095
- Fair value through profit or loss financial assets	2,501	-	36,581	39,082	-	-	-	39,082
Financial liabilities								
Borrowings - Term loans	22	-	-	-	-	74,952	74,952	74,952
Other payables	24	-	-	-	-	5,412	5,412	5,412

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31 December 2025 (continued)

36. FINANCIAL INSTRUMENTS (CONTINUED)**(c) Fair value measurement (continued)****(ii) Fair value hierarchy (continued)****Policy on transfer between levels**

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Fair value hierarchy*Level 1 fair value*

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Financial instrument carried at fair value

The fair value of quoted investments are estimated based on their quoted market prices as at the end of the reporting period.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Level 3 fair value

Level 3 fair value is estimated using unobservable input for the financial assets with the respective valuation technique.

Valuation process applied by the Group has been disclosed on Note 13 to the financial statements.

The Group has the policy to regularly assess and evaluate the appropriate valuation methodologies in ascertaining the fair value of the investments.

Financial instruments not carried at fair value

The fair value of the term loans are determined using the discounted cash flows method based on discount rates that reflects the issuer's borrowing rate as at the end of the reporting period.

36. FINANCIAL INSTRUMENTS (CONTINUED)**(c) Fair value measurement (continued)****(ii) Fair value hierarchy (continued)****Transfer between levels of fair values hierarchy**

There is no transfer between levels of fair values hierarchy during the financial year.

37. CAPITAL MANAGEMENT

The Group actively and regularly reviews and manages its capital structure with the objectives of ensuring that the Group will be able to continue as a going concern while maximising the return to stakeholders. These reviews take into consideration future capital requirements of the Group, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and strategic investment opportunities.

The capital structure of the Group consists of debt which includes borrowings (Note 22 to the financial statements), cash and cash equivalents (Statements of Cash Flows), and equity attributable to equity holders of the Company.

The Group's overall capital management strategy remains unchanged from 2024 and this includes maintaining a healthy gearing ratio taking into consideration the objectives of the Group. There were no changes in the Group's approach to capital management during the year. As at the reporting date, the gearing ratio calculated as total borrowings divided by total equity is as follows:

	Group	
	2025	2024
	RM'000	RM'000
Total borrowings (Note 22)	80,345	94,631
Less : Cash and cash equivalents (Note 19)	(76,086)	(74,246)
Subtotal	<u>4,259</u>	<u>20,385</u>
Total equity	<u>384,625</u>	<u>407,515</u>
Debt-to-equity ratio	<u>1.11%</u>	<u>5.00%</u>

A subsidiary of the Group is required to maintain the EBITDA to debts ratio of not less than 1.0 to comply with a bank covenant.

31 December 2025 (continued)

38. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR**Disposal of Shanghai Holiday Villa Co. Ltd.**

Shanghai Holiday Villa Hotel Co. Ltd. (“Shanghai hotel subsidiary”), an indirect wholly owned subsidiary of the Company, was disposed entirely upon the termination of the lease for Shanghai Holiday Villa Hotel & Residence Jiading P.R.C. and ceased to be the indirect wholly owned subsidiary of the Company on 21 October 2025.

Statement By Directors

(Pursuant to Section 251(2) of the Companies Act 2016)

We, **ANTON SYAZI DATO' AHMAD SEBI** and **LEE SU NIE**, being two of the directors of Advance Synergy Berhad, do hereby state that in the opinion of the directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors:

ANTON SYAZI DATO' AHMAD SEBI

Director

LEE SU NIE

Director

Selangor

Date: 9 April 2026

Statutory Declaration

(Pursuant to Section 251(1) of the Companies Act 2016)

I, **LEE SU NIE**, being the director primarily responsible for the financial management of Advance Synergy Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements are 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.

LEE SU NIE

Subscribed and solemnly declared by the abovenamed at Shah Alam, Selangor on 9 April 2026.

Before me,
NORAZILA BINTI HASSAN
No. B479

Commissioner for Oaths
Malaysia

Independent Auditors' Report

to the Members of Advance Synergy Berhad
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Advance Synergy Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, 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 129 to 255.

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

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

Group

Impairment of goodwill (Note 4.1 and 9 to the financial statements)

The carrying amount of the goodwill related to information and communications technology ("ICT") and travel and tours ("TT") CGUs amounted to RM20,222,000 and RM3,659,000 respectively. The accounting policy of the Group is to test goodwill for impairment annually. The goodwill amount is required to be allocated to cash generating unit ("CGU") for impairment testing purposes.

We focused on this area because the Group's determination of recoverable amount of the CGU to which the goodwill is allocated requires the exercise of significant judgement to be made by the directors, especially in determining the assumptions to be applied in supporting the underlying cash flow projections in the recoverable amount calculation. These judgements and assumptions are inherently uncertain.

Our audit response:

Our audit procedures focus on evaluating the cash flow projections and the Group's projection procedures which included, among others:

- understanding the methodology adopted by the Group;
- comparing the actual results with previous cash flow projections to assess the performance of the business and historical accuracy of the projections;
- testing the mathematical computation of the impairment assessment;
- performing a sensitivity analysis of key assumptions that are expected to be most sensitive to the recoverable amount; and
- comparing the Group's assumptions to externally derived data as well as our assessments in relation to key inputs such as discount rates, forecasted growth rates and profit margin.

Key Audit Matters (continued)**Group (continued)**

Valuation of investment properties (Note 4.2 and 7 to the financial statements)

The Group's accounting policy is to measure investment properties at fair value subsequent to their initial recognition. The Group determines the fair value of the investment properties based on the market valuation performed by external independent valuers.

We focused on this area because the Group's measurement of fair value requires the exercise of significant judgement to be made by directors, especially in determining the appropriate valuation methods and the key assumptions used in the valuations. These judgements and assumptions are inherently uncertain.

Our audit response:

Our audit procedures included, among others:

- understanding the competency, capabilities and objectivity of the external valuers which includes consideration of their qualifications and experience;
- understanding the scope and purpose of the valuation by reading the terms of engagement to assess whether any matters that might have affected their objectivity or limits the scope of their work;
- reading the valuation reports for all significant properties and discussed with external valuers on their valuation approach and the significant judgements they made, including the selection of comparable properties and adjustments for differences in key attributes made to the transacted value of comparable properties; and
- discussing with the Group on the valuation approach used and appropriateness of the key assumptions.

Key Audit Matters (continued)**Group (continued)****Fair value of unquoted investment (Note 4.3 and 13 to the financial statements)**

The Group has significant balances of financial instruments that are not traded in an active market which include unquoted investment securities amounting to RM21,393,000 as of 31 December 2025. The Group's accounting policy requires the directors to estimate the fair value of these financial instruments by using appropriate valuation methodology.

We focused on this area because the valuations of these financial instruments require significant judgement to be made by the directors in determining the appropriate valuation methodology and key assumptions to be applied for each investment in the fair value estimation. These judgements and assumptions are inherently uncertain.

Our audit response:

Our audit procedures included, among others:

- issuing group audit instructions to the component auditors to communicate our group audit strategy;
- discussing with the component auditors their assessment of the basis and process used by management in determining the fair values, the appropriateness of the valuation methodologies applied to value the unquoted financial instruments as well as the reasonableness of key inputs and assumptions used in the valuation;
- reviewing the component auditors' assessment on the objectivity, professional qualifications and resources of the independent external specialists used by management; and
- reviewing the adequacy of the disclosures made in the financial statements.

Key Audit Matters (continued)**Company**

Investment in subsidiaries (Note 4.4 and 10 to the financial statements)

The Company has significant balance of investment in subsidiaries. The Company has assessed whether there is any indication that the cost of investment in the subsidiary is impaired at the end of each reporting date. Impairment is measured by comparing the carrying amount of an asset with its recoverable amount. Recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value in use.

We focused on this area because the Company's determination of the recoverable amount requires significant judgement to be made by the directors, especially in determining the assumptions to be applied in supporting the underlying cash flow projections in the recoverable amount calculation. These judgements and assumptions are inherently uncertain.

Our audit response:

Our audit procedures focus on evaluating the cash flow projections which included, among others:

- comparing the Company's assumptions to our assessments in relation to key assumptions to assess their reasonableness of the projections;
- testing the mathematical accuracy of the impairment assessment; and
- performing a sensitivity analysis around the key assumptions.

Information Other than the Financial Statements and Auditors' Report Thereon

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

**Information Other than the Financial Statements and Auditors' Report Thereon
(continued)**

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 of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 10 to the financial statements.

Other Matters

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

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Ng Jou Yin
No. 03460/11/2027 J
Chartered Accountant

Kuala Lumpur

Date: 9 April 2026



OTHER INFORMATION

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List of Properties

The top 10 properties of the Group as at 31 December 2025 are as follows:

Location	Description	Approx. land area	Approx. age of building (Years)	Tenure	Carrying Amount (RM'000)	Date of last revaluation/acquisition
57 & 58 Philbeach Gardens - LN69764 59 Philbeach Gardens - LN205767 57 - 59 Philbeach Gardens Earl's Court, London SW5 9ED	Land with aparthotel building	1,118 sq. m.	> 146	Freehold	72,977	04.12.2023
GM1265 Lot 1300* GM1126 Lot 1301 GM424 Lot 1302 GM857 Lot 1303 GM405 Lot 1305 GM3522 Lot 7058 GM2561 Lot 5233 Mukim Sungai Karang Cherating Pahang Darul Makmur	Land with hotel building, recreational facilities, restaurant and apartment block	13 acres	32.5-38	Freehold	42,468	19.01.2022
Lot 849, Jalan Subang 7 Taman Industri Sungai Penaga 47620 Petaling Jaya Selangor Darul Ehsan	One storey warehouse with three storey office	12,015 sq. m.	27	Leasehold (expiring on 20/10/2065)	30,064	01.06.2022
17, Jalan Yap Ah Shak 50300 Kuala Lumpur	Five storey commercial building	722 sq. m.	8	Freehold	27,217	30.11.2018
9, Jalan Kajibumi U1/70 Seksyen U1 Temasya Glenmarie 40150 Shah Alam Selangor Darul Ehsan	Four storey commercial building	3,314 sq. m.	8	Freehold	24,841	30.11.2018

The top 10 properties of the Group as at 31 December 2025 are as follows (continued):

Location	Description	Approx. land area	Approx. age of building (Years)	Tenure	Carrying Amount (RM'000)	Date of last revaluation/ acquisition
Suite No. 3A-5-1 Level 5, Block 3A Plaza Sentral Jalan Stesen Sentral 5 Kuala Lumpur	Office Suite	749 sq. m. (floor area)	22	Freehold	7,000	06.01.2026
9, Jalan SS3/39 47300 Petaling Jaya Selangor Darul Ehsan	Double storey bungalow	669 sq. m.	58	Freehold	3,000	31.12.2025
HS(D) 607584 PTB 24734 Bandar Johor Bahru, District of Johor Bahru Johor Darul Ta'zim	Vacant land	1,136 sq. m.	n/a	Freehold	1,895	16.02.2024
PN5161, Lot 13, Seksyen 1, Bandar Petaling Jaya District Petaling Jaya 16, Jalan Othman 46000 Petaling Jaya Selangor Darul Ehsan	Leasehold land & building	503 sq. m.	64	Leasehold (expiring on 13/9/2060)	1,860	24.01.2025
B-16-8, Megan Avenue II 12 Jalan Yap Kwan Seng 50450 Kuala Lumpur	Office suite	364 sq. m. (floor area)	27	freehold	1,628	10.01.2013

* Legal title for the freehold land has yet to be transferred to the Group.

Statement on Directors' Interests in the Company

and related corporations as at 26 March 2026

	Ordinary shares	
	Number	Percentage (%)
Direct Interest in the Company		
Aryati Sasya Dato' Ahmad Sebi	66,924,000	2.65
Chew Lee Fong	72,981	negligible
Deemed Interest in the Company		
Anton Syazi Dato' Ahmad Sebi	①91,401,000	3.61
Loo Pak Soon	①91,401,000	3.61
Lee Su Nie	②1,095,000	0.04
Direct Interest in related corporation		
Captii Limited ("Captii")		
Anton Syazi Dato' Ahmad Sebi	517,600	1.62
Lee Su Nie	20,000	0.06
Arcylic Synergy Sdn Bhd		
Anton Syazi Dato' Ahmad Sebi	1	negligible
Deemed Interest in related corporation		
Segi Koleksi Sdn Bhd ("SKSB")		
Anton Syazi Dato' Ahmad Sebi	③2,158,582	30.00
Aryati Sasya Dato' Ahmad Sebi	③2,158,582	30.00
Metroprime Corporation Sdn Bhd ("MCSB")		
Anton Syazi Dato' Ahmad Sebi	④8,277,782	100.00
Aryati Sasya Dato' Ahmad Sebi	④8,277,782	100.00
Jiwa Baru Sdn Bhd ("Jiwa Baru")		
Anton Syazi Dato' Ahmad Sebi	⑤800,040	40.00
Aryati Sasya Dato' Ahmad Sebi	⑤800,040	40.00
Osteria Gamberoni Sdn Bhd ("Osteria")		
Anton Syazi Dato' Ahmad Sebi	⑥1,022,964	30.00
Aryati Sasya Dato' Ahmad Sebi	⑥1,022,964	30.00
Primo Espresso Sdn Bhd ("Primo")		
Anton Syazi Dato' Ahmad Sebi	⑥671,687	30.00
Aryati Sasya Dato' Ahmad Sebi	⑥671,687	30.00
Temasya House Sdn Bhd ("Temasya")		
Anton Syazi Dato' Ahmad Sebi	⑥150,000	30.00
Aryati Sasya Dato' Ahmad Sebi	⑥150,000	30.00
Yap Ah Shak House Sdn Bhd ("YASH")		
Anton Syazi Dato' Ahmad Sebi	⑥1,273,565	30.00
Aryati Sasya Dato' Ahmad Sebi	⑥1,273,565	30.00

and related corporations as at 26 March 2026 (continued)

	Ordinary shares	
	Number	Percentage (%)
Deemed Interest in related corporation (continued)		
Alma Dining Sdn Bhd ("ADSB")		
Anton Syazi Dato' Ahmad Sebi	⑥30	30.00
Aryati Sasya Dato' Ahmad Sebi	⑥30	30.00
Aras Tiga Sdn Bhd ("ATSB")		
Anton Syazi Dato' Ahmad Sebi	⑥30	30.00
Aryati Sasya Dato' Ahmad Sebi	⑥30	30.00
Ordinary shares of CHF500.00 each		
Posthotel Arosa AG ("Arosa")		
Anton Syazi Dato' Ahmad Sebi	⑥3,150	35.00
Aryati Sasya Dato' Ahmad Sebi	⑥3,150	35.00
Ordinary shares GBP1.00 each		
57-59 Philbeach Gardens Limited ("PGL")		
Anton Syazi Dato' Ahmad Sebi	⑦100	100.00
Aryati Sasya Dato' Ahmad Sebi	⑦100	100.00

Notes:

- ① By virtue of their interest in Eighth Review (M) Sdn Bhd ("ERSB"), Mr Anton Syazi Dato' Ahmad Sebi and Mr Loo Pak Soon are also deemed to be interested in the ordinary shares of the Company to the extent that ERSB has an interest.
- ② This is her spouse's interest in the ordinary shares of the Company which shall be treated as her interest in the ordinary shares of the Company pursuant to Section 59(11)(c) of the Companies Act 2016 in Malaysia.
- ③ By virtue of their interest in Pacific Existence Sdn Bhd ("PESB"), Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that PESB has an interest in SKSB.
- ④ By virtue of their interest in SKSB via PESB, Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that SKSB has an interest in MCSB.
- ⑤ By virtue of their interest in Campbell House Sdn Bhd ("CHSB"), Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are also deemed to be interested in the shares to the extent that CHSB has an interest in Jiwa Baru.
- ⑥ By virtue of their interest in Kibar Konsep Sdn Bhd ("KKSB"), Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are also deemed to be interested in the shares to the extent that KKSB has an interest in Osteria, Primo, Temasya, YASH, ADSB, ATSB and Arosa.
- ⑦ By virtue of their interest in Arosa via KKSB, Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are also deemed to be interested in the shares to the extent that Arosa has an interest in PGL.

Statistics on Shareholdings

as at 26 March 2026

TOTAL NUMBER OF ISSUED SHARES : 2,529,194,943
 ISSUED SHARE CAPITAL : RM461,376,644.99
 CLASS OF SHARE : Ordinary Shares
 VOTING RIGHT : 1 vote per ordinary share

ANALYSIS OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	% of shareholders	No. of shares held	% of issued shares
Less than 100 shares	404	1.82	12,834	negligible
100 - 1,000 shares	4,307	19.38	3,486,975	0.14
1,001 - 10,000 shares	9,084	40.87	45,277,434	1.79
10,001 - 100,000 shares	6,558	29.50	263,889,561	10.43
100,001 - less than 5% of issued shares	1,871	8.42	1,050,363,356	41.53
5% and above of issued shares	3	0.01	1,166,164,783	46.11
	22,227	100.00	2,529,194,943	100.00

LIST OF TOP 30 SHAREHOLDERS

No.	Name	No. of shares held	Percentage
1.	Dato' Ahmad Sebi Bakar	747,989,224	29.57
2.	SJ Sec Nominees (Tempatan) Sdn Bhd Suasana Dinamik Sdn Bhd	242,399,778	9.58
3.	SJ Sec Nominees (Tempatan) Sdn Bhd Bright Existence Sdn Bhd	175,775,781	6.95
4.	SJ Sec Nominees (Tempatan) Sdn Bhd Eighth Review (M) Sdn Bhd	91,401,000	3.61
5.	Aryati Sasya Dato' Ahmad Sebi	66,924,000	2.65
6.	HSBC Nominees (Asing) Sdn Bhd Exempt An for Bank Julius Baer & Co. Ltd. (Singapore Branch)	35,639,400	1.41
7.	Chew Lee Hwa	27,775,300	1.10
8.	Affin Hwang Investment Bank Berhad Ivt (Cen) Chin Wee Chean	25,695,000	1.02
9.	Chuah Kim Seng	17,200,000	0.68
10.	Kenanga Nominees (Tempatan) Sdn Bhd Kong Tiong Kian	12,450,500	0.49
11.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Lee Yoon Sing (MY3586)	11,700,000	0.46
12.	Wong Ten An	7,100,000	0.28

as at 26 March 2026 (continued)

LIST OF TOP 30 SHAREHOLDERS (continued)

No.	Name	No. of shares held	Percentage
13.	Citigroup Nominees (Asing) Sdn Bhd Exempt An for Bank of Singapore Limited (Foreign)	6,649,500	0.26
14.	Tay Hock Soon	6,140,200	0.24
15.	Maybank Nominees (Tempatan) Sdn Bhd Lay Man Wan @ Lai Mun Wan	6,057,700	0.24
16.	Tan Chi Ming	5,998,600	0.24
17.	Chang Meei Meei	5,705,475	0.23
18.	Ng Yoke Hin	5,128,000	0.20
19.	Kuang Yoke Wah	5,002,000	0.20
20.	Teoh Eam Seong	5,000,000	0.20
21.	Ling Soon Teck	4,639,300	0.18
22.	Lee Kim Soon	4,383,600	0.17
23.	Wong Jun Xiang	4,000,000	0.16
24.	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Kee Boon Seng (SIN 10014-5)	4,000,000	0.16
25.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chia Yoon Ling (002)	3,915,900	0.15
26.	Ong Ngoh Ing @ Ong Chong Oon	3,800,000	0.15
27.	Yeoh Swee Leng	3,600,000	0.14
28.	Lee Gaik Fong	3,356,000	0.13
29.	Lim Hong Liang	3,246,300	0.13
30.	Maybank Nominees (Tempatan) Sdn Bhd Ng Fatt Chong	3,200,000	0.13
		1,545,872,558	61.11

SUBSTANTIAL SHAREHOLDERS

Name of substantial shareholders	No. of shares held		% of issued share capital	
	Direct	Deemed	Direct	Deemed
Dato' Ahmad Sebi Bakar	747,989,224	418,175,559	29.57	16.53
Suasana Dinamik Sdn Bhd	242,399,778	-	9.58	-
Bright Existence Sdn Bhd	175,775,781	-	6.95	-

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the **102nd Annual General Meeting** (“102nd AGM”) of Advance Synergy Berhad will be held at the Mezzanine Floor, Synergy 9, 9 Jalan Kajibumi U1/70, Temasya Glenmarie, 40150 Shah Alam, Selangor, Malaysia on Thursday, 25 June 2026 at 10.00 a.m. for the following purposes:

ORDINARY BUSINESS

- | | |
|--|---|
| 1. To receive the audited financial statements for the financial year ended 31 December 2025 and the Directors’ and Auditors’ reports thereon. | Please refer to Explanatory Note |
| 2. To declare a single tier dividend of 0.05 sen per ordinary share in respect of the financial year ended 31 December 2025. | Resolution 1 |
| 3. To approve the payment of Directors’ fees for the financial year ended 31 December 2025. | Resolution 2 |
| 4. To approve the payment of benefits to the Directors from 26 June 2026 until the conclusion of the next annual general meeting of the Company. | Resolution 3 |
| 5. To re-elect the following Directors: | |
| 5.1 Ms Lee Su Nie | Resolution 4 |
| 5.2 Ms Aryati Sasya Dato’ Ahmad Sebi | Resolution 5 |
| 5.3 Mr Chim Wai Khuan | Resolution 6 |
| 6. To re-appoint Messrs Baker Tilly Monteiro Heng PLT as auditors of the Company and to authorise the Directors to fix their remuneration. | Resolution 7 |

SPECIAL BUSINESS

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

- | | |
|--|---------------------|
| 7. Ordinary Resolution – Authority to allot and issue securities | Resolution 8 |
| <p>“THAT subject always to the Companies Act 2016, Constitution of the Company and/or approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby authorised and empowered pursuant to Section 75(1) and Section 76(1) of the Companies Act 2016 to allot and issue new shares or convertible securities in the Company, from time to time at such price and upon such terms and conditions, for such purpose and to such person or persons whomsoever as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares or convertible securities to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares (excluding any treasury shares) of the Company for the time being AND THAT the Directors be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares or convertible securities so issued from Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company.”</p> | |
| 8. To transact any other ordinary business of which due notice shall have been given. | |

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN that subject to the approval of the shareholders at the 102nd AGM, a first and final single tier dividend of 0.05 sen per ordinary share in respect of the financial year ended 31 December 2025 will be paid on 14 August 2026 to the shareholders whose names appear in the Record of Depositors on 24 July 2026.

A depositor shall qualify for entitlement only in respect of:

- a. Shares transferred to the Depositor’s Securities Account before 4.30 p.m. on 24 July 2026 in respect of transfer; and
- b. Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

Ngian Yoke Fung (MAICSA 7049093) SSM PC No. 201908002393
Secretary

Selangor
30 April 2026

Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 5 June 2026 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this meeting.
2. A member of the Company entitled to attend and vote at the general meeting is entitled to appoint a proxy or proxies to exercise all or any of his/her rights to attend, speak and vote on a show of hands or by poll on any question at this meeting. A proxy need not be a member.
3. A member of the Company may appoint at least one (1) proxy but not more than two (2) proxies to attend, speak and vote in his/her stead. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with shares of the Company standing to the credit of the said securities account. If a member appoints more than one (1) proxy, they must specify the proportion of the member's shareholdings to be represented by each proxy.

Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

4. The instrument appointing a proxy in the case of an individual must be signed by the individual or an attorney who is authorised to act on behalf of the individual and in the case of a corporation, the instrument appointing a proxy must be sealed with the corporation's common seal or signed by an officer of the corporation or an attorney who is authorised to act on behalf of the corporation.
5. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed (or a notarially certified copy of such power or authority) shall be deposited at the Registered Office of the Company at Ground Floor, Synergy 9, 9 Jalan Kajibumi U1/70, Temasya Glenmarie, 40150 Shah Alam, Selangor, Malaysia not less than 48 hours before the time appointed for holding the meeting or any other adjournment thereof either (a) by hand or post, or (b) electronically via email to Dvoteservice@gmail.com.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 102nd AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the 102nd AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 102nd AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

EXPLANATORY NOTES ON ORDINARY BUSINESS**Agenda 1 – Audited Financial Statements for financial year ended 31 December 2025**

The audited financial statements for the financial year ended 31 December 2025 are laid in accordance with Section 340(1) (a) of the Companies Act 2016 for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

Resolution 2 – Directors' Fees

The proposed Resolution 2, if passed, will authorise the payment of Directors' fees for the financial year ended 31 December 2025 amounting to RM372,028 (2024: RM276,913).

The proposed amount includes payment of Director's fee of SGD24,200 (equivalent to RM79,028) for the financial year ended 2025 to be paid by the Company's 58.3%-owned subsidiary, Captii Limited ("Captii"), to Advance Synergy Berhad, in respect of Ms Lee Su Nie's directorship.

Resolution 3 – Directors' Benefits

The benefits payable to the Independent Non-Executive Directors comprise Directors' and Officers' Liability Insurance, health related benefits, and privileges relating to accommodation and food & beverages ("F&B") at the Group's hotel and F&B outlets.

The proposed Resolution 3, if passed, will authorise the payment of benefits to the Independent Non-Executive Directors, if any, from 26 June 2026 until the conclusion of the next annual general meeting of the Company as and when incurred. The Board is of the view that it is just and equitable for these benefits to be paid as and when incurred, particularly after Independent Non-Executive Directors have discharged their responsibilities and rendered their services to the Company throughout the said period.

EXPLANATORY NOTES ON ORDINARY BUSINESS (continued)**Resolutions 4 to 6 – Re-election of Directors**

The Nomination and Remuneration Committee (“NRC”) had assessed the effectiveness of the Board, Board Committees and individual Directors including the Directors standing for re-election under the relevant proposed Resolutions 4 to 6. The NRC also recommended that the said Directors standing for re-election are suitable to be re-elected as they meet the criteria of character, experience, integrity, competency and time commitment to effectively discharge their respective roles as Director of the Company. All Directors standing for re-election as Directors and being eligible, have offered themselves for re-election at the 102nd AGM of the Company.

Based on the recommendation of the NRC, the Board supports the re-election of Ms Lee Su Nie, Ms Aryati Sasya Dato’ Ahmad Sebi and Mr Chim Wai Khuan as Directors of the Company. The retiring Directors had abstained from the deliberation and decision on their respective eligibility to stand for re-election at the relevant Board Meeting.

Details of the Directors standing for re-election under the proposed Resolutions 4, 5 and 6 are stated in the Directors’ profile on pages 74 to 83 of this Annual Report. Their securities holdings in the Company and its subsidiaries are stated on pages 270 and 271 of this Annual Report.

Resolution 7 – Re-appointment of Auditors

The Audit Committee has considered the re-appointment of Messrs Baker Tilly Monteiro Heng PLT (“BTMH”) as Auditors of the Company and is satisfied with the performance, competency, audit approach, and independence of BTMH. The Committee viewed that BTMH have met the relevant criteria prescribed by Paragraph 15.21 of Main Market Listing Requirement of Bursa Malaysia Securities Berhad, amongst others, adequacy of the experience and resources of the accounting firm, and size and competency of the audit engagement team.

The Board endorsed the Audit Committee’s recommendation to seek shareholders’ approval to re-appoint BTMH as External Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

EXPLANATORY NOTES ON SPECIAL BUSINESS**Resolution 8 – Authority to allot and issue securities**

The proposed Resolution 8 is the renewal of the mandate obtained from the members at the last Annual General Meeting. As at the date of this Notice, the Company did not allot any shares or convertible securities pursuant to the mandate granted to the Directors at the 101st Annual General Meeting held on 26 June 2025 which will lapse upon the conclusion of the forthcoming 102nd AGM.

The proposed Resolution 8, if passed, would provide flexibility and authority to the Directors to undertake fund raising activities, including but not limited to further placement of shares or convertible securities for the purpose of funding the Company’s future investment project(s), working capital and/or acquisition(s), by the issuance of shares or convertible securities in the Company to such persons at any time as the Directors may deem fit provided that the aggregate number of shares or convertible securities to be issued pursuant to the mandate does not exceed 10% of the total number of issued shares of the Company for the time being, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

If there should be a decision to issue new shares or convertible securities after the general mandate is obtained, the Company will make an announcement in respect of the purpose and utilisation of proceeds arising from such issue.

Statement Accompanying Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Listing Requirements of Bursa Malaysia Securities Berhad)

Details of individuals who are standing for election as Directors

As at the date of this Notice, there are no individuals who are standing for election as Directors (excluding the Directors who are standing for re-election) at this coming 102nd AGM of the Company.

I/We _____
(Full Name as per NRIC/Passport/Certificate of Incorporation in capital letters)

NRIC No./Passport No./Registration No. _____ or CDS Account No. _____
(for nominee companies only)

of _____
(full address)

being a member/members of ADVANCE SYNERGY BERHAD, hereby appoint:

Full Name in capital letters	NRIC/Passport No.	Proportion of Shareholdings to be represented	
Address		No. of Shares	%

And (if more than one (1) proxy)

Full Name in capital letters	NRIC/Passport No.	Proportion of Shareholdings to be represented	
Address		No. of Shares	%

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 102nd Annual General Meeting ("102nd AGM") of the Company to be held at Mezzanine Floor, Synergy 9, 9 Jalan Kajibumi U1/70, Temasya Glenmarie, 40150 Shah Alam, Selangor, Malaysia on Thursday, 25 June 2026, at 10.00 a.m. or at any adjournment thereof and thereat to vote as indicated below:

Please indicate with (✓) how you wish to cast your vote. If neither "FOR" nor "AGAINST" is indicated, the proxy will vote or abstain from voting at his/her discretion.

NO.	RESOLUTION	FOR	AGAINST
1.	Declaration of dividend		
2.	Approval of the payment of Directors' fees		
3.	Approval of the payment of benefits to the Directors from 26 June 2026 until the conclusion of the next annual general meeting of the Company		
4.	Re-election of Ms Lee Su Nie as Director		
5.	Re-election of Ms Aryati Sasya Dato' Ahmad Sebi as Director		
6.	Re-election of Mr Chim Wai Khuan as Director		
7.	Re-appointment of Messrs Baker Tilly Monteiro Heng PLT as auditors of the Company and authorisation for the Directors to fix their remuneration		
8.	Authorisation for Directors to allot and issue new securities pursuant to Sections 75(1) and 76(1) of the Companies Act 2016		

Dated this _____ day of _____ 2026

Number of shares held _____

Signature _____

Notes:

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 5 June 2026 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this meeting.
- A member of the Company entitled to attend and vote at the general meeting is entitled to appoint at least one (1) proxy but not more than two (2) proxies to attend and vote in his/her stead. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
- A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney duly authorised in writing and in the case of a corporation, the instrument appointing a proxy must be under its common seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed (or a notarially certified copy of such power or authority) shall be deposited at the Registered Office of the Company at Ground Floor, Synergy 9, 9 Jalan Kajibumi U1/70, Temasya Glenmarie, 40150 Shah Alam, Selangor, Malaysia not less than 48 hours before the time appointed for holding the meeting or any other adjournment thereof either (a) by hand or post, or (b) electronically via email to Dvoteservice@gmail.com.

Personal Data Privacy: By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 30 April 2026.

Fold this flap for sealing

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**AFFIX
STAMP**

THE SECRETARY

ADVANCE SYNERGY BERHAD

Ground Floor, Synergy 9

9 Jalan Kajibumi U1/70

Temasya Glenmarie

40150 Shah Alam

Selangor, Malaysia

Please fold here



ADVANCE SYNERGY BERHAD

[Registration No. 192001000024 (1225-D)]

SYNERGY 9, 9 Jalan Kajibumi U1/70, Temasya Glenmarie
40150 Shah Alam, Selangor, Malaysia